THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Palinda Group Holdings Limited (the "**Company**"), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

PALINDA GROUP HOLDINGS LIMITED
百 利 達 集 團 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8179)

(I) PROPOSED CAPITAL REORGANISATION;
(II) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(III) NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening an extraordinary general meeting (the "**EGM**") of the Company to be held at 11:00 a.m. on Friday, 2 October 2026 at Unit 306-A201, 3rd Floor, Harbour Centre, Tower 1, 1 Hok Cheung Street, Hunghom, Kowloon, Hong Kong is set out on pages 19 to 23 of this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event no later than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

This circular will remain on the GEM website at www.hkexnews.hk on the "Latest Company Announcements" page for seven (7) days from the date of its posting and on the Company's website at www.palinda.com.

18 September 2026

CONTENTS

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

"Announcement"	the announcement of the Company dated 14 August 2026 in relation to, among other things, the Capital Reorganisation and the Rights Issue
"Articles of Association"	the current amended and restated articles of association of the Company
"Board"	the board of Director(s)
"Capital Reduction"	the proposed reduction of the issued share capital of the Company whereby the par value of each of the issued Consolidated Shares will be reduced from HK$5.0 to HK$0.001 by cancelling the paid-up capital to the extent of HK$4.999 on each of the then issued Consolidated Shares
"Capital Reorganisation"	collectively, the Share Consolidation, the Capital Reduction and the Share Sub-division
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
"Change in Board Lot Size"	the proposed change in board lot size for trading in the Shares on the Stock Exchange from 12,000 Existing Shares to 5,000 Consolidated Shares conditional upon the Share Consolidation becoming effective
"Companies Act"	the Companies Act (as revised and amended from time to time) of the Cayman Islands
"Company"	Palinda Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
"Consolidated Share(s)"	ordinary share(s) of HK$5.0 each in the share capital of the Company immediately following the Share Consolidation becoming effective

"Director(s)"	the director(s) of the Company for the time being
"EGM"	the extraordinary general meeting of the Company to be convened and held at Unit 306-A201, 3rd Floor, Harbour Centre, Tower 1, 1 Hok Cheung Street, Hunghom, Kowloon, Hong Kong on Friday, 2 October 2026 at 11:00 a.m. or any adjournment thereof
"Existing Shares"	ordinary share(s) of HK$0.1 each in the share capital of the Company prior to the Share Consolidation having become effective
"GEM"	GEM operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
"General Rules of CCASS"	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Latest Practicable Date"	14 September 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Listing Committee"	has the meaning ascribed to it under the GEM Listing Rules
"Main Board"	the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) and which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM

"New Share(s)"	ordinary share(s) of par value HK$0.001 each in the issued and unissued share capital of the Company upon the Capital Reorganisation becoming effective
"Rights Issue"	the proposed issue by way of rights of one (1) rights share for every two (2) New Shares at the subscription price of HK$0.25 per rights share subject to, among other things, the Capital Reorganisation, details of which are disclosed in the Announcement
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company
"Share Consolidation"	the consolidation of every fifty (50) issued and unissued Existing Shares of HK$0.1 each into one (1) Consolidated Share of HK$5.0
"Share Sub-division"	the sub-division of each authorised but unissued Consolidated Share of par value HK$5.0 each into five thousand (5,000) authorised and unissued New Shares of par value of HK$0.001 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	The Codes on Takeovers and Mergers and Share Buybacks
"%"	per cent

PALINDA GROUP HOLDINGS LIMITED
百 利 達 集 團 控 股 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8179)

Executive Directors:
Ms. Huang Wei *(Chairlady)*
Mr. Dou Sheng

Independent non-executive Directors:
Mr. Wu Chi King
Mr. So Yat Chuen
Ms. Cheng Wai, Iris

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

Principal place of business in Hong Kong:
Unit 306-A201, 3/F.,
Harbour Centre, Tower 1,
1 Hok Cheung Street,
Hunghom, Kowloon,
Hong Kong

18 September 2026

To the Shareholders

Dear Sirs,

(I) CAPITAL REORGANISATION;
(II) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(III) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement of the Company dated 14 August 2026 in relation to, among other things, the Capital Reorganisation.

