Zhi Sheng Group Holdings Limited

Executive Directors:
Mr. Lai Ningning
Mr. Yi Cong
Mr. Liang Xing Jun
Mr. Ma Gary Ming Fai

Non-executive Director:
Mr. Luo Guoqiang

Independent non-executive Directors:
Mr. Chan Wing Kit
Mr. Lin Xiaodong
Ms. Chan Pui Shan

Registered Office:
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

Principal place of business in the PRC:
A401, Moore Car Hui
No.68, Julong Road
Wuhou District
Chengdu
Sichuan Province
The People's Republic of China

Principal place of business in Hong Kong:
Room 1123, 11/F, Star House
3 Salisbury Road
Tsim Sha Tsui
Kowloon, Hong Kong

28 October 2026

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION
ACQUISITION OF EQUITY INTEREST AND SALE LOAN IN THE TARGET COMPANY
AND
NOTICE OF EGM

INTRODUCTION

References are made to the announcements of the Company dated 19 June 2025, 10 December 2025 and 27 March 2026 in relation to, among others, the June 2025 Call Option and the extension of the exercise period of the June 2025 Call Option, termination of the June 2025 Call Option and the entering into of the March 2026 Call Option. On 18 September 2026, the Purchaser served the exercise notice on the Vendor to exercise the March 2026 Call Option.

Reference is also made to the announcement of the Company dated 18 September 2026 in relation to the entering into of the Sale and Purchase Agreement. On 18 September 2026 (after trading hours), the Purchaser and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, (i) the Sale Shares and (ii) the Sale Loan at the Consideration.

Upon Completion, the Target Company, being held as to approximately 51.94% by the Company, will become a direct non-wholly owned subsidiary of the Company and the financial results of the Target Group will be consolidated into those of the Company.

The purpose of this circular is to provide you with, among other things, (i) further details of the Acquisition; (ii) financial information of the Group; (iii) accountants report of the Target Company; (iv) unaudited financial information of the Enlarged Group; (v) valuation report; (vi) other information as required to be disclosed under the GEM Listing Rules; and (vii) a notice convening the EGM.

THE ACQUISITION

On 18 September 2026 (after trading hours), the Purchaser and the Vendor entered into the Sale and Purchase Agreement in relation to the Acquisition.

Set out below are the principal terms of the Sale and Purchase Agreement:

Date:	18 September 2026
Parties:	(i) the Purchaser, as purchaser; and (ii) the Vendor, as vendor
Assets to be acquired:	(i) the Sale Shares; and (ii) the Sale Loan

Consideration

The Consideration is US$16,953,376 (equivalent to approximately HK$132,967,655), which is the aggregate of (a) the total amount paid-up and contributed by the Vendor in respect of the Sale Shares of US$13,400,000 (equivalent to approximately HK$105,098,039) and (b) the Sale Loan of US$3,553,376 (equivalent to approximately HK$27,869,616). The Consideration was determined on an at-cost basis in accordance with the March 2026 Call Option Deed, being the aggregate of the total amount paid up or contributed by the Vendor in respect of the Sale Shares and the amount of the Sale Loan, in each case as at the date of the Sale and Purchase Agreement. Whilst the obtaining of the majority interest on the Land is one of the key factors leading to the Acquisition, the appraised value of the Land together with the construction works in progress thereon by the Valuer was considered as a reference, rather than a principal factor or basis assessed by the Board to determine the Consideration. The original acquisition cost of the Sale Shares to the Vendor was US$13,400,000 (being the aggregate amount of paid-up capital contributed by the Vendor) and the Sale Loan will be assigned at its face value.

The Consideration shall be payable by the Purchaser to the Vendor in the following manner:

(i) HK$19,100,000 (equivalent to US$2,435,250), which has been paid by the Purchaser as the Deposit, shall be applied as part payment of the Consideration upon Completion; and

(ii) the remaining balance of the Consideration of US$14,518,126 (equivalent to approximately HK$113,867,655) shall be paid by the Purchaser to the Vendor within 7 days after the Completion Date.

If any sum above payable falls due on a day which is not a Business Day, such sum shall be due and payable on the next following Business Day. In the event that Completion does not take place in accordance with the terms and conditions of the Sale and Purchase Agreement on or before the Long Stop Date, the Vendor shall forthwith refund the Deposit to the Purchaser in full, without interest or deduction.

The Consideration (including the Deposit) was and will be funded by (i) the Deposit of HK$19,100,000 (equivalent to US$2,435,250) and (ii) partial net proceeds of the Specific Mandate CB Subscription of US$14,518,126. As (a) the Consideration is equivalent to the amount contributed or advanced by the Vendor into the Target Company without premium, and (b) no additional cashflow from internal resources and no interest or cost burden arising from equity or debt financing will be required by or placed on the Group, the Board considers that the Consideration and the funding arrangements for the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions Precedent

Completion shall be conditional upon and subject to the satisfaction (or waiver, where applicable) of the following conditions:

(1) the Purchaser being satisfied in its absolute discretion with the results of the due diligence review to be conducted on the Target Group;

(2) all necessary consents, licenses and/or approvals required to be obtained on the part of the Vendor in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect (where applicable);

(3) all necessary consents, licenses and/or approvals required to be obtained on the part of the Purchaser in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect (where applicable);

(4) the passing by the Independent Shareholders at a general meeting of an ordinary resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder;

(5) the completion of the Reorganisation and the provision of evidence satisfactory to the Purchaser showing that the Target Group has beneficial ownership of not less than 51% interests of the Land;

(6) the obtaining of a valuation report (in the form and substance satisfactory to the Purchaser) from a firm of independent professional valuers showing the valuation of the Land to be not less than THB494,626,019.81 as at 30 June 2026;

(7) the obtaining of a legal opinion (in the form and substance satisfactory to the Purchaser) from a firm of lawyers qualified to practise the laws of Thailand in relation to, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, the Reorganisation and the ownership of the Land; and

(8) the Warranties remaining true and accurate and not misleading in all material respects.

