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 your 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 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 transferee.

apollo

APOLLO FUTURE MOBILITY GROUP LIMITED
APOLLO 智慧出行集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 860)

(1) VERY SUBSTANTIAL DISPOSAL DISPOSAL OF SALE SHARES; AND (2) NOTICE OF SPECIAL GENERAL MEETING

Financial adviser to the Company

Lego Corporate Finance Limited
力高企業融資有限公司

Capitalised terms used on this cover page shall have the same meaning as defined in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 4 to 13 of this circular.

A notice convening the SGM to be held at 15th Floor, Tower One, Lippo Centre, 89 Queensway, Admiralty, Hong Kong on Thursday, 5 September 2024 at 11:00 a.m. is set out on pages SGM-1 to SGM-3 of this circular. A form of proxy for use at the SGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.apollofmg.com).

Whether or not you are able to attend the SGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event no less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so wish.

21 August 2024

CONTENTS

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

"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Board of Target Company"	the board of directors of the Target Company
"Business Day(s)"	a day (other than a Saturday, a Sunday and a public holiday) on which licensed banks in Hong Kong are open to general public for business
"Company"	Apollo Future Mobility Group Limited (Apollo智慧出行集團有限公司), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 860), as one of the Vendors
"Closing(s)"	closing date(s) of the Initial Closing and/or the Subsequent Closing(s), as the case may be
"Consideration"	the total consideration for the Sale Shares in the amount of US$101,533,292.15 pursuant to the terms and conditions of the Sale and Purchase Agreement
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of Sale Shares by the Vendors to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement
"EV(s)"	electric vehicle(s)
"EUR"	Euro, the lawful currency of the European Union
"Global 3D"	Global 3D Printing Co Ltd, a direct wholly-owned subsidiary of the Company and one of the Vendors
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	a third party(ies) independent of, and not connected with, the Company and its connected persons which has the meaning ascribed to it under the Listing Rules

"Initial Closing"	completion of the sale and purchase of the Initial Shares
"Initial Shares"	an aggregate of 657,030 Sale Shares (comprising 105,626 Series C-1 preferred stock and 551,404 Series B preferred stock owned by the Company and Global 3D, respectively) to be disposed of at a purchase price of US$22.83 per share at Initial Closing
"Latest Practicable Date"	19 August 2024, 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
"Long Stop Date"	ten months and 17 days following the Initial Closing
"PRC"	the People's Republic of China, for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Purchaser"	Lateralus Holdings IV, LLC, an Independent Third Party and the purchaser of the Sale Shares
"Remaining Group"	the Group immediately upon final Subsequent Closing
"RMB"	Renminbi, the lawful currency of the PRC
"Sale and Purchase Agreement"	the sale and purchase agreement dated 26 July 2024 entered into between the Vendors, the Purchaser and the Target Company in relation to the Disposal
"Sale Shares"	an aggregate of 4,931,588 preferred shares of the Target Company, comprising 792,818 Series C-1 preferred stock and 4,138,770 Series B preferred stock owned by the Company and Global 3D, respectively
"SGM"	a special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder
"Share(s)"	ordinary share(s) with par value of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of ordinary Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Subsequent Closing(s)"	completion of the sale and purchase of the Subsequent Shares
"Subsequent Shares"	an aggregate of 4,274,558 Sale Shares (comprising 687,192 Series C-1 preferred stock and 3,587,366 Series B preferred stock owned by the Company and Global 3D, respectively) to be disposed of at a purchase price of US$20.2438 per share at Subsequent Closing(s)
"Target Company"	Divergent Technologies Inc., a company incorporated in Delaware
"United States"	United States of America
"US$"	United States dollar(s), the lawful currency of the United States
"Vendors"	collectively, the Company and Global 3D
"%"	per cent

* *For identification purpose only*

Unless otherwise specified in this circular, the exchange rate of US$1.00 = HK$7.81 has been adopted for translating US$ into HK$ in this circular.

APOLLO FUTURE MOBILITY GROUP LIMITED
APOLLO 智慧出行集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 860)

Executive Directors:
Mr. Hui Chun Ying *(Chairman)*
Ms. Chen Yizi

Independent non-executive Directors:
Mr. Peter Edward Jackson
Mr. Charles Matthew Pecot III
Ms. Hau Yan Hannah Lee

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
Units 2001–2002, 20/F
Li Po Chun Chambers
189 Des Voeux Road Central
Sheung Wan
Hong Kong

21 August 2024

To the Shareholders

Dear Sir/Madam,

(1) VERY SUBSTANTIAL DISPOSAL DISPOSAL OF SALE SHARES; AND (2) NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 7 August 2024 in relation to the Disposal. On 26 July 2024 (after trading hours), the Vendors, the Purchaser and the Target Company entered into the Sale and Purchase Agreement, pursuant to which each of the Vendors has conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, the Sale Shares, representing an aggregate of approximately 12.87% of the issued shares of the Target Company as at the Latest Practicable Date, at the Consideration of US$101,533,292.15 (equivalent to approximately HK$793.0 million).

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal will constitute a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with, among others, (i) further details of the Disposal; (ii) financial and other information of the Group; (iii) unaudited pro forma financial information of the Remaining Group; (iv) a valuation report of the Sale Shares; (v) other information required to be disclosed under the Listing Rules; and (vi) the notice of the SGM.

THE SALE AND PURCHASE AGREEMENT

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

Date: 26 July 2024 (after trading hours)

Parties:
(i) the Company, as one of the Vendors

(ii) Global 3D, as one of the Vendors

(iii) the Purchaser

(iv) the Target Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner(s) is an Independent Third Party.

Assets to be disposed of

The 4,931,588 Sale Shares, comprising 792,818 Series C-1 preferred stock and 4,138,770 Series B preferred stock owned by the Company and Global 3D, respectively, which in aggregate represent approximately 12.87% of the shares of the Target Company as at the Latest Practicable Date.

Consideration and payment terms

The Consideration for the Sale Shares is US$101,533,292.15 (equivalent to approximately HK$793.0 million), which shall be payable by the Purchaser to the Vendors in the following manner:

(i) at Initial Closing, as to US$14,999,994.90 (equivalent to approximately HK$117.1 million) with respect to the Initial Shares, being 657,030 Sale Shares at the purchase price of US$22.83 per share, to be paid after all the conditions precedent have been fulfilled (or waived, where applicable) (as detailed in the below section headed "Conditions precedent to Closing"); and

(ii) at Subsequent Closing(s), as to US$86,533,297.25 (equivalent to approximately HK$675.8 million) with respect to the Subsequent Shares, being the remaining 4,274,558 Sale Shares at the purchase price of US$20.2438 per share.