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the EGM for the Capital Reorganisation, and to give you the notice of the EGM.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation as follows. The expected timetable (indicative purposes only) for the implementation of the Capital Reorganisation is set out in Appendix I to this circular.

(i) Share Consolidation

The Existing Shares will be consolidated on the basis that every fifty (50) issued and unissued Existing Shares of par value of HK$0.1 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK$5.0 each in the share capital of the Company.

(ii) Capital Reduction

Immediately upon the Share Consolidation becoming effective, to conduct the Capital Reduction pursuant to which (a) the par value of each issued Consolidated Share will be reduced from HK$5.0 to HK$0.001 by cancelling the paid-up capital of the Company to the extent of HK$4.999 on each of the then issued Consolidated Shares; and (b) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled. The credit arising from the Capital Reduction in the amount of approximately HK$190.7 million will be transferred to a distributable reserve account of the Company and the distributable reserve will be applied by the Directors for such purposes permitted under all applicable laws and the memorandum and articles of association of the Company.

(iii) Share Sub-division

Immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares with par value of HK$5.0 each will be sub-divided into five thousand (5,000) New Shares of par value of HK$0.001 each. The New Shares will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Effect of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK$1,000,000,000 divided into 10,000,000,000 Existing Shares of par value HK$0.1 each, of which 1,907,798,274 Existing Shares have been issued and are fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date until the completion of the Share Consolidation, after the Share Consolidation becoming effective, the authorised share capital of the Company will be HK$1,000,000,000 divided into 200,000,000 Consolidated Shares of par value HK$5.0 each, of which 38,155,965 Consolidated Shares (with a fraction of 0.5 Consolidated Share) will be in issue and are fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date until the completion of the Capital Reorganisation and upon the Capital Reduction and the Share Sub-division becoming effective, the authorised share capital of the Company will be HK$1,000,000,000 divided into 1,000,000,000,000 New Shares of par value HK$0.001 each, of which 38,155,965 New Shares will be in issue and are fully paid or credited as fully paid.

The Company's reduction of capital by the special resolution for reducing share capital resulted in the aggregate amount of its share capital will be decreased from HK$190,779,825 to HK$38,156. Following the Company's reduction of capital by the special resolution for reducing share capital, the Company's share capital was HK$38,156 divided into 38,155,965 ordinary shares of HK$0.001 par value each. as a result of the Company's reduction of capital by the special resolution for reducing share capital:

1. the paid-up capital of the Company to the extent of HK$4.999 on each of the 38,155,965 issued ordinary shares of par value HK$5 each are cancelled; and

2. an amount equal to the par value of HK$0.001 shall be deemed to be paid up on each share in issue and outstanding in the capital of the Company.

Assuming no further changes in the issued share capital of the Company from the Latest Practicable Date and based on the 38,155,965 Consolidated Shares in issue immediately after the Share Consolidation becoming effective, a credit of approximately HK$190.7 million will arise as a result of the Capital Reduction. Such credit will be transferred to a distributable reserve account of the Company. The distributable reserve will be applied by the Directors for such purposes permitted under all applicable laws and the memorandum and articles of association of the Company. Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reduction will be subject to change depending on the number of the Existing Shares in issue immediately prior to the Capital Reorganisation becoming effective.

Assuming no further Existing Shares will be issued or repurchased from the Latest Practicable Date up to the effective date of the Capital Reorganisation, the effect of the Capital Reorganisation and the share capital structure of the Company is summarised below:

	As at the Latest Practicable Date	Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective	Immediately upon the Capital Reorganisation becoming effective
Par value	HK$0.1 per Existing Share	HK$5.0 per Consolidated Share	HK$0.001 per New Share
Authorised share capital	HK$1,000,000,000	HK$1,000,000,000	HK$1,000,000,000
Number of authorised shares	10,000,000,000 Existing Shares	200,000,000 Consolidated Shares	1,000,000,000,000 New Shares
Issued shares	1,907,798,274 Existing Shares	38,155,965 Consolidated Shares	38,155,965 New Shares
Issued share capital	HK$190,779,827.4	HK$190,779,825.0	HK$38,156.0

All New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred, the implementation of the Capital Reorganisation will have no material effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the proportionate interests of the Shareholders. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group.