Save for conditions (1), (6) and (7) above which are waivable by the Purchaser in writing, none of the conditions above are capable of being waived. If the conditions above have not been satisfied (or waived by the Purchaser, as the case may be) on or before the Long Stop Date, the Sale and Purchase Agreement shall cease and determine and the Vendor shall refund the Deposit (without interest) to the Purchaser forthwith, and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches.

As at the Latest Practicable Date, apart from conditions (5), (6) and (7), none of the conditions above has been satisfied or waived. The Purchaser has reviewed the title deed of the Land and the Thai legal opinion, and is satisfied that the Thai Data Centre Company has obtained the beneficial ownership of the Land. As the Reorganisation has been completed as at the Latest Practicable Date, the Board is satisfied that the Target Group has obtained beneficial ownership of not less than 51% interests of the Land.

The waiver provisions give the Purchaser contractual flexibility to assess whether an outstanding condition should prevent Completion in the particular circumstances. The Purchaser may exercise such waiver as and when appropriate taking into account, the significance of the outstanding matter, the evidence otherwise available, the residual risks and safeguards, and the interests of the Company and the Shareholders as a whole.

For condition (1), the discretion permits the Purchaser to consider whether any outstanding due diligence item is immaterial to its assessment, or is adequately addressed by alternative evidence or safeguards. A waiver should be considered only after the Board has sufficient information to assess the material legal, financial and operational risks. As at the Latest Practicable Date, the due diligence review has been substantially completed and is pending final review by the Purchaser.

Completion

Completion shall take place within three Business Days after the fulfilment (or waiver) of the conditions precedent above, or such other date as the Purchaser and the Vendor may agree in writing. Upon Completion, the Target Company will become a direct non-wholly owned subsidiary of the Company and the financial results of the Target Group will be consolidated into that of the Company.

Reorganisation

Prior to Completion, the Target Group has completed the Reorganisation, of which the steps are as follows:

(i) the entire interest in the registered capital of Thai Company held by HVL was transferred to Haoyang DC1 at nil consideration. Haoyang DC1 is (and shall at all times up to Completion remain) wholly and beneficially owned by the Target Company. On 20 July 2026, Haoyang DC1 became the shareholder of the Thai Company, which was owned as to 200,199,999 of the 200,200,000 issued shares by Haoyang DC1, with the remaining one share held by an individual in order to satisfy the minimum number of shareholders requirement under the laws of Thailand;

(ii) all shareholder's loans and other amounts owing by the Thai Company or any other company in the Target Group to HVL, together with all other assets, rights, interests and benefits held by HVL in connection with the Target Group (including its rights under any shareholders' agreement relating to Thai Company) were assigned and novated to Haoyang DC1 on 20 July 2026; and

(iii) (a) in August 2026, CEWA Green and the Thai Company entered into a share sale and purchase agreement, pursuant to which, among others, the Thai Company agreed to sell, and CEWA Green agreed to purchase, 49% of the total issued shares of the Thai Data Centre Company. The completion and registration of the said share transfer took place on 4 September 2026. Following that transfer and the transfer of the remaining one share held by the individual mentioned in (i) to the Thai Company, the Thai Company and CEWA Green hold 51% and 49%, respectively at the total purchase price of THB2,988,643,770 (equivalent to the paid up capital of 49% of the total issued shares of Thai Data Centre Company),

(b) the new shareholders' agreement (the "**New SHA**") in respect of Thai Data Centre Company was entered into among, inter alias, the Thai Company and CEWA Green on 4 September 2026, and

(c) the shareholders' deed relating to the Thai Company made among the Thai Company, HVL, Mr. Man and a company wholly-owned by Mr. Chatchaval was terminated on 4 September 2026, such that upon completion of the Reorganisation, Haoyang DC1 replaced HVL in the shareholding structure of the Target Group and hold all the rights, interests and obligations in respect of the Thai Company previously held by HVL, and HVL ceased to hold any interest in the Thai Company.

Pursuant to the New SHA, the maximum number of directors constituting the board of directors of the Thai Data Centre Company shall be four persons, of which two and one shall be nominated by the Thai Company and CEWA Green respectively, and the remaining one shall be jointly nominated by them. The nominating shareholder shall have the right to remove the respective directors appointed by it. Each of the shareholders shall have a pre-emptive rights to subscribe for any new shares pro rata to its then shareholding in the Thai Data Centre Company, and be subject to certain share transfer restrictions. The New SHA also confers on CEWA Green a right, exercisable from the redemption date, being five years after the date of the New SHA (that is, 4 September 2031) to require the Thai Data Centre Company to redeem substantially all of the shares it then holds at the paid-up capital of the shares redeemed plus simple interest at 5 per cent per annum. Any such redemption is to be effected by way of a reduction of the registered capital of the Thai Data Centre Company in accordance with Thai law and is payable by the Thai Data Centre Company out of its own funds. Neither the Company nor any other member of the Group is required to guarantee or otherwise fund the redemption.

Reasons for and benefits of conducting the Reorganisation

The Reorganisation is a conditions precedent to Completion under the Sale and Purchase Agreement. It interposes Haoyang DC1 in place of HVL in the ownership of the Thai Company and introduces CEWA Green as a 49% shareholder in the Thai Data Centre Company. The commercial reasons for these arrangements are as follows:

(a) the replacement of HVL by Haoyang DC1 places the Thai investment under a Singapore intermediate holding company. It facilitates the implementation of the Group's expansion into the data centre business, in particular in Southeast Asia. Taking into account the emerging opportunities in the Southeast Asian market and government initiatives in the region, such as the Green Data Centre Roadmap introduced by the Singapore government and the proposed establishment of the Data Centre Policy Committee by the Thai government, the Group considers that the expansion is consistent with the operating environment for data centre projects in Southeast Asia. The Group further considers that it is beneficial to incorporate a holding company in Southeast Asia, so that the relevant entities engaged in the operation of data centres are held under a single intermediate holding company; and

(b) CEWA Green's participation provides for the sharing of the Project's funding and development commitments. Under the New SHA, CEWA Green undertakes to provide or procure local networks, operational support, market intelligence and assistance in sourcing debt financing. Although these undertakings do not themselves constitute any further capital commitment, as mentioned in the section headed "Reasons for and benefits of the Acquisition" below, the introduction of Mr. Chatchaval (through CEWA Green) as a shareholder in the Project allows the Group to leverage on his experience and connections in Thailand to support the data centre business of the Company, and represents a continuation of Mr. Chatchaval's support for the development of the Group's data centre business in Thailand.

