THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Ev Dynamics (Holdings) Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the licensed security dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities.

EvDynamics

Ev Dynamics (Holdings) Limited
科軒動力（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 476)

(1) CONNECTED TRANSACTION INVOLVING ISSUE OF NEW SHARES TO A DIRECTOR UNDER SPECIFIC MANDATE; (2) ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE; AND (3) NOTICE OF SPECIAL GENERAL MEETING

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

RAINBOW.
RAINBOW CAPITAL (HK) LIMITED
泓 博 資 本 有 限 公 司

A notice convening the SGM to be held at 19/F, Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong on Tuesday, 20 October 2026 at 11:30 a.m. is set out on pages SGM-1 to SGM-3 in this circular. A proxy form for use by the Shareholders at the SGM is enclosed with this circular. If you are not able to attend the SGM in person, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the SGM. Completion and delivery of the proxy form will not preclude you from attending and voting in person at the SGM should you so wish.

5 October 2026

CONTENTS

Page

DEFINITIONS 1

LETTER FROM THE BOARD 4

LETTER FROM THE INDEPENDENT BOARD COMMITTEE 16

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER 18

APPENDIX I – GENERAL INFORMATION 38

NOTICE OF SPECIAL GENERAL MEETING SGM-1

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

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day on which banks are generally open for business in Hong Kong, except a Sunday, a Saturday, a public holiday, and a day on which a tropical cyclone warning signal no. 8 or above or a "black" rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
"Company"	Ev Dynamics (Holdings) Limited, a company incorporated under the laws of the Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 476)
"Completion"	the completion of the Subscriptions in accordance with the terms and condition set out in the respective Subscription Agreement
"Completion Date"	the fifth Business Day after the date on which the last of the conditions precedent under the Subscription Agreements has been fulfilled (or other date as the Company and the Subscriber may agree in writing)
"Connected Subscription"	the Subscription of 35,000,000 new Shares by Subscriber D pursuant to the Connected Subscription Agreement
"Connected Subscription Agreement"	the subscription agreement dated 28 August 2026 entered into between the Company and Subscriber D in relation to the Connected Subscription
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Independent Board Committee"	the independent board committee of the Board comprising all independent non-executive Directors, namely Mr. Chan Francis Ping Kuen, Mr. Gong Dao Jun and Ms. Chiang Siu Ling, Samantha, established to advise the Independent Shareholders on the Connected Subscription, the Connected Subscription Agreement and the transactions contemplated thereunder, and the relevant Specific Mandate
"Independent Financial Adviser"	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Connected Subscription
"Independent Shareholders"	the shareholders of the Company other than those who are required to abstain under the Listing Rules from voting at the SGM of the Company for the resolution(s) approving the Subscription Agreements and the Subscriptions contemplated thereunder
"Independent Subscribers"	Subscriber A, Subscriber B and Subscriber C
"Latest Practicable Date"	29 September 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
"Listing Committee"	the listing committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	31 December 2026
"PRC"	the People's Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"SGM"	the special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving by the Independent Shareholders the Subscription Agreements, and the Subscriptions contemplated thereunder (including the grant of Specific Mandate)

"Share(s)"	the ordinary share(s) of par value of HK$0.05 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the share(s) in the Shares
"Specific Mandate"	the respective specific mandate to allot and issue the Subscription Shares under each of the Subscription Agreements
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber A"	Golden Glorious Technology Co., Limited, a company incorporated in Hong Kong with limited liability, which is wholly-owned by Ms. Wang Min
"Subscriber B"	Hong Kong MinRen Technology Co., Limited, a company incorporated in Hong Kong with limited liability, which is owned as to 78.57%, 14.29% and 7.14% by Mr. Zheng Qiao Yang, Ms. Lin Muxiang and Mr. He Lin respectively
"Subscriber C"	Novablaze Technology Limited, a company incorporated in Hong Kong with limited liability, which is wholly-owned by Mr. Huang Yong
"Subscriber D"	Kunjin Holdings Co., Limited, a company incorporated in Hong Kong with limited liability, which is wholly-owned as to 60% by Mr. He Chao Rong ("**Mr. He**") and 40% by Mr. Liu Fu An
"Subscriptions"	subscription of the Subscription Shares by each of the Subscribers pursuant to the terms and conditions of the Subscription Agreements
"Subscription Agreements"	the subscription agreements dated 28 August 2026 entered into between the Company and the Subscribers
"Subscription Price"	HK$0.66 per Subscription Share
"Subscription Shares"	an aggregate of 99,000,000 new Shares to be allotted and issued by the Company to the Subscribers pursuant to the respective Subscription Agreement
"trading day"	means a day on which the Stock Exchange is open for the trading of securities
"%"	per cent

Ev Dynamics (Holdings) Limited
科軒動力（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 476)

Executive Directors:
Mr. Zeng Yan *(Chairman and Chief Executive Officer)*
Mr. Yan Zhang Yan

Non-executive Directors:
Ms. Chan Hoi Ying
Mr. He Chao Rong

Independent Non-executive Directors:
Mr. Chan Francis Ping Kuen
Mr. Gong Dao Jun
Ms. Chiang Siu Ling, Samantha

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business in Hong Kong:
46th Floor
United Asia Finance Centre
333 Lockhart Road
Wanchai
Hong Kong

5 October 2026

To the Shareholders

Dear Sir or Madam,

(1) CONNECTED TRANSACTION INVOLVING ISSUE OF NEW SHARES TO A DIRECTOR UNDER SPECIFIC MANDATE; (2) ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE; AND (3) NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 28 August 2026 in relation to, among other things, the Subscription Agreements and the Subscriptions contemplated thereunder.

The purpose of this circular is to provide you with further information regarding the Subscription and to give you the notice of the SGM to be convened for the purpose of considering and, if thought fit, approving each of the Subscription Agreements and each of the Subscriptions contemplated thereunder, and the allotment and issue of the Subscription Shares under the Specific Mandate.

THE SUBSCRIPTIONS

On 28 August 2026 (after trading hours), the Company, as the issuer, entered into the Subscription Agreements with the Subscribers, pursuant to which the Company has conditionally agreed to issue and allot, and the Subscriber has conditionally agreed to subscribe for, an aggregate of 99,000,000 Subscription Shares at the Subscription Price of HK$0.66 per Subscription Share.

THE SUBSCRIPTION AGREEMENTS

The principal terms of each of the Subscription Agreements are set out as below:

Date	:	28 August 2026
Issuer:	:	The Company
Subscribers	:	Each of the Subscribers
Subscription Shares	:	Subscriber A: 29,000,000 Subscription Shares
		Subscriber B: 30,000,000 Subscription Shares
		Subscriber C: 5,000,000 Subscription Shares
		Subscriber D: 35,000,000 Subscription Shares
Subscription Price	:	HK$0.66 per Subscription Share

Subscription Shares

The aggregate of 99,000,000 Subscription Shares will be issued and allotted under the Specific Mandate, which is subject to Independent Shareholders' approval at the SGM.

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date of Completion, the Subscription Shares represent:

(i) approximately 27.8% of the existing issued share capital of the Company as at the Latest Practicable Date; and

(ii) approximately 21.8% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

Subscription Price

The Subscription Price of HK$0.66 per Subscription Share represents:

(i) a premium of approximately 4.8% over the closing price of HK$0.63 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements;

(ii) a premium of approximately 8.4% over the average closing price of approximately HK$0.609 per Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the date of the Subscription Agreements;

(iii) a premium of approximately 18.9% over the average closing price of approximately HK$0.555 per Share as quoted on the Stock Exchange for the last twenty (20) trading days up to and including the date of the Subscription Agreements;

(iv) a discount of approximately 18.5% to the closing price of HK$0.810 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and

(v) a discount of approximately 64.23% to the audited consolidated net asset value of approximately HK$1.845 per Share as at 31 March 2026, which is calculated based on the Group's audited consolidated net asset of approximately HK$656,274,000 as at 31 March 2026 and 355,649,109 Shares in issue as at the Latest Practicable Date.

The Subscription Price was determined with reference to the prevailing market price of the Shares, among others, (i) the pricing of the Company's recent equity fund-raising exercise completed in August 2026 is conducted at a premium; and (ii) the historical trading performance of the Shares in the past 6 months (ranged from HK$0.42 to HK$0.71), and was negotiated on an arm's length basis between the Company and the Subscribers.

Despite the Subscription Price represents a discount of approximately 64.23% to the audited net asset value per Share as at 31 March 2026, the audited consolidated net asset value merely represented accounting-based measures and primarily reflect historical carrying values and valuation adjustments of the Group's assets, including non-current assets such as property, plant and equipment and mining assets. As such, they do not represent the trading value or market valuation of the Company's Shares and do not reflect the liquidity, earnings performance or market sentiment of the Company. In addition, the Group's audited net asset value per Share are significantly influenced by the mining assets and other non-cash items. Such assets are not readily realisable in the ordinary course of business and their carrying values or reassessed values do not directly translate into distributable value or market capitalisation. Further, the Group has recorded net losses in recent financial years and negative operating cash flows, and therefore the market valuation of the Company is primarily driven by its trading performance, liquidity and future business prospects rather than asset backing. As such, the Directors consider that (i) the audited consolidated net asset value per Share are not appropriate benchmark for assessing the Subscription Price; and (ii) the market-based indicators are more relevant and appropriate than the metrics based on net asset value for assessing the reasonableness and fairness of the Subscription Price.

