THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in D&G Technology Holding Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

D&G Technology Holding Company Limited
德基科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1301)

PROPOSED GRANT OF SHARE OPTIONS TO DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

PROPOSED CHANGE OF AUDITOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

The notice convening the Extraordinary General Meeting of D&G Technology Holding Company Limited to be held at 20/F, OfficePlus@Sheungwan, 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Friday, 2 October 2026 at 11:00 a.m. is set out in this circular.

Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy for use at the Extraordinary General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, (1) Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (on or before Wednesday, 23 September 2026) or (2) Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong (on or after Thursday, 24 September 2026) as soon as possible but in any event not less than 48 hours before the time appointed for the Extraordinary General Meeting (i.e. not later than 11:00 a.m. on Wednesday, 30 September 2026) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.dgtechnology.com).

References to time and dates in this circular are to Hong Kong time and dates.

14 September 2026

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

"Adoption Date"	the date on which the Share Option Scheme is approved and adopted by the Shareholders;
"AFRC"	the Accounting and Financial Reporting Council;
"AGM Circular"	the circular of the Company dated 27 May 2026 despatched to the Shareholders in connection with the annual general meeting of the Company held on 18 June 2026;
"Articles of Association"	the articles of association of the Company currently in force;
"Audit Committee"	the audit committee of the Board;
"Board"	the board of Directors;
"Company"	D&G Technology Holding Company Limited 德基科技控股有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
"Date of Grant"	22 July 2026;
"Deloitte"	Deloitte Touche Tohmatsu, the new independent auditor of the Company proposed to be appointed at the EGM;
"Director(s)"	the director(s) of the Company;
"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be held at 20/F, OfficePlus@Sheungwan, 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Friday, 2 October 2026 at 11:00 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 32 to 36 of this circular, or any adjournment thereof;
"Grantee(s)"	Ms. Choi Kwan Li, Glendy and/or Mr. Choi Hon Ting, Derek, being the persons to whom the Share Options are proposed to be granted under the Proposed Grant;
"Group"	the Company and its subsidiaries;

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Shareholders"	the Shareholders other than those who are required to abstain from voting on the resolutions at the EGM approving the transactions contemplated thereunder;
"Latest Practicable Date"	9 September 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
"Memorandum and Articles of Association"	the memorandum and articles of association of the Company;
"Mr. D Choi"	Mr. Choi Hon Ting, Derek, an executive Director and a substantial Shareholder of the Company;
"Ms. G Choi"	Ms. Choi Kwan Li, Glendy, the Chairman, an executive Director and a substantial Shareholder of the Company;
"Offer"	the offer of the grant of an Option made in accordance with the Share Option Scheme;
"Option(s)"	an option to subscribe for Shares pursuant to the Share Option Scheme and for the time being subsisting;
"Option Period"	the period within which an Option may be exercised by the Grantee under the Share Option Scheme;
"Performance-based portion"	50% of the Share Options granted to each Grantee, the vesting of which is subject to the achievement of the performance targets set out in this circular;
"Personal Representative(s)"	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised);

"Proposed Appointment"	the proposed appointment of Deloitte as the new independent auditor of the Company, subject to the approval of the Shareholders at the EGM;
"Proposed Change of Auditor"	collectively, the Proposed Removal and the Proposed Appointment;
"Proposed Grant"	the proposed grant of Share Options to each of Ms. G Choi and Mr. D Choi under the Share Option Scheme, subject to the approval of the Independent Shareholders at the EGM;
"Proposed Removal"	the proposed removal of PwC as the independent auditor of the Company, subject to the approval of the Shareholders at the EGM;
"PwC"	PricewaterhouseCoopers, the existing independent auditor of the Company proposed to be removed at the EGM;
"Remuneration Committee"	the Remuneration committee of the Board;
"RMB"	Renminbi, the lawful currency of the PRC;
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
"Share(s)"	ordinary share(s) of HK$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
"Shareholder(s)"	holder(s) of Share(s);
"Share Option Scheme"	the share option scheme of the Company adopted by the Shareholders on 18 June 2026;
"Share Option(s)"	share option(s) granted or to be granted under the Share Option Scheme;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Takeovers Code"	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time;

"Time-based portion"	50% of the Share Options granted to each Grantee, the vesting of which is subject to continued service with the Group;
the "PRC" or "China"	The People's Republic of China;
"%"	per cent.

In this circular, the terms "associate(s)", "close associate(s)", "core connected person(s)", "controlling shareholder(s)", "subsidiary(ies)" and "substantial shareholder(s)" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

D&G Technology Holding Company Limited
德基科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1301)

Executive Directors:
Ms. Choi Kwan Li, Glendy
(Chairman and Chief Executive Officer)
Mr. Choi Hon Ting, Derek
Mr. Liu Tom Jing-zhi
Mr. Lao Kam Chi

Non-executive Directors:
Mr. Chan Lewis
Mr. Alain Vincent Fontaine

Independent Non-executive Directors:
Mr. O'Yang Wiley
Mr. Lee Wai Yat, Paco
Ms. Hu Bingbing

Registered Office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal Place of Business in the PRC:
No. 12 Yinghua Road
Yongqing Industrial Park
Yongqing County
Langfang City
Hebei Province
the PRC

Principal Place of Business in Hong Kong:
7/F, Hing Lung Commercial Building
68-74 Bonham Strand
Sheung Wan
Hong Kong

14 September 2026

To the Shareholders

Dear Sir/Madam,

PROPOSED GRANT OF SHARE OPTIONS TO DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

PROPOSED CHANGE OF AUDITOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, (i) details of the Proposed Grant of Share Options to Ms. G Choi and Mr. D Choi; (ii) details of the Proposed Change of Auditor; and (iii) the notice of the EGM.

2. PROPOSED GRANT OF SHARE OPTIONS TO DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Reference is made to the announcement of the Company dated 22 July 2026 in relation to the grant of Share Options. As set out in such announcement, among the total of 41,297,456 Share Options granted, (i) 7,837,300 Share Options were the subject of the Proposed Grant to Ms. G Choi, the Executive Director, Chairman and a substantial shareholder of the Company; and (ii) 7,210,316 Share Options were the subject of the Proposed Grant to Mr. D Choi, the Executive Director and a substantial shareholder of the Company on 22 July 2026, both of which are conditional and subject to the approval of the Independent Shareholders at the EGM.

The principal terms of the Proposed Grant are as follows:

Principal Terms of the Proposed Grant of Share Options

Date of Grant	:	22 July 2026
Number of Share Options	:	7,837,300 (representing 1.25% of the total issued share capital of the Company as at the Date of Grant) to Ms. G Choi; 7,210,316 to Mr. D Choi (representing 1.15% of the total issued share capital of the Company as at the Date of Grant)
Subscription price of Share Options Granted	:	HK$0.36 per Share, which represents no less than the higher of (i) the closing price of HK$0.345 per Share as stated in the daily quotations sheet of the Stock Exchange on 22 July 2026, being the Date of Grant; (ii) the average closing price of HK$0.352 per Share as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of a share, being one HK cent
Closing price of the Share on the Date of Grant	:	HK$0.345 per Share
Consideration of Share Options Granted	:	HK$1.00 to be paid by each Grantee upon the acceptance of the Share Options
Exercise period of Share Options ("**Option Period**")	:	Subject to the rules of the Share Option Scheme, the Share Options granted are exercisable for a period of 5 years from the Date of Grant of the Share Options

Vesting period of the Share Options:

First tranche	: 1/3 of share options will be vested on 31 July 2027 and become exercisable from that date until the expiry of the Option Period
Second tranche	: 1/3 of share options will be vested on 31 March 2028 and become exercisable from that date until the expiry of the Option Period
Third tranche	: 1/3 of share options will be vested on 31 March 2029 and become exercisable from that date until the expiry of the Option Period
Performance target	: The Share Options granted to each of Ms. G Choi and Mr. D Choi are divided into two equal portions: (i) Time-based portion (50%): no performance target is attached and these Share Options will vest solely based on the Grantee remaining an eligible participant and continuing in service with the Group on the relevant vesting dates. The Remuneration Committee is of the view that it is not necessary to impose separate performance targets on the Time-based portion of the Share Options for the following reasons: (a) the Time-based portion of the Share Options are intended to encourage the Grantees to remain with the Group and make sustained contributions during the vesting period, thereby reinforcing their commitment to the sustainable development of the Group; (b) the value ultimately realisable from the Share Options is linked to the market price of the Shares, thereby aligning the interests of the Grantees with those of the Company and the Shareholders; (c) the multi-year vesting period (with the final tranche vesting on 31 March 2029)

is designed to ensure that the interests of the Grantees remain aligned with those of the Company and the Shareholders over a meaningful period; and (d) the grants are made in recognition of past contribution and as an incentive for continuing commitment and contribution towards the sustainable growth of the Group, which is consistent with the purpose of the Share Option Scheme; and (ii) Performance-based portion (50%): vesting is subject to the achievement of the following performance targets for the relevant financial year as assessed by the Board (or the Remuneration Committee or such other committee/ person(s) delegated by the Board): 50% of the Performance-based portion of the Share Options is subject to the Group achieving net profit before tax for the relevant financial year (before share options amortisation); and 50% of the Performance-based portion of the Share Options is subject to the Group's turnover increasing by not less than 10% over the previous financial year. The Performance-based portion of the Share Options will be eligible to vest in three equal tranches on 31 July 2027, 31 March 2028 and 31 March 2029, subject to the performance targets for the financial years 2026, 2027 and 2028 respectively. If any performance target for the relevant financial year is not achieved, the Board (or its delegate) shall have absolute discretion to determine whether all, part or none of the relevant tranche will be vested. Any portion of the Performance-based portion of the Share Options that is not vested shall automatically lapse. The Remuneration Committee, as delegated by the Board, which comprises a majority of independent non-executive Directors, will assess the achievement of the pre-determined performance targets after the finalisation of the Group's financial results for the relevant financial year, and will have absolute discretion to determine whether all, part or none of the relevant tranche of the Performance-based portion of the Share Options will vest. As Ms. G Choi is a member of the Remuneration Committee, she will abstain from participating in, and will not be counted in the quorum for, any discussion or decision of the Remuneration Committee relating to the assessment of the performance targets or the vesting of the Share Options granted to her and/or Mr. D Choi. The assessment and determination in respect of the Share Options granted to each Grantee here will be made solely by the non-conflicted members of the Remuneration Committee. Having regard to the abstention arrangements and the fact that the assessment and vesting determination will be made by the non-conflicted members of the Remuneration Committee by reference to pre-determined performance targets, the Board considers that the process is subject to appropriate safeguards and will be conducted independently and objectively.

Clawback mechanism :	Upon the occurrence of any of the following events in relation to a participant of the Share Option Scheme (the "**Participant(s)**"), all outstanding Share Options held by the relevant Participant shall lapse automatically and not be exercisable: 1. The expiry of the period for exercising the Share Options which is the date falling 5 years from the Date of Grant of the Share Options. 2. The Grantees cease to be a Participant (other than death) including the termination of employment with the Group, unless the Board otherwise determines that such Share Options (or the remainder thereof) shall be exercisable for such period after the relevant date of the cessation as the Board may determine in its absolute discretion. 3. The Grantees cease to be a Participant by reason of the termination of his employment or directorship on the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which the Group as an employer would be entitled to terminate his employment summarily.

		The Board shall be entitled to cancel any Share Options, in whole or in part, when the Grantees assign, transfer or create any interest in favour of any third party over or in relation to the Share Option(s) in breach of the terms of the Share Option Scheme. The clawback mechanism summarised above applies equally to Ms. G Choi and Mr. D Choi in the same manner as it applies to all other participants under the Share Option Scheme.
Financial assistance	:	There is no arrangement for the Company or any of its subsidiaries to provide any financial assistance to the Grantees to facilitate the purchases of the Shares under the Share Option Scheme.

The Shares to be allotted upon the exercise of the proposed Share Options shall rank *pari passu* in all respects with and shall have the same voting rights, rights in respect of any dividend or other distributions paid or made on or after the date of issue, rights of transfer and other rights, including those arising on liquidation of the Company as attached to the Shares in issue on the date of such allotment and will be subject to all the provisions of the articles of association of the Company for the time being in force.

As at the Latest Practicable Date, no grant of Share Options has been made to Ms. G Choi and Mr. D Choi by the Company under the Share Option Scheme and any other share schemes of the Company within the 12-month period prior to the Proposed Grant of Share Options. None of the Directors is a trustee of the Share Option Scheme nor has any direct or indirect interest in the trustee(s) of the Share Option Scheme.

Reasons for the Proposed Grant

The purpose of the Share Option Scheme is to reward Participants who have contributed or will contribute to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

Ms. G Choi is an Executive Director, Chairman and Chief Executive Officer of the Company and Mr. D Choi is an Executive Director of the Company. The Share Options proposed to be granted to them form part of the offer of share options to the Group's senior management staff in recognition of their past contribution to the business performance of the Group and as an incentive for their continuing commitment and contribution towards the sustainable growth of the Group.

The Proposed Grant is intended to (i) recognise the dedication and the significant efforts and contribution of Ms. G Choi and Mr. D Choi to the Group in the past years; and (ii) provide incentives for their continuing and persistent devotion to the development and leadership of the Group going forward by further aligning their interests with those of the Group and Shareholders.

In determining the Proposed Grant, the Board, including the Remuneration Committee, had considered the following factors: (a) the time commitment and responsibilities of Ms. G Choi as Chairman, Executive Director and Chief Executive Officer of the Group and the leadership that she brings to the Group; (b) the time commitment, responsibilities and contribution of Mr. D Choi as Executive Director of the Group; (c) their importance to the future development of the Group's business; (d) the fact that the value of the Share Options is dependent to a significant extent on the future development performance of the Group. The economic benefits of the Share Options depend upon the increase in the market price of the Shares which can be driven by improving the operational performance of the Group. Thus, the Proposed Grant provides an incentive to Ms. G Choi and Mr. D Choi to continue to drive the improvement of the Group's operational performance and long-term development, thereby benefiting all the Shareholders. The Board has considered other alternative methods to reward the Grantees including cash reward and share award. In terms of cash reward, this method is short-term incentives and does not align with the Company's performance and creation of value for the Shareholders. In terms of share award, it provides actual Shares with immediate value upon vesting, whereas Share Options provide the right to buy Shares and require exercising to realise value, and therefore are more suitable for the Company's intention to incentivise the management to improve the Company's performance to increase the share price. There is also cash inflow on exercising the Share Options; and (e) the Proposed Grant forms part of the remuneration package for the Grantees. Given the seniority and experience of Ms. G Choi and Mr. D Choi, their remuneration would comprise short-term compensation and long-term incentives, which align with the existing practice of the Group of awarding Share Options to employees and senior management and market practice to preserve the cash for future expansion and diversification of its business and to provide additional working capital to the Group at the time of exercising the Share Options. This would also encourage the Grantees to focus on the Company's long-term performance and better align their interests with those of Shareholders while promoting retention. Accordingly, the Proposed Grant is in line with the remuneration policies of the Company and market practice.