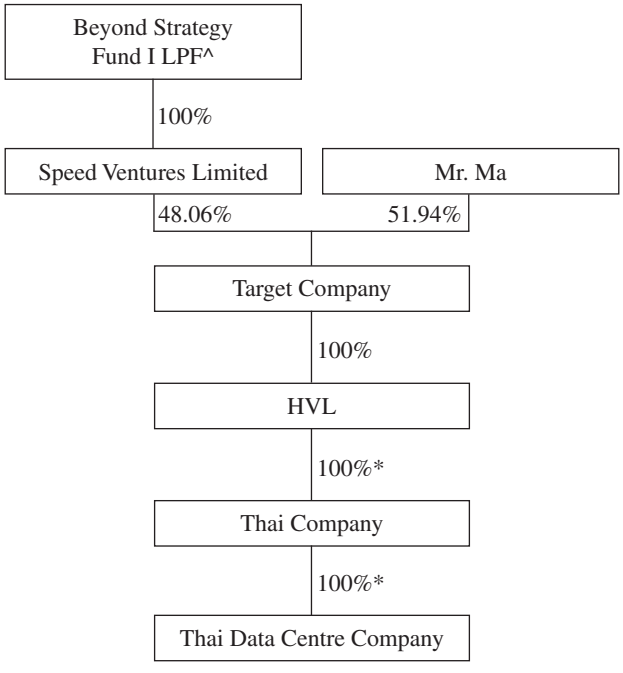
Under the New SHA, out of the four directors at maximum in the board of the Thai Data Centre Company, the Thai Company is entitled to nominate two directors solely and one director jointly with CEWA Green. The chairman has no casting vote. The Thai Company may nominate and require the removal and replacement of the chief executive officer ("**CEO**") of the Thai Data Centre Company, who is responsible for the day-to-day operations of the Thai Data Centre Company and any entity controlled by the Thai Data Centre Company (the "**Thai Group**"), and reports to and follows the directions of the board. Ordinary board resolutions require a simple majority of the votes of the total number of directors. Any matter which the board is unable to resolve, other than an initial public offering by a member in the Thai Group (or a company established for such purpose) of all or substantially all of the Thai Group's assets which requires approval by at least 75% of the directors, shall be referred to a shareholders' meeting. Matters requiring approval by holders of at least 75% of the issued share capital cover (i) any merger, consolidation or acquisition of equity interest in any person (other than a member of the Thai Group), or the entering into of any joint venture or similar entities or relationships; (ii) the sale of any member of the Thai Group or of all or substantially all of the assets of any member of the Thai Group; (iii) any amendments to the constitutional documents; and (iv) the liquidation, dissolution and winding up of the Thai Group. Applicable statutory special-resolution requirements also continue to apply. The above rights are subject to the New SHA's capital-call provisions, which provides that a shareholder defaulting on a share payment notice may have voting, approval and consent rights suspended and its nominees removed or replaced in accordance with that clause. These provisions are relevant to the Company's assessment of continuing control and the adequacy of the Project funding arrangements.

In light of the above, in particular, (a) the Thai Company's rights to nominate two out of a maximum of four directors and to participate in the joint nomination of a third director, (b) the Thai Company's right to nominate, remove and replace the CEO of the Thai Data Centre Company, and (c) the shareholder referral mechanism and the 51.94% equity interest of the Company in the Target Company (which wholly owns the Thai Company, which in turn owns 51% of the Thai Data Centre Company) following Completion, taken as a whole, the Company considers that it will have the current ability to direct the relevant activities of the Thai Data Centre Company. Accordingly, the financial results of the Target Group will be consolidated into those of the Company upon Completion.

Having regard to the Group's retained control and CEWA Green's participation in the funding and development of the Project, the Board considers that such governance, management and control arrangements are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

Shareholding structure of the Target Group and Enlarged Group#

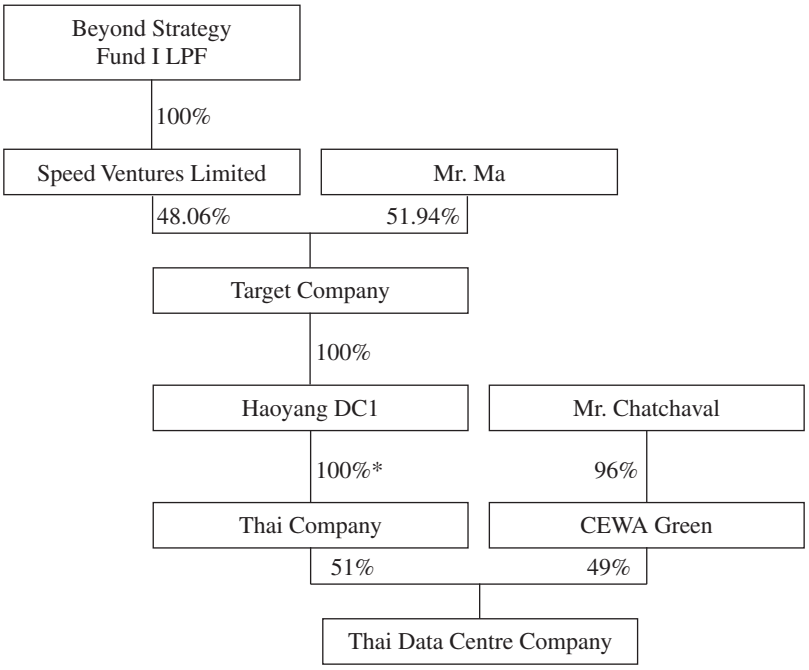
Immediately prior to the Reorganisation and Completion



