**Quantgroup Holding Limited**
**量化派控股有限公司**
*(Incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 2685)**

# COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE AND SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement of Quantgroup Holding Limited (the "**Company**") dated July 9, 2026 (the "**Announcement**") in relation to the subscription of new shares under the general mandate. Unless otherwise specified, capitalized terms used in this announcement shall have the same meaning as defined in the Announcement.

## COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions set out in the Subscription Agreement have been fulfilled, and Completion took place on July 21, 2026 in accordance with the terms and conditions of the Subscription Agreement. A total of 4,597,701 Subscription Shares, representing approximately 0.89% of the entire issued share capital of the Company immediately before the Completion and approximately 0.88% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares immediately after the Completion, have been allotted and issued to the Subscriber at the Subscription Price of HK$13.05 per Subscription Share.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) each of the Subscriber, GoFintech and Mr. Liu Zhiwei, being the single largest shareholder of GoFintech, is an Independent Third Party; and (ii) the Subscriber did not become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Completion.

The gross proceeds from the Subscription amounted to HK$60 million, and the net proceeds from the Subscription (after deducting the commission and estimated expenses) amounted to approximately HK$59.7 million. The use of net proceeds and the expected timeline for utilization of the net proceeds from the Subscription are set out in the section headed "Use of Net Proceeds" in this announcement.

## EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF THE SUBSCRIPTION

Immediately after the Completion, the number of the total issued Shares of the Company is 519,695,201 Shares.

The shareholding structure of the Company (i) immediately before the Completion; and (ii) immediately after the Completion is set out as follows:

| | Immediately before the Completion | | Immediately after the Completion | |
|---|---|---|---|---|
| | Number of Shares | Approximate percentage *(%)* | Number of Shares | Approximate percentage *(%)* |
| **Non-public Shareholders** | | | | |
| *Controlling Shareholders* | | | | |
| Mars Legend Limited *(Note 1)* | 157,713,354 | 30.62 | 157,713,354 | 30.35 |
| Mercury Valley Limited *(Note 2)* | 11,863,500 | 2.30 | 11,863,500 | 2.28 |
| *Other Shareholders* | | | | |
| Jupiter Rock Limited *(Note 3)* | 35,867,646 | 6.96 | 35,867,646 | 6.90 |
| Venus Energy Limited *(Note 3)* | 20,586,500 | 4.00 | 20,586,500 | 3.96 |
| Saturn Storm Limited *(Note 4)* | 20,560,500 | 3.99 | 20,560,500 | 3.96 |
| Sunshine Life Insurance Corporation Limited (陽光人壽保險股份有限公司) *(Note 5)* | 77,116,000 | 14.97 | 77,116,000 | 14.84 |
| **Public Shareholders** | | | | |
| The Subscriber | – | – | 4,597,701 | 0.88 |
| Public Shareholders (excluding the Subscriber) | 191,390,000 | 37.16 | 191,390,000 | 36.83 |
| **Total** | **515,097,500** | **100.00** | **519,695,201** | **100.00** |

*Notes:*

(1) Mars Legend Limited is a company incorporated in the British Virgin Islands and, as at the date of this announcement, is held as to 99% by SJY Family Holdings and 1% by Mars Digitech Limited, a company wholly owned by Dr. Zhou Hao ("**Dr. Zhou**"). SJY Family Holdings is held by the SJY Trust (the "**Dr. Zhou Trust**"), which was established by Dr. Zhou as the settlor. Futu Trustee Limited is the trustee of the Dr. Zhou Trust, and Mars Digitech Limited is the beneficiary of the Dr. Zhou Trust. The Dr. Zhou Trust was structured in preparation for Dr. Zhou's future estate planning. Dr. Zhou is also a director of Mars Legend Limited. Accordingly, Mars Legend Limited is a close associate of Dr. Zhou and hence a core connected person of the Company, and the Shares held by Mars Legend Limited does not count as part of the public float of the Company for the purposes of Rules 8.08 and 8.24 of the Listing Rules.