The Consideration was determined and informed by the Target Company and the Purchaser with reference to recent transaction(s) of the sale and purchase of the Target Company's equity capital.

In light of the Sale Shares are unlisted and having considered that there were only two shares transfer transactions within six months prior to the date of the Sale and Purchase Agreement, the Board is of the view that such transactions were the best and only reference available on the market which adequately cover the prevailing capital market conditions and sentiments in the United States, and hence the Consideration is fair and reasonable.

Conditions precedent to Closing

Pursuant to the Sale and Purchase Agreement, the sale and purchase of the Sale Shares shall be conditional upon the fulfillment of the following conditions precedent:

(i) all necessary consents and approvals as may be required to be obtained by each of the Vendors in respect of the Closings under the Listing Rules, the bye-laws of the Company and/or any other applicable laws and regulations having been obtained or (where applicable) waived by the Stock Exchange;

(ii) the representations and warranties of the Purchaser remaining true and correct in all material respects as of the date and time of such Closing, and the Purchaser having performed all obligations and agreements, and complied with all covenants and conditions contained therein on the Purchaser's part to be performed and complied with;

(iii) the Purchaser having delivered the relevant closing deliverables in accordance with the Sale and Purchase Agreement;

(iv) the representations and warranties of each of the Vendors remaining true and correct in all material respects as of the date and time of such Closing, and each of the Vendors having performed all obligations and agreements, and complied with all covenants and conditions contained therein on each Vendor's part to be performed and complied with; and

(v) each Vendor having delivered the relevant closing deliverables in accordance with the Sale and Purchase Agreement.

The above conditions precedent may be waived only in writing by the forbearing party.

As at the Latest Practicable Date, the approval from Shareholders at the SGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder is the only outstanding consents and approvals required to be obtained on the part of the Company as referred to condition (i) above. For all the other conditions precedent, the Company expects such conditions will be fulfilled at Closing.

Escrow arrangement

Pursuant to the Sale and Purchase Agreement, the certificates for the Sale Shares shall be deposited in escrow on or before the Initial Closing with a law firm acting on behalf of the Target Company for such escrow. The applicable number of Sale Shares shall be (i) surrendered to the Purchaser at each Closing upon the Purchaser performing and observing its obligations with respect to such Closing, including without limitation payment of the relevant consideration with respect to the Sale Shares to the Vendors; or (ii) released to each Vendor to the extent that the Purchaser has not purchased all the Sale Shares by the Long Stop Date.

Given the certificates for the Sale Shares will be deposited in escrow with a law firm, the Board is of the view that the interest can be safeguarded notwithstanding the time gap between the Initial Closing and the Subsequent Closing(s).

Closings

The Purchaser shall purchase the Sale Shares at one or more Closings. The Closings shall take place after all the conditions precedent to the Sale and Purchase Agreement have been fulfilled. At each Closing, each Vendor shall deliver to the Target Company the stock certificate(s), or authorise the Target Company to remove any such stock certificates from escrow for cancellation and reissuance to the Purchaser, representing (i) the Initial Shares with respect to the Initial Closing; or (ii) the applicable number of Subsequent Shares with respect to a Subsequent Closing, evidencing such Sale Shares in the Purchaser's name.

Initial Closing

The Purchaser shall use commercially reasonable efforts to cause the Initial Closing to take place on the date that is six weeks following the date of the Sale and Purchase Agreement (or such other date as the parties shall mutually agree in writing). On or prior to the Initial Closing, the Vendors shall deliver a resignation letter by the director appointed by the Vendors as a director of the Board of Target Company with effect from the date of the Sale and Purchase Agreement and execute any agreements, consents and other documents necessary to remove the Vendors' right to designate a member of the Board of Target Company (including amendments to the Target Company's voting agreement or certificate of incorporation).

Subsequent Closing(s)

The parties further agreed that the sale and purchase of the Subsequent Shares shall be completed prior to the Long Stop Date, provided that the Purchaser provides a not less than 5-business day notice in writing to the Vendors of the proposed date(s) of Subsequent Closing(s) along with the number of Sale Shares to be purchased from each Vendor and the aggregate consideration payable by the Purchaser to such Vendor related to such Subsequent Closing(s).

For each Subsequent Closing, the parties agreed that a pro rata number of Series B preferred stock and Series C-1 preferred stock will be sold (i.e., the same percentage of Series B preferred stock, relative to the remaining amount of Series B preferred stock, as the percentage of Series C-1 preferred stock, relative to the remaining amount of Series C-1 preferred stock) and the payment of the applicable portion of the Consideration shall be made to each Vendor based on the number of Subsequent Shares such Vendor is selling in such Subsequent Closing.

Taking into consideration that (i) it is not commercially viable to locate other purchasers given the very sensitive nature of the business of the Target Company and the restrictions in respect of disclosing information to other potential buyers (if any) under the United States laws; (ii) it is commercially reasonable to allow sufficient time for the Purchaser for its funding arrangement in light of the significant amount of the Consideration; and (iii) the final Subsequent Closing can be completed any time prior to the Long Stop Date and that it is reasonable for the Purchaser to ask for buffer time to arrange for completion, the Board is of the view that the time gap between Initial Closing and final Subsequent Closing is fair and reasonable.

INFORMATION ON THE PARTIES

The Vendors

The Company is principally engaged in investment holding and the principal activities of its subsidiaries are (i) designing, developing, manufacturing and sales of high performance hypercars and luxury smart EVs and provision of mobility technology solutions; (ii) retailing and wholesale of jewellery products, watches and other commodities; and (iii) money lending.

Global 3D, a direct wholly-owned subsidiary of the Company, is a company established in the Cayman Islands with limited liability. Global 3D is principally engaged in investment holding.

The Purchaser

The Purchaser is a company incorporated in Delaware and its principal business is investment holding. The ultimate beneficial owner of the Purchaser is a family trust (the "**Trust**") of a United States resident, who is an existing shareholder of the Target Company. The trustee of the Trust is The Goldman Sachs Trust Company of Delaware.