* *One share held by an individual in order to satisfy the minimum number of shareholders requirement under the laws of Thailand*

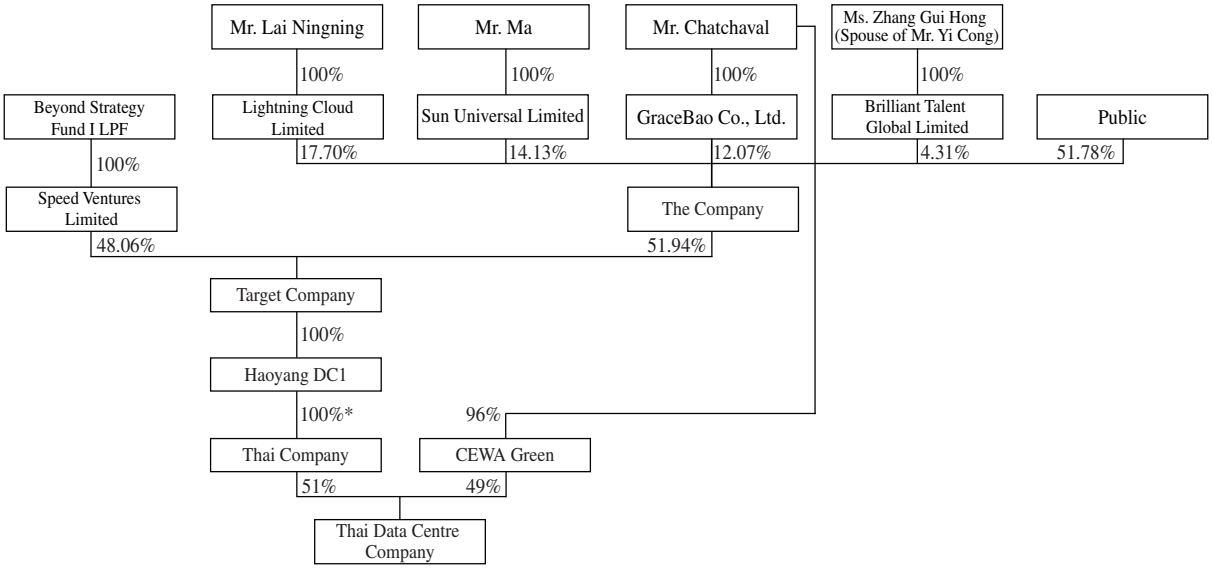
^ *A registered limited partnership fund with no single ultimate beneficial owner holding 30% or more, of which the director and shareholder of the general partner is Mr. Man*

Immediately after the Reorganisation and prior to Completion



* *One share held by an individual in order to satisfy the minimum number of shareholders requirement under the laws of Thailand*

Immediately after the Reorganisation and Completion



* *One share held by an individual in order to satisfy the minimum number of shareholders requirement under the laws of Thailand*

Assuming there are no other changes in the issued share capital of the Company from the Latest Practicable Date up to and immediately after Completion

Note: Certain percentage figures in the above table are subject to rounding adjustments

Financial effects of the Acquisition

Effect on earnings

The Acquisition is not expected to have an immediate effect on the turnover of the Enlarged Group. As set out in the Accountants' Report of the Target Group in Appendix II to this circular, the Target Group recorded loss before taxation of approximately RMB3.5 million and loss after taxation of approximately RMB3.6 million for the year ended 30 June 2026.

Effect on assets and liabilities

Based on the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular, it is expected that the total assets, total liabilities and net assets of the Group as at 30 June 2026 would increase by approximately RMB916.4 million, RMB233.7 million and RMB682.7 million respectively as if the Acquisition had been completed on 30 June 2026.

Prior to Completion, the Target Group underwent the Reorganisation, pursuant to which, among other things, existing shares held by Thai Company in Thai Data Centre Company were transferred to CEWA Green, and Thai Data Centre Company has become owned as to 51% by Thai Company and 49% by CEWA Green immediately following such transfer. The Reorganisation had been completed as at the Latest Practicable Date. For the purpose of the unaudited pro forma financial information, the investment by CEWA Green is assumed to have taken place on 30 June 2026. Pursuant to the share sale and purchase agreement, the total purchase price for the 49% of the existing shares of Thai Data Centre Company amounted to approximately THB2,988.6 million (equivalent to approximately RMB610.8 million) . Accordingly, cash and cash equivalents of the Enlarged Group are increased by approximately RMB610.8 million.

INFORMATION OF THE GROUP

The Company is an investment holding company. The Group is principally engaged in the manufacture and sale of furniture products and sells its products to the domestic PRC market, and is also engaged in the data centre business.

INFORMATION OF THE VENDOR

The Vendor is Mr. Ma, an executive Director and a substantial Shareholder. As at the Latest Practicable Date, Mr. Ma is interested in 26,330,040 Shares, representing approximately 14.13% of the existing issued share capital of the Company through Sun Universal Limited, a company wholly owned by Mr. Ma.

INFORMATION OF THE TARGET GROUP

The Target Company

The Target Company is an investment holding company incorporated in the British Virgin Islands with limited liability and is owned as to approximately 51.94% and 48.06% by the Vendor and Speed Ventures Limited, respectively. Speed Ventures Limited is an investment holding vehicle of a registered limited partnership fund (the "**Fund**"), of which the director and shareholder of the general partner of the Fund is Mr. Man.

Haoyang DC1

Haoyang DC1 is an investment holding company incorporated in Singapore with limited liability and is wholly owned by the Target Company.

Thai Company

The Thai Company is a private company limited by shares incorporated under the laws of Thailand and is principally engaged in investment holding. It is owned as to 200,199,999 of the 200,200,000 issued shares by Haoyang DC1, with the remaining one share held by an individual in order to satisfy the minimum number of shareholders requirement under the laws of Thailand.