Conditions of the Capital Reorganisation

The Share Consolidation is conditional upon:

(i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation and transactions contemplated thereunder;

(ii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation; and

(iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

The Capital Reduction and the Share Sub-division are conditional upon:

(i) the Share Consolidation becoming effective;

(ii) the passing of the special resolution(s) to approve the Capital Reduction and the Share Sub-division by the Shareholders at the EGM;

(iii) the Directors signing the solvency statement in accordance with the requirements of the Companies Act;

(iv) registration by the Registrar of Companies in the Cayman Islands with a copy of the solvency statement to be made by the directors of the Company in the prescribed form under the Companies Act, confirming that the Company will be able to pay its debts as they fall due in the ordinary course of business, and the minute containing the particulars required under the Companies Act with respect to the Capital Reduction;

(v) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Share Sub-division;

(vi) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reduction and Share Sub-division; and

(vii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

The Capital Reduction and the Share Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reorganisation at the EGM, the Company will file the requisite documents with the Registrar of Companies in the Cayman Islands. It is expected that the Capital Reduction and the Share Sub-division shall be completed and take effect at the same time when the Share Consolidation takes effect.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Listing and dealing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation.

Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the share capital or any other equity or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becomes effective, the New Shares (and any other equity or debt securities of the Company) in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Proposed Change in Board Lot Size

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lot of 12,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 12,000 Existing Shares to 5,000 New Shares subject to and conditional upon the Capital Reorganisation becoming effective. In the event that any conditions to the Capital Reorganisation (including the passing of the relevant special resolution(s) by the Shareholders at the EGM) are not fulfilled, the Capital Reorganisation will not proceed and the change in board lot size will not take effect. Under such circumstances, the board lot size for trading in the Shares will remain at 12,000 Existing Shares.

Based on the closing price of HK$0.01 per Existing Share as quoted on the Stock Exchange as at the date of the Latest Practicable Date, the current value of each board lot was HK$120 and the value of each board lot of 5,000 New Shares, assuming the Capital Reorganisation had already been effective, would be HK$2,500.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Any fractional Consolidated Share arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Odd lots arrangements and matching services

In order to facilitate the trading of odd lots of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Astrum Capital Management Limited, as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Shareholders who wish to take advantage of this facility should contact Ms. Angie Yeung of Astrum Capital Management Limited at Room 2704, 27/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong (telephone number: (852) 3665 8160) from 9:00 a.m. on Friday, 27 November 2026 to 4:00 p.m. on Thursday, 17 December 2026.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Exchange of share certificates for Consolidated Shares and the New Shares

Subject to the Share Reorganisation having become effective, Shareholders may, during the specified period from Friday, 13 November 2026 to Monday, 21 December 2026 (both days inclusive), submit the existing share certificates for the Existing Shares to the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong to exchange, at the expense of the Company, for new share certificates for the New Shares.

After the aforementioned free exchange period, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for New Shares at the expense of the Shareholders on payment of a fee of HK$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for New Shares (whichever is higher) but are not acceptable for trading, settlement and registration purposes.

After 4:10 p.m. on Thursday, 17 December 2026, trading will only be in New Shares which share certificates will be issued in light green colour. Existing share certificates in purple colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Adjustments in relation to other securities of the Company

The Company has no outstanding options, warrants or other securities convertible into Existing Shares, Consolidated Shares or New Shares, as the case may be, as at the Latest Practicable Date.

REASONS FOR THE CAPITAL REORGANISATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the share approaches the extremities of HK$0.1 or HK$9,995.00, the Stock Exchange reserves the right to require the listed issuer to either change the trading method or to proceed with a consolidation or splitting of its securities. The "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and last updated in June 2026) has further stated that (i) market price of the share at a level less than HK$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account that the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK$1,000.