The Target Company

The Target Company is a private company incorporated in Delaware and principally engaged in the business of research, design, development and production of three-dimensional printed vehicle structures through its patented hardware and software platform.

As at 31 December 2023, the carrying value of the Sale Shares amounted to approximately HK$899.0 million. Based on the valuation report as set out in Appendix IV to this circular, the valuation of the Sale Shares as appraised by Vision Appraisal and Consulting Limited, an independent firm of qualified professional valuer (the "**Valuer**"), amounted to US$90,400,000 (equivalent to approximately HK$706.0 million) as at 30 June 2024.

In arriving at the fair value of the Sale Shares as at 30 June 2024, the Valuer adopted the market approach in valuing the Sale Shares with reference to recent transactions within six months prior to the date of the Sale and Purchase Agreement, which the Valuer considers it adequately covers the prevailing capital market conditions and sentiments in the United States with sufficient and representative number of transactions after taking into account of the Sale Shares are unlisted.

FINANCIAL EFFECT OF THE DISPOSAL

As at the Latest Practicable Date, the Target Company had been accounted for as financial assets at fair value through profit or loss of the Company. Upon final Subsequent Closing, each of the Company and Global 3D will cease to have any interest in the Target Company. The Directors are of the view that the Disposal will not result in any material adverse impact on the operation of the core business of the Group.

Earnings

For the year ended 31 December 2023, the Group recorded an audited loss and loss attributable to equity holders of the Company for the year of approximately HK$869.0 million and HK$860.5 million, respectively. Based on the "Unaudited Pro Forma Financial Information of the Remaining Group" as set out in Appendix III to this circular, assuming the final Subsequent Closing had taken place on 1 January 2023, the unaudited pro forma consolidated loss and consolidated loss attributable to equity holders of the Company of the Remaining Group for the year ended 31 December 2023 would be approximately HK$978.0 million and HK$969.6 million, respectively.

Subject to final audit by the auditors of the Company, the Group expects to record a loss from the Disposal of approximately HK$106.0 million, which is calculated with reference to (i) the Consideration of US$101,533,292.15 (equivalent to approximately HK$793.0 million); and (ii) the fair value of the Sale Shares of approximately HK$899.0 million as at 31 December 2023.

Assets and liabilities

According to the annual report of the Company for the year ended 31 December 2023, the audited consolidated total assets and total liabilities of the Group as at 31 December 2023 were approximately HK$3,919.7 million and HK$578.2 million, respectively. Based on the "Unaudited Pro Forma Financial Information of the Remaining Group" as set out in Appendix III to this circular, assuming the final Subsequent Closing had taken place on 31 December 2023, the unaudited pro forma consolidated total assets and total liabilities of the Remaining Group as at 31 December 2023 would be approximately HK$3,810.6 million and HK$578.2 million, respectively.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND USE OF PROCEEDS

It is expected that the Company will receive net proceeds of approximately HK$790.0 million from the Disposal after deducting the estimated transaction costs and professional expenses of approximately HK$3.0 million.

The Company intends to use the net proceeds from the Disposal as follows.

(i) approximately HK$711.0 million for research and development of hypercars and EVs; and

(ii) approximately HK$79.0 million for general working capital including salary payments, legal and professional fees and other general corporate purposes.

The Company is given to understand by the Target Company that the Target Company has been applying facility clearance ("**FCL**") status from the United States Defense Counterintelligence and Security Agency in order to obtain classified defense contracts. The technology used by the Target Company has been identified as classified by the United States, which consequently triggers regulations under the United States Department of State's International Traffic in Arms Regulations ("**ITAR**") and/or the United States Department of the Treasury's Committee on Foreign Investment in the United States ("**CFIUS**"). Given the sensitive nature of defense applications of this technology, strict compliance with these regulations is mandatory to avoid any legal ramifications. In this circumstance where the Group's shareholding in the Target Company exceeds the foreign ownership threshold (the "**Threshold**") triggering the United States laws and regulations that would hinder the Target Company to obtain classified defense contracts in the United States. Hence, the Target Company has requested and facilitated the divestiture of its foreign shareholders exceeding the Threshold. The Purchaser, whose ultimate beneficiary owner is an existing shareholder of the Target Company, was designated by the Target Company as the purchaser to facilitate the Disposal.

As the application of FCL will trigger the scrutiny of the relevant United States government departments, including the CFIUS, therefore, the Target Company and the Group may be exposed to material legal risks, including substantial fines and other penalties. Moreover, considering that the Target Company possesses sensitive technology, the Group's continued ownership of the Sale Shares which exceeded the Threshold may constitute a potential risk to the United States national security and could become a target of United States Department of the Treasury's Office of Foreign Asset Control for either secondary sanction or directly by freezing the Group's United States assets or its assets in the hands of United States persons/entities. Furthermore, the Group's continued shareholdings in a United States military supplier or contractor may expose the Group and the Shareholders to political risk in view of (i) the intensified tension between the PRC and the United States, in particular, the United States presidential election will set the course for relations with the PRC for the next four years; and (ii) the background of the major Shareholders, which comprise Shareholders controlled by the Shanghai Municipal Government and Shareholders with positions held in the Chinese People's Political Consultative Conference.

In light of the above and taking into consideration (i) that the continued shareholdings in a United States military supplier or contractor may expose the Group to potential political and legal risk; (ii) that the Group has indeed no other option and the pressing circumstances are such that no one has any luxury to act as if this were an ordinary commercial transaction; (iii) of the net proceeds to be received from the Disposal; (iv) that the Consideration of approximately HK$793.0 million is substantially higher than the investment cost of the Company in the Sale Shares of approximately HK$469.4 million; (v) that the Consideration is close to the book value (which was measured at fair value) of such investment as recorded in the latest audited accounts of the Company; and (vi) that the Consideration is higher than the fair value of the Sale Shares as at 30 June 2024 based on the valuation of the Sale Shares as appraised by the Valuer, the Directors are of the view that the Disposal represents an opportunity for the Company to exit from investing in the Target Company enabling the Group to redeploy its resources and efforts to other suitable business opportunities with better potential, and the terms of the Sale and Purchase Agreement (including the Consideration) are on normal commercial terms and fair and reasonable, and the Disposal is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal will constitute a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

WAIVER FROM STRICT COMPLIANCE WITH RULES 14.58(7) AND 14.68(2)(A)(I)(A) OF THE LISTING RULES

Pursuant to Rule 14.58(7) of the Listing Rules, the Company is required to include in this circular the net profits (both before and after taxation) attributable to the assets which are the subject of the transaction for the two financial years immediately preceding the transaction.