Thai Data Centre Company

The Thai Data Centre Company is a private company limited by shares incorporated under the laws of Thailand. It is owned as to 51% by the Thai Company and 49% by CEWA Green. It is principally engaged in the provision of data centre services.

Financial information of the Target Group

Set out below are the summary of the audited financial information of the Target Group for (i) the period from 23 January 2025 (being the earliest date of incorporation of the companies comprising the Target Group) to 30 June 2025 and (ii) the year ended 30 June 2026:

	For the period from 23 January 2025 to 30 June 2025	**For the year ended 30 June 2026**
	RMB'000	*RMB'000*
Revenue	–	–
Loss before taxation	(520)	(3,503)
Loss after taxation	(520)	(3,599)

The audited net assets of the Target Group as at 30 June 2026 was approximately RMB163.9 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board has no intention to cease, scale down or dispose of its furniture business or existing data centre leasing business within the next 12 months following Completion.

Furniture business

Regarding the furniture business, the Group will continue to consolidate the existing business base and strengthen the refined management of its supply chain, accelerate inventory turnover, strictly control various costs and expenses, so as to maintain stable operating cash flows generated in daily operation to support its operation needs.

Data centre business

Whilst the Group does not expect any direct operational synergies between its furniture business and data centre business given the difference in the business nature, the two businesses are, however, complementary in the context of the Group's overall strategic transaction. The data centre business allows the Group to diversify its income source and mitigate concentration risk, and the Group's established corporate infrastructure, internal controls, and management team will be deployed to support the oversight of both businesses following Completion.

Existing business in the PRC

As stated in the annual report of the Company for the year ended 30 June 2025, since the acquisition of Polyqueue Limited in 2020, the Group has entered the domestic data centre market and commenced to lease server space (which the Group leased from owner of data centre) through its 50%-controlled joint venture enterprise established in the PRC, namely Beijing Wannuotong Technology Company Limited ("**WNT**") which is accounted for as a subsidiary of the Company (i.e. a variable interest entity structure) to corporate clients, and provide value-added services such as internet access. Regarding this existing data centre business, it is the business strategy of the Group to continue to maintain stable cooperation with and provide services to customers, especially the large institutional clients it serves, which is generally supported by the Group's internally generated resources in daily operation.

Transformation in operating model

With the continuous advancement of technology, the data centre industry is undergoing profound transformation. Over the past few years, market demand has gradually shifted from traditional lease of space in data centre to house their servers to cloud computing, and further into a new stage driven by AI. The rapid development of AI technology has triggered an explosive demand for computing power, fundamentally changing customer requirements for data centres to the extent that customers are no longer satisfied with lease of server space, but instead place greater emphasis on the autonomy, controllability, stability, and long-term service capability of infrastructure. Cloud service providers (which are believed to have aggregated demand from their multiple users, including large enterprises, small and medium-sized enterprises, internet companies

and/or government) have themselves emerged as a major new customer segment for data centre services. Against this backdrop, the traditional "sublessor" asset-light operating model of the Group can no longer meet customers' needs. The Group is fully aware that to serve core clients in the AI era, it is essential to possess its own land, power resources, and green energy facilities, thereby gaining true control of underlying infrastructure. Leveraging the Group's experience and expertise in carrying out buildout management service business, as well as years of operational experience in the data centre sector, the Group is proactively seizing this trend and firmly advancing the transition to the "self-owned and self-operate" asset-heavy model. The business nature of the new data centre business remains the same as that in the existing data centre business (that is, lease of server space) while the space is owned rather than leased from Independent Third Parties. Looking ahead, the Group will focus on the AI data centre business, with a dedication to becoming an operator of next-generation intelligent computing infrastructure.

Adjustment of operating model in the PRC

The acquisition of the land use right of the two parcels of industrial land which are located in Hohhot City ("**Hohhot Land**") and Xilingol League, Inner Mongolia, the PRC respectively in 2025 for building the Group's own data centre is a strategic move to expedite the elevation and expansion of the existing data centre business to achieve a transformative scale. As stated in the voluntary business update announcements of the Company dated 13 August 2026 and 30 September 2026, the Group (through a company controlled by Mr. Lai Ningning, an executive director and substantial shareholder of the Company) received a tender award notice on 7 August 2026 and an order on 29 September 2026 from a top social media platform company for the provision of data centre services in the Group's data centre to be built on the Hohhot Land for a processing capacity of around 500 megawatt in aggregate, of which around 180 megawatt is expected to be delivered by batches starting from around May 2027 and 120 megawatt by two batches, including 60 megawatt each in the first and second quarter of 2028 respectively. As at the Latest Practicable Date, the Group is in the progress of formulating the development plan, including timetable and funding resources, of the construction of the data centre on the Hohhot Land.

Expansion of overseas presence in Thailand

It has been the Group's business strategy to expand its data centre business in Thailand and to provide data centre services to top tier internet companies in Thailand with multiple-year contracts. As disclosed in the interim report of the Company for the six months ended 31 December 2025, the Thailand data centre market serves as a critical foothold for the Group's expansion into the international data centre business and a core strategic layout to capture the overseas expansion needs of Chinese artificial intelligence customers. As disclosed in the circular of the Company dated 30 April 2025, the Thailand data centre market is one of the developing and emerging markets for data centre development in Southeast Asia, which was valued at US$1.56 billion in 2024 and is projected to reach US$3.19 billion by 2030, representing a compound annual growth rate of approximately 12.66%. Key government initiatives such as Thailand 4.0 and the Eastern Economic Corridor, together with tax incentives and approvals granted by the Board of Investment of Thailand for data centre and cloud service projects, have created a favourable investment environment. It

has also been a long term goal of the Group to build and manage its own multi-tenant hyperscale artificial intelligence data centre.

