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中國城市基礎設施集團有限公司

China City Infrastructure Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

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On 17 June 2026 (after trading hours of the Stock Exchange), the Company entered into four Subscription Agreements with each of the Subscribers respectively pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 370,000,000 Shares at the Subscription Price of HK\$0.06 per Subscription Share.

The Subscription Price of HK\$0.06 per Subscription Share represents (i) a discount of approximately 14.29% to the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on 17 June 2026, being the date of the Subscription Agreements; and (ii) a discount of approximately 14.29% to the average of the closing prices of HK\$0.07 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including 17 June 2026. The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers with reference to the liquidity and the recent trading performance of the Shares.

The Directors consider that the Subscription Price and the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Since completion of the Subscription is subject to the fulfillment of the conditions as set out in the Subscription Agreements, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

SUBSCRIPTION OF NEW SHARES

The Subscription Agreements

Date: 17 June 2026 (after trading hours of the Stock Exchange)

Parties involved:

- (i) the Company;
- (ii) the Subscriber A – Asia Unite Limited, which and its ultimate beneficial owner(s) are Independent Third Party;
- (iii) the Subscriber B – Ms. Kwong Mei Wan Cally (“**Ms. Kwong**”), non-executive Director of the Company;
- (iv) the Subscriber C – Ms. Wang Ling (“**Ms. Wang**”), an Independent Third Party; and
- (v) the Subscriber D – Mr. Gao Dayong (“**Mr. Gao**”), an Independent Third Party

The Subscribers

Subscriber A, namely, Asia Unite Limited, is an investment holding company incorporated in Hong Kong. The ultimate beneficial owner of the Subscriber is Ms. Xiao Fen, who is a merchant. Subscriber A holds 200,000,000 shares of the Company as at the date of this announcement and immediately before completion of the Subscription. Subscriber A will hold approximately 8.58% of the entire issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Subscriber B is Ms. Kwong, who was appointed as an independent non-executive Director on 22 July 2019 and re-designated as a non-executive Director of the Company with effect from 2 April 2026. As at the date of this announcement, Ms. Kwong does not have any interest in the Shares. Upon completion of all Subscription Agreements, Ms. Kwong will hold approximately 1.71% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Subscriber C is Ms. Wang, who is an Hong Kong merchant. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, Ms. Wang is an Independent Third Party. As at the date of this announcement, Ms. Wang does not have any interest in the Shares. Upon completion of all Subscription Agreements, Ms. Wang will hold approximately 4.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Subscriber D is Mr. Gao, who is an Hong Kong merchant. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, Mr. Gao is an Independent Third Party. As at the date of this announcement, Mr. Gao does not have any interest in the Shares. Upon completion of all Subscription Agreements, Mr. Gao will hold approximately 1.71% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Number of Subscription Shares

Pursuant to the Subscription Agreements, the Company has conditionally agreed to allot and issue and the Subscribers have conditionally agreed to subscribe in cash of HK\$22,200,000 (or an equivalent amount of RMB) for a total of 370,000,000 Subscription Shares at the Subscription Price of HK\$0.06 per Subscription Share. The 370,000,000 Subscription Shares represent approximately 11.83% of the existing issued share capital of the Company as at the date of this announcement and approximately 10.58% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

PRINCIPAL TERMS OF SUBSCRIPTION AGREEMENTS

Apart from the Subscription Shares to be subscribed by the Subscribers set out above, set out below are the key terms of the Subscription Agreements.

Subscription Price

The Subscription Price of HK\$0.06 per Subscription Share represents:

- (i) a discount of approximately 14.29% to the closing price of HK\$0.070 per Share as quoted on the Stock Exchange on 17 June 2026, being the closing price on the date of the Subscription Agreements; and
- (ii) a discount of approximately 14.29% to the average of the closing prices of HK\$0.070 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of the Subscription Agreements.

The net Subscription Price, after deduction of relevant expenses (including but not limited to legal expenses and disbursements), is estimated to be approximately HK\$0.06 per Subscription Share.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers with reference to the liquidity and the recent trading performance of the Shares. The Directors consider that the Subscription Price and the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscription

The Subscription is conditional upon completion of the following conditions:

- (a) the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Subscription Shares; and
- (b) the warranties made by the Company in the Subscription Agreements remaining true and accurate in all respects.

In the event that the condition of the Subscription is not fulfilled on or before 7 July 2026 or such other date as may be agreed between the parties to the Subscription Agreements, the relevant Subscription Agreements shall cease and terminate and neither the Company nor the Subscribers shall have any obligations and liabilities under the Subscription Agreements. The Subscription Agreements are not inter-conditional upon each other.

Completion of the Subscription

Completion of the Subscription will take place on the tenth Business Days after the condition of the Subscription is fulfilled (or such other date as may be agreed by the parties to the Subscription Agreements).

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

General Mandate to issue the Subscription Shares

The Subscription Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 625,655,708 Shares. As at the date of this announcement, the General Mandate is sufficient for the issue and allotment of the Subscription Shares. As such, the issue of the Subscription Shares is not subject to further Shareholders' approval. The Subscription Shares will utilise approximately 59.1% of General Mandate.

Application for listing

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

REASONS FOR THE SUBSCRIPTION AGREEMENTS AND THE USE OF PROCEEDS

The Group is principally engaged in the businesses of property investment, property development and property management.