In determining the number of Share Options of the Proposed Grant, the Board, excluding Ms. G Choi and Mr. D Choi, has also considered the following factors: (i) the respective roles and responsibilities of the Grantees, including their business and industry knowledge concerning the Group's business and length of service; (ii) their contribution and dedication to the promotion and development of the Group's business and their contribution to the overall business performance and sustainable development of the Group; (iii) the importance of the Grantees' skills, knowledge, experience, expertise, and other personal qualifications, together with the crucial need for retaining, motivating, and incentivising the Grantees, as Executive Directors to effectively manage the Group and achieve the long-term benefits of the Group; and (iv) the inclusion, as vesting conditions for the Performance-based portion of the Share Options, of prescribed targets relating to growth in the Group's turnover and the achievement of profitability. In assessing the appropriateness of the number of Share Options under the Proposed Grant, the Remuneration Committee considered the estimated grant-date value of the Share Options, their phased vesting profile and the performance-based conditions attached to the Share Options. For illustrative purposes, based on an option-pricing assessment using the market price of the Shares on the Date of Grant, the exercise price of the Share Options and other relevant valuation assumptions, the estimated grant-date values of the Share Options proposed to be granted are approximately HK$1.07 million for Ms. G Choi and HK$0.98 million for Mr. D Choi. The estimated values are spread over three substantially equal vesting tranches, resulting in an estimated value per vesting tranche of approximately HK$356,000 for Ms. G Choi and HK$328,000 for Mr. D Choi. Of each vesting tranche, 50% is subject to prescribed performance conditions. Accordingly, the estimated annual value of the performance-based portion is approximately HK$178,000 for Ms. G Choi and HK$164,000 for Mr. D Choi. This consists of an estimated annual value of approximately HK$89,000 and HK$82,000, respectively, attributable to the turnover-growth condition, and a further approximately HK$89,000 and HK$82,000, respectively, attributable to the profitability condition. The Remuneration Committee considers that the above annualised performance-based amounts are proportionate to the Grantees' respective senior position and responsibilities on performance of the Group turnover and profit turnaround. The relevant performance-based portions will vest only upon achievement of the prescribed turnover growth and profitability targets for the relevant vesting period; otherwise, the relevant unvested Share Options will lapse. The Remuneration Committee therefore considers that the performance-based structure appropriately aligns a meaningful portion of the potential economic benefit with the delivery of measurable improvements in the Group's operating scale and financial performance. In addition, the exercise price of HK$0.36 per Share was higher than the closing price of HK$0.345 per Share on the Date of Grant and the five-business-day average closing price of HK$0.352 per Share immediately preceding the Date of Grant. The Share Options therefore had no intrinsic value on the Date of Grant. The potential benefit to the Grantees is contingent upon continued service, satisfaction of the applicable vesting and performance conditions, and the market price of the Shares exceeding the exercise price at the relevant time. Having considered the above, the Remuneration Committee considers that the number and terms of the Share Options are fair and reasonable, and are consistent with the objective of retaining, motivating and incentivising the Grantees to deliver the Group's long-term development and improved operating and financial performance.

Having considered all the above factors, the Board, including the Remuneration Committee, is of the view that the Proposed Grant will align the interests of Ms. G Choi and Mr. D Choi with those of the Company and the Shareholders, and will motivate them to commit themselves to work to improve the Company's competitiveness and operating results, leading to growth. The Proposed Grant is therefore consistent with the objectives of the Share Option Scheme. Accordingly, the Remuneration Committee recommended the Board to approve the Proposed Grant.

The independent non-executive Directors have reviewed the terms of each of the Proposed Grant under the Share Option Scheme and considered the rationale set out below:

(a) Ms. G Choi is the Chairman, Executive Director and Chief Executive Officer of the Company. She is responsible for providing leadership to the Board, driving the overall business strategy of the Group and overseeing its day-to-day management. With extensive experience in the road construction machinery and equipment industry, she has been instrumental in shaping the Group's long-term strategic direction, driving its research and development and product innovation (including combustion technology, sustainable energy solutions, AI-enabled batching plant systems and mobile continuous plants) and expanding the Group's overseas markets. Under her leadership, the Group had received significant recognition for its continuing commitment to sustainability, corporate governance, technological innovation and operational excellence. The Proposed Grant to Ms. G Choi is intended to serve as a meaningful incentive in recognition of her strategic leadership, consistent dedication to the Group's development and sustained growth. By further aligning her personal interests with those of the Group, this initiative reinforces a shared vision for long-term value creation;

(b) Mr. D Choi is an Executive Director of the Company. He has played an important role in the overall management and strategic business development of the Group. With extensive experience in the construction and specialised engineering equipment industry and investment in energy ventures, he has made valuable contribution to the Group's management, business development and market expansion initiatives. In particular, he is responsible for overseeing the Group's new energy-related business initiatives and pursuing business opportunities to support the Group's long term development. The Proposed Grant to Mr. D Choi acknowledges his contributions to the Group's development and is intended to incentivise his continuing commitment and contribution to the Group's future development;

(c) In determining the number of Share Options under the Proposed Grant, the Board (excluding Ms. G Choi and Mr. D Choi) and the Remuneration Committee considered, among other things, the Grantees' extensive experience in the Group's business, length of service, respective roles and responsibilities, past contributions, expected future contributions and unwavering commitment to driving the Group's growth. The Grantees' contributions have been instrumental in strengthening the Group's overall business performance, promoting sustainable development, and upholding high standards of corporate governance. While the Group recorded a loss for the year ended 31 December 2025, the Board and the Remuneration Committee took into account that both Grantees continued to lead the Group's key strategic initiatives, innovation projects and cost-control measures during the year. The Proposed Grant is primarily a forward-looking incentive to support the Group's recovery and long-term growth rather than a reward based solely for short-term financial results; and

(d) The combination of time-based and performance-linked vesting conditions attached to the Share Options is intended to provide the Grantees with continuing motivation and incentive to promote the success of the Group during the vesting period.

In light of the above, the independent non-executive Directors are of the view that the terms of each Proposed Grant are fair and reasonable and that such grants are in the interests of the Company and the Shareholders as a whole, as the granting of Share Options motivates and incentivises the Grantees, who possess valuable skills, experience and industry knowledge, to remain committed to the Company and continue driving the future operations, development and long-term growth of the Company. The Proposed Grant accordingly fulfils the fundamental purpose of the Share Option Scheme, which is to attract, motivate and retain core talents while securing their ongoing dedication and reinforcing their long-term commitment to the Company and the creation of long-term value to Shareholders.

The Board (including all the independent non-executive Directors) is of the view that the Proposed Grant is appropriate for recognition of the past contribution of Ms. G Choi and Mr. D Choi and is able to incentivise them for their continued dedications and contributions to the Group in the future, and the Proposed Grant aligns their long-term interest with those of the Company and the Shareholders, and that the Proposed Grant and its terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules Implications

Pursuant to Rule 17.04(1) of the Listing Rules and the terms of Share Option Scheme, each grant of Share Options to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates, must be approved by independent non-executive Directors. Accordingly, the grant of Share Options was approved by the Independent Non-executive Directors.