As mentioned in the announcements of the Company dated 19 June 2025, 27 March 2026 and 2 June 2026, the Company intended to acquire the Land for building data centre, and to bid the tender in relation to the provision of data centre service for processing capacity of not less than 30 megawatt in aggregate for not less than 5 years (the "**Tender**"). Due to, among others, the land acquisition requirements in Thailand and requisite qualifications for the Tender, in June 2025, Mr. Man agreed to facilitate the strategy of the Group by (i) securing the Land and bid for the Tender through Thai Data Centre Company which was, a company wholly owned by him at that time; and (ii) granting the June 2025 Call Option, which was exercisable once at the sole discretion of the Company at any time during a six-month period from the date of the June 2025 Call Option Deed (or such later date as may be agreed by the parties in writing), to the Company in consideration of HK$1.00 to acquire the entire issued share capital in the Target Company and shareholder's loan due to Mr. Man by the Target Company. The Deposit was paid by the Company to Mr. Man upon signing of the June 2025 Call Option Deed, and was injected into the Target Company by Mr. Man by way of shareholder's loan to finance the working capital requirement of the Target Group, including the acquisition of the Land and the installation of water and electricity facilities thereon. Pursuant to the June 2025 Call Option Deed, in the event that the June 2025 Call Option Deed is terminated, the Deposit (without interest) shall be returned to the Company in full. The Land SPA was thus entered into between a Thai developer as seller and the Thai Data Centre Company as buyer in relation to the acquisition of the Land at a consideration of THB494,626,019.81. Title deed of the Land was obtained by the Thai Data Centre Company in or around February 2026 and the acquisition of the Land under Land SPA was completed.

Subsequently, as informed by Mr. Man, he was no longer able to continue his extensive involvement in the planning of the data centre business of the Target Company and negotiations with potential customers. Hence, Mr. Man transferred his entire shareholding in the Target Company to Mr. Ma and terminated the June 2025 Call Option. Simultaneously, Mr. Ma granted the March 2026 Call Option (on substantially similar terms to the June 2025 Call Option Deed, except that the Target Group is permitted to allot and issue new shares to independent investors up to but not more than 49% of its total issued share capital on a fully diluted basis in order to provide it with greater flexibility to secure additional capital for the development of the data centre facilities on the Land) to the Company on 27 March 2026 to request the transfer of the Sale Shares, being the majority interest in the Target Company which indirectly owns Thai Data Centre Company, and the assignment of loan during the exercise period from the date of the March 2026 Call Option Deed until 31 December 2026 (or such later date as the parties may agree). Hence, the Deposit was not refunded by Mr. Man upon termination of the June 2025 Call Option Deed and Mr. Ma has irrevocably and unconditionally assumed the obligation to repay a sum equivalent to the Deposit (or any unapplied balance thereof) in full without interest to the Company in the event that the March 2026 Call Option Deed is terminated.

The Target Group was newly set up for developing the Project, being development and operation of data centre on the Land. The Acquisition allows the Group to gain control over the Target Group, and thus the Project and the Service Contract, enabling the Target Group and the Enlarged Group to expand its overseas presence, with a focus on Thailand as a rising regional computing hub, in response to the overseas expansion needs of PRC customers especially those in the artificial intelligence ("**AI**") sector, and thus is expected to create value to the Group. To date, the Target Group has achieved substantive development milestones: the title deed to the Land was obtained in around February 2026, installation of water and electricity infrastructure on the Land has been substantially completed, construction and related contracts have been entered into with the relevant suppliers and construction of its data centre is in progress. The Target Group received a tender award notice from an internet company on 15 July 2026 and signed the Service Contract of a contract value of approximately US$1.6 billion (exclude power charges) with the relevant customer on 28 July 2026 for the provision of data centre service for 10 years in the data centre facilities on the Land. Based on the existing development plan of the Target Group, it is expected that the construction of the data centre on the Land will be completed in 2027. The Target Group will commence to deliver colocation services, being leasing of physical space with the required facilities in the data centre in the first quarter of 2027 pursuant to the terms under the Service Contract. Hence, the Company served a notice to exercise the March 2026 Call Option on 18 September 2026 in order to acquire majority interest in the Target Group and develop its data centre business in Thailand.

The funding requirement of the Project is expected to be substantial. Apart from the acquisition cost of the Land, based on capital commitment made or to be made attributable to the contracts related to the development of the Project, including but not limited to construction, cable buildout, water, mechanical and engineering equipments and works, substation and external power circuit, entered or to be entered into by the Target Group with relevant suppliers, it is expected that funding of approximately US$700 million will be required up to the first delivery under the Service Contract, which is expected to be substantially financed by bank financing. As at the Latest Practicable Date, the Target Group is negotiating terms of possible bank borrowings but no binding financing agreement has been reached yet. The Group currently has no intention to conduct any significant fund-raising exercise but may conduct ordinary course fund-raising (such as issue of new Shares under its general mandate and/or bank borrowings) as and when appropriate. Hence, the Board does not expect that further fund-raising activity, if any, by the Group to finance the Project will result in substantial change in current shareholder structure or change in de facto control of the Company. In light of the substantial capital required and importance of the Project in implementing the Group's development strategies as discussed above, the Group believes that the introduction of Mr. Chatchaval (through CEWA Green) as a shareholder in the Project allows the Group to leverage on his experience and connections in Thailand to support the data centre business of the Company such as the obtaining of the approval for electricity.

Mr. Chatchaval is a key member of the family controlling the Charoen Pokphand Group, one of Asia's largest diversified conglomerates. He is currently the chairman and founder of Charoen Energy and Water Asia and Lightnet Group, and the owner of Fortune Media. He has in-depth experience in the Thailand financial sector and holds chairman and director roles of various listed

companies (including financial institutions, real estate and technology companies) in Thailand. Mr. Ma first got acquainted with Mr. Chatchaval during a business event held in November 2024. Mr. Chatchaval is also one of the subscribers under the Specific Mandate CB Subscription (the net proceeds of which are expected to be applied towards payment of the Consideration as described in the paragraph headed "Consideration" above) and becomes a substantial shareholder of the Company interested in 22,500,000 Shares (through GraceBao Co., Ltd.), representing approximately 12.07% of the issued share capital of the Company, after conversion of relevant convertible bonds. The investment by CEWA Green in the Thai Data Centre Company therefore represents a continuation of Mr. Chatchaval's support for the development of the Group's data centre business in Thailand. Should the proposed bank borrowings above not materialised as planned, such capital requirement is expected to be financed by the share capital of the Target Group, further financial support from its shareholders and/or equity or debt financing after Completion if any suitable opportunity arises after assessing the relevant funding risk such as interest burden that may be imposed on the Group.