Ranking

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

Conditions precedent

The Completion is conditional upon the satisfaction of the following conditions precedent:

(i) the Independent Shareholders having passed the resolution at the SGM to approve (a) the respective Subscription Agreement and the respective Subscription contemplated thereunder; and (b) the issue and allotment of the Subscription Shares under the Specific Mandate;

(ii) the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares; and

(iii) any other necessary waivers, consents and approvals (if required) from the relevant governmental or regulatory authorities in Hong Kong and Bermuda for the Subscription Agreements and the Subscriptions contemplated thereunder having been obtained and fulfilled.

All the above conditions precedent are not waivable. As at the Latest Practicable Date, save for the approvals as detailed in (i) and (ii) above, no other approvals, consents and/or waivers are required to be obtained in respect of the Subscription Agreements and transactions contemplated thereunder. None of the conditions precedent have been fulfilled as at the Latest Practicable Date.

In the event the above conditions precedent have not been satisfied by the Long Stop Date, all rights, obligations and liabilities of the Company and each of the Subscriber shall cease and determine and neither party shall have any claim against the other, save for any antecedent breaches of the respective Subscription Agreement.

For the avoidance of doubt, the Subscription Agreements are not inter-conditional.

Completion

Completion of each of the Subscription shall take place on the Completion Date, or at such other date, time and venue as the Company and the Subscriber may agree in writing.

LISTING APPLICATION

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

INFORMATION OF THE COMPANY AND THE GROUP

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company consist of investment holding, development of new energy business and trading of metals and minerals. The Group also owns the Glauberite Mine located in the Guangxi Zhuang Autonomous Region of the PRC.

INFORMATION OF THE SUBSCRIBERS

Subscriber A is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding, which is wholly-owned by Ms. Wang Min. Ms. Wang has extensive experience in the supply chain management, electronic hardware and infrastructure industry.

Subscriber B is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding, which is owned as to 78.57%, 14.29% and 7.14% by Mr. Zheng Qiao Yang, Ms. Lin Muxiang and Mr. He Lin respectively. Mr. Zheng is an executive director of Chengdu Minshang Tongda Supply Chain Management Co., Ltd, a company incorporated in the PRC principally engaged in supply chain management business.

Subscriber C is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding, which is wholly-owned by Mr. Huang Yong. Mr. Huang is a vice general manager of a software and information technology services company and an experienced engineer in mechanical and electrical engineering.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber A, Subscriber B and Subscriber C and their respective ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Subscriber D is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding. Subscriber D is owned as to 60% by Mr. He, a non-executive Director of the Company, and as to 40% by Mr. Liu Fu An.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

As disclosed in the announcement in relation to annual report of the Company for the year ended 31 March 2026, as at 31 March 2026, the balance of the cash and cash equivalent of the Group was approximately HK$2.1 million.

As the Subscription Price represented a premium over the recent closing price of the Shares, the Company considers the Subscriptions represented an opportunity for the Group to improve its liquidity position and strengthen its financial position.

In addition, with the successful commencement of the e-Mobility Solutions business which generated revenue of approximately HK$19.4 million for the year ended 31 March 2026, the Group has continued to deploy more capital on the e-Mobility Solutions business. The Company intends to continue to explore strategic development opportunities and enhancement of the Group's e-Mobility Solutions business, and to leverage the existing infrastructure and technology of the Group to capture evolving market demands and business opportunities.

As further disclosed in the annual report of the Company for the year ended 31 March 2026, the Group is required to settle an outstanding judgement amount pursuant to an arbitration award issued by the Chongqing Arbitration Commission on 27 May 2025 (the "**Judgement Amount**"). As at the Latest Practicable Date, approximately RMB37.2 million remained outstanding.

Use of proceeds

The gross proceeds from the Subscriptions will be approximately HK$65.3 million and the net proceeds (after deduction of professional fees and all relevant expenses of the Subscriptions) from the Subscriptions are estimated to be approximately HK$65.1 million.

The Company intends to apply the net proceeds from the Subscription in the following manner:

(i) approximately HK$32.0 million for exploring strategic development opportunities and enhancement of the Group's e-Mobility Solutions business and to leverage the existing infrastructure and technology of the Group to capture evolving market demands and business opportunities; in particular, (a) approximately HK$10.0 million for the establishment of charging stations; (b) approximately HK$12.0 million for the procurement of equipment related to the Group's heavy-duty truck operations; (c) approximately HK$5.0 million for the preliminary development of logistics scheduling model and autonomous driving testing; and (d) approximately HK$5.0 million for the working capital of the e-Mobility Solutions business, including staff costs and other operational expenses, which is expected to be utilised by 31 March 2027;

(ii) approximately HK$22.0 million towards the settlement of the Group's financial liabilities, including but not limited to the outstanding amounts in relation to the Chongqing Arbitration Commission (the **"CQ Arbitration"**), and other payables, which are expected to be utilised by 31 December 2026; and

(iii) the remaining HK$11.1 million for general working capital of the Group, including but not limited to payment of staff costs and administrative expenses to maintain the Group's day-to-day operations, which is excepted to be utilised by 30 June 2027.

As each of the Subscriptions are not inter-conditional, in the event the net proceeds are downsized as a result of any of the Subscriptions failing to materialise, the net proceeds of the Subscriptions will be applied firstly for the repayment towards the outstanding amounts of the CQ Arbitration and other payables. Any remaining amount will be utilised for the enhancement of the Group's e-Mobility Solutions business and for general working capital of the Company proportionally.

Alternative financing

The Board has considered various fund-raising methods apart from the Subscription.

In respect of debt financing, the Company had difficulties in sourcing debt financing from financial institutions due to the lack of security as the Company does not have material tangible assets. Despite the Group has continue to explore external debt financing, due to the net loss position of the Group in the recent years and the lack of collateral, the Group did not receive any favourable response in this regard. In addition, debt financing, even if it materialise, would increase the Group's finance costs and gearing ratio.

The Company has also considered other equity issuance methods, such as rights issue, open offer and placing new shares to independent third parties. However, in view of the uncertain sentiment of the stock market and uncertain economic environment, the Company could not secure a placing agent or underwriter with terms acceptable to the Company due to (i) sourcing placing agents for equity investments with terms acceptable to the Company and amounts sufficient in meeting the financial obligations and working capital needs of the Company; and (ii) sourcing underwriter with reasonable underwriting fee and subscription price of reasonable discount for open offer and rights issue. Without underwriting support, the outcome of a rights issue, open offer or placing of new Shares would be highly uncertain and there is no certain on the amounts of proceeds the Company could raise from such exercise. In addition, the Company considers that the process of the placing, rights issue, or open offer would be relatively time-consuming.

In view of the above and taking into account the imminent funding needs of the Company, the Board considers that the Subscriptions under specific mandate represents the most practicable appropriate fundraising method for the Group.

Directors' view

Taking into account of the above, (i) the Board is of the view that the terms of the Subscription Agreements (other than the Connected Subscription Agreement) are on normal commercial terms, fair and reasonable and are in the interest of the Company and its Shareholders as a whole; and (ii) the Board (including the members of the Independent Board Committee having taken into account the advice of the Independent Financial Adviser) is of the view that the terms of Connected Subscription Agreement are on normal commercial terms, fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) assuming the completion of the Subscription by only one of the Subscribers; and (iii) immediately upon the Completion, assuming that there is no change in the issued share capital of the Company from the date of the Latest Practicable Date to the Completion Date:

			Assuming the completion of the Subscription by									
	As at the Latest Practicable Date		Subscriber A only		Subscriber B only		Subscriber C only		Subscriber D only		Immediately upon the Completion	
	Number of shares	*% of total issued Shares*	*Number of shares*	*% of total issued Shares*	*Number of shares*	*% of total issued Shares*	*Number of shares*	*% of total issued Shares*	*Number of shares*	*% of total issued Shares*	*Number of shares*	*% of total issued Shares*
Total Honest Investment Limited *(Note 1)*	60,000,000	16.9%	60,000,000	15.6%	60,000,000	15.6%	60,000,000	16.6%	60,000,000	15.4%	60,000,000	13.2%
DataMind Group Co., Limited *(Note 2)*	31,000,000	8.7%	31,000,000	8.1%	31,000,000	8.0%	31,000,000	8.6%	31,000,000	7.9%	31,000,000	6.8%
Entrust Limited *(Note 3)*	19,654,550	5.5%	19,654,550	5.1%	19,654,550	5.1%	19,654,550	5.4%	19,654,550	5.0%	19,654,550	4.3%
Subscriber A	–	–	29,000,000	7.5%	–	–	–	–	–	–	29,000,000	6.4%
Subscriber B	–	–	–	–	30,000,000	7.8%	–	–	–	–	30,000,000	6.6%
Subscriber C	–	–	–	–	–	–	5,000,000	1.4%	–	–	5,000,000	1.1%
Subscriber D	–	–	–	–	–	–	–	–	35,000,000	9.0%	35,000,000	7.7%
Other Shareholders	244,994,559	68.9%	244,994,559	63.7%	244,994,559	63.5%	244,994,559	67.9%	244,994,559	62.7%	244,994,559	53.9%
Total	355,649,109	100.00%	384,649,109	100.00%	385,649,109	100.00%	360,649,109	100.00%	390,649,109	100.00%	454,649,109	100.00%

Notes:

1. Total Honest Investment Limited is wholly owned by Mr. Yan Zhang Yan, an executive Director of the Company.

2. DataMind Group Co., Limited is wholly owned by Mr. Peng Chao.

3. Entrust Limited is controlled as to 34% by Mr. Chan Tok Yu, 25% by Ms. Chan Hoi Ying (non-executive Director of the Company), 25% by Mr. Chan Hin Yeung and 16% by Ms. Siu Kwan. Mr. Chan Tok Yu's interest is held by Ms. Siu Kwan as a trustee. Accordingly, Mr. Chan Tok Yu and Ms. Siu Kwan are deemed to be interested in the Shares in which Entrust Limited is interested by virtue of the SFO.

4. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

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

Date of initial announcement	Fund raising activities	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
24 July 2026	Subscription of 31,000,000 new Shares under general mandate	Approximately HK$15.48 million	Expansion of the e-Mobility Solutions business, settlement of the Judgement Amount and replenishment of the Group's general working capital	HK$12.0 million utilized as intended, including (i) HK$7.0 million for the repayment towards the Judgement Amount and other financial obligation of the Group; (ii) approximately HK$3.0 million utilised as general working capital for the salary expenses; and (iii) approximately HK$2.0 million utilised for expansion of the e-Mobility Solutions business. The remaining of approximately HK$3.5 million are currently deposited with licensed bank and expected to be utilised as intended for the expansion of the e-Mobility Solutions business by 31 December 2026
4 May 2026	Subscription of 3,840,000 new Shares under general mandate	Approximately HK$1.98 million	Settlement of the Judgement Amount and the replenishment of the Group's general working capital	Fully utilised as intended

Date of initial announcement	Fund raising activities	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
16 April 2026	Subscription of 3,830,000 new Shares under general mandate	Approximately HK$1.94 million	Repayment of certain payables and the replenishment of the Group's general working capital	Fully utilised as intended
10 November 2025	Placing of 20,000,000 new Shares under general mandate	Approximately HK$15.40 million	(i) Approximately HK$12.0 million for development and expansion of the Group's new energy business, particularly the e-Mobility Solutions business; and (ii) Approximately HK$3.4 million for general working capital of the Group	Fully utilised as intended
18 July 2025	Subscription of 60,000,000 new Shares under specific mandate	Approximately HK$26.80 million	(i) Approximately HK2.2 million for completion of existing purchase orders; (ii) Approximately HK$17.8 million for initial working capital for the provision of purpose-built electric transport solutions business in the PRC; and (iii) Approximately HK$6.8 million for general working capital of the Group	Fully utilised as intended

LISTING RULES IMPLICATIONS

As the Subscription Shares will be issued and allotted under the Specific Mandate to be obtained at the SGM, the Subscriptions, the Subscription Agreements and the transactions contemplated thereunder and the Specific Mandate are subject to the Shareholders' approval.

As at the date of the Subscription Agreements, Mr. He, being a non-executive Director of the Company, is a connected person of the Company under the Listing Rules. As Mr. He is interested in 60% of the shareholding interest in Subscriber D, the Connected Subscription by Subscriber D constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

The resolutions approving each of the Subscription Agreements and the Subscriptions contemplated thereunder were approved at a Board meeting of the Company. Mr. He, being a non-executive Director of the Company and interested in Subscriber D, has abstained from voting at the Board meeting relating to approval of the Subscription Agreements. Save for Mr. He, no Directors were required to abstain from voting at the Board meeting relating to the approval of the Subscription Agreements and the Subscriptions contemplated thereunder.

SGM

The SGM will be held at 19/F, Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong on Tuesday, 20 October 2026 at 11:30 a.m. to consider and, if thought fit, pass the resolution to approve each of the Subscription Agreements and each of the Subscriptions contemplated thereunder, and the allotment and issue of the Subscription Shares under the Specific Mandate.

A notice convening the SGM is set out on pages SGM-1 to SGM-3 of this circular. A form of proxy for the SGM is enclosed with this circular. Whether or not you intend to be present at the SGM, you are advised to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time scheduled for the SGM or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the meeting in person or any adjourned meeting should you so wish, and in such case, the form of proxy submitted by you shall be deemed to be revoked.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has any material interest in the Subscription Agreements and the Subscriptions contemplated thereunder, and the allotment and issue of the Subscription Shares under the Specific Mandate, and no Shareholder will be required to abstain from voting on the resolution approving each of the Subscription Agreements and each of the Subscriptions contemplated thereunder, and the allotment and issue of the Subscription Shares under the Specific Mandate at the SGM.

After the conclusion of the SGM, the poll vote results will be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolution proposed at the SGM will be taken by way of poll. An announcement on the poll results will be made by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

FORM OF PROXY

A form of proxy for use at the SGM is enclosed with this circular. Whether or not Shareholders are able to attend the SGM in person, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the SGM if they so wish and, in such event, the form of proxy shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the list of shareholders who are entitled to attend and vote at the SGM, the register of members of the Company will be closed from Wednesday, 14 October 2026 to Tuesday, 20 October 2026. No transfer of shares of the Company will be registered during these days. In order to qualify to attend and vote at the SGM, all instruments of transfer together with the relevant share certificate(s) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 13 October 2026.

RECOMMENDATION

The Board is of the view that (i) the terms of the Subscription Agreements (other than the Connected Subscription Agreement) and the transactions contemplated thereunder (including the grant of the respective Specific Mandate) are on normal commercial terms, fair and reasonable and are in the interest of the Company and its Shareholders as a whole; and (ii) the Board (including the members of the Independent Board Committee having taken into account the advice of the Independent Financial Adviser) is of the view that the terms of Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the respective Specific Mandate) are on normal commercial terms, fair and reasonable and are in the interests of the Company and its Shareholders as a whole. The Board recommends the Independent Shareholders to vote in favour of the resolutions to approve the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandate).

ADDITIONAL INFORMATION

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

Yours faithfully
By order of the Board
Ev Dynamics (Holdings) Limited
Zeng Yan
Chairman and Executive Director

Ev Dynamics (Holdings) Limited
科軒動力（控股）有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 476)

5 October 2026

To the Independent Shareholders,

Dear Sir or Madam,

CONNECTED TRANSACTION INVOLVING ISSUE OF NEW SHARES TO A DIRECTOR UNDER SPECIFIC MANDATE

We refer to the circular of the Company dated 5 October 2026 (the "**Circular**") of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used herein.

We have been appointed to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether the Connected Subscription Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms, in the interests of the Company and the Shareholders as a whole, and in the ordinary and usual course of business of the Group.

Rainbow Capital (HK) Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. We wish to draw your attention to its letter of advice which is set out on pages 18 to 37 of the Circular.

Having considered (i) the terms of the Connected Subscription Agreement and the transactions contemplated thereunder; and (ii) the advice from the Independent Financial Adviser, we are of the opinion that, despite the Connected Subscription Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of the Company, the terms of the Connected Subscription Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend that the Independent Shareholders vote in favour of the resolutions to approve the Connected Subscription Agreement, the transactions contemplated thereunder and the respective Specific Mandate.

Yours faithfully,
For and on behalf of the
Independent Board Committee of
Ev Dynamics (Holdings) Limited

Mr. Chan Francis Ping Kuen	**Mr. Gong Dao Jun**	**Ms. Chiang Siu Ling, Samantha**
Independent Non-executive Director	*Independent Non-executive Director*	*Independent Non-executive Director*

The following is the full text of a letter of advice from Rainbow Capital (HK) Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription, which has been prepared for the purpose of inclusion in this circular.

RAINBOW CAPITAL (HK) LIMITED
滾 博 資 本 有 限 公 司

5 October 2026

To the Independent Board Committee and the Independent Shareholders

Ev Dynamics (Holdings) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Dear Sir or Madam,

(1) CONNECTED TRANSACTION INVOLVING ISSUE OF NEW SHARES TO A DIRECTOR UNDER SPECIFIC MANDATE; AND (2) ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription, details of which are set out in the "Letter from the Board" (the "**Letter from the Board**") contained in the circular dated 5 October 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Unless the context otherwise requires, capitalized terms used in this letter shall have the same meanings as those defined in the Circular.

On 28 August 2026 (after trading hours), the Company, as the issuer, entered into Subscription Agreements with the Subscribers, pursuant to which the Company has conditionally agreed to issue and allot, and the Subscribers has conditionally agreed to subscribe for, an aggregate of 99,000,000 Subscription Shares at the Subscription Price of HK$0.66 per Subscription Share.

Upon completion of the Subscription, assuming that there is no other change in the issued share capital of the Company between the Latest Practicable Date and the date of Completion, the Subscription Shares represent (i) approximately 27.8% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 21.8% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares will be allotted and issued under Specific Mandate to be approved by the Independent Shareholders at the SGM. The Subscription Shares, when allocated and issued, will rank pari passu in all respect among themselves and with the Shares in issue. An application will be made by the Company to the Stock Exchange for the approval for the listing of, and permission to deal in, the Subscription Shares.

As the Subscription Shares will be issued and allotted under Specific Mandate to be obtained at the SGM, the Subscriptions, the Subscription Agreements and the transactions contemplated thereunder and the Specific Mandate are subject to the Shareholder's approval.