In view of the recent trading price of the Existing Shares at a level below HK$0.10 and the value per board lot being substantially less than HK$1,000, the Board considers that the Share Consolidation, upon becoming effective, will reduce the total number of Existing Shares currently in issue and is expected to bring about a corresponding upward adjustment to the trading price per Share on the Stock Exchange, and hence the transaction costs as a proportion of the market value of each board lot will be lower. The Change in Board Lot Size would help to maintain the value of each board lot at a reasonable level upon the Share Consolidation becoming effective in order to attract more investors and to broaden the shareholder base of the Company.

In determining the Share Consolidation ratio of 50 Existing Shares into 1 Consolidated Share, the Board has conducted a detailed assessment and taken into account the following factors:

(i) Establishing an adequate safety buffer above the extremity price threshold:

Based on the closing price of HK$0.010 per Existing Share as at the Latest Practicable Date, the theoretical closing price of each Consolidated Share (or New Share) upon the Share Consolidation becoming effective will be adjusted upwards to HK$ 0.50. This theoretical price represents five times (5x) the HK$0.10 extremity threshold, providing an effective safety buffer of approximately 400% above HK$0.10. Such buffer is considered necessary and prudent to absorb potential day-to-day share price fluctuations in the secondary market and maintain compliance with Rule 17.76 of the GEM Listing Rules over a sustained period.

(ii) Optimising board lot value and reducing transaction costs:

In conjunction with the proposed Change in Board Lot Size from 12,000 Existing Shares to 5,000 New Shares (which conforms with the standardised board lot size options under the Guide), the theoretical market value per board lot of 5,000 New Shares will increase to HK$2,500. This exceeds the expected board lot value of HK$1,000, which will reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction fee for each securities trade.

(iii) Evaluation of alternative consolidation ratios:

The Board evaluated various alternative consolidation ratios before determining the proposed 50-to-1 ratio:

- *Lower consolidation ratios (such as 10-to-1 or 20-to-1):* While a 10-to-1 or 20-to-1 ratio would result in theoretical share prices of HK$0.10 or HK$0.20 respectively, such prices would remain at or marginally above the HK$0.10 extremity threshold. Normal market volatility could easily cause the share price to breach the HK$0.10 floor, risking non-compliance and potentially necessitating another corporate action in the short term;

- *Higher consolidation ratios (such as 100-to-1 or above):* Conversely, a higher ratio of 100-to-1 or above would result in a substantial contraction in the total number of issued shares, generate a significantly larger number of odd-lot shares, increase odd-lot matching friction and transaction costs for existing Shareholders, and potentially diminish liquidity in the secondary market.

Taking into account the above considerations, the Board is of the view that the proposed Share Consolidation ratio of 50 Existing Shares into 1 Consolidated Share strikes an appropriate and optimal balance between establishing a robust price buffer above HK$0.10, achieving a compliant board lot value of HK$2,500, minimising odd-lot impact, and preserving secondary market liquidity.

In view of the recent trading price of the Existing Shares at a level below HK$0.10 and the value per board lot being substantially less than HK$1,000, the Board considers that the Share Consolidation, upon becoming effective, will reduce the total number of Existing Shares currently in issue and is expected to bring about a corresponding upward adjustment to the trading price per Share on the Stock Exchange, and hence the transaction costs as a proportion of the market value of each board lot will be lower. The Change in Board Lot Size would help to maintain the value of each board lot at a reasonable level upon the Share Consolidation becoming effective in order to attract more investors and to broaden the shareholder base of the Company.

Reasons for and benefits of the Capital Reduction and the Share Sub-division

Under the Companies Act and the Articles of Association, the Company is restricted from issuing shares at a price lower than their nominal or par value.

Immediately upon the Share Consolidation becoming effective, the par value of each Consolidated Share will be adjusted upwards from HK$0.10 to HK$5.00 each. However, based on the closing price of HK$0.010 per Existing Share as at the Latest Practicable Date, the theoretical market price per Consolidated Share would be only HK$0.50, which is substantially lower than the elevated par value of HK$5.00 each. In the absence of the Capital Reduction, the Company would be legally precluded from issuing any new Shares at a market-related price, which would incapacitate the Company from conducting the proposed Rights Issue (with a Subscription Price of HK$0.25 per Rights Share) as well as any future equity fundraising activities.