The Acquisition represents the culmination of the arrangements commenced in June 2025 and enables the Group to obtain control of the Target Group at a consideration determined on an at-cost basis in accordance with the March 2026 Call Option Deed, without any premium over the amounts contributed or advanced by the Vendor, at a time when the commercial prospects of the Project have been substantiated by the tender award received and the signing of the Service Contract in July 2026 as stated above. Upon Completion, the financial results of the Target Group will be consolidated into those of the Group, allowing the Company and the Shareholders to participate in the expected growth of the data centre business in Thailand. The Board also considers that the continued participation of Speed Ventures Limited in the Target Company and the investment by CEWA Green in the Thai Data Centre Company demonstrate independent investors' confidence in the Project, and will enable the substantial funding requirements of the Project to be shared with such investors rather than borne by the Group alone.

Expertise and experience of the Group's management

The management of the Group has years of experience and expertise in the data centre industry, in particular, Mr. Lai Ningning ("**Mr. Lai**") and Mr. Ma. Mr. Lai is the chief executive officer, an executive director and substantial shareholder of the Company. He has worked for years with 21Vianet Group Inc. until 2017 when he was appointed as the general manager of the network department and senior vice president of 21Vianet Group Inc. and became shareholder of Beijing Haokuan Network Technology Co., Ltd.* (北京皓寬網絡科技有限公司) in 2017. In 2020, he formed Gu'an Fu'ai Electronics Co. Ltd. which is principally engaged in investment in the data centre business, and owns and operates a data centre in the PRC. Due to his experience and expertise, he (through his controlled company) obtained a non-binding indication of interest for data centre services from a Chinese e-commerce in April 2026, of which service is expected to be delivered by the end of January 2027. Regarding the expertise of Mr. Ma. when the Company completed its acquisition of the entire issued share capital in Polyqueue Limited to commence its data centre business in 2020, Mr. Ma was appointed as representative to the board of the data centre business that oversees and reviews the operations of such business. The personnel currently managing and handling daily operation of the data centre services of the Group are mainly staff of WNT under the supervision of Mr. Lai and Mr. Ma. Those personnel will continue to engage in

the usual daily operation works in the Group's own data centre. As such, the Board considers that the Group is capable of overseeing and managing the development and operation of its data centre business.

Due diligence review on the Target Group

Prior to the entering into of the Sale and Purchase Agreement, due diligence review has been conducted on the Target Group by the Group, in particular, the corporate structure and financials of the Target Group, the land title of the Land, the water and electricity infrastructure and related requisite approvals. The Group has been satisfied with the review results and has not identified any material risk as at the Latest Practicable Date. Notwithstanding the net current liabilities, net loss position and short track record of the Target Group as disclosed in Appendix II as the Project undertaken by it is currently in the preparation stage and has not yet commenced business operation, the Group, having considered, among others, the subsequent cash consideration received by Thai Company from CEWA Green in relation to the transfer of 49% of the issued shares of Thai Data Centre Company and the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this Circular, is confident of the prospect of the data centre business of the Target Group as discussed above.

Taking into account the above, in particular, the Group's business strategy to expand its data centre business in Thailand and the Acquisition allows the Group to gain control over the Target Group which is developing the Project and has obtained the Service Contract, the Directors consider that the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

VALUATION

A valuation of the Land together with the construction works in progress thereon (the "**Property**") as at 30 September 2026 (the "**Valuation Date**"), the report of which as set out in Appendix IV to this circular, was prepared by the Valuer for the purpose of (i) fulfilling one of the conditions precedent under the Sale and Purchase Agreement and (ii) complying with the requirement under Rule 8.02 of the GEM Listing Rules regarding acquisition of a company whose assets consist solely or mainly of property where any of the percentage ratios (as defined in Rule 19.04(9) of the GEM Listing Rules) of the transaction is or is above 25%.

Mr. Damon Wan, being the founding partner of the Valuer, a professional valuer independent to the Company and its connected persons, is a chartered financial analyst charterholder, a certified financial risk manager and a member of Royal Institution of Chartered Surveyors. He has been working in the professional valuation field since 2008 and he is experienced and specialised in performing properties, financial instruments, intangible assets and business valuations for the purposes of corporate advisory, merger and acquisition and public listing.

The scope of work performed by the Valuer for compiling the valuation report mainly included the followings:

(i) meeting and discussing the valuation with the management of the Group and the auditors, the financial advisors and the legal advisors of the Group upon arrangement;

(ii) conducting on-site visit and inspection of the Property;

(iii) gathering all necessary information and data for the valuation; and

(iv) constructing the financial models and valuation workings.

The Valuer has not identified any limitation on the scope of work in the valuation of the Property.

The Valuer has complied with all the requirements set out in the Chapter 8 of the GEM Listing Rules issued by the Stock Exchange, the International Valuation Standards published by the International Valuation Standards Council and the RICS Valuation − Global Standards published by the Royal Institution of Chartered Surveyors (the "**RICS**").

The Valuer has relied on advice, documents, information and materials provided by the management of the Group and its representatives. The major documents and information include but not limited to (i) title deed of the Land issued by Department of Lands, Ministry of Interior of Thailand; (ii) all relevant building construction permits; (iii) legal opinions provided by the Group's Thailand legal adviser; and (iv) the construction budget and construction progress report.