As at the date of the Subscription Agreements, Mr. He, being a non-executive Director of the Company, is a connected person of the Company under the Listing Rules. As Mr. He is interested in 60% of the shareholding interest in Subscriber D, the Connected Subscription by Subscriber D constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

The resolutions approving each of the Subscription Agreements and the Subscriptions contemplated thereunder were approved at a Board meeting of the Company. Mr. He, being a non-executive Director of the Company and interested in Subscriber D, has abstained from voting at the Board meeting relating to approval of the Subscription Agreements. Save for Mr. He, no Directors were required to abstain from voting at the Board meeting relating to the approval of the Subscription Agreements and the Subscriptions contemplated thereunder.

As at the Latest Practicable Date, we did not have any relationships or interests with the Group and the Subscribers that could reasonably be regarded as relevant to our independence. There was no engagement or connection between the Group or the Subscribers and us in the last two years. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no other arrangements exist whereby we had received any fees or benefits from the Group or the Subscribers. We possess extensive experience in advising the independent shareholders of Hong Kong listed companies on connected transactions involving the issuance of new shares under specific mandates. Within the one-year period immediately preceding the Latest Practicable Date, we have acted as the independent financial adviser to various listed issuers, including China Youran Dairy Group Limited (9858.HK), Chongqing Iron & Steel Company Limited (1053.HK), Greater Bay Area AI Computing Tech Co., Ltd. (1396.HK), and Huicheng International Holdings Limited (1146.HK). Accordingly, we are considered eligible to give an independent advice to the Independent Board Committee and the Independent Shareholders in respect of the Subscription.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the Directors and the management of the Group; and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the management of the Group and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the management of the Group. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the management of the Group are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the Circular, and that the Independent Shareholders will be notified of material changes to such information provided and our opinion, if any, as soon as possible after the Latest Practicable Date and until the SGM.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the management of the Group, nor have we conducted any form of in-depth investigation into the businesses, affairs, operations, financial position or future prospects of the Company or any of its substantial shareholders, subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Subscription, we have taken into consideration the following principal factors and reasons:

1. Information on the Group

The Group is principally engaged in development of new energy business and the trading of metals and minerals. The Group also owns a glauberite mine located in the Guangxi Zhuang Autonomous Region of the PRC.

(i) Financial performance

Set out in the table below is a summary of the audited consolidated financial information of the Group for the years ended 31 March 2024, 2025 and 2026 ("**FY2024**", "**FY2025**" and "**FY2026**", respectively) as extracted from the Company's annual reports for FY2025 and FY2026:

	FY2026	**FY2025**	**FY2024**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	41,098	3,012	42,239
Cost of sales	(25,673)	(4,982)	(39,538)
Gross profit	15,425	(1,970)	2,701
Other income	3,177	1,465	2,026
Selling and distribution expenses	(80)	(431)	(7,268)
Administrative expenses	(34,882)	(39,889)	(60,454)
Impairment of investment in an associate	–	–	(2,451)
Impairment of mining assets	(266,981)	(284,752)	(170,631)
Impairment of trade receivables, net	(5,628)	(7,584)	(5,173)
Reversal of impairment of contract assets	–	516	(126)
Impairment of amount due from an associate	–	–	(6,097)
Write-off construction in progress	(1,758)	–	–
Write-off of other receivables and prepayments	(352)	(16,360)	(4,370)
Change in fair value of financial assets at fair value through profit or loss ("**FVTPL**")	–	(10,295)	(36,783)
Loss on derecognition of an other receivable	–	–	(1,858)
Realised loss on disposal of financial assets at FVTPL	–	(11,600)	(35,277)
Loss on disposal of subsidiaries	(1,415)	(2,674)	–
Loss on dissolution of a subsidiary	–	(58)	–
Share of results of an associate	–	–	(412)
Finance costs	(742)	(397)	(778)
Loss before income tax	(293,236)	(374,029)	(326,951)
Income tax credit	123	121	122
Loss for the year	(293,113)	(373,908)	(326,829)
Loss for the year attributable to Shareholders	(291,999)	(372,028)	(319,337)

FY2025 as compared to FY2024

The Group's revenue decreased by 92.9% from approximately HK$42.2 million for FY2024 to approximately HK$3.0 million for FY2025, which was primarily due to the decrease in sales of the Mexican market due to the geopolitical uncertainties and deferred procurement plan of the Mexican clients. In FY2025, in terms of geographical segmentation, the revenue of the Group was derived from Hong Kong at HK$2.6 million, the Philippines at HK$0.3 million and Thailand at HK$0.1 million.

The Group's gross loss was approximately HK$2.0 million in FY2025 and gross profit was approximately HK$2.7 million in FY2024. Excluding the write-down of inventories and depreciation of property, plant and equipment, the gross profit of the Group was approximately HK$0.7 million in FY2025 and HK$11.8 million in FY2024. The Group's gross profit margin decreased by 5.4% from 28.0% in FY2024 to 22.6% in FY2025.

The Group's other income decreased by 25.0% from HK$2.0 million in FY2024 to HK$1.5 million in FY2025, which was primarily due to a dramatically decrease in government grants and sundry income and a slightly decrease in interest income.

The Group's administrative expenses amounted to approximately HK$39.9 million in FY2025 and HK$60.5 million in FY2024, decreased by 34.0% as compared to last year. Administrative expenses mainly consist of employee compensation, including salaries and other benefits, legal and professional fees and amortisation and depreciation expenses.

The Group' impairment of mining assets was approximately HK$284.8 million in FY2025 and approximately HK$170.6 million in FY2024. In accordance with an independent valuation report on the Glauberite Mine, the fair value of the Glauberite Mine as at 31 March 2025 is RMB787.8 million, which is lower than its carrying value of RMB1,051.2 million and hence the impairment loss on the mining assets of approximately HK$284.8 million was made in FY 2025. The decrease in fair value of the mining assets was due to the decrease in thernadite price from RMB752 per ton in FY 2024 to RMB681 per ton in FY 2025.

As a result of the foregoing, the Group's loss attributable to the Shareholders increased by approximately 16.5%, from HK$319.3 million in FY2024 to HK$372.0 million in FY2025.

FY2026 as compared to FY2025

The Group's revenue amounted to approximately HK$41.1 million in FY2026, representing an increase of 1,270.0% as compared to that of approximately HK$3.0 million in FY2025, which was primarily driven by (a) the additional revenue of approximately HK$19.4 million generated from the e-Mobility Solution business comprising of EV logistics services, charging services and leasing of EV, which commenced in the second half of the financial period; and (b) significant increase in sales of electric vehicles attributable to a customer deposit of USD2.1 million (equivalent to approximately HK$16.4 million) being forfeited upon termination of a sale contract entered into in prior years.

The Group's gross profit was approximately HK$15.4 million in FY2026 and gross loss was approximately HK$2.0 million in FY2025. The reason of the significant improvement of gross profit margin was driven by a USD2.1 million (equivalent to approximately HK$16.4 million) revenue from forfeiture of a customer's deposit. Excluding this one-off income, the gross margin of the Group remains negative due to the write-down of inventories amounted to approximately HK$2.6 million in FY2026 and approximately HK$2.1 million in FY2025 attributed to the dead stocks including the unsold traditional bus and other aging raw materials.

The Group's administrative and other expenses amounted to approximately HK$34.9 million in FY2026 and approximately HK$39.9 million in FY2025, decreasing by 12.5% compared to the previous year. Administrative expenses mainly consist of employee compensation, including salaries and other benefits, legal and professional fees, and amortisation and depreciation expenses. The decrease in administrative expenses was mainly attributable to a decrease in legal and professional fees for the year.

The Group' impairment of mining assets was approximately HK$267.0 million in FY2026 and approximately HK$284.8 million in FY2025. In accordance with an independent valuation report on the Glauberite Mine, the fair value of the Glauberite Mine as at 31 March 2026 is approximately RMB544.8 million, which is lower than its carrying value of approximately RMB787.8 million and hence the impairment loss on the mining assets of approximately RMB243.0 million, equivalent to approximately HK$267.0 million (2025: approximately HK$284.8 million), was made in the FY2026. The decrease in fair value of the mining assets was mainly driven by (i) the decrease in thenardite price; and (ii) an increase in in post-tax discount rate.

The Group's other income increased by 113% from HK$1.5 million in FY2025 to HK$3.2 million in FY2026, which was primarily driven by a gain of approximately HK$2.9 million on reversal of provision for contractual penalty arising from a settlement agreement with a supplier.

As a result of the foregoing, the Group's loss attributable to the Shareholders decreased by approximately 21.5% from HK$372.0 million in FY2025 to HK$292.0 million in FY2026.

(ii) Financial position

Set out below is a summary of the consolidated financial position of the Group as at 31 March 2024, 2025 and 2026:

	31 March 2026	**31 March 2025**	**31 March 2024**
	HK$'000	*HK$'000*	*HK$'000*
Total current assets	54,125	49,888	121,679
Total non-current assets	738,283	927,099	1,229,489
Total current liabilities	114,713	120,248	128,490
Total non-current liabilities	21,421	8,812	6,379
Net assets	656,274	847,927	1,216,299
Net assets attributable to the Shareholders	683,346	872,618	1,246,213

The Group's net assets attributable to the Shareholders decreased by 30.0% from HK$1,246.2 million as at 31 March 2024 to HK$872.6 million as at 31 March 2025, and further decreased by 21.7% to HK$683.3 million as at 31 March 2026. This downward trend was principally due to (a) the net loss attributable to the Shareholders of HK$372.0 million for FY2025 and HK$292.0 million for FY2026; and (b) that the Group's inventories decreased from HK$16.1 million as at 31 March 2024 to HK$13.7 million and HK$10.6 million as at 31 March 2025 and 2026 respectively.