Pursuant to Rule 17.04(3) of the Listing Rules and the terms of the Share Option Scheme, if the grant of Share Options to a substantial Shareholder or any of its associates would result in the total number of Shares in issue and to be issued under all Share Options granted (excluding any Share Options under the terms of the Share Option Scheme and awards under the terms of its scheme which have lapsed) in the 12-month period up to and including the date of grant of Share Options to such person exceeding in aggregate 0.1% of the Shares of the relevant class in issue, then such proposed grant of Share Options shall be approved by the Shareholders in a general meeting in the manner described in Rule 17.04(4). The grantee, its associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

Pursuant to Rule 17.03D(1) of the Listing Rules and the terms of the Share Option Scheme, where any grant of options or awards to a participant would result in the shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the listed issuer in issue (excluding treasury shares) (the 1% individual limit), such grant must be separately approved by shareholders of the listed issuer in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting. The listed issuer must send a circular to the shareholders.

Pursuant to Rule 17.03D(2) of the Listing Rules and the terms of the Share Option Scheme, the circular must disclose the identity of the participant, the number and terms of the options or awards to be granted (and those previously granted to such participant in the 12-month period), the purpose of granting options or awards to the participant and an explanation as to how the terms of the options or awards serve such purpose. The number and terms of the options or awards to be granted to such participant must be fixed before shareholders' approval. In respect of any options to be granted, the date of the board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Rule 17.03E of the Listing Rules.

Ms. G Choi and Mr. D Choi (through their controlled corporation, Prima DG Investment Holding Company Limited) are substantial Shareholders.

Neither Ms. G Choi nor Mr. D Choi has any outstanding or exercised share options under the current share option scheme, and neither of them has any outstanding share options under the previous share option scheme.

As the total number of Shares to be issued upon exercise of the Share Options proposed to be granted to each of Ms. G Choi and Mr. D Choi:

1. exceeds 0.1% of the Shares in issue in the 12-month period up to and including the Date of Grant; and

2. exceeds 1% of the Shares in issue in the 12-month period up to and including the Date of Grant,

the proposed grant of the Share Options to each of Ms. G Choi and Mr. D Choi is conditional upon and subject to the approval of the Shareholders pursuant to Rule 17.04(3) and Rule 17.03D(1) of the Listing Rules and the terms of the Share Option Scheme.

Ms. G Choi, Mr. D Choi, their respective associates and all core connected persons of the Company must abstain from voting in favour of ordinary resolutions numbered 1 and 3 (which relate to the grants exceeding the 0.1% limit under Rule 17.04(3) of the Listing Rules) at the EGM.

Ms. G Choi, Mr. D Choi and their respective associates must abstain from voting on ordinary resolutions numbered 2 and 4 (which relate to the grants exceeding the 1% limit under Rule 17.03D(1) of the Listing Rules) at the EGM.

3. PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement of the Company dated 3 August 2026 in relation to the proposed change of auditor.

Proposed Removal

At the last annual general meeting of the Company held on 18 June 2026 (the "**AGM**"), PwC was re-appointed as the auditor of the Company, to hold office until the conclusion of the next annual general meeting of the Company.

PwC has served as the independent auditor of the Company since 2016. Having regard to the continuous duration of PwC's tenure, the Audit Committee and the Board consider that it is an appropriate time for the Company to rotate its independent auditor. In arriving at this view, the Board and the Audit Committee have considered, among other matters: (i) the number of years PwC has continuously served as auditor of the Company since 2016; (ii) prevailing regulatory expectations and market practice regarding periodic refreshment of long-serving external auditors; (iii) the benefits of obtaining a fresh external perspective on the Group's financial reporting and internal controls; and (iv) the overall corporate governance objective of maintaining auditor independence and objectivity over the longer term. The Board and the Audit Committee consider a continuous tenure since 2016 to be relatively long in the current regulatory and market environment. The Audit Committee notes that the AFRC's *Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors* identify an auditor's long association with a listed entity as a relevant consideration in evaluating an incumbent auditor, as such association may have implications for auditor independence. The Guidelines do not prescribe a particular period after which an audit firm's tenure is regarded as long, nor do they require mandatory audit-firm rotation. The Board and the Audit Committee have therefore made their assessment having regard to the specific circumstances of the Company. The Audit Committee recognises that while PwC's extensive knowledge of the Group improves its audit quality, the mutual long-standing relationships may pose familiarity and self-interest risks in the long run. Balancing the institutional knowledge gained over almost a decade against the need to refresh audit perspectives, the Board and Audit Committee concluded that changing the external auditor at this time best supports corporate governance and addresses long-tenure familiarity risks.

After careful consideration, the Board (with the recommendation of the Audit Committee) has resolved to change the independent auditor of the Company, and the Company has made the following arrangements:

(1) PwC will cease to act, and will not continue to act, as the independent auditor of the Company with effect from the date on which the resolutions referred to below are passed; and

(2) with the recommendation of the Audit Committee, the Board has resolved to propose the appointment of Deloitte as the new independent auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.

The removal of PwC as auditor of the Company and the Proposed Appointment are subject to the approval of the Shareholders by way of ordinary resolution(s) to be proposed at the EGM.

The Company was incorporated under the laws of the Cayman Islands and, to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for an outgoing auditor to confirm whether or not there are any circumstances connected with its retirement which need to be brought to the attention of the Shareholders or creditors of the Company. PwC has accordingly not issued such a confirmation. The Board has reviewed the letter from PwC dated 3 August 2026 setting out the circumstances in respect of the removal of PwC as the auditor (a copy of which is set out in the Appendix to this circular headed "Letter of Termination"). Save for the circumstances mentioned in such letter from PwC, there is no other matter in respect of the proposed change of auditor that needs to be brought to the attention of the Shareholders.

The Board wishes to emphasise that PwC has provided professional and high-quality services to the Group throughout its tenure as auditor of the Company, and the proposed change of auditor does not arise from any disagreement with PwC, nor does it reflect any concern regarding the quality of PwC's audit work.

The removal of PwC therefore does not arise from any dissatisfaction with PwC. Rather it reflects the fact that, in the course of the Board's ongoing review of the Company's external audit arrangements and auditor tenure, a suitable successor candidate, Deloitte, had been identified which meets the Board's previously established criteria (including strong market standing, appropriate capabilities and experience, and a comparable fee level) and is in line with the Group's strategic development. In light of this, and mindful of prevailing regulatory expectations and market practice on refreshing long-serving auditors, the Board and the Audit Committee considered it appropriate to proceed with a change of auditor at this stage so that the incoming auditor would have sufficient time to plan and perform the forthcoming annual audit (including opening balance procedures), thereby ensuring audit quality and an efficient audit process.

As at the Latest Practicable Date, PwC had not commenced any audit work in respect of the consolidated financial statements of the Company for the financial year ending 31 December 2026. The Board is of the view that the removal of PwC will not have any material impact on the annual audit for the financial year ending 31 December 2026 or on the publication of the annual results of the Company.

The Board would like to take this opportunity to express its sincere gratitude to PwC for the professional services rendered to the Group during its tenure as auditor of the Company.

Proposed Appointment

In assessing the appointment of Deloitte as the auditor of the Company, from a qualitative perspective, the Audit Committee has considered a number of factors, including but not limited to: (i) Deloitte's audit proposal, setting out amongst other things, its proposed audit scope and audit approach; (ii) Deloitte's experience, industry knowledge and technical competence in providing audit services to companies listed on the Stock Exchange; (iii) Deloitte's market reputation, professional standing, resources and capabilities; (iv) the background, seniority and composition of Deloitte's proposed engagement team; (v) Deloitte's understanding of the Group's business operations, reporting requirements and development direction; (vi) the proposed audit fee and the basis upon which it was determined; and (vii) the guidance published by AFRC regarding the selection, appointment and change of auditors.

