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

If you have sold or transferred all your shares in CAI Corp, 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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This circular appears for information only and does not constitute an invitation or offer to shareholders or any other persons to acquire, purchase, or subscribe for securities of the Company.



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;
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Financial adviser to the Company



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



A letter from the Board is set out on pages 4 to 14 of this circular.

A notice convening the extraordinary general meeting (“EGM”) of CAI Corp to be held at 11/F, CAI Building, 54-58 Electric Road, Tin Hau, Hong Kong on Thursday, 6 August 2026 at 11:00 a.m., is set out on pages EGM-1 and EGM-2 of this circular. A form of proxy for use by the Shareholders in connection with 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 and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s 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 as soon as possible and in any event not less than 48 hours (i.e. 11:00 a.m. on Tuesday, 4 August 2026 (Hong Kong time)) before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

17 July 2026

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DEFINITIONS

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

“Articles”	articles of association of the Company
“associate(s)”	has the meaning ascribed to this term 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)

DEFINITIONS

“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)
“Investment Committee”	means the investment committee of the Company, currently comprising two executive Directors
“Latest Practicable Date”	14 July 2026, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“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 and beneficially owned by Mr. Cai
“Mr. Cai”	Mr. Cai Wensheng, the ultimate controlling shareholder of the Company, the chairman of the Board and the non-executive Director
“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 circular, 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)

DEFINITIONS

“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

LETTER FROM THE BOARD



CAI CORP
CAI 控股

(Incorporated in the Cayman Islands as an exempted company with limited liability)

(Stock Code: 80)

Executive Directors:

Mr. Hong Yupeng

Mr. Lui Cheuk Hang Henri

Non-executive Director:

Mr. Cai Wensheng (*Chairman*)

Independent non-executive Directors:

Prof. Li Jin

Ms. Hsieh Ya-fang

Mr. Li Jianbin

Registered office:

P.O. Box 309, Ugland House

South Church Street, George Town

Grand Cayman KY1-1104

Cayman Islands

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

20/F, CAI Building

54–58 Electric Road

Tin Hau

Hong Kong

17 July 2026

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

Reference is made to the announcement of the Company dated 29 May 2026 in relation to the Subscription and the Specific Mandate.

The purpose of this circular is to provide you with, among other thing, (i) information relating to the details of the Subscription; (ii) a letter from the Independent Board Committee to 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); (iii) a letter from the Independent Financial Adviser to 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); (iv) other information as required under the Listing Rules; and (v) a notice of the EGM together with the proxy form for use at the EGM.

LETTER FROM THE BOARD

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 Latest Practicable Date 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 Latest Practicable Date; 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;
- (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;
- (iii) a premium of approximately 24.5% over the closing price of HK\$0.265 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (iv) a premium of approximately 135.71% over the unaudited net asset value per Share of approximately HK\$0.14 as at 31 May 2026, as disclosed in the announcement of the Company dated 15 June 2026; and

LETTER FROM THE BOARD

- (v) the theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 9.70%, represented by the theoretical ex-rights price of approximately HK\$0.447 per Share to the benchmarked price of approximately HK\$0.495 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (a) the closing price on the date immediately preceding the publication of the announcement in respect of the rights issue (the “**RI Last Trading Day**”) of HK\$0.495 per Share; and (b) the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the RI Last Trading Day of HK\$0.478 per Share).

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, being the average closing price of approximately HK\$0.309 per Share for the five consecutive trading days immediately prior to and including the date of the Subscription Agreement. The Directors 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;

LETTER FROM THE BOARD

- (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.

As at the Latest Practicable Date, none of the above conditions precedent have been fulfilled and/or waived.

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.

LETTER FROM THE BOARD

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 across different industries, including the technology, property, consumer, telecommunications and other sectors, with a particular focus on AI and Web3 sectors. The investment products in which the Company may invest include listed and unlisted equity securities, bonds, funds, digital assets and other investments. The Company has adopted an investment policy setting out the principles and parameters of its investment activities. For the full text of the objectives, please refer to the section headed “6. Investment Objectives, Policies and Restrictions” in Appendix II to this circular.

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 directly and beneficially owned by Mr. Cai. The Subscriber is principally engaged in the business of capital investments globally.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEED

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.

LETTER FROM THE BOARD

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 five months ended 31 May 2026, the cash and cash equivalents of the Group decreased from approximately HK\$29.1 million as at 31 December 2025 to approximately HK\$2.1 million as at 31 May 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's investment focus on the aforesaid AI and Web3 sectors is part of its broader commitment to support the growth of the digital asset ecosystem. 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, certain 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.

LETTER FROM THE BOARD

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 additional five to six weeks as compared to the Subscription, in view of the lengthy negotiations with potential commercial underwriters and the issue of listing documents along with other application and administrative procedures; (iii) additional costs, including but not limited to administrative costs, 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 other equity financing is not a viable financing alternative for the Group in terms of the timing for negotiations, duration and costs. 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 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.

LETTER FROM THE BOARD

EFFECTS ON SHAREHOLDING STRUCTURE

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

Shareholders	As at the Latest Practicable Date		Immediately after Completion (assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date 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 directly and beneficially owned by Mr. Cai.
2. The figures are for reference only and will be subject to rounding adjustments.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising exercise in the past twelve months immediately preceding the Latest Practicable Date:

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\$21.25 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 Latest Practicable Date.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, the Subscriber, the entire issued share capital of which is directly and beneficially owned by Mr. Cai (the ultimate controlling shareholder of the Company, the chairman of the Board and a non-executive Director) 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 Subscriber and its respective associates will abstain from voting on the relevant resolution approving the Subscription and the Specific Mandate at the EGM.

LETTER FROM THE BOARD

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.

EGM AND PROXY ARRANGEMENT

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares). A notice convening the EGM to be held at 11/F, Cai Building, 54–58 Electric Road, Tin Hau, Hong Kong on Thursday, 6 August 2026 at 11:00 a.m. is enclosed with this circular.

A form of proxy for use at the EGM is enclosed with this circular. If you do not intend to attend, speak and vote at the EGM, you may complete the accompanying form of proxy in accordance with the instructions printed thereon and return the completed form to the Share Registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 11:00 a.m. on Tuesday, 4 August 2026, or in case of the adjournment thereof, not less than 48 hours before the time appointed for holding such adjourned meeting.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend, speak and vote at the EGM, the register of members of the Company will be closed from Monday, 3 August 2026 to Thursday, 6 August 2026, both days inclusive, during which period no transfer of Shares can be registered. To qualify for attending, speaking and voting at the EGM, non-registered Shareholders must lodge all duly completed and stamped transfer forms accompanied by the relevant share certificates with the Share Registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Friday, 31 July 2026 for registration. The record date of the attending and voting at the EGM is Thursday, 6 August 2026.

LETTER FROM THE BOARD

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the EGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

In accordance with the Listing Rules, Longling Capital and Mr. Cai shall be required to abstained from voting on the proposed resolution for approving the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares) at the EGM. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Subscription Agreement and will be required to abstain from voting on the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares) at the EGM.

RECOMMENDATION

The Board considers that the proposed resolution set out in the notice of EGM are in the interests of the Company and the Shareholders as a whole. The Board therefore recommends the Shareholders to vote in favour of the resolution to be proposed at the EGM.

ADDITIONAL INFORMATION

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

By Order of the Board
CAI Corp
Cai Wensheng
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of the Independent Board Committee to the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder for inclusion in this circular.



CAI CORP
CAI 控股

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

17 July 2026

To the Independent Shareholders

Dear Sir or Madam,

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

We refer to the circular dated 17 July 2026 (the “**Circular**”) of the Company of which this letter forms part. Terms defined in the Circular have the same meanings when used herein unless the context otherwise requires.

We have been formed to advise the Independent Shareholders on, amongst other matters, 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).

Mango Financial Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on their fairness and reasonableness, whether 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 in the interests of the Company and the Shareholders as a whole and how the Independent Shareholders should vote regarding the relevant resolution to be proposed at the EGM in relation to them.

We wish to draw your attention to (i) the Letter from the Board as set out on pages 4 to 14 of the Circular; (ii) the Letter from the Independent Financial Adviser as set on pages 17 to 35 of the Circular; and (iii) the additional information as set out in the appendices to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered, among other things, the terms and conditions of the Subscription Agreement, the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares), and the advice of the Independent Financial Adviser, we consider that the entering into of the Subscription Agreement is on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares).

Yours faithfully
for and on behalf of
the Independent Board Committee

Professor Li Jin
*Independent non-executive
Director*

Ms. Hsieh Ya-fang
*Independent non-executive
Director*

Mr. Li Jianbin
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from Mango Financial Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement for the purpose of inclusion in this circular.



17 July 2026

*To the Independent Board Committee and
the Independent Shareholders
of CAI Corp*

Dear Sirs,

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

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 17 July 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

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 Subscriber, namely Longling Capital (the entire issued share capital of which is directly and beneficially owned by Mr. Cai, the ultimate controlling shareholder of the Company, the chairman of the Board and a non-executive Director), 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.

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.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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

INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationships or interests with the Company or any other parties that could reasonably be regarded as relevant to our independence. In the last two years prior to the Latest Practicable Date, we acted as the independent financial adviser to the independent board committee and independent shareholders of the Company in respect of discloseable and connected transactions, details of which are set out in the circular of the Company dated 21 January 2026. Apart from normal professional fees paid or payable to us in connection with the previous appointment and this appointment as the Independent Financial Adviser, no arrangement exists whereby we had received or will receive any fees or benefits from the Company. Accordingly, we consider that we are eligible to give independent advice 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).