Pursuant to Rule 14.68(2)(a)(i)(A) of the Listing Rules, the Company is required to include in this circular the financial information of the business, company or companies being disposed of for the three preceding financial years.

As advised by the Company's legal adviser as to the United States law, the Company is restricted from disclosing the Target Company's financial information to the public by the relevant confidentiality clauses contained in the investors' rights agreement entered into by the Group at the time of subscribing the equities of the Target Company. Moreover, the Target Company is prohibited from disclosing its export-controlled information (including but not limited to financial information) to non-United States persons under ITAR and the United States Department of Commerce's Export Administration Regulations and subject to regulation by the CFIUS.

Given that the Company would not be able to disclose those information due to the restrictions under the relevant laws and regulations of the United States, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 14.58(7) and 14.68(2)(a)(i)(A) of the Listing Rules.

The SGM

The SGM will be convened at 15th Floor, Tower One, Lippo Centre, 89 Queensway, Admiralty, Hong Kong on Thursday, 5 September 2024 at 11:00 a.m. for the Shareholders to consider and, if thought fit, approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Disposal as contemplated under the Sale and Purchase Agreement. Therefore, none of the Shareholders and their associates is required to abstain from voting in the SGM to be convened by the Company for the approval of the Sale and Purchase Agreement and the transactions contemplated thereunder.

A form of proxy for use at the SGM is enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.apollofmg.com). Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

VOTING AT THE SGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the 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. The chairman of the SGM will therefore demand a poll for every resolution put to the vote of the SGM. An announcement will be made by the Company following the conclusion of the SGM to inform Shareholders of the results of SGM.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the Shareholders' entitlements to attend and vote at the SGM, the register of members of the Company will be closed from Monday, 2 September 2024 to Thursday, 5 September 2024 (both days inclusive) during which period no transfer of Shares will be registered. All properly completed transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 30 August 2024.

RECOMMENDATION

The Board believes that the Disposal contemplated under the Sale and Purchase Agreement is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution(s) in relation to the Disposal contemplated under the Sale and Purchase Agreement to be proposed in the SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully
By order of the Board
Apollo Future Mobility Group Limited
Hui Chun Ying
Chairman and Executive Director

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The consolidated financial statements of the Group, together with the accompanying notes, for the year ended 30 September 2021, the fifteen months 31 December ended 2022 and the year ended 31 December 2023 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.apollofmg.com).

(i) annual report of the Group for the year ended 30 September 2021 published on 27 January 2022 (Pages 89 to 205)

(https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0127/2022012700481.pdf)

(ii) annual report of the Group for the fifteen months ended 31 December 2022 published on 27 April 2023 (Pages 89 to 209)

(https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042703769.pdf)

(iii) annual report of the Group for the year ended 31 December 2023 published on 29 April 2024 (Pages 97 to 217)

(https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042900812.pdf)

2. INDEBTEDNESS STATEMENT

As at the close of business on 30 June 2024, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had (i) unsecured and unguaranteed bank borrowings of approximately HK$6,360,000; (ii) a secured and unguaranteed bank borrowing of approximately HK$11,035,000, which was secured by the pledge of certain land and building of the Group; and (iii) unsecured and unguaranteed lease liabilities of approximately HK$8,652,000.

Save as aforesaid and apart from intra-group liabilities, the Group did not, at the close of the business on 30 June 2024, have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, charges or debentures, mortgages, loans or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptance (other than normal trade bills and payables), acceptance credits, or any guarantees or other material contingent liabilities.

For the purpose of the above indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the applicable rates of exchange prevailing at the close of business on 30 June 2024.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account the financial resources available to the Group, the Group will have sufficient working capital to satisfy its requirements for at least the next 12 months from the date of this circular in the absence of unforeseen circumstances. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited financial statements of the Group were made up, and up to the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE REMAINING GROUP

As at the Latest Practicable Date, the unlisted investment interest in Target Company had been accounted for as financial assets at fair value through profit or loss of the Company. Upon final Subsequent Closing, each of the Company and Global 3D will cease to have any interest in the Target Company.

The Company is an investment holding company. As at the Latest Practicable Date, the Board has no plan to change the principal business of the Group. Immediately after the Disposal, it is expected that the Remaining Group would carry on (i) designing, developing, manufacturing and sales of high performance hypercars and luxury smart EVs and provision of mobility technology solutions; (ii) retailing and wholesale of jewellery products, watches and other commodities; and (iii) money lending.

The Disposal will enable the Group to devote more financial resources on the core mobility technology solutions business, ensuring that the Remaining Group continues to thrive in the dynamic and competitive automotive industry. The Remaining Group will put more effort in research, development and promoting the new hypercars. The management of the Remaining Group will closely monitor the on-going market trend and customers' preference in order to ensure the design and quality of the hypercars are keeping abreast of the market. On the other hand, the Remaining Group will proactively explore new business opportunities and promising projects for its mobility development and platform engineering services to meet the specific needs of its clients, thereby enhancing the Remaining Group's financial performance and providing for the long-term viability of the Company.

The Group is principally engaged in investment holding and the principal activities of its subsidiaries are (i) designing, developing, manufacturing and sales of high performance hypercars and luxury smart EVs and provision of mobility technology solutions; (ii) retailing and wholesale of jewellery products, watches and other commodities; and (iii) money lending.

There will be no change to the principal business of the Remaining Group as a result of the Disposal. The Target Company had been accounted for as financial assets at fair value through profit or loss in the consolidated financial statements of the Company. Upon final Subsequent Closing, each of the Company and Global 3D will cease to have any interest in the Target Company.

Set out below is the management discussion and analysis on the Remaining Group for the year ended 30 September 2021, the fifteen months ended 31 December 2022 and the year ended 31 December 2023. For the purpose of this circular, the financial data in respect of the Remaining Group is derived from the audited consolidated financial statements of the Group for the year ended 30 September 2021, the fifteen months ended 31 December 2022 and the year ended 31 December 2023, and adjusted as appropriate.