The Audit Committee has assessed Deloitte's independence, competence and capability to perform its duties, and considers that Deloitte is suitable to act as the auditor of the Company.

Regarding independence, Deloitte confirmed its compliance with the applicable independence and professional ethics requirements, and that neither Deloitte nor any member of its proposed engagement team has any relationship with, or interest in, the Group that may affect its independence and objectivity as auditor of the Company.

In assessing competence, the Audit Committee has considered Deloitte's extensive experience in auditing listed companies in Hong Kong, the qualifications and experience of the proposed engagement partners and key team members, and Deloitte's internal quality control procedures.

In assessing the capability to perform its duties, the Audit Committee has considered Deloitte's team structure, human resources commitment, proposed audit timetable and available resources.

From a quantitative perspective, the Audit Committee has considered that the audit remuneration payable to Deloitte for the year ending 31 December 2026 is expected to be approximately RMB1.25 million, which was determined following arm's length negotiations between the Company and Deloitte with reference to factors including the size and complexity of the Group's business and operations, the scope and expected timetable of the audit, and the time and resources to be committed by the engagement team. For reference, the audit remuneration paid to PwC for the year ended 31 December 2025 was RMB1.25 million. The Board considers the proposed audit fee to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Based on the above, the Audit Committee considers that Deloitte is eligible and suitable to act as the new auditor of the Company, the fee agreed between the Company and Deloitte is appropriate, and the audit quality can be maintained at a high level.

The Board, with the recommendation of the Audit Committee, considers that the proposed removal of PwC and appointment of Deloitte are in the interests of the Company and its Shareholders as a whole, based on the following considerations:

(i) Refreshing long auditor tenure: PwC has served as the Company's auditor since 2016. A periodic refresh of the external auditor is consistent with prevailing regulatory expectations and market practice;

(ii) Maintaining audit quality: Deloitte possesses the requisite professional competence, resources and experience to deliver audit services of a standard comparable to PwC. The assessment covered Deloitte's track record with Hong Kong listed issuers, industry knowledge, proposed engagement team and audit approach;

(iii) Alignment with the Group's development: The Group is advancing initiatives in areas such as technology, innovation and international expansion. Deloitte's broad exposure and market focus in areas relating to technology and innovation-led businesses are considered relevant to the Group's continuing development and audit requirements;

(iv) Appropriate fee level and commercial considerations: Deloitte's proposed audit fee is in line with market levels and commensurate with the scope of work, providing an appropriate balance between cost efficiency and audit quality;

(v) Timely transition to support audit effectiveness: Although the proposed change follows shortly after the AGM, implementing the change at an early stage allows the incoming auditor sufficient time to plan and perform the forthcoming annual audit, including opening balance procedures, which is conducive to maintaining audit quality and an efficient audit process;

(vi) No adverse issues with PwC: The proposed removal does not arise from any disagreement with PwC or any concerns regarding its audit quality. It reflects the Board's proactive approach to enhancing the Company's external audit arrangements in light of long-term governance considerations.

Based on the above, the Board is of the view that the proposed change of auditor is in the interests of the Company and its Shareholders as a whole.

Based on the recommendation of the Audit Committee, the Board has resolved to propose that the Shareholders approve the appointment of Deloitte as the new auditor of the Company, to fill the casual vacancy following the removal of PwC and to hold office until the conclusion of the next annual general meeting of the Company.

The Proposed Appointment is subject to the Proposed Removal becoming effective and the passing of the ordinary resolution in respect of the Proposed Appointment at the EGM.

Chronology of Events Leading to the Proposed Change of Auditor

The Board, together with the Audit Committee, has from time to time reviewed the Group's external audit arrangements in light of the Group's business development, strategic direction, the length of the incumbent auditor's tenure, prevailing regulatory expectations and market practice. In conducting that review, the Board and the Audit Committee have taken into account, among other things, the importance of maintaining a high standard of audit quality, the benefits of periodically refreshing a long-serving external audit appointment, and the engagement of an audit firm with the appropriate capabilities and experience to support the Group's development.

The continuous duration of PwC's tenure has been a matter under ongoing discussion by the Board and the Audit Committee in recent years. For details, please refer to the section headed "Proposed Removal" in this circular. Being mindful of this, as well as prevailing regulatory guidance and market practice, the Board and the Audit Committee have also considered the range of audit firms that could suitably act as the Group's auditor in the future, including firms of varying scale, track record, and areas of specialisation, with a view to identifying one with the appropriate capabilities, experience and professional fee level to meet the Group's needs.

However, prior to the AGM, neither the Board nor the Audit Committee had made any decision or formed any concrete intention to replace or remove PwC as the auditor of the Company. No specific alternative auditor had been identified, assessed, approached or had agreed to undertake the audit engagement at that point. In particular, the Company had not at that time commenced the necessary assessment of potential candidates' independence, competence, industry experience, proposed engagement team, resources, audit approach, availability, fee proposal and ability to undertake the audit within the required reporting timetable.

At the Board meeting held on 18 June 2026, the Board (including members of the Audit Committee) further discussed this matter and concluded that the Company should consider engaging a successor auditor. As to the type of and tier of successor auditor firm, the Board (including members of the Audit Committee) concluded that the successor auditor should be a firm with strong market standing and the requisite capabilities comparable to PwC, provided that its proposed fee is at a comparable level and it is willing to undertake the Company's audit on acceptable terms. As such, the Board agreed that management should explore alternative options and present its recommendations to the Board in due course. For the avoidance of doubt, the above first conclusion was preliminary and exploratory in nature and did not constitute a decision to remove or replace PwC. The Board recognised that the identification and evaluation of any suitable alternative auditor could take a meaningful period of time and might not result in a recommendation to change auditor.

The Board and the Audit Committee considered that it would not have been appropriate to recommend a change of auditor at the AGM without first identifying and completing a proper assessment of a suitable successor auditor. Pending the completion of this process, and based on a separate evaluation of PwC's service, in assessing whether PwC remained suitable for re-appointment at the AGM held on 18 June 2026, the Board took into account, among other things: (i) PwC's professional qualifications, independence and objectivity; (ii) the quality and effectiveness of the audit services provided in prior years; (iii) PwC's knowledge of the Group's business, systems and financial reporting processes; (iv) the proposed audit fees and the resources allocated to the engagement; and (v) the absence of any disagreement or unresolved issues between the Company and PwC. On the basis of these factors, the Board considered that PwC remained suitable for re-appointment at that time.

At the time when the Board recommended the re-appointment of PwC at the AGM, the Board and the Audit Committee had not identified any specific successor auditor and had not conducted any evaluation of any particular audit firm. The Board's conclusion on 18 June 2026 was that PwC remained suitable for re-appointment for the ensuing year, while at the same time the Company should commence a review of potential successor auditors in light of PwC's tenure and as part of the Company's broader auditor succession planning and corporate governance considerations.

Against this background, the Board did not consider it appropriate to defer or withhold their recommendation regarding the re-appointment of PwC merely because the Company proposed to undertake a preliminary review of its future audit arrangements. The Board further considered that the re-appointment of PwC at the AGM would ensure continuity of audit services to avoid any vacuum in the auditor appointment whilst allowing the Company sufficient time to undertake a proper and orderly evaluation process in respect of any potential successor auditor. For these reasons, the Board considered that the recommendation to re-appoint PwC at the AGM was appropriate and in the interests of the Company and the Shareholders as a whole.