BASIS OF OUR OPINION

In formulating our opinion and recommendations to the Independent Board Committee and the Independent Shareholders, we have relied on the information, facts and representations contained or referred to in the Circular and the information, opinions and representations provided or expressed to us by the Directors and/or the management of the Company (the “**Management**”). We have assumed that all the information, facts and representations contained or referred to in the Circular, and all the information, opinions and representations provided or expressed by the Management, for which they are solely responsible, were true, accurate and complete in all material respects at the time when they were provided and continue to be so as at the Latest Practicable Date and that they may be relied upon in formulating our view. We have also assumed that all such opinions and statements of intention or belief expressed by the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiries.

The Directors have confirmed to us that no material facts have been withheld or omitted from the information provided, representations made or opinions expressed. We have no reason to suspect that any relevant information has been withheld or omitted, nor are we aware of any facts or circumstances which would render the information provided, representations made or opinions expressed to us untrue, inaccurate or misleading. We consider that we have been provided with, and have reviewed, sufficient information currently available, and that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Management, nor have we conducted any form of in-depth investigation into the businesses, affairs, operations, financial position or future prospects of the Company, the parties to the Subscription Agreement or any of their respective subsidiaries or associates. Our opinion is necessarily based on the financial, economic, market and other conditions in effect, and the information made available to us, as at the Latest Practicable Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The 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 the 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 therein or the Circular misleading.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Subscription Agreement. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating and giving our independent financial advice, we have taken into account the following principal factors:

1. Information on the Company

The Company is an exempted company incorporated in the Cayman Islands with limited liability 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 across different industries, including the technology, property, consumer, telecommunications and other sectors, with a particular focus on artificial intelligence (“AI”) and Web3 sectors. The investment products in which the Company may invest include listed and unlisted equity securities, bonds, funds, digital assets and other investments. The Company has adopted an investment policy setting out the principles and parameters of its investment activities, the full text of which are set out in the section headed “6. Investment Objectives, Policies and Restrictions” in Appendix II to the Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is a summary of the financial results of the Company for the years ended 31 December 2023, 2024 and 2025 (“FY2023”, “FY2024” and “FY2025”, respectively) as extracted from the annual reports of the Company for FY2023, FY2024 and FY2025 (“2023 Annual Report”, “2024 Annual Report” and “2025 Annual Report”, respectively).

	FY2023 (audited) HK\$	FY2024 (audited) HK\$	FY2025 (audited) HK\$
Revenue	126,339	759,920	22,788
Net change in fair value of financial assets at fair value through profit or loss (“FVTPL”)	(35,365,185)	(17,515,762)	(18,703,876)
Other operating expenses	(17,015,757)	(12,065,736)	(12,934,119)
Operating loss	(52,254,603)	(28,821,578)	(31,615,207)
Finance costs	(182,240)	(156,953)	(54,615)
Loss before tax	(52,436,843)	(28,978,531)	(31,669,822)
Income tax expense	—	—	—
Loss for the year	(52,436,843)	(28,978,531)	(31,669,822)

Set out below is a summary of the financial position of the Company as at 31 December 2023, 31 December 2024 and 31 December 2025 as extracted from the 2023 Annual Report, the 2024 Annual Report and the 2025 Annual Report.

	As at 31 December		
	2023 (audited) HK\$	2024 (audited) HK\$	2025 (audited) HK\$
Non-current assets	1,619,547	181,847	3,081,501
Current assets	93,623,662	64,935,138	259,720,164
– Financial assets at FVTPL	66,340,464	42,960,053	202,687,402
– Cash and cash equivalents	17,309,428	13,007,593	29,148,723
Current liabilities	5,207,358	4,257,563	2,768,576
Net assets/Total equity	89,837,953	60,859,422	259,335,135
Net asset value per Share	0.07	0.05	0.13

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For FY2023, the Company recognised net loss in fair value change of financial assets at FVTPL of approximately HK\$35.4 million which was attributable to the net realized loss of approximately HK\$59.1 million mainly in respect of its investments in one listed equity security and two unlisted equity securities, which was partially offset by the net unrealised gain of approximately HK\$23.8 million in respect of the Company's other investments. As disclosed in the 2023 Annual Report, the investment performance of the Company during FY2023 was affected by the slow recovery of the Chinese economy after the global pandemic and the rising volatility of the Greater China stock market.

As at 31 December 2023, the Company held financial assets at FVTPL of approximately HK\$66.3 million, which mainly represented nine investments, comprising (i) four investments in Hong Kong-listed companies with principal businesses in (a) the operation of Japanese ramen restaurant; (b) the design and development, manufacturing and distribution of watch products; (c) the manufacture and sales of medical products and plastic toys business; and (d) subcontracted bored piling works as well as other foundation works; (ii) three unlisted equity securities investments in companies with principal businesses in (aa) the provision of quality brokerage, corporate finance, asset management, money lending and financial adviser services to institutional and individual investors in Hong Kong and Mainland China; (bb) the provision of financial printing services; and (cc) the provision of money lending; (iii) one limited partnership fund; and (iv) one open-ended fund. As at 31 December 2023, the Company reported an audited net asset value per Share of approximately HK\$0.07.

For FY2024, the Company's net loss in fair value change of financial assets at FVTPL decreased to approximately HK\$17.5 million, which was attributable to the net realised loss of approximately HK\$3.5 million and net unrealised loss of approximately HK\$14.0 million in respect of its investments in listed equity securities and unlisted equity securities. As disclosed in the 2024 Annual Report, the investment performance of the Company during FY2024 was affected by significant economic challenges in the Chinese economy, as well as increasing political risks in the Hong Kong and China stock markets.

As at 31 December 2024, the Company held financial assets at FVTPL of approximately HK\$43.0 million, which mainly represented six investments, comprising one investment in (i) a Hong Kong-listed company principally engaging in the trading of oil products; (ii) three investments in unlisted equity securities in companies with principal businesses in (a) the provision of quality brokerage, corporate finance, asset management, money lending and financial adviser services to institutional and individual investors in Hong Kong and Mainland China; (b) the provision of financial printing services; and (c) the provision of money lending; (iii) one limited partnership fund; and (iv) one open-ended fund. As at 31 December 2024, the Company reported an audited net asset value per Share of approximately HK\$0.05.

For FY2025, the Company recorded net loss in fair value change of financial assets at FVTPL of approximately HK\$18.7 million, which was primarily attributable to the net unrealised loss of approximately HK\$11.4 million in respect of its investments in listed securities based on the closing prices of the relevant securities at the end of the FY2025. The Company also recorded net realised and unrealised losses totaled approximately HK\$7.3 million in respect of its investments in unlisted equity securities and other investments for FY2025, which was significantly lower than those of approximately HK\$15.9 million for FY2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In November 2025, the Company completed a rights issue (“**2025 Rights Issue**”) and raised net proceeds of approximately HK\$230.11 million, with approximately 90% and 10% of which intended to be applied for investment purposes and as working capital. As disclosed in the 2025 Annual Report, during FY2025, the Company applied approximately HK\$195.4 million of the net proceeds for investment purposes and approximately HK\$5.6 million of the net proceeds for general working capital of the Company, such as administrative expenses, including but not limited to office rent, salaries and allowances and legal and professional fees. As a result, the Company’s financial assets at FVTPL increased from approximately HK\$43.0 million as at 31 December 2024 to approximately HK\$202.7 million as at 31 December 2025. The Company’s financial assets at FVTPL as at 31 December 2025 represented a portfolio of investments which mainly included five listed equity securities, three investments in unlisted equity securities in companies with principal businesses in (i) a regulated market infrastructure provider specializing in digital asset derivatives with operations in London, Hong Kong, and Abu Dhabi; (ii) the provision of money lending; and (iii) the provision of quality brokerage, corporate finance, asset management, money lending and financial adviser services to institutional and individual investors in Hong Kong and Mainland China, one limited partnership fund and other investments. As at 31 December 2025, cash and cash equivalents of the Company amounted to approximately HK\$29.1 million, which principally represented the unutilised net proceeds from the 2025 Rights Issue. As at 31 December 2025, the Company reported an audited net asset value per Share of approximately HK\$0.13.

According to the Board Letter, 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. Subsequent to 31 December 2025, the Company completed its investments in the unlisted equity interests in two investee companies, which are principally engaged in the provision of services on asset management, advising on securities and dealing in securities in Hong Kong and issuance of cryptocurrency-backed exchange traded products in Hong Kong and Switzerland to global investors, and the operation of virtual asset trading platform licensed in Hong Kong, respectively, in February 2026.

2. Information on the Subscriber

Longling Capital 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 directly and beneficially owned by Mr. Cai, who is the chairman of the Board, a non-executive Director and the ultimate controlling shareholder of the Company. Longling Capital is principally engaged in the business of capital investments globally.

As at the Latest Practicable Date, Longling Capital 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).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Reasons for the Subscription and use of proceeds

Use of proceeds

As disclosed in the Board Letter, 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 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.

Funding needs for business development

As stated in the Board Letter, cash and cash equivalents of the Group decreased from approximately HK\$29.1 million as at 31 December 2025 to approximately HK\$2.1 million as at 31 May 2026 based on the management accounts of the Group for the five months ended 31 May 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.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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's investment focus on the aforesaid AI and Web3 sectors is part of its broader commitment to support the growth of the digital asset ecosystem. The Company's ultimate objective is to transform into a comprehensive investment holding group with diversified interests across traditional and emerging sectors.