The Directors consider that the Subscription Agreements are entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscribers and that the terms of the Subscription Agreements are fair and reasonable so far as the interests of the Company and the Shareholders as a whole are concerned. The Directors consider that it is in the interest of the Company and its Shareholders as a whole to enhance the cashflow of the Company by entering into the Subscription Agreements while broadening the Shareholder and capital base of the Company.

The gross proceeds and net proceeds (after deducting all the relevant costs and expenses) from the issue of the Subscription Shares will be approximately HK\$22,200,000 and approximately HK\$22,100,000, respectively. The Company intends to use such net proceeds as to HK\$17,000,000 for the development of artificial intelligence technology business, business empowerment business and exploration of other new business opportunities, and the balance of HK\$5,100,000 for the general working capital of the Group, including payroll, rental and other operating expenses of the Group.

The net proceeds from the Subscription will be fully utilised before 31 December 2027.

CHANGES IN SHAREHOLDING STRUCTURE

As at the date of this announcement, on the assumption that there will be no change in share capital of the Company from the date of this announcement until completion of the Subscription, the changes of the shareholding structure of the Company as a result of the Subscription are as follows:

Name of Shareholder	Notes	As at the date of this announcement and immediately before completion of the Subscription		Immediately after completion of the Subscription	
		No. of shares	Approximate %	No. of shares	Approximate %
Mr. Li Chao Bo, Linkway Investment Holdings Limited and its concert parties	(1)	728,912,000	23.30%	728,912,000	20.84%
China Financial International Investments Limited and its concert parties	(2)	698,079,429	22.32%	698,079,429	19.95%
Good Outlook Investments Limited	(3)	215,683,681	6.89%	215,683,681	6.17%
Asia Unite Limited					
– the Subscriber A	(4)	200,000,000	6.39%	300,000,000	8.58%
Mr. Ji Jiaming	(5)	100,000,000	3.20%	100,000,000	2.86%
Ms. Kwong Mei Wan					
– the Subscriber B	(6)	–	0.00%	60,000,000	1.71%
The Subscriber C		–	0.00%	150,000,000	4.29%
The Subscriber D		–	0.00%	60,000,000	1.71%
Other public Shareholders		1,185,603,432	37.90%	1,185,603,432	33.89%
Total		<u>3,128,278,542</u>	<u>100.00%</u>	<u>3,498,278,542</u>	<u>100.00%</u>

Notes:

- (1) Mr. Li Chao Bo is the sole beneficial owner of Linkway Investment Holdings Limited which in turn owns 728,912,000 Share of the Company respectively. Mr. Li Chao Bo is a Director of the Company.
- (2) China Financial International Investments Limited is a company incorporated in the Cayman Islands and continued in Bermuda, the issued shares of which are listed on the main board of the Stock Exchange.

- (3) Good Outlook Investments Limited is a company incorporated in the British Virgin Island with limited liability, holding 215,683,681 Shares of the Company, and Ms. Wang Lisha is the sole beneficial owner of Good Outlook Investments Limited.
- (4) Asia Unite Limited is a company incorporated in Hong Kong with limited liability, and Ms. Xiao Fen is the sole beneficial owner of Asia Unite Limited.
- (5) Mr. Ji Jiaming is a Director of the Company. Mr. Ji Jiaming holds 50% of Double Joy Developments Limited and is a director of Double Joy Developments Limited, which in turn owns 100,000,000 shares of the Company.
- (6) Ms. Kwong Mei Wan Cally is a non-executive Director of the Company.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities during the 12 months immediately preceding the date of this announcement.

Shareholders and potential investors should note that the Subscription is subject to the fulfilment of the condition under the Subscription Agreement. As the Subscription may or may not proceed to completion, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (not being a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	China City Infrastructure Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	Director(s) of the Company
“General Mandate”	the general mandate granted by the Shareholders to the Directors to allot, issue and deal with up to 625,655,708 Shares, representing 20% of the total number of issued Shares as at the date of the annual general meeting of the Company held on 6 June 2025
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	(1) Asia Unite Limited, a company incorporated in Hong Kong with limited liability; (2) Ms. Kwong Mei Wan Cally, natural person and a non-executive Director of the Company; (3) Ms. Wang Ling, natural person and an Independent Third Party; and (4) Mr. Gao Dayong, natural person and an Independent Third Party
“Subscription”	the subscription for the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreements”	the four conditional agreements dated 17 June 2026 and entered into between the Company and each of the Subscribers respectively in respect of the Subscription
“Subscription Price”	the subscription price of HK\$0.06 per Subscription Share
“Subscription Shares”	an aggregate of 370,000,000 Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements

“Takeovers Code” the Hong Kong Code on Takeovers and Mergers

“%” per cent.

By order of the Board
China City Infrastructure Group Limited
Chan Hoi Yin Anthony
Company Secretary

Hong Kong, 17 June 2026

As at the date of this announcement, the Board comprises Mr. Li Chao Bo (Chairman and Chief Executive Officer) and Mr. Ji Jiaming as executive Directors; Ms. Kwong Mei Wan, Cally, J.P. as non-executive Director; and Mr. Ng Chi Ho, Dennis, Prof. Lau Chi Pang, J.P. and Ms. Chan Hoi Yan as independent non-executive Directors.