The Capital Reduction and the Share Sub-division will:

(i) reduce the par value of each issued Consolidated Share from HK$5.00 to HK$0.001 each by cancelling the paid-up capital to the extent of HK$4.999 per issued Consolidated Share; and

(ii) sub-divide each authorised but unissued Consolidated Share of HK$5.00 into 5,000 New Shares of par value of HK$0.001 each.

By maintaining the par value of the New Shares at a nominal level of HK$0.001 each, which is significantly lower than both the theoretical market price of HK$0.50 and the Rights Issue Subscription Price of HK$0.25, the Company will obtain the requisite pricing flexibility to accommodate the issue of the Rights Shares under the proposed Rights Issue and any future issue of new Shares when commercial opportunities or funding needs arise.

Furthermore, on the basis of 38,155,965 Consolidated Shares in issue immediately after the Share Consolidation becoming effective, a credit of approximately HK$190.7 million will arise from the Capital Reduction. Such credit will be transferred to a distributable reserve account of the Company, which will enable the Board to apply such reserves in any manner permitted under all applicable laws and the Articles of Association.

Other than the relevant professional fees and expenses incurred in connection with the Capital Reorganisation, the implementation of the Capital Reduction and the Share Sub-division will not alter the underlying assets, business operations, management, or financial position of the Company, nor will it alter the proportionate shareholding interests or voting rights of the Shareholders.

Further, under the Companies Act, the Company is restricted in its ability to issue Shares at a price lower than their par value. The Capital Reduction will reduce the par value of the Consolidated Shares, which will provide the Company with greater flexibility to accommodate the issue of new Shares in the future when necessary.

Taking into account the above factors, the Board considers that the Capital Reduction and the Share Sub-division are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Capital Reorganisation would help attract more investors and extend the shareholder base of the Company and provide flexibility for equity fund raising of the Company, hence, allowing greater flexibility for the Company to pay dividends in the future. Accordingly, the Directors are of the view that the implementation of the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

Other than the Rights Issue, as at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising and/or investment opportunities arise in order to meet its operational needs or support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

EXTRAORDINARY GENERAL MEETING

The notice of the EGM is set out on pages 19 to 23 of this circular. At the EGM, resolutions will be proposed to approve the Capital Reorganisation.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of Stock Exchange (www.hkexnews.hk) and the Company (www.palinda.com). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the meeting or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

GEM LISTING RULES REQUIREMENT

According to rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all the resolutions put to the vote at the EGM will be taken by way of poll and the Company will announce the results of the poll in the manner prescribed under rule 17.47(5) of the GEM Listing Rules.

RESPONSIBILITY STATEMENTS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors believe that the Capital Reorganisation is in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the EGM on pages 19 to 23 of this circular.

Yours faithfully
For and on behalf of the Board of
Palinda Group Holdings Limited
Huang Wei
Chairlady and Executive Director

18 September 2026

EXPECTED TIMETABLE

Set out below is the expected timetable for the Capital Reorganisation and the Change in Board Lot Size. This expected timetable is indicative only and any subsequent changes to it will be announced in a separate announcement by the Company as and when appropriate.

Events	Hong Kong Date and Time
Expected despatch date of the Circular, proxy form and notice of the EGM	Friday, 18 September 2026
Latest time for lodging transfer documents of the Shares in order to be qualified for attendance and voting at the EGM	4:00 p.m. on Tuesday, 29 September 2026
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both days inclusive)	Wednesday, 30 September 2026 to Friday, 2 October 2026
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Wednesday, 30 September 2026
Record date for determining attendance and voting at the EGM	Friday, 2 October 2026
Expected date and time of EGM to approve, among other things, the Share Consolidation, and the Capital Reduction	11:00 a.m. on Friday, 2 October 2026
Announcement of the poll result of the EGM	Friday, 2 October 2026
Register of members of the Company re-opens	Monday, 5 October 2026

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation (comprising the Share Consolidation, the Capital Reduction and the Share Sub-division).