Financing alternatives

According to the Board Letter, the Directors have considered various fundraising 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, certain 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 additional five to six weeks as compared to the Subscription, in view of the lengthy negotiations with potential commercial underwriters and the issue of listing documents along with other application and administrative procedures; (iii) additional costs, including but not limited to administrative costs, 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 other equity financing is not a viable financing alternative for the Group in terms of the timing for negotiations, duration and costs. 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.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our view

From the perspective of funding needs:

As noted from the 2025 Annual Report, the Company's cash and cash equivalents amounted to approximately HK\$29.1 million as at 31 December 2025, which primarily represented the unutilised net proceeds from the 2025 Rights Issue. According to the 2025 Annual Report, approximately HK\$11.7 million of such unutilised proceeds was intended for investment purposes and approximately HK\$17.4 million was intended for general working capital purposes. With reference to the Board Letter, cash and cash equivalents of the Company decreased substantially to approximately HK\$2.1 million as at 31 May 2026. Such reduction suggests that a significant portion of the Company's available liquid resources had been utilised within a relatively short period following the completion of the 2025 Rights Issue. In our view, the remaining cash resources may materially constrain the Company's ability to pursue new investment opportunities while maintaining adequate liquidity for its ongoing operations.

We also note that, unlike operating companies with recurring cash inflows generated from the sale of goods or services, the Company's ability to generate cash is largely dependent on investment income and the realisation of investments, both of which are subject to market conditions and may not occur on a regular basis. In this regard, the Company's revenue for FY2025 amounted to only approximately HK\$23,000, representing solely bank interest income, as compared to revenue of approximately HK\$760,000 for FY2024, which mainly comprised bank interest income of approximately HK\$56,000 and income from a profit guarantee of approximately HK\$704,000. The decline in revenue indicates the limited recurring cash income generated by the Company during FY2025.

In addition, we note from the 2025 Annual Report that the Company's listed securities investments were in an overall unrealised loss position as at 31 December 2025. As such, disposal of such investments to generate cash may not be desirable from an investment management perspective. Together with the illiquid nature of the private equity investments held by the Company, the carrying value of the Company's investment portfolio should not be regarded as being readily available for deployment towards new investment opportunities.

We further note that approximately 95.05% of the net proceeds from the Subscription are intended to be applied towards investments in listed and unlisted securities of a broad range of companies with a focus on the AI and Web3 sectors. Such proposed use of proceeds is consistent with the Company's principal investment objectives and falls within the ordinary and usual course of business of the Company as a closed-ended investment company listed under Chapter 21 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Taking into account (i) the substantial reduction in the Company's cash and cash equivalents between 31 December 2025 and 31 May 2026, resulting the limited cash and cash equivalent of the Company; (ii) the limited recurring income generated by the Company; (iii) the nature of the Company's business which requires readily available capital to capture new investment opportunities as and when they arise; (iv) the fact that the investment portfolio may not be readily converted into deployable funding without potentially affecting the Company's investment strategy; and (v) the fact that the intended use of proceeds from the Subscription is principally for investment activities that fall within the Company's ordinary and usual course of business and are consistent with its principal investment objectives, we consider it justifiable for the Company to seek additional equity funding to strengthen its capital base and financial flexibility.

From the perspective of financing alternatives:

We note from the 2025 Annual Report that the Company did not have any substantive assets which can be used as collateral for debt financing. As at 31 December 2025, the non-current assets of the Company mainly comprised leasehold improvements and rights-of-use assets, which are generally not accepted collateral for securing debt financing. Notwithstanding that the Company had an investment portfolio with a carrying value of approximately HK\$202.7 million as at 31 December 2025, comprising investments in private equity securities and listed securities, such investments may not readily be available to support debt financing. In addition to the fact that investments in private equity securities, which have relatively longer investment horizons and are generally illiquid in nature, are not typically regarded by banks as acceptable collateral, the use of listed securities as security for borrowings may not be desirable from a portfolio management perspective, notwithstanding that such securities may potentially be accepted as collateral by certain lenders under varying loan-to-value ratios. This is because pledging such investments would result in encumbrances over the Company's investment portfolio, thereby reducing its flexibility in managing and realising investments. In addition, given the inherent volatility of listed securities, the Company could be exposed to the risk of margin call requirements or forced disposals in the event of adverse market movements. Moreover, we consider that debt financing may not be a suitable funding alternative for the Company under the current circumstances, as the associated interest expenses and repayment obligations could impose a significant financial burden on the Company in light of its loss-making position and the lack of a stable income stream to support the regular interest repayment obligations. We have discussed and understood from the Company that they have approached banks for new loan facilities but no commercially acceptable terms or response was received, and was advised that property collaterals are generally preferred and accepted in lieu of listed securities.

Other equity financing methods, including open offer, rights issue and share placement to independent institutional and individual investors, are also considered by the Directors to be not suitable for the Company as those methods customarily involve the issue of new shares at a discount to the market price. In this regard, we note that the subscription price under the 2025 Rights Issue was at discount to the then prevailing Share price. We also note from recent announcements of open offer, rights issue and share placement to independent investors by the other listed companies that it is common for those listed companies to set the price of open offer, rights issue or share placement at a discount to the market price of their shares. If an underwriter or a placing agent is appointed to facilitate the fund raising exercise, a commission cost is

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

inevitable. Moreover, whether the Company can raise fund successfully and the amount of proceeds is uncertain as it depends on results of the open offer, rights issue or share placement, that is, response from the Shareholders and/or investors. We have discussed and understood from the Company that they have approached securities firms for possibility of proceeding equity fundraising but negative response was received.

Taking into account the above, we concur with the Directors and are of the view that the Subscription, pursuant to which the Subscription Price represents a premium over the prevailing closing price of the Shares prior to and on the date of the Subscription, is considered a suitable fundraising method to the Company under the current circumstances.

4. Principal terms of the Subscription Agreement

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 Latest Practicable Date 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 Latest Practicable Date; 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 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 Shares shall be issued at the Subscription Price of HK\$0.33 per Subscription Share.

Conditions of the Subscription

Completion is subject to the fulfilment (or, where applicable, waiver) of the conditions set out in the Board Letter.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

If all of the 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.

As at the Latest Practicable Date, none of the above conditions precedent have been fulfilled and/or waived.

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.

5. Assessment on the Subscription Price

The Subscription Shares shall be issued at the Subscription Price of HK\$0.33 per Subscription Share, which 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;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

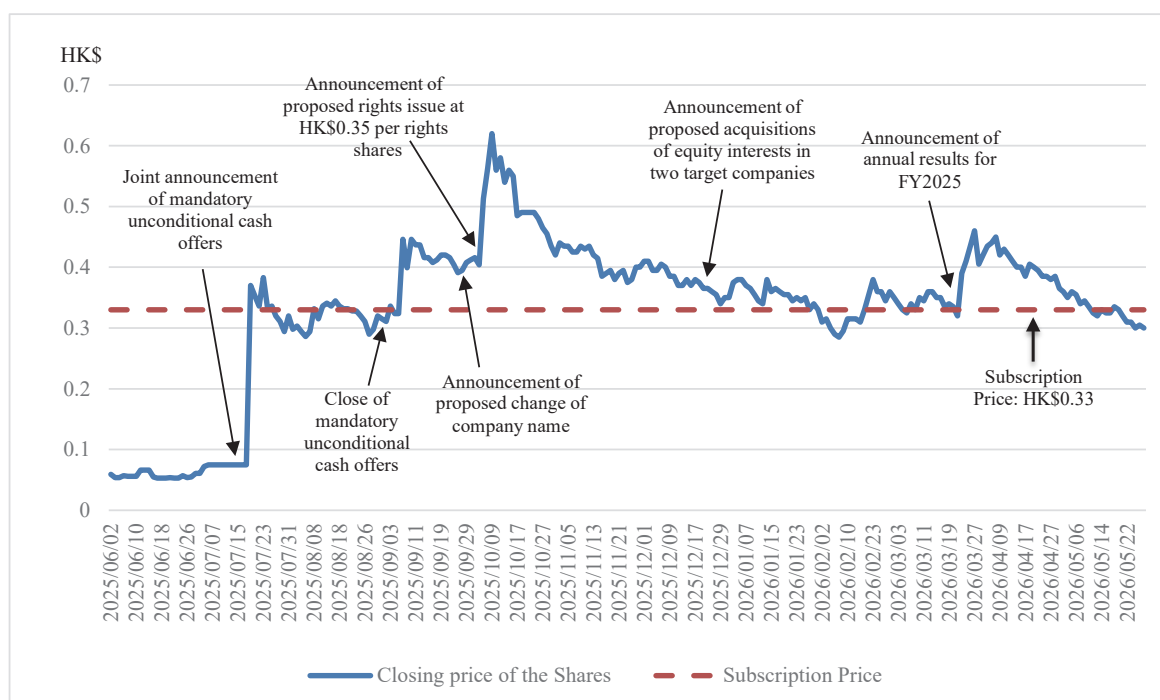
- (ii) a premium of approximately 6.8% over the average of the closing price of HK\$0.309 per Share quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement;
- (iii) a premium of approximately 24.5% over the closing price of HK\$0.265 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;
- (iv) a premium of approximately 135.71% over the unaudited net asset value per Share of approximately HK\$0.14 as at 31 May 2026 as disclosed in the announcement of the Company dated 15 June 2026; and
- (v) the theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 9.70%, represented by the theoretical ex-rights price of approximately HK\$0.447 per Share to the benchmarked price of approximately HK\$0.495 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (a) the closing price on the date immediately preceding the publication of the announcement in respect of the rights issue (the “**RI Last Trading Day**”) of HK\$0.495 per Share; and (b) the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the RI Last Trading Day of HK\$0.478 per Share).

As disclosed in the Board Letter, 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, being the average closing price of approximately HK\$0.309 per Share for the five consecutive trading days immediately prior to and including the date of the Subscription Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Historical price performance of the Shares

In order to assess the fairness and reasonableness of the Subscription Price, we have reviewed the closing price of the Shares as quoted on the Stock Exchange from 1 June 2025 to 29 May 2026, which covers around one-year period prior to and including the date of the Subscription Agreement (the “**Review Period**”). We consider that the Review Period of around one year is a reasonable length of time to illustrate the historical Share price performance that minimises the impact of short-term Share price fluctuations. The closing price of the Shares during the Review Period are illustrated as follows:



Source: website of the Stock Exchange

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

During the Review Period, the closing price of the Shares recorded a low of HK\$0.053 on 17 June, 18 June, 19 June, 23 June and 24 June 2025 and a high of HK\$0.620 on 9 October 2025, with an average closing price of approximately HK\$0.334.