At the annual general meeting of the Company held on 18 June 2026, the Shareholders approved the re-appointment of PwC as the auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company, in compliance with Rule 13.88 of the Listing Rules and the applicable shareholder approval requirements.

The Board considers that the information contained in the AGM Circular was accurate and complete in all material respects at the time it was issued. As at the date of the AGM Circular, the Company had not identified Deloitte as a potential successor auditor and had not formed any definitive proposal to replace PwC. The discussions undertaken by the Board relating to auditor succession planning were preliminary in nature and formed part of the Company's ongoing review of its external audit arrangements.

Following the Board's above authorisation, management began to identify and evaluate potential successor auditor firms. A suitable successor auditor, Deloitte, was subsequently identified and was presented to the Audit Committee and the Board in meetings held on 20 July 2026. After due consideration, the Board (with the recommendation of the Audit Committee) resolved to proceed with the proposed removal of PwC as the independent auditor of the Company and the appointment of Deloitte as the new independent auditor of the Company, subject to the approval of the Shareholders at the EGM. Management thereafter informed PwC of the Board's decision. A conference call was held on 23 July 2026 among PwC, the Audit Committee and management to discuss the matter and the reasons for the proposed change of auditor.

The Board and the Audit Committee consider that they have discharged their fiduciary duties and duties of skill, care and diligence here. Rather than making an immediate decision to replace PwC, the Board first established objective selection criteria for any potential successor auditor, authorised management to conduct a market assessment, maintained continuity of audit arrangements through PwC's re-appointment at the AGM and subsequently considered Deloitte only after management had completed its evaluation process and presented a formal recommendation. The Board considers that such approach reflected a careful, informed and structured decision-making process undertaken in the interests of the Company and the Shareholders as a whole.

After considering different options and obtaining a fuller understanding of Deloitte, the Board and the Audit Committee considered Deloitte to be a suitable firm to act as the new auditor of the Company. In reaching this view, the Board and the Audit Committee have considered Deloitte's professional standing, experience with Hong Kong listed issuers, industry knowledge, proposed engagement team, resources and audit approach, and are of the view that Deloitte is capable of providing services of a standard commensurate with the Group's requirements and may bring a refreshed professional perspective to the external audit process.

The Board also considers that Deloitte's broad exposure and market focus in areas relating to technology and innovation-led businesses are relevant to the Group's continuing development. As disclosed in the annual report of the Company for the year ended 31 December 2025, the Group continues to proceed with a number of innovation and research initiatives, including combustion technology, sustainable energy solutions, AI-enabled batching plant systems, mobile continuous plants, product adaptability for different markets and broader overseas expansion. As the Group continues its strategic initiatives in smart road construction and conservation solutions, low-carbon and energy-related applications, intelligent systems and international market expansion, the Board believes that Deloitte is suitably positioned to support the Group's external audit needs and to complement the Group's evolving business profile and strategic direction for the next stage of its development.

Based on the above, and having regard to (i) PwC's long tenure as auditor of the Company; (ii) the Board's ongoing review of the Group's external audit arrangements; (iii) Deloitte's qualifications, market standing, industry experience, resources and proposed engagement arrangements; (iv) Deloitte's proposed audit remuneration being at a level comparable to the existing audit remuneration; and (v) the absence of any disagreement or audit-related issues involving PwC, the Board (with the recommendation of the Audit Committee) considers that the proposed removal of PwC and the proposed appointment of Deloitte are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Audit Plan and Transition Arrangements

According to Deloitte's proposed audit plan, preliminary transition and audit planning procedures are expected to commence immediately following completion of the appointment process and will include professional clearance procedures, preliminary risk assessment procedures and obtaining an understanding of the Group's business operations and key control areas.

According to Deloitte's proposed audit plan, opening audit procedures (including preliminary risk assessment and understanding of the Group's business and key control areas) will commence shortly after their appointment as auditor of the Company, followed by more detailed pre-planning and scoping work from October to November 2026. A pre-audit planning meeting will then be arranged in December 2026 for Deloitte to communicate the audit plan with the Audit Committee and seek their final endorsement. Year-end audit fieldwork is scheduled for January to February 2027, during which Deloitte will determine the audit scope and performance materiality, perform risk assessment procedures to identify risks of material misstatement, and design and carry out responsive audit procedures (including inspection of documents, observation of processes, independent confirmations and analytical review) to obtain sufficient appropriate audit evidence. Communication with management and the Audit Committee on the audit findings, proposed adjustments and draft audited financial statements is planned for March 2027, with the annual results announcement targeted for March 2027 and despatch of the annual report targeted for April 2027, which is in line with management's understanding of a typical audit approach adopted by professional auditors.

Deloitte has confirmed that it will assign adequate and appropriate human resources to the engagement, including senior personnel with relevant experience and supporting team members, to deliver the audit in accordance with this timetable. Deloitte's proposal includes designating one Hong Kong team and one PRC team, each led by an engagement partner (a Hong Kong-based engagement lead partner and a PRC team partner) and a manager-level staff, providing dedicated leadership and on-the-ground resources in both Hong Kong and the PRC. PwC's existing arrangement was mainly handled by the Hong Kong team, with one Hong Kong-based engagement lead partner and two manager-level staff, supported by PRC staff for fieldwork. The Board and the Audit Committee considered that Deloitte's proposed engagement team structure would better support the Group's cross-border operations and facilitate coordination of audit work in the PRC.

The Company will continue to be responsible for preparing financial information, maintaining accounting records and facilitating access to relevant documentation and personnel. Deloitte will be responsible for planning and performing the audit in accordance with the applicable auditing standards. PwC's involvement following the proposed transition will be limited to professional clearance and transition-related matters in accordance with applicable professional requirements.

Having considered Deloitte's proposed audit approach, timetable and resource commitments, the Board and the Audit Committee do not expect the proposed change of auditor to have any material adverse effect on the Company's financial reporting timetable, audit quality, effectiveness or efficiency. If the Proposed Change of Auditor is approved at the EGM, the Company will continue to coordinate closely with Deloitte and PwC to facilitate an orderly transition and mitigate any transition-related risks.

Enhanced Procedures for Future Auditor Arrangements

Following their review of the circumstances relating to the proposed change of auditor, the Board and the Audit Committee have agreed to further enhance the Company's auditor succession planning and disclosure review procedures. The Board appreciates that its audit planning for this matter may not have been ideal and acknowledges the importance of effective audit planning and timely communication with auditors and other relevant experts; and that a quality audit begins with proper planning, including the early engagement of auditors to agree on audit fees and audit plans. Further, it is important that the Audit Committee exercises appropriate oversight of this process. To remedy these audit planning shortcomings and prevent similar occurrences, the Board and the Audit Committee have adopted the following remedial measures. As part of its annual governance procedures, management will regularly update the Audit Committee on, and the Audit Committee will monitor and review, the Company's external audit arrangements. Such review will include: (i) the performance, qualifications, independence and objectivity of the external auditor; (ii) the Group's business development, strategic direction, operating scale and prevailing regulatory expectations; and (iii) whether any change to the Company's external audit arrangements is necessary or appropriate.

Where a change of auditor, or a decision not to reappoint the incumbent auditor, is contemplated, the Audit Committee may, where appropriate, instruct management to identify and engage with potential successor auditor candidates in advance for its consideration at the Audit Committee's annual review meeting, which would ordinarily be held in or around March. The Audit Committee will, where practicable, complete its assessment and make a recommendation to the Board by 31 March of the relevant year as to whether the incumbent auditor should be reappointed or the Company should proceed to consider a change of auditor.