(iii) Overall comments

Over the past three financial years, the Group's net loss attributable to the Shareholders increased from HK$319.3 million for FY2024 to HK$372.0 million for FY2025, and decreased to HK$292.0 million for FY2026. The results were primarily attributable to impairment of mining assets, which amounted to HK$170.6 million, HK$284.8 million and HK$267.0 million in FY2024, FY2025 and FY2026, respectively.

In view of the Group's continued business performance improvements and recurring impairment losses on mining assets over the past three financial years, the Group will continue to focus on developing its EV and e-Mobility solutions business. The Group remains committed to optimizing its resource allocation to ensure sustainable growth and operational efficiency in these core business segments.

2. Information on the Subscribers

Subscriber A, Golden Glorious Technology Co., Limited is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding, which is wholly-owned by Ms. Wang Min. Ms. Wang Min has extensive experience in the supply chain management, electronic hardware and infrastructure industry.

Subscriber B, Hong Kong MinRen Technology Co., Limited is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding, which is owned as to 78.57%, 14.29% and 7.14% by Mr. Zheng Qiao Yang, Ms. Lin Muxiang and Mr. He Lin respectively. Mr. Zheng is an executive director of Chengdu Minshang Tongda Supply Chain Management Co., Ltd, a company incorporated in the PRC principally engaged in supply chain management business.

Subscriber C, Novablaze Technology Limited is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding, which is wholly-owned by Mr. Huang Yong. Mr. Huang is a vice general manager of a software and information technology services company and an experienced engineer in mechanical and electrical engineering.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber A, Subscriber B and Subscriber C and their respective ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Subscriber D, Kunjin Holdings Co., Limited is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding. The Subscriber D is owned as to 60% by Mr. He, a non-executive Director of the Company, and as to 40% by Mr. Liu Fu An.

3. Reasons for the Subscription and use of proceeds

The net proceeds from the Subscription are estimated to be approximately HK$65.1 million. The Company intends to apply the net proceeds from the Subscription in the following manner (i) approximately HK$32.0 million for exploring strategic development opportunities and enhancement of the Group's e-Mobility Solutions business and to leverage the existing infrastructure and technology of the Group to capture evolving market demands and business opportunities, in particular, (a) approximately HK$10.0 million for the establishment of charging stations; (b) approximately HK$12.0 million for the procurement of equipment related to the Group's heavy-duty truck operations; (c) approximately HK$5.0 million for the preliminary development of logistics scheduling model and autonomous driving testing; and (d) approximately HK$5.0 million for the working capital of the e-Mobility Solutions business, including staff costs and other operational expenses, which is expected to be utilised by 31 March 2027; (ii) approximately HK$22.0 million towards the settlement of the Group's financial liabilities, including but not limited to the outstanding amounts in relation to the Chongqing Arbitration Commission (the "**CQ Arbitration**"), and other payables, which are expected to be utilised by 31 December 2026; and (iii) the remaining HK$11.1 million for general working capital of the Group, including but not limited to payment of staff costs and administrative expenses to maintain the Group's day-to-day operations, which is expected to be utilised by 30 June 2027.

As each of the Subscriptions are not inter-conditional, in the event the net proceeds are downsized as a result of any of the Subscriptions failing to materialise, the net proceeds of the Subscriptions will be applied firstly for the repayment towards the outstanding amounts of the CQ Arbitration and other payables. Any remaining amount will be utilised for the enhancement of the Group's e-Mobility Solutions business and for general working capital of the Company proportionally.

As disclosed in the announcement in relation to annual report of the Company for the year ended 31 March 2026, as at 31 March 2026, the balance of the cash and cash equivalent of the Group was approximately HK$2.1 million.

As the Subscription Price represented a premium over the recent closing price of the Shares, the Company considers the Subscriptions represented an opportunity for the Group to improve its liquidity position and strengthen its financial position.

In addition, with the successful commencement of the e-Mobility Solutions business which generated revenue of approximately HK$19.4 million for the year ended 31 March 2026, the Group has continued to deploy more capital on the e-Mobility Solutions business. The Company intends to continue to explore strategic development opportunities and enhancement of the Group's e-Mobility Solutions business, and to leverage the existing infrastructure and technology of the Group to capture evolving market demands and business opportunities.

As further disclosed in the annual report of the Company for the year ended 31 March 2026, the Group is required to settle an outstanding judgement amount pursuant to an arbitration award issued by the CQ Arbitration on 27 May 2025. As at the Latest Practicable Date, approximately RMB37.2 million remained outstanding.

The Board has considered various fund-raising methods apart from the Subscription. In respect of debt financing, the Company had difficulties in sourcing debt financing from financial institutions due to the lack of security as the Company does not have material tangible assets in Hong Kong. Despite the Group has continue to explore external debt financing, due to the net loss position of the Group in the recent years and the lack of collateral, the Group did not receive any favourable response in this regard. In addition, debt financing, even if it materialise, would increase the Group's finance costs and gearing ratio.

The Company has also considered other equity issuance methods, such as rights issue, open offer and placing new shares to independent third parties. However, in view of the uncertain sentiment of the stock market and uncertain economic environment, the Company could not secure a placing agent or underwriter with terms acceptable to the Company due to (i) sourcing placing agents for equity investments with terms acceptable to the Company and amounts sufficient in meeting the financial obligations and working capital needs of the Company; and (ii) sourcing underwriter with reasonable underwriting fee and subscription price of reasonable discount for open offer and rights issue. Without underwriting support, the outcome of a rights issue, open offer or placing of new Shares would be highly uncertain and there is no certain on the amounts of proceeds the Company could raise from such exercise. In addition, the Company considers that the process of the placing, rights issue, or open offer would be relatively time-consuming.

In view of the above and taking into account the imminent funding needs of the Company, the Board considers that the Subscriptions under specific mandate represents the most practicable appropriate fundraising method for the Group.

4. Principal terms of the Subscription Agreements

Set out below is a summary of the principal terms of each of the Subscription Agreements, details of which are set out in the Letter from the Board.

Date	:	28 August 2026
Issuer	:	The Company
Subscribers	:	Each of the Subscribers
Subscription Shares	:	Subscriber A: 29,000,000 Subscription Shares
		Subscriber B: 30,000,000 Subscription Shares
		Subscriber C: 5,000,000 Subscription Shares
		Subscriber D: 35,000,000 Subscription Shares
Subscription price	:	HK$0.66 per Subscription Share

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

5. Subscription Price

(i) Price comparison

The Subscription Price of HK$0.66 per Subscription Share represents:

(a) a discount of approximately 18.5% to the closing price of HK$0.810 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;

(b) a premium of approximately 4.8% over the closing price of HK$0.63 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement (the **"Last Trading Date"**);

(c) a premium of approximately 8.4% over the average closing price of approximately HK$0.609 per Share as quoted on the Stock Exchange for the last five (5) trading days immediately prior to and including the Last Trading Date;

(d) a premium of approximately 18.9% over the average closing price of approximately HK$0.555 per Share as quoted on the Stock Exchange for the last twenty (20) trading days immediately prior to and including the Last Trading Date; and

(e) a discount of approximately 64.23% to the audited consolidated net asset value of approximately HK$1.845 per Share as at 31 March 2026, which is calculated based on the Group's audited consolidated net asset of approximately HK$656,274,000 as at 31 March 2026 and 355,649,109 Shares in issue as at the Latest Practicable Date.

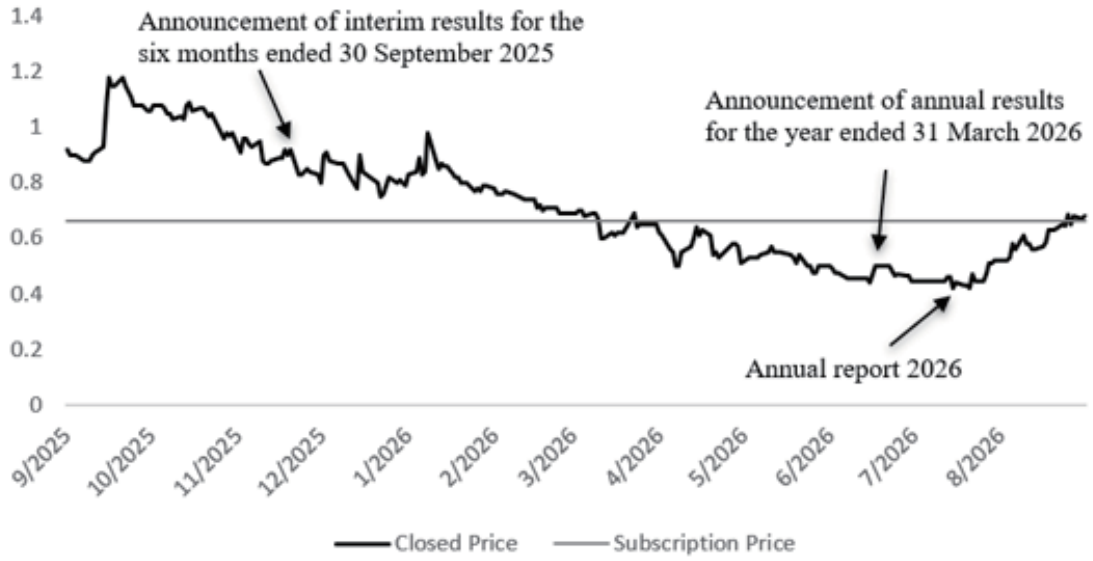
The Subscription Price was determined with reference to the prevailing market price of the Shares, among others, (i) the pricing of the Company's recent equity fund-raising exercise completed in August 2026 is conducted at a premium; and (ii) the historical trading performance of the Shares in the past 6 months (ranged from HK$0.42 to HK$0.71), and was negotiated on an arm's length basis between the Company and the Subscribers.