Segment information

The Remaining Group had three business segments, namely mobility technology solutions segment, jewellery products, watches and other commodities segment and money lending segment. A summary of the revenues and profit or loss of each segment of the Remaining Group for the year ended 30 September 2021, the fifteen months ended 31 December 2022 and the year ended 31 December 2023 is as follows:

	Year ended 30 September 2021		**Fifteen months ended 31 December 2022**		**Year ended 31 December 2023**	
	Revenue *HK$'000*	*Profit/(loss)* *HK$'000*	*Revenue* *HK$'000*	*Profit/(loss)* *HK$'000*	*Revenue* *HK$'000*	*Profit/(loss)* *HK$'000*
Mobility technology solutions	104,845	(73,182)	218,819	202,875	14,223	(603,052)
Jewellery products, watches and other commodities	377,246	(47,577)	507,760	(25,784)	237,378	18,082
Money lending	45,115	6,197	48,309	(23,124)	27,612	(93,347)
Others *(Note)*	1,353	1,353	—	—	—	—
Total	528,559	(113,209)	774,888	153,967	279,213	(678,317)

Note: The Remaining Group's others segment represents rental income from investment properties.

Mobility technology solutions segment

For the year ended 30 September 2021, the revenue generated from mobility technology solutions segment amounted to approximately HK$104.8 million. Such increase as compared to the previous financial year was primarily attributable to (i) the delivery of Apollo Intensa Emozione vehicles; (ii) the revenue contributed by Ideenion Automobil AG ("**Ideenion**") and its subsidiaries following the completion of the acquisition of Ideenion; and (iii) the licencing income from the license of vehicular platform.

For the fifteen months ended 31 December 2022, the revenue generated from mobility technology solutions segment amounted to approximately HK$218.8 million. Such increase as compared to the previous financial year was primarily attributable to (i) the licensing income from the license of vehicular platform; and (ii) the revenue from engineering service outsourcing.

For the year ended 31 December 2023, the revenue generated from mobility technology solutions segment amounted to approximately HK$14.2 million. Such decrease as compared to the previous financial year was primarily attributable to the decrease in licensing income and sales and distribution of vehicles as the next generation hypercar was still under development and the strategic disposal of certain subsidiaries.

Jewellery products, watches and other commodities segment

For the year ended 30 September 2021, the revenue generated from sales of jewellery products, watches and other commodities segment amounted to approximately HK$377.2 million. Such increase as compared to the previous financial year was mainly due to improved sentiment in the retail market.

For the fifteen months ended 31 December 2022, the revenue generated from sales of jewellery products, watches and other commodities segment amounted to approximately HK$507.8 million. Such increase as compared to the previous financial year was mainly due to improved sentiment in the PRC market.

For the year ended 31 December 2023, the revenue generated from sales of jewellery products, watches and other commodities segment amounted to approximately HK$237.4 million. Such decrease as compared to the previous financial year was mainly due to negative sentiment in the PRC market.

Money lending segment

For the year ended 30 September 2021, the revenue generated from interest income from loan financing segment amounted to approximately HK$45.1 million, which remained relatively stable as compared to the previous financial year.

For the fifteen months ended 31 December 2022, the revenue generated from interest income from loan financing segment amounted to approximately HK$48.3 million, which remained relatively stable as compared to the previous financial year.

For the year ended 31 December 2023, the revenue generated from interest income from loan financing segment amounted to approximately HK$27.6 million. Such decrease as compared to the previous financial year was mainly due to (i) continued scaling down of the non-core legacy business; and (ii) disposal of a subsidiary of the Group.

Liquidity, financial resources and capital structure

As at 30 September 2021, 31 December 2022 and 31 December 2023, the cash and cash equivalents of the Remaining Group amounted to approximately HK$150.1 million, HK$52.5 million and HK$64.3 million, respectively, which were mainly denominated in HK$, RMB, EUR and Japanese Yen.

The total current assets of the Remaining Group as at 30 September 2021, 31 December 2022 and 31 December 2023 were approximately HK$1,331.9 million, HK$1,340.5 million and HK$719.3 million, respectively, which mainly comprised inventories, accounts receivable, prepayments, deposits and other receivables and loans receivable. As at 30 September 2021, 31 December 2022 and 31 December 2023, the inventories of the Remaining Group amounted to approximately HK$173.4 million, HK$90.6 million and HK$75.9 million, respectively. As at 30 September 2021, 31 December 2022 and 31 December 2023, the accounts receivable, prepayments, deposits and other receivables amounted to approximately HK$348.6 million, HK$352.4 million and HK$453.5 million, respectively. As at 30 September 2021, 31 December 2022 and 31 December 2023, the loans receivable amounted to approximately HK$652.1 million, HK$174.6 million and HK$125.6 million, respectively.

The total current liabilities of the Remaining Group as at 30 September 2021, 31 December 2022 and 31 December 2023 were approximately HK$1,277.6 million, HK$618.9 million and HK$524.8 million, respectively.

As at 30 September 2021, 31 December 2022 and 31 December 2023, the Remaining Group's inventory turnover for the year were 159 days, 98 days and 141 days, respectively. As at 30 September 2021, 31 December 2022 and 31 December 2023, the Remaining Group's accounts receivable turnover for the year were 25 days, 28 days and 27 days, respectively. As at 30 September 2021, 31 December 2022 and 31 December 2023, the Remaining Group's accounts payable turnover for the year were 58 days, 71 days and 177 days, respectively. The turnover ratios were consistent and compliant with the respective policies of the Group on credit terms granted to customers and credit terms obtained from suppliers.

During the year ended 30 September 2021, the Remaining Group financed its operations and investment activities through a combination of (i) operating cashflows; and (ii) interest-bearing borrowings. As at 30 September 2021, equity attributable to owners of the Company amounted to approximately HK$3,658.7 million.

During the fifteen months ended 31 December 2022 and the year ended 31 December 2023, the Remaining Group financed its operations and investment activities mainly through a combination of (i) equity financing; (ii) operating cash inflows; and (iii) interest-bearing bank borrowings and convertible bonds. As at 31 December 2022 and 31 December 2023, equity attributable to owners of the Company amounted to approximately HK$4,275.4 million and HK$3,363.2 million, respectively.