The closing price of the Shares ranged from HK\$0.053 to HK\$0.075 from the beginning of the Review Period until 17 July 2025. The closing price of the Shares surged to HK\$0.370 on 18 July 2025 subsequent to the publication of the joint announcement issued by Longling Capital and the Company in relation to the acquisition of approximately 50.7% of the total number of Shares in issue by Longling Capital and the corresponding mandatory unconditional cash offers. Since then, the closing price of the Shares was generally on an upward trend and reached HK\$0.404 on 3 October 2025, during which the Company announced its proposed change of company name on 26 September 2025 and proposed rights issue on 2 October 2025. Then from 6 October 2025 to mid-November 2025, closing price of the Shares experienced a spike which peaked at HK\$0.620 on 9 October 2025. Subsequently, closing of the Shares oscillated between HK\$0.285 and HK\$0.460 towards the end of the Review Period.

We note that the Subscription Price of HK\$0.33 per Subscription Share is (i) within the range of the closing price of the Shares during the Review Period; and (ii) approximates to the average closing price of the Shares of approximately HK\$0.334 during the Review Period.

Comparable issues of subscription shares under specific mandate

To further assess the fairness and reasonableness of the Subscription Price, we have also searched on the website of the Stock Exchange to identify transactions in respect of subscription of new shares under specific mandate with the following criteria: (i) the issuers are listed on the Main Board of the Stock Exchange; (ii) the subscriptions of new shares were announced during the period from 1 December 2025 to 29 May 2026 (being approximately six months prior to and including the date of the Subscription Agreement); (iii) the new shares were not issued in connection with share incentive schemes, settlement of remuneration, acquisition transactions, loan capitalisation, corporate/debt restructuring under a scheme or takeovers of a listed company; (iv) excluding issues of A shares or PRC domestic shares; and (v) shareholders' approval in respect of the subscriptions of new shares had been obtained as at the Latest Practicable Date.

We have identified an exhaustive list of eight comparable transactions (the “**Comparable Transactions**”) as set out in the table below which met the above selection criteria and consider such list to be fair and representative for the purpose of this analysis. We consider that the adoption of selection period of approximately six months is appropriate as it demonstrates the recent market trends with reasonable and representative number of recent Comparable Transactions for the purpose of our analysis. Despite that the business and prospects of the Company are not the same as the issuers of the Comparable Transactions, the Comparable Transactions provide a general reference for the market practices of similar transaction during the selection period.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following table sets forth (i) the premium/(discount) of the subscription price over/to the closing price on/prior to the date of the relevant agreement of the Comparable Transactions and the Subscription Agreement (“**LTD (Discount)/Premium**”); and (ii) the premium/(discount) of the subscription price over/to the average closing price for the last five consecutive trading days prior to/up to and including the date of the relevant agreement of the Comparable Transactions and the Subscription Agreement (“**5-Day (Discount)/Premium**”):

Date of announcement	Company name (stock code)	Involving connected transaction (Yes/No)	LTD (Discount)/Premium (%)	5-Day (Discount)/Premium (%)
5 December 2025	China Strategic Technology Group Limited (1725)	No	(20.00)	(20.68)
21 December 2025	Weihai Bank Co., Ltd. (9677)	No	17.97	17.97
24 December 2025	Energy International Investments Holdings Limited (353)	Yes	(18.33)	(19.67)
16 January 2026	China Youran Dairy Group Limited (9858)	Yes	(8.84)	(17.89)
16 January 2026	Gome Retail Holdings Limited (493)	No	–	5.63
13 February 2026	China Silver Group Limited (815)	No	(17.74)	(19.30)
11 March 2026	China Financial International Investments Limited (721) (<i>Note 1</i>)	No	(29.82)	(26.47)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of announcement	Company name (stock code)	Involving connected transaction (Yes/No)	LTD (Discount)/Premium (%)	5-Day (Discount)/Premium (%)
22 March 2026 and 19 May 2026 (<i>Note 2</i>)	Chifeng Jilong Gold Mining Co., Ltd. (6693)	No	(29.10)	(26.50)
		Maximum	17.97	17.97
		Minimum	(29.82)	(26.50)
		Average	(13.23)	(13.36)
		Median	(18.04)	(19.49)
	The Subscription Shares		10.00	6.80

Source: website of the Stock Exchange

Notes:

1. China Financial International Investments Limited obtained its shareholders' approval in respect of the relevant share subscription under specific mandate at the special general meeting held on 29 May 2026. Subsequently, as disclosed in the announcement of China Financial International Investments Limited dated 23 June 2026, the relevant share subscription was terminated.
2. The relevant subscription of new shares was first announced by Chifeng Jilong Gold Mining Co., Ltd. on 22 March 2026. Subsequently on 19 May 2026, adjustment on subscription price was announced by the company. The relevant LTD (Discount) and 5-day (Discount) are based on the adjusted subscription price announced on 19 May 2026.

As depicted from the above table, (i) the LTD (Discount)/Premium of the Comparable Transactions ranged from a discount of approximately 29.82% to a premium of approximately 17.97%, with an average discount of approximately 13.23% and a median discount of approximately 18.04%; and (ii) the 5-Day (Discount)/Premium of the Comparable Transactions ranged from a discount of approximately 26.50% to a premium of approximately 17.97%, with an average discount of approximately 13.36% and a median discount of approximately 19.49%.

We note that the LTD Premium of the Subscription of approximately 10.00% is within the range, and above the average and median of LTD (Discount)/Premium of the Comparable Transactions; and (ii) the 5-Day Premium of the Subscription Shares of approximately 6.80% is within the range, and above the average and median of 5-Day (Discount)/Premium of the Comparable Transactions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We also note that the Subscription Price represents a premium of approximately 153.85% and 135.71% over the audited/unaudited net asset value of the Company of approximately HK\$0.13 and HK\$0.14 per Share as at 31 December 2025 and 31 May 2026, respectively. We are of the view that such premium (as compared to a discount) denotes a mitigated dilution effect to the shareholding interests of the existing public Shareholders as a result of the allotment and issue of the Subscription Shares. It also appears to signify the Subscriber's confidence in the future prospects of the Company's intrinsic value which is not captured by a historical accounting measure.

Taking into account the above and the historical price performance of the Shares during the Review Period, we consider the Subscription Price to be fair and reasonable.

6. Financial effects of the Subscription

According to the 2025 Annual Report, the audited net assets of the Company as at 31 December 2025 was approximately HK\$259.3 million and the audited net asset value per Share was approximately HK\$0.13. As set out in the Board Letter, 430,000,000 Subscription Shares will be issued pursuant to the Subscription Agreement and the net proceeds (after deduction of related expenses) from the Subscription is expected to be approximately HK\$141.4 million. Upon Completion and for illustrative purposes only, it is expected that the adjusted net assets of the Company as at 31 December 2025 would improve from approximately HK\$259.3 million to approximately HK\$400.7 million, and the adjusted net asset value per Share would improve from approximately HK\$0.13 to approximately HK\$0.15.

7. Dilution effect on the shareholding interests of the existing public Shareholders

As the Latest Practicable Date, the Company had 2,178,328,188 Shares in issue. The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after Completion (assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date and up to Completion other than as a result of the Subscription):

Shareholders	As at the Latest Practicable Date		Immediately upon the Completion	
	<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:

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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As illustrated in the table above, immediately after Completion, the shareholding interests of other public Shareholders will be diluted by approximately 6.42 percentage points from approximately 38.93% to approximately 32.51%.

Taking into account (i) the reasons for entering into of the Subscription Agreement which are justifiable; (ii) the terms of the Subscription Agreement, including the Subscription Price, being fair and reasonable; and (iii) the financial effects of the Subscription as discussed in the above sections of this letter, we are of the view that the said level of dilution to the shareholding interests of the Independent Shareholders is acceptable.

RECOMMENDATIONS

Taking into consideration the above principal factors and reasons, although the Subscription is not conducted in the ordinary and usual course of business of the Company, we are of the opinion that (i) 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 on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders are concerned; and (ii) 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 in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the relevant resolutions to be proposed at the EGM thereby approving the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares).

Yours faithfully,
For and on behalf of
Mango Financial Limited
Andrew Lau
Managing Director

Mr. Andrew Lau is a licensed person registered with the Securities and Futures Commission and a responsible officer of Mango Financial Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He has over 15 years of experience in the accounting and investment banking industries.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

Directors' and chief executive's interest and short positions in shares, underlying shares and debentures of the Company or any associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the shares, underlying shares and debentures of the Company

Name of Director	Capacity	Number of Shares held	Approximate percentage of the total issued share capital of the Company
Mr. Cai	Interest of controlled corporation	1,330,332,623 ^(Note 1)	61.07%

Note:

- Longling Capital is owned as to 100% by Mr. Cai, who is also the ultimate controlling shareholder, chairman of the Company and a non-executive Director. By virtue of Part XV of the SFO, Mr. Cai is deemed to be interested in all the Shares held by Longling Capital.

As at the Latest Practicable Date, saved as disclosed above, none of the Directors and chief executive of the Company were interested in or were deemed to have interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange; or (iv) were required to be disclosed under the Hong Kong Code on Takeovers and Mergers.