(2) Mercury Valley Limited ("**Mercury Valley**") is a company incorporated in the British Virgin Islands and is held as to 99% by JHY Family Holdings Limited and 1% by Mercury Digitech Limited, a company wholly owned by Ms. Sun Jinghuai ("**Ms. Sun**"). JHY Family Holdings Limited is held by JHY Trust (the "**Sun Jinghuai Trust**"), which was established by Ms. Sun as the settlor. Futu Trustee Limited is the trustee of the Sun Jinghuai Trust, and Mercury Digitech Limited is the beneficiary of the Sun Jinghuai Trust. The Sun Jinghuai Trust was structured in preparation for Ms. Sun's future estate planning. Ms. Sun is also a director of Mercury Valley. Accordingly, Mercury Valley is a close associate of Ms. Sun, spouse of Dr. Zhou, and the Shares held by Mercury Valley do not count as part of the public float of the Company for the purposes of Rules 8.08 and 8.24 of the Listing Rules.

(3) Each of Jupiter Rock Limited ("**Jupiter Rock**") and Venus Energy Limited ("**Venus Energy**") is a company incorporated in the British Virgin Islands and an offshore employee shareholding platform of the Company. The participants of the 2022 RSU Scheme I and the 2022 RSU Scheme Il (collectively, the "**2022 RSU Schemes**") include Directors and senior management of the Company who are core connected persons of the Company. Under the 2022 RSU Schemes, 26,408,715 RSUs, 5,454,545 RSUs, 3,030,300 RSUs and 606,060 RSUs were granted to Dr. Zhou, Li Yan, Song Yang and Zhang Yanshen, respectively. As such, each of Jupiter Rock and Venus Energy is a close associate of each of the abovementioned Directors and hence a core connected person of the Company and the underlying Shares associated with the RSUs held by Jupiter Rock pursuant to the 2022 RSU Scheme I and the underlying Shares associated with the RSUs held by Venus Energy pursuant to the 2022 RSU Scheme II do not count as part of the public float of the Company for the purposes of Rules 8.08 and 8.24 of the Listing Rules.

(4) Saturn Storm Limited is a company incorporated in the British Virgin Islands and is held as to 99% by LY Family Holdings Limited and 1% by Saturn Tornado Limited, being a company incorporated in the British Virgin Islands which is wholly owned by Mr. Li Yan, an executive Director. LY Family Holdings Limited is wholly owned by the Lee Family Foundation Trust (the "**Li Yan Trust**"), which was established by Li Yan as the settlor. Futu Trustee Limited is the trustee of the Li Yan Trust, and Saturn Tornado Limited is the beneficiary of the Li Yan Trust. The Li Yan Trust is structured in preparation for Li Yan's future estate planning. Accordingly, Saturn Storm is a close associate of Mr. Li Yan and the Shares held thereby do not count as part of the public float of the Company for the purposes of Rules 8.08 and 8.24 of the Listing Rules.

(5) As at the date of this announcement, Sunshine Life Insurance Corporation Limited is a substantial shareholder of the Company and hence a core connected person of the Company, and accordingly the Shares held thereby do not count as part of the public float of the Company for the purposes of Rules 8.08 and 8.24 of the Listing Rules.

(6) The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.

## SUPPLEMENTAL INFORMATION

The Board wishes to provide the shareholders and potential investors of the Company with the following supplemental information in relation to the Subscription:

## USE OF NET PROCEEDS

As disclosed in the Announcement, the total gross proceeds from the Subscription are expected to be HK$60 million, and the net proceeds (after deducting commission and estimated expenses) from the Subscription are expected to be approximately HK$59.7 million in aggregate. The Company intends to allocate the net proceeds from the Subscription (after deducting commission and estimated expenses) for (i) as to 40% thereof, the procurement and commercialization of smart hardware; (ii) as to 30% thereof, for the research and development expenditure related to physical AI base models; and (iii) as to 30% thereof, for the Company's general working capital.