The Remaining Group's total interest-bearing bank and other borrowings amounted to approximately HK$122.7 million as at 30 September 2021, which were mainly denominated in RMB and Japanese Yen. The interest-bearing bank and other borrowings were mainly used for working capital purpose and all of which were at commercial lending variable interest rates. The maturity profile was spread over a period, with approximately HK$105.4 million repayable within one year and approximately HK$17.3 million repayable after one year.

As at 31 December 2022, the Remaining Group's total interest-bearing bank borrowings and convertible bonds amounted to approximately HK$88.2 million and HK$176.2 million, respectively, which were mainly denominated in HK$, RMB and Japanese Yen. The interest-bearing bank borrowings and convertible bonds were mainly used for investment in business opportunities in order to expand into the mobility technology solutions and related business and for working capital purpose and all of which are at commercial lending variable interest rates.

As at 31 December 2023, the Remaining Group's total interest-bearing bank borrowings and convertible bonds amounted to approximately HK$37.8 million and HK$121.2 million, respectively, which were mainly denominated in HK$, RMB and Japanese Yen. The interest-bearing bank borrowings and convertible bonds were mainly used for investment in business opportunities in order to expand into the mobility technology solutions and related business and for working capital purpose and all of which are at commercial lending variable interest rates.

The gearing ratio of the Group, which is calculated as total interest-bearing bank borrowings (other than convertible bonds) divided by total equity, amounted to approximately 3.4%, 2.1% and 1.1% as at 30 September 2021, 31 December 2022 and 2023, respectively.

Interest-bearing bank borrowings

The details of the Remaining Group's borrowing as at 30 September 2021, 31 December 2022 and 2023 are as follows:

	As at 30 September 2021			As at 31 December 2022			As at 31 December 2023		
	Contractual interest rate (%)	Maturity	*HK$'000*	Contractual interest rate (%)	Maturity	*HK$'000*	Contractual interest rate (%)	Maturity	*HK$'000*
Current									
Bank loans — unsecured	0.4% to 5.69%	2022	56,036	0.4% to 5.65%	2023	27,938	0.4% to 3.83%	2024	18,602
Bank loans — secured	PRIME-2.1% or 5%	2022	49,335	PRIME-2.1% or 4.75%	2023	46,175	PRIME-2.1%	2024	984
Non-current									
Bank loan — secured	PRIME-2.1%	2036	17,343	PRIME1 -2.1%	2036	14,063	PRIME-2.1% or 0.4% to 5.65%	2036	18,179
Total			122,714			88,176			37,765

Note: Japan prime lending rate ("**PRIME**")

	As at 30 September 2021 *HK$'000*	As at 31 December 2022 *HK$'000*	As at 31 December 2023 *HK$'000*
Bank borrowings repayable:			
Within one year	105,371	74,113	19,586
In the second year	1,167	1,056	7,073
In the third to fifth years, inclusive	3,502	3,188	2,975
Beyond five years	12,674	9,819	8,131
Total	122,714	88,176	37,765

The Group's borrowings that are denominated in currency other than the functional currency of the relevant group entities are set out below:

	As at 30 September 2021 *HK$'000*	As at 31 December 2022 *HK$'000*	As at 31 December 2023 *HK$'000*
RMB	90,300	62,045	16,443
JPY	32,414	26,131	21,322
Total	122,714	88,176	37,765

Foreign Exchange Exposure

The Group's sales and purchases during the financial year/period for 30 September 2021, 31 December 2022 and 31 December 2023 were mostly denominated in HK$, RMB, EUR and Japanese Yen. The Group was exposed to certain foreign currency exchange risks but it does not anticipate future currency fluctuations to cause material operational difficulties or liquidity problems. Nevertheless, the Group continuously monitors its foreign exchange position and, when necessary, will hedge foreign exchange exposure arising from contractual commitments in sourcing products from overseas suppliers.

Employees and Remuneration Policies

As at 30 September 2021, 31 December 2022 and 2023, the Remaining Group had 193, 139 and 42 employees, respectively.

The related employees' costs (including Directors' remuneration) for the year ended 30 September 2021, the fifteen months ended 31 December 2022 and the year ended 31 December 2023 amounted to approximately HK$129.6 million, HK$177.4 million and HK$66.6 million, respectively. In addition to basic salary, employees are entitled to other benefits including those under social insurance contribution, employee provident fund schemes and share option scheme of the Company. The remuneration of employees was in line with market trend and commensurate to the levels of pay in the industry and to the performance of individual employees that are regularly reviewed each year.

The annual salary of Directors is determined by reference to their performance for the year, experience, qualification, duties and responsibilities in the Company and the prevailing market rate and will be subject to review by the remuneration committee of the Company and the Board from time to time.

Pledged Assets

As at 30 September 2021, 31 December 2022 and 2023, the Remaining Group's freehold land and buildings, certain building including right-of-use assets and accounts receivable, with an aggregate carrying amount of approximately HK$114.9 million, HK$120.1 million and HK$35.2 million, respectively, were pledged to secure certain bank loans to the Remaining Group of principal amount of approximately HK$91.5 million, HK$46.2 million and HK$13.1 million, respectively.

Contingent liabilities

During the year ended 30 September 2021, a borrower who entered into a loan agreement with the Group for a loan principal of HK$28,300,000 in prior years (the "**Borrower**") initiated a litigation claim against a subsidiary of the Group (the "**Subsidiary**") alleging the validity and enforceability of the loan agreement. Subsequent to the end of the reporting period, in December 2021, the Subsidiary filed a defence and counterclaim against the Borrower for the loan principal, interests and other costs. Based on the advice obtained from a legal counsel of the Group, the claim is at early stage and the Subsidiary is considered to have a good defence against the Borrower and a good cause of action against the Borrower in the counterclaim. Accordingly, the Directors consider that it is appropriate to disclose such claim as contingent liabilities as at 30 September 2021, 31 December 2022 and no provision has been made in the consolidated financial statements. During the year ended 31 December 2023, the Group disposed of its equity interest in the Subsidiary.

Save as disclosed above, the Remaining Group did not have any material contingent liabilities as at 30 September 2021, 31 December 2022 and 2023.