Interest of substantial shareholders

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, the following person, other than a Director or chief executive of the Company, had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Long position in the Shares

Name	Capacity	Number of Shares held	Approximate percentage of the total issued share capital of the Company
Longling Capital	Beneficial owner	1,330,332,623 ^(Note 1)	61.07%

Note:

- Longling Capital is owned as to 100% by Mr. Cai, who is also the chairman of the Company and a non-executive Director. By virtue of Part XV of the SFO, Mr. Cai is deemed to be interested in all the Shares held by Longling Capital. Save for Mr. Cai in his capacity as the sole director of Longling Capital, none of the Company's other Directors are directors or employees of Longling Capital.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had, or was taken or deemed to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or 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 the Company or any of its subsidiaries or associated companies which is not expiring or determinable by such member of the Company within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective associates was interested in any business apart from the business of the Company or its subsidiaries which competes or is likely to compete, either directly or indirectly, with the business of the Company or its subsidiaries which is required to be disclosed pursuant to the Listing Rules.

5. DIRECTORS' INTEREST IN ASSETS, CONTRACTS AND OTHER INTERESTS

On 7 August 2025, the Company entered into a lease agreement with Longling Limited in respect of the use of the Company's principal place of business in Hong Kong at 20/F, CAI Building, 54-58 Electric Road, Tin Hau, Hong Kong for a term of 2 years commencing from 1 September 2025 at a monthly rental of HK\$90,000. Longling Limited is wholly owned by Mr. Cai.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any interest, directly or indirectly, in any asset which, since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up, had been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to the Company.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Company.

6. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular or has given opinion, letter or advice which is contained in this circular:

Name	Qualification
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

As at the Latest Practicable Date, Mango Financial Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter, advice and/or references to its name, in the form and context in which they are respectively included.

As at the Latest Practicable Date, Mango Financial Limited was not beneficially interested in the share capital of the Company or its subsidiaries or had any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for any securities in the Company or its subsidiaries, nor did it have any interest, either directly or indirectly, in the assets which have been acquired or disposed of by or leased to the Company or its subsidiaries, or were proposed to be acquired or disposed of by or leased to the Company or its subsidiaries, since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up.

7. 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 Company since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up.

8. GENERAL

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

9. DOCUMENTS FOR DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.cai-corp.com/en>), for a period of 14 days commencing from the date of this circular:

- (a) the Subscription Agreement; and
- (b) the written consent referred to under the section headed “6. Expert and Consent” in this Appendix.

This appendix serves as an additional disclosure requirement pursuant to Rule 21.09 of Listing Rules and includes particulars given in compliance with the Listing Rules for the purpose of giving information to the public with regard to the Company.

1. INVESTMENT PORTFOLIO

Set out below are the details of all the investments of the Group as at 31 December 2025, which include all listed equity investments and other investments with a value of more than 5% of the Group's gross assets as at 31 December 2025. Save for the investments disclosed herein, there are no other listed investments or other investments with a value of more than 5% of the Company's gross assets as at 31 December 2025:

Note	Name of Investee	Proportion of investee's capital owned	Cost (HK\$'000)	Market value (HK\$'000)	Dividend received/ receivable during the year ended 31 December 2025 (HK\$'000)	Net assets attributable to the Group ^{Note 11} ('000)	Unrealised gain/(loss) recognized ^{Note 12} (HK\$'000)
A.	Listed Equity Securities						
1	Alibaba Group Holding Limited – W	Less than 1%	54,294	49,980	–	RMB20,192	(4,314)
2	CSOP Hang Seng Tech Index ETF	Less than 1%	51,289	48,510	–	N/A	(2,779)
3	CSOP Hang Seng Index Daily (2x) Leveraged Product	1.11%	31,275	29,225	–	N/A	(2,050)
4	XPeng Inc.	Less than 1%	29,040	26,186	–	RMB5,237	(2,854)
5	Phoenix Media Investment (Holdings) Limited	Less than 1%	5,750	6,368	–	HK\$18,971	618
B.	Unlisted Equity Securities						
6	Global Futures and Options Holdings	1.40%	15,602	15,602	–	HK\$1,843	–
7	Gransing Finance Limited	19.90%	16,876	6,160	–	HK\$10,298	(10,716)
8	Gransing Financial Group Limited	18.08%	46,377	4,389	–	HK\$12,331	(41,988)
C.	Fund						
9	Goldstone 1 LPF	8.85%	7,880	5,342	–	HK\$5,342	(2,538)
D.	Other Investments						
10	The Social Tooling Limited	N/A	7,765	7,765	–	N/A	–

Notes:

1. Alibaba Group Holding Limited is a global technology giant focused on e-commerce, retail, and technology, providing digital infrastructure and marketing platforms for businesses and consumers worldwide, operating major platforms like Taobao, Tmall, AliExpress, Cainiao (logistics), Alibaba Cloud, and local services (Ele.me, Amap).
2. CSOP Hang Seng Tech Index ETF is an exchange-traded fund with an investment objective to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Hang Seng TECH Index. The Underlying Index represents the 30 largest technology companies listed in Hong Kong with high business exposure to selected technology themes.
3. CSOP Hang Seng Index Daily (2x) Leveraged Product is a synthetic ETF that aims to provide investment results that correspond to twice (2x) the daily performance of the Hang Seng Index. It uses a combination of a futures-based replication strategy and a swap-based synthetic replication strategy.
4. XPeng Inc. is a leading Chinese smart electric vehicle company focused on designing, developing, manufacturing, and marketing intelligent EVs for tech-savvy consumers, integrating advanced AI, its own ADAS, and in-car OS.
5. Global Futures and Options Holdings (“GFO-X”) is a regulated market infrastructure provider specializing in digital asset derivatives, with operations in London, Hong Kong, and Abu Dhabi. It is the UK’s first regulated and centrally cleared trading venue dedicated to digital asset derivatives.
6. Phoenix Media Investment (Holdings) Limited is a Hong Kong-based media conglomerate focused on Chinese-language content, operating an integrated platform across television, internet, outdoor media, and publishing.
7. Gransing Finance Limited is engaged in the provision of money lending. The fair value of the investment is based on valuation by an independent valuer.
8. Gransing Financial Group Limited is principally engaged in the provision of quality brokerage, corporate finance, asset management, money lending and financial adviser services to institutional and individual investors in Hong Kong and Mainland China through its subsidiaries.
9. Goldstone 1 LPF is a limited partnership fund that seeks to achieve maximum capital appreciation over its life through equity investments, specifically in IPOs on the Stock Exchange and private placements by companies listed on the Stock Exchange.
10. AIA Group Limited is the largest independent publicly listed pan-Asian life insurance group with a presence in 18 markets across Asia.
11. The calculation of net assets/(liability) attributable to the Company is based on the latest published interim/annual reports of the respective investments at the end of the Year.
12. The unrealised gain/(loss) recognised represented the changes in fair value of the respective investments during the year ended 31 December 2025.

2. PROVISION FOR DIMINUTION

Given all the existing investments of the Company are primarily financial assets at fair value though profit and loss and debt instruments at fair value though other comprehensive income, there shall be no provision for diminution in value of investments of the Company.

3. PARTICULARS OF DIRECTORS

Biographies of the existing Directors are set out below:

Executive Directors

Mr. Hong Yupeng (“Mr. Hong”)

Mr. Hong, aged 49, was appointed as a non-executive Director on 5 September 2025 and re-designated as an executive Director on 28 October 2025. He has been the chief executive officer and partner of Longling Investment Co., Ltd. (隆領投資股份有限公司) from July 2015, and the executive director and general manager of Xiamen Longling Asset Management Co., Ltd. (廈門隆領資產管理有限公司) from August 2022, each of which principally engages in venture capital investments primarily in technology related start-up companies with the attitude of embracing change and the future. Mr. Hong tendered his resignation in respect of all his positions with Longling Investment Co., Ltd. and Xiamen Longling Asset Management Co., Ltd. following his re-designation as an executive Director in October 2025 and ceased to be involved in daily management or operations of either entity since then.

Between March 2014 and July 2015, Mr. Hong served as the vice president of Xiamen Home Meitu Technology Co., Ltd. (廈門美圖之家科技有限公司), an indirect wholly owned subsidiary of Meitu, Inc. (Hong Kong Stock Exchange Stock Code: 1357) (“Meitu”). From August 2011 to February 2014, he was the deputy general manager and board secretary of 4399 Network Co., Ltd (四三九九網絡股份有限公司) (“4399 Network”), a software enterprise that provides Internet gaming applications and information services. Between March 2007 and August 2011, he was a practising lawyer at Beijing Shangong Law Firm (北京市尚公律師事務所) and from September 2003 to March 2007, he was a practising lawyer at Fujian Shili Lawyer Office (福建世禮律師事務所).

Mr. Hong graduated from Fuzhou University (福州大學) with a bachelor’s degree in Industrial Management Engineering in July 1997 and also a Juris Master from Xiamen University (廈門大學) in July 2003. Mr. Hong was appointed as a non-executive director of Meitu since 1 June 2023. Mr. Hong served as an independent non-executive director of FinTech Chain Limited (Australian Securities Exchange: FTC, now delisted) from January 2021 to December 2024.

Mr. Hong has entered into a letter of appointment with the Company in relation to his appointment as an executive Director for a term of three years commencing from 28 October 2025, subject to the provisions of re-election or retirement by rotation at the general meetings of the Company in accordance with the Articles and the Listing Rules. Mr. Hong is entitled to receive a remuneration of HK\$600,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee, with reference to his qualifications and experiences, his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation.

Mr. Lui Cheuk Hang Henri (“Mr. Lui”)

Mr. Lui, age 53, was appointed as an executive Director on 21 November 2025. Mr. Lui obtained his Bachelor of Commerce degree from University of Toronto in 1995. Mr. Lui has been a charterholder of Chartered Financial Analyst since 2001. Mr. Lui has over 30 years of experiences in the securities and financial industry, serving various roles as financial analyst, responsible officer in brokerage house and asset management firms. Prior to joining our Company, Mr. Lui was an executive director of Long Investment Corp (“**Long Investment**”) (formerly known as China Financial Leasing Group Limited), an investment company listed on the Hong Kong Stock Exchange with a stock code of 2312 from April 2021 to November 2025. He was a responsible officer of Socius Asset Management Limited, a company licensed to carry out Type 4 (advising in securities) and Type 9 (asset management) regulated activities under Securities and Futures Ordinance (Cap. 571) (“**SFO**”) from May 2017 to April 2023.