Events	Hong Kong Date and Time
Effective date and time of the Capital Reorganisation (comprising the Share Consolidation, the Capital Reduction and the Share Sub-division)	9:00 a.m. on Friday, 13 November 2026
First day for free exchange of existing share certificates for new share certificates for the New Shares	Friday, 13 November 2026
Dealings in the New Shares commence	9:00 a.m. on Friday, 13 November 2026
Original counter for trading in the Existing Shares in board lots of 12,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Friday, 13 November 2026
Temporary counter for trading in New Shares in board lots of 240 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 13 November 2026
Original counter for trading in New Shares in board lots of 5,000 New Shares (in the form of new share certificates for New Shares) re-opens	Friday, 27 November 2026
Parallel trading in the New Shares (in the form of new share certificates for the New shares and existing share certificates) commences	9:00 a.m. on Friday, 27 November 2026
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of New Shares	9:00 a.m. on Friday, 27 November 2026

Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of New Shares	4:00 p.m. on Thursday, 17 December 2026
Temporary counter for trading in New Shares in board lots of 240 New Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 17 December 2026
Parallel trading in the New Shares (in the form of new share certificates for the New Shares and existing share certificates) ends	4:10 p.m. on Thursday, 17 December 2026
Last day and time for free exchange of existing share certificates for new share certificates of the New Shares	4:00 p.m. on Monday, 21 December 2026

All times and dates in this circular refer to Hong Kong local times and dates. Dates or deadlines set out in the expected timetable above are indicative only and may be subject to change. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

PALINDA GROUP HOLDINGS LIMITED
百 利 達 集 團 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8179)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of Palinda Group Holdings Limited (the "**Company**") will be held at 11:00 a.m. on Friday, 2 October 2026 at Unit 306-A201, 3rd Floor, Harbour Centre, Tower 1, 1 Hok Cheung Street, Hunghom, Kowloon, Hong Kong to consider and, if thought fit, pass the following resolutions:

AS AN ORDINARY RESOLUTION

1. "**THAT** subject to and conditional upon, (i) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation (as defined below); and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) upon the Share Consolidation becoming effective, with effect from one clear business day immediately following the date on which this Resolution is passed or these conditions are fulfilled (whichever is the later):

   (a) every fifty (50) issued and unissued existing ordinary share(s) of par value of HK$0.1 each in the share capital of the Company be consolidated into one (1) ordinary share of par value of HK$5.0 each (the "**Consolidated Share**") in the share capital of the Company (the "**Share Consolidation**"), and such Consolidated Shares to rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the Articles of Association of the Company;

   (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation be and is hereby rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation (if applicable);

(c) immediately following the Share Consolidation, the authorised share capital of the Company be changed from HK$1,000,000,000 divided into 10,000,000,000 ordinary shares of par value of HK$0.10 each to HK$1,000,000,000 divided into 200,000,000 ordinary shares of par value of HK$5.0 each;

(d) any one Director be and are hereby authorised to take such actions, do all such acts and things and sign and/or execute (under hand or as a deed and where appropriate, under the common seal of the Company) all such further documents or deeds as they may, in their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Share Consolidation; and

(e) any Director or registered office service provider of the Company be and hereby authorised to attend to any relevant filing to any relevant authority for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Share Consolidation."

AS A SPECIAL RESOLUTION

2. "**THAT** subject to and conditional upon (i) the Share Consolidation becoming effective; (ii) the Directors signing the solvency statement in accordance with the requirements of the Companies Act; (iii) registration by the Registrar of Companies in the Cayman Islands with a copy of the solvency statement to be made by the directors of the Company in the prescribed form under the Companies Act, confirming that the Company will be able to pay its debts as they fall due in the ordinary course of business, and the minute containing the particulars required under the Companies Act with respect to the Capital Reduction (as defined below); (iv) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reduction and the Share Sub-division (as defined below); (v) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reduction and Share Sub-division; and (vi) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, the Capital Reduction and the Share Sub-division, with effect from the date on which the above conditions are fulfilled (the "**Effective Date**"):

(a) the par value of each issued Consolidated Share will be reduced from HK$5.0 to HK$0.001 by cancelling the paid-up capital of the Company to the extent of HK$4.999 on each of the then issued Consolidated Shares (the "**Capital Reduction**");

(b) As required under section 14B(2)(a) of the Companies Act, the Company's reduction of capital by the special resolution for reducing share capital resulted in the aggregate amount of its share capital being decreased from HK$190,779,825 to HK$38,156.