According to the report, the valuation has been made on the assumptions that, among others, (i) the owners sell the property interest on the open market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which could serve to affect the values of the property interests; (ii) no forced sale situation in any manner is assumed in the valuation; and (iii) the property interest are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

Regarding the valuation methodologies, the Valuer has adopted a combination of market and cost approaches in assessing the land portion and the construction works in progress standing on the land respectively. In the valuation of the Land, the Valuer has adopted the direct comparison method by making reference to comparable sales evidence or sales asking prices as available in the relevant market. The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. According to the "Comparable Evidence in Real Estate Valuation" reissued by RICS in April 2023, the information derived from comparable market transactions will normally provide the best evidence of value. For the construction works in progress (the "**CIP**"), the Valuer has taken into account the construction cost relevant to the stage of construction as at the Valuation Date. The adoption of cost approach, which generally furnishes the most reliable indication of value for assets without a known market of comparable sales, is the most appropriate method for valuation of the CIP. Income approach, being another valuation approach, was not adopted because the Property was under construction and had not generated rental or operating income as at the Valuation Date, and

there was no sufficiently reliable stabilised income stream attributable to the Property that could be capitalised or discounted. Accordingly, the Valuer considered that the market approach for the land portion and the cost approach for the construction works in progress were the most appropriate approaches having regard to the nature and development status of the respective components of the Property.

In arriving at the appraised value of the Property, the key valuation inputs and assumptions adopted by the Valuer for the land portion included the publicly quoted listing prices of selected comparable industrial land located in Pluak Daeng District, adjustments made to reflect differences in time, location, listing price basis and site area between the selected comparables and the subject property, the site area of the land portion of approximately 140,302 sq. m.. Such inputs and assumptions were determined with reference to market evidence available in the Rayong industrial land market and after consideration of the differences between the subject property and the selected comparables. After applying the relevant adjustments, the adjusted unit rates of the selected comparables ranged from approximately THB3,445 per sq. m. to THB3,634 per sq. m.. Having considered the adjusted range of values together with the characteristics of the land, the Valuer adopted the unit rate of approximately THB3,530 per sq. m., which resulted in an appraised value of approximately THB495.3 million for the land portion.

For the construction works in progress, the key valuation inputs and assumptions adopted by the Valuer included the construction costs incurred as at the Valuation Date, the stage of completion of the development as at the Valuation Date and an attributable portion of developer's profit. Such inputs and assumptions were determined with reference to the construction budget and construction progress report provided by the Company. The construction costs incurred as at the Valuation Date were estimated at approximately THB1,866.7 million. Based on the foregoing inputs and assumptions and applying the cost approach, the Valuer assessed the market value of the construction works in progress at approximately THB2,153.1 million.

Taking into account that the valuation methodologies adopted are considered appropriate by the Valuer having regard to the nature and development status of the Property and the valuation has been prepared in accordance with the relevant valuation standard, the appraised value of the Property above is considered reliable.

A reconciliation of the carrying amount of the property interest of the Target Group as of 30 June 2026 to the fair value as at 30 September 2026 is set out below:

The carrying amount of the property interest included in the Accountants' Report of the Target Group as at 30 June 2026 as set out in Appendix II to this circular was approximately RMB284.4 million. The property interest was appraised by the Valuer at approximately THB2,648.4 million as at 30 September 2026, comprising approximately THB495.3 million attributable to the land component and approximately THB2,153.1 million attributable to the construction works in progress thereon.

The difference between the carrying amount and the appraised value of the property interest was primarily attributable to additional construction cost incurred during the period from 1 July 2026 to 30 September 2026 and fair value adjustment. The comparison may also be affected by exchange rate translation between THB and RMB.

GEM LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 19.07 under the GEM Listing Rules) of the Acquisition exceeds 25% but all applicable percentage ratios are less than 100%, the Acquisition constitutes a major transaction of the Company subject to notification, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

As at the Latest Practicable Date, the Vendor, Mr. Ma, is an executive Director and a substantial Shareholder who is beneficially interested in 26,330,040 Shares, representing approximately 14.13% of the existing issued share capital of the Company, through Sun Universal Limited and is therefore a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. Given that the highest applicable percentage ratio (as defined under the GEM Listing Rules) in respect of the Acquisition is more than 5%, the Acquisition is subject to reporting, announcement, circular and the Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

An Independent Board Committee, comprising all independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

As Mr. Ma is considered to have a material interest in the Acquisition, he had abstained from voting on the Board resolution(s) of the Company to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors who attended the Board meeting has a material interest in the Acquisition.

EGM

A notice convening the EGM to be held at Unit 1603B, 16/F, Tower 2, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong on Monday, 16 November 2026 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. The EGM will be held for the Independent Shareholders to consider and, if thought fit, pass the resolution to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder. In compliance with the GEM Listing Rules, the relevant resolution will be voted on by way of poll at the EGM.

As at the Latest Practicable Date, Mr. Ma (through Sun Universal Limited), Mr. Man and Mr. Chatchaval (through GraceBao Co., Ltd.) are beneficially interested in 26,330,040 Shares, 3,153,600 Shares and 22,500,000 Shares, representing approximately 14.13%, 1.69% and 12.07% respectively of the issued share capital of the Company. Save as Mr. Ma, Mr. Man and Mr. Chatchaval and their respective associates, to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Acquisition and is required to abstain from voting at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are requested to complete and return the enclosed form of proxy 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 as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 11 November 2026 to Monday, 16 November 2026, both dates inclusive, during which period no transfer of Shares will be registered. The record date for determining the eligibility of the Shareholders to attend and vote at the EGM will be 16 November 2026. In order to be eligible to attend and vote at the EGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, 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, 10 November 2026.

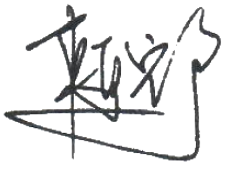
RECOMMENDATION

The Directors (including the independent non-executive Directors whose view is expressed in "Letter from the Independent Board Committee" of this circular after considering the opinion of the Independent Financial Adviser) consider that, while the Acquisition is not in the ordinary course of business of the Group, the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, and recommend the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders, the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, and additional information set out in the appendices to this circular.

Yours faithfully
By order of the Board
Zhi Sheng Group Holdings Limited



Lai Ningning
Chief Executive Officer and Executive Director