Mr. Lui has entered into a letter of appointment with the Company in relation to his appointment as an executive Director for a term of three years commencing from 21 November 2025, subject to the provisions of re-election or retirement by rotation at the general meetings of the Company in accordance with the Articles and the Listing Rules. Mr. Lui is entitled to receive a remuneration of HK\$960,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee, with reference to his qualifications and experiences, his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation.

Non-Executive Director***Mr. Cai Wensheng (“Mr. Cai”)***

Mr. Cai, aged 56, was appointed as the chairman of the Company and a non-executive Director on 5 September 2025 and is the chairman of the nomination committee of the Board. He is the sole shareholder and sole director of the Controlling Shareholder. Mr. Cai is an entrepreneur and renowned investor in the internet and technology industry in the PRC. He is the co-chairman (聯席主席) of the Early-stage Investment Committee of the Asset Management Association of China (中國證券投資基金業協會早期投資專委會) and an honorary chairman of the Angel Investment Union (天使聯合匯). Angel Investment Union (天使聯合匯) is the largest angel investor organization in China. It was founded in 2013 and currently has more than 220 angel investment governing units. Angel Investment Union provides growth space for investors, opportunities for entrepreneurs, development opportunities for entrepreneurs, and encourages more people to join the angel investment business. Mr. Cai has been appointed by the Government of Hong Kong as a new non-official member of the Task Force on Promoting Web3 Development for a term of two years, with effect from 1 July 2025. Mr. Cai was appointed as Adjunct Professor in the Faculty of Business and Economics of The University of Hong Kong (now known as HKU Business School) for the period of 1 September 2024 to 31 August 2025. Mr. Cai has also been appointed as the Professor of Practice to the Department of Data Science & Artificial Intelligence of The Hong Kong Polytechnic University, with effect from 2 May 2025.

In 2004, Mr. Cai established 265.com Inc. (北京二六五科技有限公司), a company that provides site navigation services. 265.com Inc. was sold to Google in 2007. Since then, Mr. Cai has become an influential figure in the internet start-up community in the PRC.

Mr. Cai is the founder and currently a substantial shareholder of Meitu. He is also the single largest shareholder of Long Investment. Mr. Cai has invested in various technology start-ups in the PRC, including Baofeng Group Co., Ltd (暴風集團股份有限公司) (formerly listed on the Shenzhen Stock Exchange with a stock code of 300431), 58.com Inc. (NYSE: WUBA) and Feiyu Technology International Company Ltd. (Hong Kong Stock Exchange Stock Code: 1022). Mr. Cai is also the founder and chairman of Longling Capital Co., Ltd. From January 2009 to October 2013, Mr. Cai was the chairman of 4399 Network. He was also appointed as a part-time professor at the School of Management, Xiamen University in September 2015. From May 2011 to November 2015, Mr. Cai served as a director of 58.com Inc. Mr. Cai also held directorships in Xiamen Fei Bo Network Technology Co., Ltd (廈門飛博共創網絡科技股份有限公司) (National Equities Exchange and Quotations Stock Code: 834617) between June 2015 and October 2016, and TTG Fintech Limited (Australian Securities Exchange Ticker: TUP) between September 2012 and August 2017. Mr. Cai served as the chairman of Meitu from July 2013 to June 2023 and has been a director of Pixocial Technology (Singapore) Pte. Ltd. since April 2016. He has also been a non-executive director of Long Investment since 5 September 2025.

Mr. Cai has entered into a letter of appointment with the Company in relation to his appointment as a non-executive Director for a term of three years commencing from 5 September 2025, subject to the provisions of re-election or retirement by rotation at the general meetings of the Company in accordance with the Articles and the Listing Rules. Mr. Cai is entitled to receive a remuneration of HK\$360,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee, with reference to his qualifications and experiences, his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Independent Non-executive Directors

Professor Li Jin (“Prof. Li”)

Prof. Li, aged 46, was appointed as an independent non-executive Director on 21 November 2025. Prof. Li is director of the Centre for AI, Management and Organization, Zhang Yonghong Professor in Economics and Strategy, and Area Head of Management and Strategy at Faculty of Business and Economics, The University of Hong Kong (“HKU”). Before HKU, Prof. Li taught at Kellogg School of Management, Northwestern University from September 2007 to June 2017, and at London School of Economics (“LSE”) from July 2017 to July 2018, where he was an Associate Professor of Managerial Economics and Strategy with tenure. During his tenure at LSE, Prof. Li won the Management Department Teaching Prize. Prof. Li's main research area lies at the intersection of organizational economics, personnel economics, and labor economics, and his current research interest focuses on AI and organization. Prof. Li is an Associate Editor at Management Science. He has his research results published in leading academic journals such as the American Economic Review, The Review of Economic Studies, AEJ– Microeconomics, The Journal of Economic Theory, The Journal of Labor Economics, Management Science, The RAND Journal of Economics, and The Review of Financial Studies. Prof. Li's works have also been featured in media outlets such as BBC, The Economist, The New York Times, and Quartz. He has also written for The Hong Kong Economic Journal, The Harvard Business Review, Caixin, FTChinese, and The Project Syndicate.

Prof. Li obtained his Bachelor of Arts degree in Economics and Math (with high honors) from Wesleyan University, a Bachelor of Science degree in Applied Math (with honors) from Caltech, and a Ph.D. in Economics from MIT.

Prof. Li has entered into a letter of appointment with the Company in relation to his appointment as an independent non-executive Director for a term of three years commencing from 21 November 2025, subject to the provisions of re-election or retirement by rotation at the general meetings of the Company in accordance with the Articles and the Listing Rules. Prof. Li is entitled to receive a remuneration of HK\$180,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee, with reference to his qualifications and experiences, his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Ms. Hsieh Yafang (“**Ms. Hsieh**”)

Ms. Hsieh, aged 52, was appointed as an independent non-executive Director on 5 September 2025. Ms Hsieh is a senior media worker, a former senior presenter and anchor for a channel of Phoenix Satellite Television Holdings Limited. She has close to 30 years of journalist experience in the Mainland China, Taiwan and Hong Kong. Since 2010, Ms. Hsieh has served as the Secretary-General and Executive Vice President to the board of the Hong Kong alumni association of the Cheung Kong Business School and currently serves as the Executive President. She was an independent non-executive director of China VAST Industrial Urban Development Company Limited (a company previously listed on the Stock Exchange with stock code 6166 and delisted on 6 December 2022) from 10 November 2017 to 6 December 2022. Ms. Hsieh has more than 25 years of investment experience in the financial market. Ms. Hsieh received her EMBA from Cheung Kong Business School in 2007 and her Bachelor of Art with focus in Japanese studies from Soochow University in Taiwan in 1996.

Ms. Hsieh has entered into a letter of appointment with the Company in relation to her appointment as an independent non-executive Director for a term of three years commencing from 5 September 2025, subject to the provisions of re-election or retirement by rotation at the general meetings of the Company in accordance with the Articles and the Listing Rules. Ms. Hsieh is entitled to receive a remuneration of HK\$180,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee, with reference to her qualifications and experiences, her duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Mr. Li Jianbin (“**Mr. Li**”)

Mr. Li, aged 47, was appointed as an independent non-executive Director on 5 September 2025. Mr. Li has over 23 years of experience in tax advisory, investment matters and financial management. From April 2020 to September 2023, he served as the Managing Partner at the Strategic Investment Department of Beijing Xiaomi Mobile Software Co., Ltd. (北京小米移動軟件有限公司), a subsidiary of Xiaomi Corporation, a company listed on the Main Board of the Stock Exchange (stock code: 1810), and prior to that, between December 2017 and April 2020, he was the Vice President of the Finance Department where he was responsible for optimizing the capabilities of the group's Finance Department, managing its tax matters and overseeing its merger and acquisition projects. From July 2001 to November 2017, he held various positions at PricewaterhouseCoopers Consultants (Shenzhen) Limited Beijing Branch (普華永道諮詢(深圳)有限公司北京分公司), where his last position was Tax and Commercial

Advisory Partner. Mr. Li was appointed as (i) an independent non-executive director of Chaoju Eye Care Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2219) since 7 July 2021, (ii) an independent non-executive director of Beijing Fourth Paradigm Technology Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 6682) since 16 July 2021; and (iii) an independent non-executive director of Goneo Group Co., Ltd. (公牛集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603195) since 20 December 2023. Mr. Li obtained his bachelor's degrees in laws and economics from Peking University (北京大學) in Beijing, China in July 2001. He has been a member of The Chinese Institute of Certified Public Accountants since September 2010 and a member of the China Certified Tax Agents Association since March 2013 and received his PRC lawyer's practicing licence issued by the Ministry of Justice of the People's Republic of China in February 2007.

Mr. Li has entered into a letter of appointment with the Company in relation to his appointment as an independent non-executive Director for a term of three years commencing from 5 September 2025, subject to the provisions of re-election or retirement by rotation at the general meetings of the Company in accordance with the Articles and the Listing Rules. Mr. Li is entitled to receive a remuneration of HK\$180,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee, with reference to his qualifications and experiences, his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Business address of the Directors

The business address of the Directors is the same as the Company's principal office in Hong Kong at 20/F, CAI Building, 54–58 Electric Road, Tin Hau, Hong Kong.