(c) As required under section 14B(2)(b) of the Companies Act, following the Company's reduction of capital by the special resolution for reducing share capital, the Company's share capital was HK$38,156 divided into 38,155,965 ordinary shares of HK$0.001 par value each.

(d) As required under section 14B(2)(c) of the Companies Act, as a result of the Company's reduction of capital by the special resolution for reducing share capital:

1. the paid-up capital of the Company to the extent of HK$4.999 on each of the 38,155,965 issued ordinary shares of par value HK$5 each are cancelled; and

2. an amount equal to the par value of HK$0.001 shall be deemed to be paid up on each share in issue and outstanding in the capital of the Company.

(e) immediately after the Capital Reduction becomes effective, each of the authorised but unissued Consolidated Shares of par value HK$5.0 each be sub-divided (the "**Sub-division**") into five thousand (5,000) unissued new shares of par value HK$0.001 each (the "**New Shares**"), such New Shares to rank *pari passu* in all respects with each other and have the rights and privileges, and be subject to the restrictions, in respect of ordinary shares contained in the memorandum and articles of association of the Company;

(f) immediately following the Capital Reduction and the Sub-division, the authorised share capital of the Company be changed from HK$1,000,000,000 divided into 200,000,000 Consolidated Shares to HK$1,000,000,000 divided into 1,000,000,000,000 New Shares;

(g) the credit arising from the Capital Reduction in the amount of approximately HK$190.7 million be transferred to a distributable reserve account of the Company and the distributable reserve will be applied by the Directors for such purposes permitted under all applicable laws and the memorandum and articles of association of the Company;

(h) any one Director of the Company be and is hereby authorised to do all such acts and things and sign and/or execute (under hand or as a deed and, where appropriate, under the common seal of the Company) the solvency statement and each such document, on behalf of the Company, as that director may consider necessary or expedient to give effect to, or in connection with, the Capital Reduction or the Sub-division; and

(i) any Director or registered office service provider of the Company be and hereby authorised to attend to any relevant filing to any relevant authority for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Capital Reduction or the Sub-division."

Yours faithfully
For and on behalf of the Board of
Palinda Group Holdings Limited
Huang Wei
Chairlady and Executive Director

Hong Kong, 18 September 2026

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

Principal place of business in Hong Kong:
Unit 306-A201, 3/F.,
Harbour Centre, Tower 1,
1 Hok Cheung Street,
Hunghom, Kowloon,
Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles of Association, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

2. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed or a notarially certified copy thereof, must be lodged, at the office of the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjourned meeting.

3. Completion and return of a form of proxy will not preclude members of the Company from attending and voting in person at the extraordinary general meeting or any adjournment thereof should they so wish and in such event, the form of proxy shall be deemed to be revoked.

4. Where there are joint registered holders of any Shares, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the extraordinary general meeting personally or by proxy, that one of the said person as present whose name stands first on the register in respect of such Shares shall alone be entitled to vote in respect thereof.

5. For the purpose of determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 30 September 2026 to Friday, 2 October 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date of the EGM will be Friday, 2 October 2026. In order to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 29 September 2026.

6. As at the date of this notice, the Board comprises Ms. Huang Wei and Mr. Dou Sheng as executive Directors, and Mr. Wu Chi King, Mr. So Yat Chuen and Ms. Cheng Wai, Iris as independent non-executive Directors.

7. If Typhoon Signal No. 8 or above is hoisted, or a "black" rainstorm warning signal or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in force in Hong Kong at or at any time after 8:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will post an announcement on the website of the Company at www.palinda.com and on the "Latest Listed Company Information" page of the Stock Exchange website at www.hkexnews.hk to notify Shareholders of the date, time and venue of the rescheduled meeting.