Material Acquisitions or Disposals

Disposal of the entire issued share capital of Marvel Bloom Limited ("Marvel Bloom")

On 30 March 2021, Ming Fung Investment Holdings Limited ("**Ming Fung**"), a direct wholly-owned subsidiary of the Company, and New Viewpoints Investment Limited ("**New Viewpoints**") entered into a sale and purchase agreement, pursuant to which Ming Fung agreed to sell, and New Viewpoints agreed to acquire, the entire issued share capital of Marvel Bloom at a cash consideration of HK$200 million ("**Marvel Bloom Disposal**"). Marvel Bloom is principally engaged in property investment. Completion of the Marvel Bloom Disposal took place on 1 June 2021. Further details of the Marvel Bloom Disposal are set out in the announcement of the Company dated 30 March 2021.

Disposal of the entire issued share capital of Sinoforce Group Limited (together with its subsidiaries, "Sinoforce Group")

On 24 May 2022, Ming Fung and State Energy Group International Assets Holdings Limited ("**State Energy Group**") entered into an agreement, pursuant to which Ming Fung had conditionally agreed to sell and State Energy Group had conditionally agreed to acquire the entire issued share capital of Sinoforce Group Limited, for a total cash consideration of HK$50,000,000 (the "**Sinoforce Disposal**"). Sinoforce Group was principally engaged in wholesale of watches in Hong Kong, the PRC and Taiwan. The completion of the Sinoforce Disposal took place on 14 June 2022. Further details of the Sinoforce Disposal are set out in the announcement of the Company dated 24 May 2022.

Disposal of the entire share capital of Ideenion

On 23 December 2022, the Company (as seller) entered into an agreement with Mobility Technology Group Inc. ("**MTG**"), pursuant to which the Company had conditionally agreed to sell and MTG had conditionally agreed to acquire the entire share capital of Ideenion, for a total consideration of EUR15,000,000 (equivalent to approximately HK$124,350,000) (the "**Ideenion Disposal**"). Ideenion Group was principally engaged in the design, development and prototyping of internal combustion engine vehicles and NEVs, including vehicle components and accessories for vehicles. The completion of the Ideenion Disposal took place on 22 February 2023. Further details of the Ideenion Disposal are set out in the announcement of the Company dated 23 December 2022 and 3 January 2023.

Disposal of the entire share capital of Chance Achieve Limited ("Chance Achieve")

On 30 December 2022, Ming Fung entered into an agreement with Innosophi Company Limited ("**Innosophi**"), pursuant to which Ming Fung had conditionally agreed to sell and Innosophi had conditionally agreed to acquire the entire share capital of Chance Achieve, for a total consideration of HK$408,000,000 (the "**Chance Achieve Disposal**"). Chance Achieve is principally engaged in money lending in Hong Kong. Innosophi is an investment holding company wholly owned by Mr. Freeman Hui Shen, a former non-executive Director and a substantial shareholder of the Company. The Chance Achieve Disposal constituted (i) a disclosable transaction of the Company under Chapter 14 of the Listing Rules; (ii) a connected transaction of the Company under Chapter 14A of the Listing Rules; and (iii) a special deal under Note 4 to Rule 25 of the Hong Kong Code on Takeovers and Mergers, and is subject to, among other things, the passing of the ordinary resolutions by the independent shareholders of the Company at the extraordinary general meeting.

The Chance Achieve Disposal was approved by the independent Shareholders of the Company at the extraordinary general meeting of the Company held on 18 July 2023, and the completion of the Chance Achieve Disposal took place on 31 July 2023. Further details of the Chance Achieve Disposal are set out in the announcements of the Company dated 30 December 2022, 11 January 2023, 17 January 2023, 20 January 2023, 2 March 2023 and 31 March 2023.

Acquisition of the entire issued share capital of WM Motor Global Investment Limited ("WM Motor")

On 11 January 2023, Castle Riches Investments Limited ("**Castle Riches**"), a wholly-owned subsidiary of the Company, and WM Motor entered into an acquisition agreement, pursuant to which WM Motor conditionally agreed to sell and Castle Riches conditionally agreed to purchase the entire issued share capital of WM Motor (the "**WM Acquisition**"). The consideration for the WM Acquisition was US$2,023.27 million (equivalent to approximately HK$15,853.71 million), and would be settled by way of allotment and issue of consideration Shares at the issue price of HK$0.55 per Share. The WM Acquisition constituted a very substantial acquisition and reverse takeover of the Company under the Listing Rules and the Company would be treated as if it were a new listing applicant under the Listing Rules. The WM Acquisition also constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

Further details of the WM Acquisition and the ancillary matters including, among other things, the proposed placing of Shares, whitewash waiver, interim financing, repayment of a Shareholder's loan and increase in authorised share capital of the Company are set out in the announcements of the Company dated 11 January 2023, 17 January 2023, 2 February 2023, 2 March 2023, 31 March 2023, 28 April 2023, 24 May 2023, 28 May 2023 and 31 July 2023.

On 8 September 2023, taking into account, amongst other commercial considerations of volatile global market conditions and geopolitical conflicts, the continued uncertainties of the financial market sentiment and the recovery of post pandemic economy in the short term, Castle Riches, WM Motor and the Company mutually agreed to enter into a deed of termination to terminate the acquisition agreement in relation to the WM Acquisition. Further details of the termination are set out in the announcement of the Company dated 8 September 2023.

Significant Investment Held

Details of significant investments held by the Remaining Group were set out as follows:

	As at 30 September 2021			For the year ended 30 September 2021			
Investment Details	Number of preferred shares held	% of preferred shares held in such investee	Percentage to the Group's total assets	Fair value gain	Share of loss of associate	Fair value	Investment cost
	'000	*%*	*%*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
EV Power							
Preferred shares	142,820	33.23	8.75	42,588	(19,850)	444,684	407,679
Call option	N/A	N/A	0.35	7,732	—	17,809	
Total				50,320	(19,850)	462,493	

	As at 31 December 2022			For the year ended 31 December 2022				
Investment Details	Number of preferred shares held	% of preferred shares held in such investee	Percentage to the Group's total assets	Fair value gain	Share of loss of associate	Transfer to interest in an associate	Fair value	Investment cost
	'000	*%*	*%*	*HK$'000*	*HK$'000*		*HK$'000*	*HK$'000*
EV Power								
Preferred shares	142,820	33.23	10.61	106,192	(27,254)	—	523,622	407,679
Call option	N/A	N/A	N/A	(10,113)	—	(7,696)	—	
Total				96,079	(27,254)	(7,696)	523,622	

	As at 31 December 2023			For the year ended 31 December 2023			
Investment Details	Number of preferred shares held	% of preferred shares held in such investee	Percentage to the Group's total assets	Fair value gain	Share of loss of associate	Fair value	Investment cost
	'000	*%*	*%*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
EV Power							
Preferred shares	142,820	33.23	13.39	22,849	(21,755)	524,716	407,679

In February 2021, EV Power Holding Limited ("**EV Power**"), an associate and a significant investment of the Group which is engaged in EV charging piles construction in Hong Kong and the PRC, completed the allotment and issue of certain preferred shares of EV Power to a Hong Kong-listed global telecommunications services provider. The Group took the lead to invest in EV Power in 2018 as part of its transformation into a mobility solutions provider and remains as EV Power's largest shareholder thereafter.