Despite the Subscription Price represents a discount of approximately 64.23% to the audited net asset value per Share as at 31 March 2026, the audited consolidated net asset value merely represented accounting-based measures and primarily reflect historical carrying values and valuation adjustments of the Group's assets, including non-current assets such as property, plant and equipment and mining assets. As such, they do not represent the trading value or market valuation of the Company's Shares and do not reflect the liquidity, earnings performance or market sentiment of the Company. In addition, the Group's audited net asset value per Share are significantly influenced by the mining assets and other non-cash items. Such assets are not readily realisable in the ordinary course of business and their carrying values or reassessed values do not directly translate into distributable value or market capitalisation. Further, the Group has recorded net losses in recent financial years and negative operating cash flows, and therefore the market valuation of the Company is primarily driven by its trading performance, liquidity and future business prospects rather than asset backing. As such, the Directors consider that (i) the audited consolidated net asset value per Share are not appropriate benchmark for assessing the Subscription Price; and (ii) the market-based indicators are more relevant and appropriate than the metrics based on net asset value for assessing the reasonableness and fairness of the Subscription Price.

(ii) Historical Share price performance

Set out below is the chart showing the movement of the daily closing price of the Shares during the period from 28 August 2025, being approximately one year preceding the Last Trading Date, to the Latest Practicable Date (the "**Review Period**"). We consider that the Review Period is adequate to reflect the general market sentiment and illustrate the general trend and level of movement of the daily closing price of the Shares. A longer review period may not accurately reflect the Group's latest financial performance and the prevailing market sentiment.

Historical daily closing price per Share



During the Review Period, the closing price of the Shares ranged from HK$0.420 per Share to HK$1.180 per Share, with an average closing price of HK$0.716 per Share, exhibited a clear downward trend with the closing price dropped from HK$0.93 per Share at the beginning of the Review Period to HK$0.63 of the Last Trading Date, representing the decline of approximately 32.3%.

During the Review Period, the Share price experienced a short upward trend during September 2025 and increased by approximately 34.1%, from HK$0.88 per Share on 15 September 2025 to a peak of HK$1.18 per Share on 29 September 2025. Thereafter, the Share price generally trended downward, declining to the lowest closing price of HK$0.42 per Share on 29 July 2026, shortly after the publication of the Company's 2026 annual report on 27 July 2026. The downward trajectory of the historical share price aligns closely with the Group's fundamental business and financial performance, specifically reflecting consecutive net losses and a declining net asset value as indicated in the recent financial performance.

The Share price performance since then rebound in late July, the Share price increased from HK$0.42 on 27 July 2026, to HK$0.63 on 28 August 2026 being the Last Trading Date.

Following the announcement of the Subscription, the Company's share price increased from HK$0.63 on the Last Trading Date to HK$0.81 as at the Latest Practicable Date. This increase may reflect a positive market response to the Subscription, given that the Company had not announced any other material corporate actions during the period.

In comparing the Subscription Price, it is noted that the Share price had consistently traded below the Subscription Price during the 90 and 120 trading days preceding the Last Trading Day. The average closing prices for the 90 and 120 trading days up to and including the Last Trading Day were approximately HK$0.51 and HK$0.54 per Share, respectively, representing discounts of approximately 22.4% and 17.9% to the Subscription Price. Taking into account the recent Share price performance described above, we are of the view that the Subscription Price is fair and reasonable.

(iii) Comparison companies

The Group is principally engaged in the business of development and sales of electric vehicles, mining and new energy transport and operation.

Price-to-earnings ("**P/E(s)**"), price-to-book ("**P/B(s)**") and price-to-sale ("**P/S(s)**") multiples are the three most commonly used benchmarks in valuing a company. Given that (i) the Group was loss-making in FY2026; (ii) the Group recorded net assets position as at 31 March 2026; and (iii) the Group's revenue was sustained growth during FY2026, we consider that P/B and P/S multiples are appropriate in valuing the Group. The Group's revenue experienced sustained and substantial growth of 1,270%, increasing from HK$3.0 million in FY2025 to HK$41.1 million in FY2026. This sharp rebound represents a significant acceleration in performance, contrasting with the steeper year-on-year decline of 92.9% recorded in FY2024. Based on the Subscription Price of HK$0.66 per Subscription Share for FY2026, the P/B and P/S multiples implied by the Subscription Price are 0.30 time (the "**Implied P/B**") and 4.86 times ("**Implied P/S**") respectively.

In evaluating the fairness and reasonableness of the Subscription Price, we have, based on our search on Bloomberg, identified an exhaustive list of companies (the "**Comparable Companies**"). The comprises Comparable Companies that are (i) principally engaged in manufacturing and sales of motor vehicles, accounting for more than 50% of its total revenue in the latest financial year; (ii) publicly listed on the Main Board of the Stock Exchange; and (iii) with market capitalisation in the range from HK$100.0 million to HK$30.0 billion.

We consider that the selection criteria above allow us to identify a sufficient number of Comparable Companies in evaluating the relative valuation of the Subscription Price and the prevailing valuation of the Comparable Companies. Based on the aforesaid criteria, we have identified an exhaustive list of three Comparable Companies as below.

The following table set out the details of the Comparable Companies:

Company name (stock code)	**Principal activities**	**Market capitalisation on the Last Trading Date** *(HK$ million)*	**P/B** *(times)*	**P/S** *(times)*
Qingling Motors Co. Ltd (1122)	Production and sales of motor vehicle, automobile parts and accessories.	1,352.8	0.15	0.27
BAIC Motor Corporation Ltd (1958)	Manufacturing and sales of passenger vehicles, engines and auto parts.	6,532.5	0.07	0.03
Guangzhou Automobile Group Co., Ltd (2238)	Manufacturing and sales vehicle and related products and rendering maintenance, transportation and other services.	22,943.4	0.18	0.20
		Maximum	**0.18**	**0.27**
		Minimum	**0.07**	**0.03**
		Median	**0.15**	**0.20**
		Average	**0.14**	**0.17**
The Company	Development and sales of electric vehicles, mining and new energy transport and operations	199.7	0.30	4.86

Source: Annual report and website of the HKEXnews (www.hkexnews.hk).

In establishing the selection parameters, we specified a market capitalisation range of HK$100.0 million to HK$30.0 billion to ensure a balanced and robust peer group. Restricting the market capitalisation parameter to a lower threshold would have limited the sample to only Qingling Motors Co., Ltd. and BAIC Motor Corporation Ltd. This two-entity sample presents a wide valuation disparity, as Qingling Motors' P/B ratio of 0.15x is over double BAIC Motor's 0.07x. Including Guangzhou Automobile Group Co., Ltd., with a P/B ratio of 0.18x, neutralises this divergence, yielding a narrower variance and a more representative framework for analyzing both the peer group median and average benchmarks. To further mitigate potential sample skewness, we have adopted the median, alongside the average, as a primary reference point.

Furthermore, notwithstanding that the operational scales and market capitalisations of the Comparable Companies are substantially larger than those of the Group, they remain fundamentally comparable given that their core businesses center on the manufacturing and sales of motor vehicles. Despite these scale differentials, their trading multiples serve as an appropriate reflection of prevailing market sentiment, investor risk appetite, and broader valuation benchmarks for listed automaker companies on the Stock Exchange.

(i) P/B multiple analysis

As shown in the table above, the Implied P/B of approximately 0.30x lies above the valuation range of the Comparable Companies, where the P/B multiples ranged from approximately 0.07x to 0.18x. The median and average P/B multiples were approximately 0.15x and 0.14x, respectively. The median serves as a more appropriate benchmark than the average, as it more effectively mitigates the potential distortion arising from outliers and aforesaid sample skewness within the peer set.

Despite the Subscription Price represents a discount of approximately 64.23% to the audited net asset value per Share as at 31 March 2026, our review of the Company's latest annual report indicates that the audited net asset value (**"NAV"**) merely reflects historical carrying values and accounting adjustments for illiquid non-current assets, such as property, plant and equipment, and mining assets. Such non-cash items are not readily realisable in the ordinary course of business and do not accurately capture the Company's current market liquidity, earnings capacity, or prevailing investor sentiment. Given the Group's historical net losses and negative free cash flow, its market equity value is predominantly driven by operational performance and forward looking earnings prospects rather than underlying asset backing.

To conclude, although the Implied P/B ratio is below 1.0 times, we consider the Subscription Price to be fair and reasonable, taking into account the Group's consecutive net losses and declining net asset value over the past 10 years. The discount reflected in the implied P/B ratio based on the Subscription Price is consistent with the prevailing market valuation of the Comparable Companies, with reference to their median and average P/B ratios.