4. CUSTODIAN

Listed Equity Investment

The Company has appointed Bank of Communications Trustee Limited, whose address is at 1/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong, as custodian (the “**Custodian**”) for listed equity investments that the Company intends to hold for long-term purpose. The custody agreement with the Custodian was effective from 15 August 2019 (the “**Custody Agreement**”) and will continue in force until terminated by not less than 30 days' prior notice in writing by either party. The Company will pay the Custodian a monthly fee of the higher of (a) an amount representing 0.04% per annum of the net asset value of the portfolio of the Company as at each month-end, or (b) HK\$12,500 per month.

The Custodian provides the following services: (i) safekeeping of the Company's investments deposited with it; (ii) holding all custodial assets in segregated accounts in the name of the Company, separately from the Custodian's own assets; (iii) processing corporate actions and collecting dividends, interest and other distributions in respect of the custodial assets; (iv) maintaining proper books and records of the custodial assets; and (v) such other ancillary services as are customary for a custodian to provide in relation to the safekeeping of investment assets.

In addition to the custody arrangement with the Custodian, the listed equity investments held for short-term trading or tactical purposes are maintained in the Company's brokerage accounts with the SFC-licensed brokers (currently CMB International Securities Limited, Interactive Brokers Hong Kong Limited and Guotai Junan Securities (Hong Kong) Limited), which provide custodial services in respect of such listed equity investments. These brokers hold the Company's listed securities in segregated client accounts in accordance with the Securities and Futures (Client Securities) Rules and the relevant SFC codes of conduct. The Company maintains such investments with brokers to preserve trading flexibility and execution efficiency, enabling the Company to respond promptly to market fluctuations and capitalise on market opportunities in a timely manner. The Company does not pay any custody fee to these brokers in respect of their holding of the Company's listed securities.

In making the determination as to whether a listed equity investment should be deposited with the Custodian or held with SFC-licensed brokers, the Investment Committee considers the following factors at the time of acquisition:

- (a) the investment objective and expected return horizon of the investment, including whether the investment is made for long-term capital appreciation or to capture near-term market opportunities or mispricing;
- (b) the fundamental prospects and valuation of the underlying issuer and its alignment with the Company's overall portfolio strategy;
- (c) prevailing market conditions, including the liquidity and volatility of the secondary market for the relevant securities;
- (d) the Company's cash flow requirements and overall capital allocation strategy; and
- (e) the relevant operational considerations, including trading efficiency and the associated costs and benefits of each arrangement.

A listed equity investment with an expected holding period of 12 months or more is classified as long-term and is deposited with the Custodian, while an investment with an expected holding period of less than 12 months is classified as short-term and is held through SFC-licensed brokers. The Investment Committee may from time to time review the classification of investments and may reclassify an investment if it considers it appropriate or necessary.

As at the Latest Practicable Date, all of the listed equity investments held by the Company with an aggregate value of approximately HK\$136 million are held through SFC-licensed brokers, and none of the Company's listed equity investments are deposited with the Custodian, as the Investment Committee has determined that none of the listed equity investments currently held by the Company meet the criteria for long-term classification at the time of acquisition. The Company has not deposited any listed equity investment with the Custodian since April 2022.

Unlisted Equity Investment

Unlisted equity investments (e.g. private equity) are held directly by the Company for the following reasons:

- (a) in most of the jurisdictions in which the Company invests (i.e. United States, Cayman Islands, China and Hong Kong), the relevant investee companies may not issue any physical share certificate, and the share ownership is evidenced by either the register of members or the equity registration with the relevant governmental authorities. In such cases, there will be no title documents as to such unlisted equity investments to be deposited with the Custodian.
- (b) where physical share certificates are issued, they are registered instruments issued in the name of the Company rather than bearer instruments. A physical share certificate is merely a symbolic representation of the share ownership, and possession of such physical share certificate by an unauthorised person confers no rights over the shares and will not obstruct the disposal of such shares by the Company. Therefore, the Custodian's role in respect of such unlisted securities would be limited to the physical safekeeping of instruments that are of largely symbolic value, while each deposit would give rise to additional costs and transaction delays.

The Directors consider that the Company's practice of maintaining physical share certificates with respect to the unlisted equity investments (where issued) in access-controlled storage at its principal place of business, together with the maintenance of an internal investment register that is independently reconciled by the fund administrator on a monthly basis, provides adequate safeguards for the Company's unlisted equity investments.

Internal Control

The Company maintains a stringent and multi-layered internal control framework designed to rigorously safeguard the Company's investment assets and funds. The key elements of such framework are as follows:

- (a) All investment proposals are required to be documented in a formal investment memorandum prepared by the investment team, setting out the key terms, risks, proposed investment amount and alignment with the Company's investment objectives and policy. The investment memorandum is submitted to the Investment Committee (currently comprising two executive Directors) for review and approval. All deliberations and decisions by the Investment Committee are properly minuted.

- (b) Upon approval, the execution team is authorised to take appropriate and necessary action to execute the relevant investment, including without limitation, place trade orders with SFC-licensed brokers, negotiate transaction terms with counterparties and engage external legal counsel to draft transaction documents.
- (c) All fund disbursements in connection with investments are subject to the following controls:
 - (i) the Company's finance personnel independently verify the accuracy of the funding request against the approved investment memorandum and transaction documents; and (ii) all payments from the Company's bank accounts require dual authorisation by the designated senior management personnel (currently being the chief operating officer and any one executive Director).
- (d) The Company also engages an independent fund administrator (being Precision Fund Services Limited of 2nd floor, AXA Southside, 38 Wong Chuk Hang Road, Hong Kong) to prepare an investment register and management accounts, which are reconciled against the brokerage statements, the bank statements and/or the transaction documents on a monthly basis. These records are subsequently circulated to the Board for review.

The Directors consider that the above internal control framework, taken as a whole, provides sufficient safeguards for the Company's investment assets and funds, and adequately protects the interests of the Shareholders. The Directors have formed this view on the basis of: (i) the clear segregation of duties across the investment decision-making, execution, fund disbursement and record-keeping functions; (ii) the dual authorisation requirement for all fund transfers; (iii) the Board's ongoing oversight of the investment portfolio; and (iv) the annual independent audit of the Company's internal controls and investment portfolio by external auditors.

Cash Management

The Company's cash and bank balances are held in bank accounts opened in the name of the Company. The Custodian is not engaged to hold or manage the Company's free cash for working capital, which falls outside the scope of the custodial services provided under the Custody Agreement. The Company does not classify any portion of its cash as "long-term" or "short-term" – all cash is maintained as readily available operating capital for the Company's investment activities and working capital requirements. All fund transfers and payments from the Company's bank accounts require dual authorisation by designated senior management personnel (currently being the chief operating officer and any one executive Director).

The Directors confirm that none of the Directors, the management company, any investment adviser or any distribution company, where appropriate, or any associate of any of those persons, is or will become entitled to receive any part of any brokerage charged to the Company, or any reallowance of other types on purchases charged to the Company.

5. RISK FACTORS OF INVESTING IN THE COMPANY

The Company is an investment company and its funds will be invested globally in a diversified portfolio of investment products across different industries with a particular focus on AI and Web3 sectors. These investments will be subject to market fluctuations and the risks inherent in all investments. Investors should also be aware that the Company's income and its net assets value may be adversely affected by external factors beyond the control of the Company. As a result, the Company's operating results and its net assets value may go down as well as up, subject to, among other factors, the prevailing market condition. Save as disclosed above, the Directors are of the view that investing in the Company is not subject to any abnormal risks.

6. INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

On 2 October 2025, the Board approved and adopted a new investment policy in place of the previous investment policy adopted on 23 January 2014 which the Directors consider is in the best interests of the Company and the Shareholders as a whole in light of the latest development and current market situation. Henceforth, the alteration of the investment policy is subject to the approval by the Shareholders. The investment objective and such policies are summarised below:

Objectives

The Company may invest its funds (including but not limited to surplus funds, funds or not designated for specific purpose, or any funds realised from realization of any investment) (collectively the “**Company's Funds**”) in such forms and terms in accordance with this investment policy and as considered by the Board or any delegates of the Board to be appropriate through investing the Company's Funds in diversified portfolio of investments products including listed or unlisted securities, unit trust funds, derivatives, futures, warrants, options, bonds, digital assets or such other investments as the Board, or such committees or person as the Board may authorize, may decide from time to time, so as to achieve long term capital appreciation. The Company has no intention to invest in commodities and precious metals.

Policies

The investment policies of the Company shall be as follows:

- (i) **Forms of Investment:** The Company's Funds may be invested in (i) equity securities, equity-related securities, cash deposits, fixed deposits, trusts, unit trusts, mutual funds, derivatives, futures, warrants, options, bonds or debt instruments issued by listed or unlisted enterprises established and/or conducting business in or outside The Hong Kong Special Administrative Region of the People's Republic of China, (ii) the form of interests in private companies, establishment of a partnership or participation in unincorporated investments, (iii) the digital assets (including cryptocurrencies, cryptocurrencies-related exchange-traded funds (ETFs) or regulated real world assets (RWA) tokenization projects); (iv) such other types of investments in accordance with the investment objective and policies adopted by the Company from time to time, subject to the requirements of the memorandum and articles of association of the Company, and the Listing Rules.