Where the Board agrees that a change of auditor should be further considered, management will, under the direction of the Audit Committee and the Board, undertake such further work as may be appropriate, including (i) the final selection and evaluation of a suitable candidate firm; (ii) the client and engagement acceptance procedures; (iii) the audit planning and resource allocation by the proposed successor auditor; and (iv) the preparation of the required announcements and circular disclosures, to facilitate the proposed change being considered at the next annual general meeting, where appropriate.

Where the Board approves a proposed change, the Company will seek Shareholders' approval at the relevant general meeting where required under the Listing Rules and applicable laws or its constitutional documents, and will make the necessary announcements and disclosures in a timely manner.

Save for the proposed appointment of Deloitte pursuant to the resolutions to be considered at the EGM, the Company does not currently have any intention or plan to change its auditor before the next annual general meeting, unless exceptional circumstances arise.

Listing Rules Implications

Pursuant to Article 152(2) of the articles of the Company (the "**Articles**"), the Shareholders may, at any general meeting convened and held in accordance with the Articles, by ordinary resolution remove the auditor of the Company at any time before the expiration of its term of office and shall by ordinary resolution at that meeting appoint another auditor in its stead for the remainder of its term.

Pursuant to Rule 13.88 of the Listing Rules, (a) the Company must at each annual general meeting appoint an auditor to hold office from the conclusion of that meeting until the next annual general meeting; (b) the Company must not remove its auditor before the end of the auditor's term of office without first obtaining Shareholders' approval at a general meeting; (c) the Company must send a circular proposing the removal of the auditor to the Shareholders with any written representations from the auditor not less than 10 business days before the general meeting; and (d) the Company must allow the auditor to attend the general meeting and make written and/or verbal representations to the Shareholders at the general meeting.

In compliance with the Articles and the Listing Rules, the Proposed Removal and the Proposed Appointment will each be proposed at the EGM as an ordinary resolution. This circular contains, among other things, further information on the Proposed Removal and the Proposed Appointment. The Company will despatch a copy of the same to PwC to invite them to attend the EGM and make written or verbal representations (if any) to the Shareholders at the EGM. As confirmed by PwC, as the written representations of PwC to the Shareholders are set out in the Letter of Termination (as set out in the Appendix), PwC does not intend to attend the EGM nor does it intend to make any verbal representation to the Shareholders provided that the said letter is reproduced in full and included in this circular.

4. EXTRAORDINARY GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Extraordinary General Meeting is set out on pages 32 to 36 of this circular. Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Extraordinary General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the Company (http://www.dgtechnology.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, (1) Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (on or before Wednesday, 23 September 2026) or (2) Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong (on or after Thursday, 24 September 2026) as soon as possible but in any event not less than 48 hours before the time appointed for the meeting (i.e. not later than 11:00 a.m. on Wednesday, 30 September 2026 or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting if you so wish.

5. RECOMMENDATION

The Directors consider that the proposed grant of share options to Ms. G Choi and Mr. D Choi and the proposed change of auditor are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Extraordinary General Meeting.

In respect of ordinary resolution numbered 1 (the grant to Ms. G Choi exceeding the 0.1% limit under Rule 17.04(3) of the Listing Rules), Ms. G Choi, her associates and all core connected persons of the Company will abstain from voting in favour of the resolution at the EGM pursuant to Rule 17.04(4) of the Listing Rules.

In respect of ordinary resolution numbered 2 (the grant to Ms. G Choi exceeding the 1% limit under Rule 17.03D(1) of the Listing Rules), Ms. G Choi and her associates will abstain from voting on the resolution at the EGM pursuant to Rule 17.03D(1) of the Listing Rules.

For the avoidance of doubt, ordinary resolutions numbered 1 and 2 relate to the same 7,837,300 Share Options proposed to be granted to Ms. G Choi.

Ordinary resolutions numbered 1 and 2 to be proposed at the EGM are inter-conditional upon each other. In the event that either ordinary resolution numbered 1 or 2 is not passed, both resolutions will not take effect.

In respect of ordinary resolution numbered 3 (the grant to Mr. D Choi exceeding the 0.1% limit under Rule 17.04(3) of the Listing Rules), Mr. D Choi, his associates and all core connected persons of the Company will abstain from voting in favour of the resolution at the EGM pursuant to Rule 17.04(4) of the Listing Rules.

In respect of ordinary resolution numbered 4 (the grant to Mr. D Choi exceeding the 1% limit under Rule 17.03D(1) of the Listing Rules), Mr. D Choi and his associates will abstain from voting on the resolution at the EGM pursuant to Rule 17.03D(1) of the Listing Rules.

For the avoidance of doubt, ordinary resolutions numbered 3 and 4 relate to the same 7,210,316 Share Options proposed to be granted to Mr. D Choi.

Ordinary resolutions numbered 3 and 4 to be proposed at the EGM are inter-conditional upon each other. In the event that either ordinary resolution numbered 3 or 4 is not passed, both resolutions will not take effect.

For the avoidance of doubt, ordinary resolutions numbered 1 and 2 to be proposed at the EGM (as a set), and ordinary resolutions numbered 3 and 4 to be proposed at the EGM (as a set), are not interdependent or conditional upon each other.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors having made all reasonable enquiries, (i) in respect of ordinary resolutions numbered 1 and 3 (which relate to the grants exceeding the 0.1% limit under Rule 17.04(3) of the Listing Rules), Ms. G Choi and Mr. D Choi (through their controlled corporation, Prima DG Investment Holding Company Limited) and their respective associates and all core connected persons of the Company who are required to abstain from voting in favour of these resolutions, directly or indirectly held 411,348,000 Shares in aggregate, representing approximately 65.61% of the total issued Shares and none of these Shareholders has indicated his/her/its intention to vote against these resolutions at the EGM; (ii) in respect of ordinary resolutions numbered 2 and 4 (which relate to the grants exceeding the 1% individual limit under Rule 17.03D(1) of the Listing Rules), Ms. G Choi and Mr. D Choi and their respective associates who are required to abstain from voting on such resolutions directly or indirectly held 411,348,000 Shares in aggregate, representing approximately 65.61% of the total issued Shares; and (iii) save as disclosed above, no other Shareholder has a material interest in the relevant resolutions which would be required to abstain from voting in favour of or abstain from voting on the relevant resolutions at the EGM.

6. RESPONSIBILITY STATEMENT

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

Yours faithfully,
For and on behalf of the Board
D&G Technology Holding Company Limited
Choi Kwan Li Glendy
Chairman

pwc 羅兵咸永道

The Board of Directors
The Audit Committee
D&G Technology Holding Company Limited
7/F, Hing Lung Commercial Building
68-74 Bonham Strand
Sheung Wan
Hong Kong

3 August 2026

Our Ref: AHWC.LKGX/02094797.A005

Dear Sirs

Termination of audit appointment – D&G Technology Holding Company Limited (the Company") and its subsidiaries (together, the "Group")

We refer to the letter from the Company dated 24 July 2026 (the "**Letter**") informing us that the Company's Board of Directors (the "**Board**") has resolved to remove PricewaterhouseCoopers as auditor of the Company (the "**Removal**").

In accordance with the Code of Ethics for Professional Accountants Section 300 "Change of Auditors of a Listed Issuer of The Stock Exchange of Hong Kong", we are required to write to the Audit Committee and to the Board of Directors of the Company to set out the matters leading to our Removal as auditor of the Company.