(ii) P/S multiple analysis

The P/S multiples of the Comparable Companies ranged from approximately 0.03 time to 0.27 time with a median and average of approximately 0.20 time and 0.17 time respectively. The Implied P/S of approximately 4.86 times is higher than the P/S multiples of the Comparable Companies. Although the Implied P/S is significantly higher than the range of the Comparable Companies, we are of the view that the P/S analysis remains a meaningful reference for the Independent Shareholders, as the majority of the Comparable Companies were loss-making and, therefore, meaningful price-to-earnings ratios could not be calculated for valuation analysis purposes.

Nevertheless, we advise the Independent Shareholders to review these indicators on a complementary basis, placing greater emphasis on our comprehensive analysis regarding the Share price, the P/B ratios of the Comparable Companies, and the Comparable Transactions.

(iv) Comparison transactions

To assess the fairness and reasonableness of the Subscription Price, we have conducted an exhaustive search on the regulatory filing and disclosure of listed issuer information website of the Stock Exchange to identify recent market practices involving the issuance of new shares under a specific mandate. We identified an exhaustive list of 8 comparable transactions (the "**Comparable Transactions**") based on the following criteria: (a) transactions announced by companies listed on the Main Board of the Stock Exchange during the period from 28 August 2025, being approximately one year preceding the Last Trading Date, up to and including the Last Trading Date; (b) transactions involving a connected subscription of new shares under the specific mandate; and (c) transactions that did not involve acquisitions, issuance of convertible bond, A shares or warrants, rights issues, open offers, loan capitalisation, or restructuring. Such transactions were excluded as the pricing of such transactions may be influenced by factors and conditions that are not comparable to the Subscription. The one-year review period ensures both the sufficiency of the sample size and a reliable reflection of the prevailing market sentiment.

Shareholders should note that although the businesses, operations, market capitalisation and prospects of the Company are not the same as the subject companies of the Comparable Transactions, the Comparable Transactions can demonstrate the recent market practices of subscription transactions conducted by companies listed on the Main Board of the Stock Exchange. We did not adopt whitewash waiver, subscription size, and dilution effect as selection criteria, as there is no obvious correlation between the pricing discount/premium and these factors, as shown in the table below.

Company name (stock code)	Date of announcement	Premium/ (discount) of the subscription price over/to the closing price per share on the last trading date	Premium/ (discount) of the subscription price over/to the average closing price per share for the last five consecutive trading days immediately prior to and including the last trading date	Premium/ (discount) of the subscription price over/to the average closing price per share for the last 20 consecutive trading days immediately prior to and including the last trading date	Whitewash waiver	Subscription size *(HK$ million)*	Dilution effect *(Note)*
		(%)	*(%)*	*(%)*			*(%)*
Wan Leader International Limited (8482)	16 July 2026	0	0	(5.7)	N	4.55	13.88
Top Standard Corporation (8510)	1 June 2026	(20.0)	(20.0)	(22.6)	N	9.9	6.7
CAI Corp (80)	29 May 2026	10.0	6.9	0	N	141.9	6.42
China Youran Dairy Group Limited (9858)	16 January 2026	(8.8)	(17.9)	(19.1)	Y	1,173.1	4.1
Energy International Investments Holdings Limited (353)	24 December 2025	(18.3)	(19.4)	(22.3)	N	253.6	21.44
BeijingWest Industries International Limited (2339)	17 November 2025	(34.2)	(20.0)	(19.1)	N	212.3	9.6
Junwea Group (China) Company Limited (formerly named China Wacan Group Company Limited) (1920)	10 November 2025	4.3	2.2	2.7	N	44.5	10.8
WuXi XDC Cayman Inc. (2268)	3 September 2025	(4.0)	(2.9)	0.7	N	1,420.3	0.6

Company name (stock code)	Date of announcement	Premium/ (discount) of the subscription price over/to the closing price per share on the last trading date	Premium/ (discount) of the subscription price over/to the average closing price per share for the last five consecutive trading days immediately prior to and including the last trading date	Premium/ (discount) of the subscription price over/to the average closing price per share for the last 20 consecutive trading days immediately prior to and including the last trading date	Whitewash waiver	Subscription size *(HK$ million)*	Dilution effect *(Note)*
		(%)	*(%)*	*(%)*			*(%)*
	Maximum	**10.0**	**6.9**	**2.7**			
	Minimum	**(34.2)**	**(20.0)**	**(22.6)**			
	Median	**(8.8)**	**(17.9)**	**(12.4)**			
	Average	**(10.1)**	**(10.2)**	**(10.7)**			
The Company	28 August 2026	4.8	8.4	18.9	N	65.1	15.0

Note: Being the decrease in public shareholders' shareholding interests, calculated as the percentage of issued shares held by public shareholders as at the respective announcement date less the corresponding percentage upon completion of each of the Comparable Transactions.

Source: Corporate announcements published on website of the HKEXnews (www.hkexnews.hk).

As shown in the table above, save for the subscription price of CAI Corp, which represented high premiums over its prevailing market price, and the subscription prices of Junwea Group (China) Company Limited, WuXi XDC Cayman Inc. and Wan Leader International Limited, which were close to their respective market prices, the subscription prices of all other Comparable Transactions demonstrated varying degrees of discount to their respective market prices. The premiums inherent in the Subscription Price represented a more favorable terms comparing to than both the median and average discounts of subscription price to the respective historical share prices of the Comparable Transactions.

(v) Overall comments

Having considered that:

(a) the Subscription Price premiums of approximately 4.8% to the closing price on the Last Trading Date and a premium of approximately 8.4% over the average closing price of approximately HK$0.609 per Share as quoted on the Stock Exchange for the last five (5) trading days immediately prior to and including the Last Trading Date;

(b) the Implied P/B is higher than the range of the P/B multiples of the Comparable Companies and the Implied P/S is higher than the P/S multiples of the Comparable Companies; and

(c) the premiums inherent in the Subscription Price represented a more favorable terms comparing to than both the median and average discounts of the subscription price to the respective historical share prices of the Comparable Transactions, we are of the view that the Subscription Price is fair and reasonable.

6. Dilution effect on the shareholding interests of the existing other Shareholders

As illustrated by the table under the section headed "Effects on shareholding structure of the Company" of the Letter from the Board, immediately following the completion of the Subscription, the shareholding interests of the existing other Shareholders in the Company would be diluted from approximately 68.88% to approximately 53.88%. Nonetheless, in view of (i) the reasons for the Subscription and use of proceeds, which is an appropriate fund-raising method currently available to the Company; and (ii) the Subscription (including the Subscription Price) being on normal commercial terms and fair and reasonable, we are of the view that the aforementioned level of dilution to the shareholding interests of the existing other Shareholders is acceptable.

OPINION AND RECOMMENDATION

In arriving at our opinion and recommendation, we have considered the principal factors and reasons as discussed above and in particular the following:

- The Subscription was conducted at a sizable premium to the prevailing market price of the Shares will further strengthen the Company's capital base by raising additional funds for the Group;

- Debt financing would increase the Group's financial burden and further undermine the Group's financial performance. In particular, considering the fact that Group's lack of tangible assets as collateral, there is uncertainty in obtaining debt financing and even if obtained, potentially at usually high interest rates, while there is uncertainty in the amount of funds which could be raised under a rights issue or an open offer and additional time would be required;

- The Subscription Price is fair and reasonable after considering the following:

    - the Subscription Price represents a premium ranging from 4.8% to 18.9% over its recent historical average Share prices prior to the and including the Last Trading Date, as demonstrated in section 5(i) pricing comparison of this letter;

    - the Implied P/B is higher than the range of the P/B multiples of the Comparable Companies and the Implied P/S is higher than the P/S multiples of the Comparable Companies;

    - the premiums inherent in the Subscription Price represented a more favorable terms comparing to than both the median and average discounts of the subscription price to the respective historical share prices of the Comparable Transactions, we are of the view that the Subscription Price is fair and reasonable.

Based on the above, we consider that the Connected Subscription Agreement and the transactions contemplated thereunder is on normal commercial terms, are fair and reasonable so far as the Independent Shareholders are concerned. We also consider that the Connected Subscription Agreement and the transactions contemplated thereunder, while not in the ordinary and usual course of business of the Group, are nevertheless in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the resolutions to be proposed at the SGM to approve the Connected Subscription Agreement, the transactions contemplated thereunder and the respective Specific Mandate.

Yours faithfully,
For and on behalf of
Rainbow Capital (HK) Limited
Gary Poon
Managing Director

Mr. Gary Poon is a licensed person and a responsible officer of Rainbow Capital (HK) Limited registered with the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activity under the SFO. He has over ten years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were 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 any interests and short positions in which they are 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 (the "**Register**"), or (c) pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers contained in Appendix 10 to the Listing Rules (the "**Model Code"**) to be notified to the Company and the Stock Exchange were as follows:

Name of Director/ Chief Executive	Capacity	Number of Shares held – long position	Approximate percentage of the issued share capital of the Company
Mr. Yan Zhang Yan	Interest of controlled corporation	60,000,000 *(Note 1)*	16.87%
Ms. Chan Hoi Ying	Beneficial owner	168,132 *(Note 2)*	0.05%
Mr. Chan Francis Ping Kuen	Beneficial owner	168,132 *(Note 2)*	0.05%

Notes:

1. 60,000,000 Shares were held by Total Honest Investment Limited, which was wholly-owned by Mr. Yan Zhang Yan. Accordingly, Mr. Yan Zhang Yan is deemed to be interested in these Shares under the SFO. Mr. Yan Zhang Yan is the sole director of Total Honest Investment Limited.