The physical AI base models which the Company intends to develop are an extension to the existing e-commerce business of the Company. To achieve its plans of developing physical AI base models, the data which the Company collects from its existing e-commerce business on aspects such as consumption patterns and user activity form part of the data input required for such physical AI base model development. This also serves as an integral foundation for the Company to expand its data capabilities and explore in various potential real-world life AI application scenarios such as developing and thereafter offering on the Company's e-commerce platform proprietary retail products which contain physical AI elements, such as smart desk lamps with intelligent lighting adjustments by learning the user's daily work pattern data and smart pillows configuring the optimal shape and temperature for enhanced sleeping quality based on the end-users' sleeping quality data against various ambient physical conditions, which the Company remains and continues to explore by research and development on an ongoing basis.

In particular, the procured smart hardware forms the preliminary foundation in the Company's project of developing its physical AI base models. As part of the Company's strategy to broaden and expand the input database volume of physical data related to real world life as collected from the smart hardware users, which is necessary for improving the quality of the physical AI base models which the Company pursues to develop for the purpose of achieving its AI application scenario ambitions, aside from the Company's recent acquisition of an independent company intended for accelerating the development of the Company's e-commerce platform as disclosed in the Company's voluntary announcement dated June 17, 2026, such procurement of smart hardware as financed by the Subscription is intended for, upon the sale of such hardware to the end-users via the Company's existing e-commerce platform, collection of physically-related big data from its end-users such as visual and contextual data, sleep and respiratory patterns, environmental ambient data, and life insights. Such physical big data collected from the smart hardware would constitute the data input required for the physical AI base models to be developed. Once having collected such big data, the Company would proceed to perform relevant data analysis in order to assess and determine how best to build and develop its physical AI base models.

Once developed, in addition to exploring the potential physical AI application scenarios as aforesaid, the physical AI base models which are based on the physical big data collected from the smart hardware would increase the capabilities of the Company's existing e-commerce platform in not only understanding what the consumption activities of the Company's e-commerce platform users, but also (i) making product recommendations with enhanced personalisation to the users of the Company's e-commerce platform, having based the recommendations on the digital footprints of the users' actual real-life activities and life patterns as deduced from the analysed data from the physical AI base model; and (ii) offering post-sales customer support and services with enhanced intelligence such as automated reminders to platform users when product maintenance would become necessary and provision of product instructions tailored to the users' product usage patterns based on the collected big data under the physical AI model. Such intelligence application of the physical data collected from the smart hardware users could enhance the platform users' online shopping experience and thereby boost the demand for the products offered on the Company's e-commerce platform.

In view of the Company's project and ambitions of developing such physical AI base models as detailed above, the cost incurrence for (i) talent acquisition, which the Company currently intends to employ one physical AI scientist, three senior algorithm researchers, one middle-level algorithm researcher and one staff member responsible for AI products and strategies; and (ii) token and cloud services, whereby tokens, being the fundamental units of quantity of data stored or carried in AI models, are required for the storage and carriage of the datapoints collected by the smart hardware for input into the physical AI base models which the Company intends to develop and the subsequent relevant data analysis training and cloud services facilitate the infrastructure for base model training, data processing and storage and maintaining stability of computing power supply, would be necessary in this project.

The research and development activities related to physical AI base models which are financed by the Subscription, different from the research and development activities related to software and algorithm financed by the net proceeds from the Global Offering, are currently intended to be centered on general AI and physical intelligence and focused on three core scenarios: home, work and daily life. These physical AI base models aim to (i) build a comprehensive intelligence ecosystem driven by "hardware carriers + data-driven insights + ecological synergy" and (ii) continuously advance the research and development of key physical intelligence technologies.

The Board would like to supplement the following details in respect of the aforesaid use of net proceeds as follows:

| Intended Use of Proceeds | Approximate Amount (HK$ million) | Percentage of total net proceeds from the Subscription | Expected Utilisation Timeline |
|---|---|---|---|
| *Procurement of smart hardware* | | | |
| (a) Smart glasses | 5.97 | 10% | June 2027 |
| (b) Smart pillows | 5.97 | 10% | June 2027 |
| (c) Smart desk lamps | 5.97 | 10% | June 2027 |
| (d) Smart pet products | 5.97 | 10% | June 2027 |
| *Research and development of physical AI models* | | | |
| (a) Staff salaries and related costs | 11.94 | 20% | June 2027 |
| (b) Token and cloud services | 5.97 | 10% | June 2027 |
| *General working capital* | | | |
| (a) E-commerce-related supplier payments | 11.94 | 20% | June 2027 |
| (b) E-commerce-related staff salaries and related costs | 5.97 | 10% | June 2027 |
| **Total** | **59.7** | **100%** | |

## REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AGREEMENT

In addition to the reasons for and benefits of the Subscription Agreement and the transactions contemplated thereunder as disclosed in the Announcement, the Board would like to supplement that the research and development expenses for physical AI models to be funded by the Subscription are distinct from those disclosed in the section headed "Future Plans and Use of Proceeds" as disclosed in the Prospectus. The research and development expenses in the Prospectus relates to the research and development of the technology infrastructure for the Group's matching services and other similar projects, whereas the research and development expenses to be funded by the net proceeds from the Subscription are allocated for the development of physical AI models.

The Company would like to supplement that the cash balance of the Group (excluding the net proceeds from the Global Offering) as of May 31, 2026 stands at RMB185.45 million. However, the Company had already allocated such cash balance into various of its existing operating cost items such as e-commerce-related supplier payments, staff salaries and related costs, selling and marketing expenses, tax-related expenses and other operational expenses, which the Company expects such cash balance to be fully utilised by November 2026 on the assumption that the cash flow generated from the Company's operation is zero. Therefore, the financing of the Company's plans to develop its physical AI base models, as well as certain existing supplier payments and staff salaries and related costs in relation to the Company's existing e-commerce business, would require the additional funds from the Subscription.

The Board believes that the Subscription represents more than a capital replenishment for the Company, and more importantly, a vote of confidence by the Subscriber for the physical AI base models which the Company plans to develop, given the aforesaid potential synergistic effects from the Company's existing e-commerce business and its initiatives to develop physical AI base model in its bid to achieve the natural extension of the Company's existing capabilities in e-commerce into the realm of physical AI. Upon having conducted independent due diligence and negotiations of the terms of the Subscription on arm's length basis, the Board believes that the Subscription is a conventional financial investment which reflects the confidence by the Subscriber in the Group's technological development direction and its management team. For further details of the Subscriber, please see the section headed "Information of the Subscriber" in this announcement.

Having considered the Company's latest cash position, ongoing business requirements, the development timetable for its new smart hardware and physical AI initiatives, and the strategic opportunities available in the sector, the Board is of the view that it is in the best interests of the Company and its shareholders as a whole to carry out the Subscription in addition to utilising its existing cash resources. This will enable the Company to accelerate its business expansion plans without compromising its financial flexibility or existing operations.

## INFORMATION OF THE SUBSCRIBER

### The Subscriber

The Subscriber is a company incorporated in the British Virgin Islands with limited liability, which is an investment holding company and a wholly-owned subsidiary of GoFintech Quantum Innovation Limited, whose shares are listed on the Main Board of the Stock Exchange (stock code: 290). GoFintech is a cross-border and cross-industry technology innovation investment platform based in Hong Kong and a license holder of Type 1, 4, 6, and 9 regulated activities issued by the Securities and Futures Commission ("**SFC**"), holder of uplifted Type 1 and 9 licenses for digital assets issued by SFC and holder of cross-border qualifications including QFII, CIBM, QDIE, QFLP, and Bond Connect. GoFintech has built a closed-loop ecosystem across four business segments: technology innovation, finance, art and trade. With strategic deployments in quantum technology and digital assets, GoFintech drives a model, where investment powers investment banking and innovation feeds back into traditional businesses, with the aim to become a global leader in quantum technology applications.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber, GoFintech and Mr. Liu Zhiwei is an Independent Third Party.

Save as disclosed above, all other information and contents set out in the Announcement remain unchanged.

By order of the Board
**Quantgroup Holding Limited**
**Dr. Zhou Hao**
*Chairman and Executive Director*

The PRC, July 21, 2026

*As at the date of this announcement, the Board comprises: (i) Dr. Zhou Hao, Mr. Li Yan, Mr. Song Yang, Mr. Zhang Yanshen and Mr. Tan Feng as executive Directors; and (ii) Mr. Sun Junchen, Mr. Cao Jie and Ms. Guo Yongfang as independent non-executive Directors.*