The Board and the Audit Committee proposed our reappointment as auditor of the Company on 28 March 2026, which we were subsequently being reappointed as auditor of the Company at the Annual General Meeting held on 18 June 2026. Up to the receipt of the Letter, we are not made aware of the Board or the Audit Committee having any concerns over the length of our tenure as indicated in the Letter being the reason for removing us as auditor of the Company. As communicated with the Board and the Audit Committee on 23 July 2026, we have been and continue to maintain our independence and objectivity as auditor of the Company, and it is regrettable that the Board and the Audit Committee have resolved to the Removal. Accordingly, we will not be able to continue our appointment as the auditor of the Company.

This letter sets out the circumstances leading to the Removal and shall serve as our written representation for the purpose of Rule 13.88 of the Listing Rules. We request that this letter be reproduced in full and included in the circular to be despatched to shareholders in connection with the extraordinary general meeting ("**EGM**"). Provided it is fully included in the circular, we do not currently intend to attend the EGM or make verbal representations to the shareholders.

We hereby consent to a copy of this letter being provided to The Stock Exchange of Hong Kong Limited and the successor auditor.

Yours faithfully,

PricewaterhouseCoopers

D&G Technology Holding Company Limited
德基科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1301)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting ("**EGM**") of D&G Technology Holding Company Limited (the "**Company**") will be held at 20/F, OfficePlus@Sheungwan, 93-103 Wing Lok Street, Sheung Wan, Hong Kong on Friday, 2 October 2026 at 11:00 a.m. for the following purposes:

1. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

   "**THAT**:

   (a) conditional upon the passing of Resolution 2 below, the grant of 7,837,300 share options (which exceeds the 0.1% limit under Rule 17.04(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) to Ms. Choi Kwan Li, Glendy ("**Ms. G Choi**") under the share option scheme of the Company adopted on 18 June 2026 to subscribe for a total of 7,837,300 shares of the Company at the subscription price of HK$0.36 per share and on the terms and conditions set out in the circular of the Company dated 14 September 2026 be and is hereby approved, confirmed and ratified; and

   (b) the directors of the Company be and are hereby authorised to do all such acts and things and execute all such documents as they may consider necessary, desirable or expedient to give effect to the grant of the share options to Ms. G Choi and the issue and allotment of the shares of the Company upon exercise of the share options so granted."

2. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT**:

(a) conditional upon the passing of Resolution 1 above, the grant of 7,837,300 share options (which exceeds the 1% individual limit under Rule 17.03D(1) Listing Rules) to Ms. G Choi under the share option scheme of the Company adopted on 18 June 2026 to subscribe for a total of 7,837,300 shares of the Company at the subscription price of HK$0.36 per share and on the terms and conditions set out in the circular of the Company dated 14 September 2026 be and is hereby approved, confirmed and ratified; and

(b) the directors of the Company be and are hereby authorised to do all such acts and things and execute all such documents as they may consider necessary, desirable or expedient to give effect to the grant of the share options to Ms. G Choi and the issue and allotment of the shares of the Company upon exercise of the share options so granted.”

3. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT**:

(a) conditional upon the passing of Resolution 4 below, the grant of 7,210,316 share options (which exceeds the 0.1% limit under Rule 17.04(3) of the Listing Rules) to Mr. Choi Hon Ting, Derek (“**Mr. D Choi**”) under the share option scheme of the Company adopted on 18 June 2026 to subscribe for a total of 7,210,316 shares of the Company at the subscription price of HK$0.36 per share and on the terms and conditions set out in the circular of the Company dated 14 September 2026 be and is hereby approved, confirmed and ratified; and

(b) the directors of the Company be and are hereby authorised to do all such acts and things and execute all such documents as they may consider necessary, desirable or expedient to give effect to the grant of the share options to Mr. D Choi and the issue and allotment of the shares of the Company upon exercise of the share options so granted.”

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

"**THAT**:

(a) conditional upon the passing of Resolution 3 above, the grant of 7,210,316 share options (which exceeds the 1% individual limit under Rule 17.03D(1) of the Listing Rules) to Mr. D Choi under the share option scheme of the Company adopted on 18 June 2026 to subscribe for a total of 7,210,316 shares of the Company at the subscription price of HK$0.36 per share and on the terms and conditions set out in the circular of the Company dated 14 September 2026 be and is hereby approved, confirmed and ratified; and

(b) the directors of the Company be and are hereby authorised to do all such acts and things and execute all such documents as they may consider necessary, desirable or expedient to give effect to the grant of the share options to Mr. D Choi and the issue and allotment of the shares of the Company upon exercise of the share options so granted."

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

"**THAT**:

(a) to consider the removal of PricewaterhouseCoopers as the auditor of the Company pursuant to article 152(2) of the articles of association of the Company with immediate effect after the conclusion of the EGM (the "**Removal**"), and the board of directors of the Company (the "**Board**") and any of them be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they may consider necessary, desirable or expedient or in the interest of the Company to give effect to the Removal; and

(b) To consider, conditional upon the passing of the ordinary resolution numbered 5(a) above, (i) Deloitte Touche Tohmatsu be and is hereby appointed as the auditor of the Company in place of PricewaterhouseCoopers immediately following the Removal after the conclusion of the EGM, and to hold office until the conclusion of the forthcoming annual general meeting of the Company (the "**Appointment**"); (ii) the Board and any of them be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they may consider necessary, desirable or expedient or in the interest of the Company to give effect to the Appointment; and (iii) the Board be and is hereby authorised to fix the remuneration of Deloitte Touche Tohmatsu.''

By Order of the Board
D&G Technology Holding Company Limited
Choi Kwan Li, Glendy
Chairman

Hong Kong, 14 September 2026

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

   Resolutions 1 and 2 are inter-conditional upon each other. In the event that either Resolution 1 or Resolution 2 is not passed, both Resolutions 1 and 2 will not take effect. Resolutions 3 and 4 are inter-conditional upon each other. In the event that either Resolution 3 or Resolution 4 is not passed, both Resolutions 3 and 4 will not take effect. For clarity, Resolutions 1 and 2 (as a set), and Resolutions 3 and 4 (as a set), are not interdependent or conditional upon each other.

2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy, or if a shareholder who is the holder of two or more shares may appoint more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, (1) Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (on or before Wednesday, 23 September 2026) or (2) Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong (on or after Thursday, 24 September 2026) not less than 48 hours before the time appointed for the meeting (i.e. not later than 11:00 a.m. on Wednesday, 30 September 2026) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 28 September 2026 to Friday, 2 October 2026, both dates inclusive, during which period no transfer of shares will be registered. The record date of the meeting will be Friday, 2 October 2026 and in order to be eligible to attend and vote at the Extraordinary General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, (1) Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (on or before Wednesday, 23 September 2026) or (2) Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong (on or after Thursday, 24 September 2026) for registration not later than 4:00 p.m. on Friday, 25 September 2026.

5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning signal or "extreme conditions after super typhoons" announced by the HKSAR Government is/are in effect any time and remains in force 3 hours before the time of the meeting, the meeting will be adjourned in accordance with the articles of association of the Company. The Company will post an announcement on the website of the Company (www.dgtechnology.com) and on the website of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) to notify shareholders of the Company of the date, time and place of the rescheduled meeting.

6. References to time and dates in this Notice are to Hong Kong time and dates.

As at the date of this circular, the executive Directors are Ms. Choi Kwan Li, Glendy, Mr. Choi Hon Ting, Derek, Mr. Liu Tom Jing-zhi and Mr. Lao Kam Chi; the non-executive Directors are Mr. Chan Lewis and Mr. Alain Vincent Fontaine; and the independent non-executive Directors are Mr. O'Yang Wiley, Mr. Lee Wai Yat, Paco and Ms. Hu Bingbing.