2. Being options to acquire ordinary shares of the Company, and further details of which are set out in the section headed "Director' Rights to Acquire Shares".

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor Chief Executive of the Company and their associates had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company was a director or employee of a company which has an interest or short position in the Shares and 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.

(b) Substantial Shareholders' and other persons' interests and short positions in Shares and underlying Shares

As at the Latest Practicable Date, so far as is known to the Directors, the persons or companies (other than the Directors and the chief executives of the Company) who/which had an interest or short position in the shares or underlying shares of the Company, which would fall to be disclosed under the provision of Divisions 2 and 3 of Part XV of the SFO, or which would be required, to be entered in the register required to be kept by the Company pursuant to section 336 of the SFO, are set out below:

Name of Director/ Chief Executive	Capacity	Number of Shares held – long position	Approximate percentage of the issued share capital of the Company
Mr. Yan Zhang Yan	Interest of controlled corporation	60,000,000 *(Note 1)*	16.87%
Total Honest Investment Limited	Beneficial owner	60,000,000 *(Note 1)*	16.87%
DataMind Group Co., Limited	Beneficial owner	31,000,000 *(Note 2)*	8.72%
Entrust Limited	Beneficial owner	19,654,550 *(Note 3)*	5.53%

Notes:

1. 60,000,000 Shares were held by Total Honest Investment Limited, which was wholly-owned by Mr. Yan Zhang Yan. Accordingly, Mr. Yan Zhang Yan is deemed to be interested in these Shares under the SFO.

2. DataMind Group Co., Limited is wholly-owned by Mr. Peng Chao.

3. Entrust Limited is controlled as to 34% by Mr. Chan Tok Yu, 25% by Ms. Chan Hoi Ying (non-executive Director of the Company), 25% by Mr. Chan Hin Yeung and 16% by Ms. Siu Kwan. Mr. Chan Tok Yu's interest is held by Ms. Siu Kwan as a trustee. Accordingly, Mr. Chan Tok Yu and Ms. Siu Kwan are deemed to be interested in the Shares in which Entrust Limited is interested by virtue of the SFO.

Save as disclosed above, the Directors are not aware of any other persons or companies (other than the Directors and the chief executive of the Company) who/which had interests or short positions in the Shares or underlying Shares of the Company, which would fall to be disclosed under the provision of Divisions 2 and 3 of Part XV of the SFO or were required to be entered in the register required to be kept by the Company under section 336 of the SFO.

3. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors were interested in any business which competed or was likely to compete directly or indirectly with the businesses of the Group.

4. DIRECTORS' INTERESTS IN CONTRACTS AND ASSET

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 March 2026, the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular and which was significant in relation to the business of the Group.

5. 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 member of the Group which will not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. 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 or prospects of the Group since 31 March 2026, being the date to which the latest published audited consolidated accounts of the Group were made up.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Rainbow Capital (HK) Limited	A corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, Rainbow Capital (HK) Limited had given and had not withdrawn their written consent to the issue of this circular, with the inclusion of the references to their name and/or their opinion or report in the form and context in which they are included.

As at the Latest Practicable Date, Rainbow Capital (HK) Limited did not have any shareholding, directly or indirectly, in the Company or any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares in any member of the Group, nor did it have any interest, direct or indirect, in any assets which had, since 31 March 2026 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contract entered into in the ordinary course of business) have been entered into by the members of the Group within two years immediately preceding the issue of this circular and are or may be material:

(a) the placing agreement dated 17 April 2025 entered into between the Company and Yicko Securities Limited in relation to the placing of a maximum of 27,000,000 Shares under general mandate at the placing price of HK$0.30 per placing share;

(b) the subscription agreement dated 18 July 2025 entered into between the Company and Total Honest Investment Limited in relation to the subscription of 60,000,000 Shares under specific mandate at the subscription price of HK$0.45 per subscription share;

(c) the placing agreement dated 10 November 2025 entered into between the Company and China Sunrise Securities (International) Limited in relation to the placing of a maximum of 26,000,000 Shares under general mandate at the placing price of HK$0.78 per placing share;

(d) the subscription agreement dated 16 April 2026 entered into between the Company and Mr. Ho Siu Kei in relation to the subscription of 3,830,000 Shares under general mandate at the subscription price of HK$0.512 per subscription share;

(e) the subscription agreement dated 4 May 2026 entered into between the Company and Mr. Ho Siu Kei in relation to the subscription of 3,840,000 Shares under general mandate at the subscription price of HK$0.52 per subscription share;

(f) the subscription agreement dated 24 July 2026 entered into between the Company and DataMind Group Co., Limited in relation to the subscription of 31,000,000 Shares under general mandate at the subscription price of HK$0.50 per subscription share;

(g) the sale and purchase agreement dated 4 September 2026 entered into between the Group and Chongqing Gangyang Machinery Manufacturing Co., Ltd in relation to the disposal of certain properties in Chongqing at a consideration of RMB20,000,000; and

(h) the Subscription Agreements.

Save as disclosed above, no material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any other its subsidiaries within two years immediately preceding the date of this circular and up to the Latest Practicable Date.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.evdynamics.com) for 14 days from the date of this circular:

(a) the letter from the Independent Financial Adviser, the text of which is set out on page 18 to 37 of this circular;

(b) the material contracts, referred in the paragraph headed "8. MATERIAL CONTRACTS" in this appendix; and

(c) the written consents of each of the experts as referred to in the section headed "7. EXPERT AND CONSENT" in this appendix.

Ev Dynamics (Holdings) Limited
科軒動力（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 476)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the **"SGM**") of shareholders of Ev Dynamics (Holdings) Limited (the "**Company**") will be held at 19/F, Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong on Tuesday, 20 October 2026 at 11:30 a.m., to consider and, if thought fit, to pass with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**:

   (a) the subscription agreement entered into between Golden Glorious Technology Co., Limited (as subscriber) and the Company (as issuer) on 28 August 2026 (the "**Subscription Agreement A**") in relation to the subscription of 29,000,000 new shares of the Company at the subscription price of HK$0.66 per subscription share, copies of which have been produced to the SGM and initialed by the chairman of the SGM for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

   (b) subject to and in accordance with the terms and conditions precedent set out in the Subscription Agreement A, the directors of the Company be and are hereby granted a specific mandate to issue and allot the 29,000,000 subscription shares; and

   (c) any one of the Directors be and is hereby authorised to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he or she considers necessary, desirable or expedient to give effect to the Subscription Agreement A and the transactions contemplated thereunder."

2. "**THAT**:

(a) the subscription agreement entered into between Hong Kong MinRen Technology Co., Limited (as subscriber) and the Company (as issuer) on 28 August 2026 (the "**Subscription Agreement B**") in relation to the subscription of 30,000,000 new shares of the Company at the subscription price of HK$0.66 per subscription share, copies of which have been produced to the SGM and initialed by the chairman of the SGM for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

(b) subject to and in accordance with the terms and conditions precedent set out in the Subscription Agreement B, the directors of the Company be and are hereby granted a specific mandate to issue and allot the 30,000,000 subscription shares; and

(c) any one of the Directors be and is hereby authorised to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he or she considers necessary, desirable or expedient to give effect to the Subscription Agreement B and the transactions contemplated thereunder."

3. "**THAT**:

(a) the subscription agreement entered into between Novablaze Technology Limited (as subscriber) and the Company (as issuer) on 28 August 2026 (the "**Subscription Agreement C**") in relation to the subscription of 5,000,000 new shares of the Company at the subscription price of HK$0.66 per subscription share, copies of which have been produced to the SGM and initialed by the chairman of the SGM for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

(b) subject to and in accordance with the terms and conditions precedent set out in the Subscription Agreement C, the directors of the Company be and are hereby granted a specific mandate to issue and allot the 5,000,000 subscription shares; and

(c) any one of the Directors be and is hereby authorised to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he or she considers necessary, desirable or expedient to give effect to the Subscription Agreement C and the transactions contemplated thereunder."

4. "**THAT**:

(a) the subscription agreement entered into between Kunjin Holdings Co., Limited (as subscriber) and the Company (as issuer) on 28 August 2026 (the "**Subscription Agreement D**") in relation to the subscription of 35,000,000 new shares of the Company at the subscription price of HK$0.66 per subscription share, copies of which have been produced to the SGM and initialed by the chairman of the SGM for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

(b) subject to and in accordance with the terms and conditions precedent set out in the Subscription Agreement D, the directors of the Company be and are hereby granted a specific mandate to issue and allot the 35,000,000 subscription shares; and

(c) any one of the Directors be and is hereby authorised to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he or she considers necessary, desirable or expedient to give effect to the Subscription Agreement D and the transactions contemplated thereunder."

Yours faithfully
By order of the Board
Ev Dynamics (Holdings) Limited
Zeng Yan
Chairman and Executive Director

Hong Kong, 5 October 2026

Notes:

1. A member of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and to vote on his behalf. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead.

2. Where there are joint registered holders of any share, any one of such persons may vote at the SGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon must be deposited with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding of the SGM or any adjournment thereof. Together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority.

4. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.

5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the SGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

6. In order to be qualified to attend and vote at the SGM, all transfer of shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 13 October 2026. The register of members of the Company will be closed from Wednesday, 14 October 2026 to Tuesday, 20 October 2026 (both days inclusive), during which period no transfer of shares will be effected.

7. The voting at the SGM shall be taken by way of poll.