- (ii) **Industries to be invested in:** The Company's Funds shall normally be invested in different industries including, but not limited to, information technology, telecommunications, biological technology, manufacturing, service, property, internet-related business, financial services, entertainment business and hotel catering, which the Board, the research and operation team of the Company, the investment manager of the Company (the "**Investment Manager**") appointed from time to time, or such committees or person as the Board may authorize from time to time, consider to be of high growth potential or to be with significant potential return; provided that the Company may focus on investments in companies operating in the Crypto-AI and Web 3.0 sectors, and provided further that where it is not to the benefit of the Company to realise such investments and the market conditions are favourable, the Company may package such investments into equity and/or equity-related products to hedge against unfavourable conditions.
- (iii) **Factors to be considered in making particular investment:** The Company's Funds shall normally be invested in enterprises which are established in their respective fields and in which the Board, the research and operation team of the Company, the Investment Manager, or such committees or person as the Board may authorize from time to time, believe there are potential prospects for possible growth. In particular, the Company shall seek to identify enterprises with competitive products and concepts, strong management, high level of technical expertise and research and development capabilities, large potential markets, as well as management commitment to the long-term growth.
- (iv) **Investment in entities in recovery situation:** The Company's Funds may also be invested in companies or other entities which are considered by the Board, or such committees or person as the Board may authorize from time to time, as being special or in recovery situations on a case-by-case basis, such as companies in the course of recovery situations or the shares of which are trading below their net asset value per share, which may have potential to attain growth within the foreseeable future which may provide attractive returns to the Company.
- (v) **Additional factor in making investment decision:** Where possible (but not compulsory), the Company's Funds shall be invested in entities where there is a certain degree of synergy with other investee entities and where co-operation between such companies would be of mutual benefit to each other.
- (vi) **Term of investment:** The actual holding period of each Investment shall be dependent on the return from investment, the prospect of the investee entities, and/or the potential of being listed on the Stock Exchange or other internationally recognised stock exchanges. The Company may, however, realise investments where the Board, the research and operation team of the Company, the Investment Manager (if appointed), or such committees or person as the Board may authorize from time to time, believes that such realisation would be in the best interests of the Company and its shareholders as a whole or where the terms on which such realisation can be made are considered by the Board to be particularly favourable to the Company.

- (vii) **Preservation of Company's Funds:** Before suitable investments are identified, the Company may seek to protect the capital value of the Company's Funds by placing the funds not deployed on deposits in Hong Kong Dollars or any currency with financial institutions in Hong Kong or investing in debt securities, money market instruments, bonds, treasury securities or other instruments denominated in any currency. The Company may also engage in transactions in options and futures which are traded on recognised securities exchanges, futures exchanges or other over-the-counter markets.
- (viii) **Concentration Limits on Cryptocurrencies:** At the time of any investment on cryptocurrencies is made, the Company shall ensure that (a) the aggregate value of all cryptocurrencies (taking into account of the proposed new investment of the relevant cryptocurrencies) shall not exceed 30% of net asset value of the Company; and (b) the value of any single cryptocurrency shall not exceed 15% of the net asset value of the Company.

Restrictions

Under the Articles of Association and the Listing Rules, certain restrictions on investments are imposed on the Company:

- (i) the Company shall not make any investment which would expose the Company to unlimited liability other than transactions in listed securities and exchange-traded derivatives where the economic risk of such unlimited liability is adequately mitigated through appropriate stop-loss arrangements, position limits or other risk mitigation measures;
- (ii) the Company shall not make any investment in digital assets associated with illegal activities, privacy coins where ownership is completely untraceable; or
- (iii) either by itself or through its wholly-owned subsidiaries (if any) or in conjunction with any connected person (as defined in the Listing Rules) take legal or effective management control of underlying investments and in no event, will the Company itself or through its wholly-owned subsidiaries (if any) invest in or own or control more than 30% (or such other percentage as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers or other laws, regulations, rules, codes, orders or policies of other relevant jurisdictions as being the level of interest for triggering a mandatory general offer for all the interest in any of the investee companies or any other similar action or consequence) of the voting rights in any one company or body, except in relation to wholly-owned subsidiaries (if any) of the Company for the sole purpose of holding investments of the Company.

7. FEES AND EXPENSES

The Company will pay the fees of the Custodian as described above. In addition, the Company will pay certain other costs and expenses incurred in its operation, including taxes, expenses for legal, auditing and consulting services, promotional expenses, registration fees and other expenses due to supervisory authorities in various jurisdictions, insurance, interest and brokerage cost.

8. INVESTMENT MANAGEMENT

The Company currently does not have an investment manager, hence no costs and charges are payable from the Company's assets to any investment manager, nor are there any deductions made from money subscribed for securities.

9. BORROWING POWER

Generally, the Company will not exceed aggregate borrowings of 100% of the latest available net asset value of the Company at the time of any borrowing. Subject thereto, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Company or of any third party. Where the Directors believe it is in the best interests of the Company, the above borrowing restrictions may be altered without Shareholders' approval.

10. DISTRIBUTION POLICY

The Company's investment objective is to achieve long-term capital appreciation and, accordingly, the Company's investment portfolio is not expected to generate significant income. It is therefore not expected that the Company will have significant (if any) dividend income after expenses available for distribution by way of dividend and therefore the Company does not expect to declare dividend. Any declaration of distributions will be made at the discretion of the Directors and may be either from profit, reserves of the Company (including share premium account) or any amount lawfully available for distribution.

11. FOREIGN EXCHANGE POLICY

The Company's investments may be denominated in currencies other than Hong Kong dollars. As such, it may receive income, or make payments in foreign currency and is therefore subject to exchange rate fluctuations. The PRC's system of foreign exchange administration imposes significant restrictions on the ability of enterprises located in the PRC to purchase, retain and make outward remittance of foreign currency. The relevant rules governing exchange control relating to the inflow and outflow of foreign exchange are contained primarily in the Regulations of Foreign Exchange Control (as amended) promulgated on 29 January 1996 and effected on 1 April 1996. In summary, all foreign exchange receipts (from capital injection or sales) must be deposited in the foreign exchange account opened with the designated bank approved to operate foreign exchange business by State Administration of Foreign Exchange ("SAFE"). Foreign exchange under current account items (such as dividends and profits) can be remitted abroad upon presentation of necessary documents, including auditor's report, capital verification report, foreign exchange registration certificate and tax certificates as well as other documents requires by SAFE. Foreign exchange under capital account items (such as interest and repatriation of capital) may be remitted abroad upon presentation of necessary documents and subject to approval of SAFE. The Company may also enter into hedging transactions to seek to reduce risk associated with currency exchange rate.

12. TAXATION

The taxation of income and capital gains of the Company are subject to the fiscal law and practice of Hong Kong. Prospective investors should consult their own professional advisers on the tax implications of investing, holding or disposing of Shares under the laws of the jurisdiction in which they are liable to taxation.

NOTICE OF EXTRAORDINARY GENERAL MEETING



CAI CORP
CAI 控股

(Incorporated in the Cayman Islands as an exempted company with limited liability)

(Stock Code: 80)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of CAI Corp (the “Company”) will be held at 11/F, CAI Building, 54-58 Electric Road, Tin Hau, Hong Kong on Thursday, 6 August 2026 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution with or without amendments as ordinary resolution of the Company. Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 17 July 2026 (the “Circular”):

ORDINARY RESOLUTION

1. “**THAT**

- (i) the subscription agreement dated 29 May, 2026 (the “**Subscription Agreement**”) (a copy of which is tabled at the EGM and signed by the chairman of the EGM for identification purposes) entered into between the Company (as issuer) and Longling Capital (as Subscriber), pursuant to which the Company has conditionally agreed to issue and allot to the Subscriber, the Subscriber has conditionally agreed to subscribe for, 430,000,000 new Shares of the Company (the “**Subscription Shares**”) at the subscription price of HK\$0.33 per Subscription Share, and all the transactions contemplated thereunder (including the allotment and issue of the Subscription Shares) be and are hereby approved, confirmed and ratified;
- (ii) subject to the Listing Committee having granted the listing of, and permission to deal in the Subscription Shares, the Directors be and are hereby granted with a specific mandate (the “**Specific Mandate**”) which shall entitle the Directors to exercise all the powers of the Company to issue and allot up to 430,000,000 Subscription Shares to the Subscriber, on and subject to the respective terms and conditions of the Subscription Agreement, provided that the Specific Mandate shall be in addition to, and shall not prejudice or revoke any general or specific mandate(s) which has/have been granted or may be granted from time to time to the Directors prior to the passing of this resolution; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iii) any Directors or any other person authorised by the Board be and is hereby authorized to do all such acts and things, sign and execute all such documents or agreements or deeds and take all such actions on behalf of the Company as he/she may in his/her absolute discretion consider necessary, appreciate, desirable or expedient for the purposes of giving effect to or in connection with Subscription Agreement or any transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith as are, in his/her opinion, in the interest of the Company and its shareholders as a whole.”

By order of the Board
CAI Corp
Cai Wensheng
Chairman

Hong Kong, 17 July 2026

Notes:

- (1) A member entitled to attend and vote at the EGM convened by the above notice is entitled to appoint a proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A member holding two or more shares entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, at the office of the Company’s branch share registrar (the “**Share Registrar**”), Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong at least 48 hours before the time appointed for the holding of the EGM (i.e. at 11:00 a.m. on Tuesday, 4 August 2026) or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude a member from attending, speaking and voting in person at the EGM or the adjourned meeting thereof and in such event, the form of proxy lodged shall be deemed to be revoked.
- (4) The register of members of the Company will be closed from Monday, 3 August 2026 to Thursday, 6 August 2026, both days inclusive, in order to determine the entitlement to attend EGM. In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s 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 later than 4:00 p.m. on Friday, 31 July 2026.
- (5) In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (6) If Typhoon Signal No. 8 or above, or extreme conditions caused by super typhoons or a “black” rainstorm warning is in effect in Hong Kong any time after 7:00 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cai-corp.com) to notify Shareholders of the date, time and place of the rescheduled meeting.
- (7) Any voting at the EGM shall be taken by poll.
- (8) As at the date of this notice, the board of directors of the Company comprises Mr. Hong Yupeng and Mr. Lui Cheuk Hang Henri as executive Directors; Mr. Cai Wensheng as non-executive Director (Chairman) and Professor Li Jin, Ms. Hsieh Ya-fang and Mr. Li Jianbin as independent non-executive Directors.