EV Power and its subsidiaries are principally engaged in the provision of convenient, safe and cost-effective EV charging solutions in Hong Kong and the PRC. EV Power is the PRC's largest charging point operator in terms of number of charging sites in operation in residential areas. It operates over 7,600 charging sites and over 38,000 charging piles (or 72,000 charging bays), covering over 60 cities in the country. The Group's investment in EV Power represents an opportunity for the Group to create strong synergies with EV Power through the Group's proprietary EV technologies and thereby completing the full value chain of mobility. Further details of the investment by the said Hong Kong-listed global telecommunications services provider are set out in the announcement of the Company dated 25 February 2021.

Save as disclosed above, during the year ended 30 September 2021, the fifteen months ended 31 December 2022 and the year ended 31 December 2023, the Remaining Group had not carried out any material acquisition or disposal of subsidiary or associate company or make any significant investments not in the ordinary and usual course of business of the Remaining Group.

Future Plans for Material Investments or Capital Assets

The Remaining Group did not have other specific plan for material investments or capital assets as at 30 September 2021, 31 December 2022 and 2023.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The information set out in this appendix is included herein for information only. The unaudited pro forma financial information set out below should be read in conjunction with the financial information of the Group as set out in Appendix I of this circular and other financial information included elsewhere in this circular.

The followings are illustrative and unaudited pro forma consolidated statement of financial position, pro forma consolidated statement of profit or loss and pro forma consolidated statement of cash flows of the Remaining Group (the "**Unaudited Pro Forma Financial Information**"), which have been prepared in accordance with paragraph 4.29 of the Listing Rules for the purpose of illustrating the effect of the completion of the Disposal on the financial position of the Group as at 31 December 2023 as if the completion of the Disposal had taken place on 31 December 2023, and the financial performance and cash flows of the Group for the year ended 31 December 2023 as if the completion of the Disposal had taken place on 1 January 2023.

The Unaudited Pro Forma Financial Information has been prepared on the basis of the notes below based on a number of assumptions, estimates, uncertainties and currently available information. Accordingly, the Unaudited Pro Forma Financial Information does not purport to describe the actual financial position of the Remaining Group that would have been attained had the Disposal been completed on 31 December 2023, and the financial performance and cash flows of the Remaining Group that would have been attained had the Disposal been completed on 1 January 2023. Neither does the Unaudited Pro Forma Financial Information purport to predict the future financial position, financial performance and cash flows of the Remaining Group.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the financial position of the Remaining Group had the Disposal been completed on 31 December 2023, or any future date, and the financial performance and cash flows of the Remaining Group had the Disposal been completed on 1 January 2023, or any future date.

The Unaudited Pro Forma Financial Information should be read in conjunction with the historical financial information of the Group as set out in its published annual report for the year ended 31 December 2023 and other financial information included elsewhere in this Circular.

I. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE REMAINING GROUP AS AT 31 DECEMBER 2023

	The Group as at 31 December 2023 (Audited)	Pro forma adjustments (Unaudited)	Pro forma adjustments (Unaudited)	The Remaining Group as at 31 December 2023 (Unaudited)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	Note 1	*Note 2*	*Note 3*	
NON-CURRENT ASSETS				
Property, plant and equipment	70,110	—	—	70,110
Investment properties	12,321	—	—	12,321
Right-of-use assets	51,480	—	—	51,480
Goodwill	1,253,509	—	—	1,253,509
Other intangible assets	260,829	—	—	260,829
Interest in a joint venture	—	—	—	—
Interest in an associate	—	—	—	—
Financial assets at fair value through profit or loss	1,466,135	(106,038)	(792,975)	567,122
Loans receivable	83,983	—	—	83,983
Deposits	155	—	—	155
Deferred tax assets	1,807	—	—	1,807
Total non-current assets	3,200,329	(106,038)	(792,975)	2,301,316
CURRENT ASSETS				
Inventories	75,871	—	—	75,871
Accounts receivable	1,844	—	—	1,844
Loans receivable	125,560	—	—	125,560
Prepayments, deposits and other receivables	451,678	—	—	451,678
Tax recoverable	98	—	—	98
Cash and cash equivalents	64,289	—	789,975	854,264
Total current assets	719,340	—	789,975	1,509,315

	The Group as at 31 December 2023 (Audited) *HK$'000* *Note 1*	Pro forma adjustments (Unaudited) *HK$'000* *Note 2*	(Unaudited) *HK$'000* *Note 3*	The Remaining Group as at 31 December 2023 (Unaudited) *HK$'000*
CURRENT LIABILITIES				
Accounts payable	101,379	—	—	101,379
Other payables and accruals	263,718	—	—	263,718
Interest-bearing bank borrowings	19,586	—	—	19,586
Lease liabilities	2,743	—	—	2,743
Convertible bonds	121,182	—	—	121,182
Tax payable	16,145	—	—	16,145
Total current liabilities	524,753	—	—	524,753
NET CURRENT ASSETS	194,587	—	789,975	984,562
TOTAL ASSETS LESS CURRENT LIABILITIES	3,394,916	(106,038)	(3,000)	3,285,878
NON-CURRENT LIABILITIES				
Interest-bearing bank borrowings	18,179	—	—	18,179
Lease liabilities	77	—	—	77
Deferred tax liabilities	35,203	—	—	35,203
Total non-current liabilities	53,459	—	—	53,459
Net assets	3,341,457	(106,038)	(3,000)	3,232,419
EQUITY				
Equity attributable to owners of the Company				
Issued capital	4,807	—	—	4,807
Reserves	3,358,406	(106,038)	(3,000)	3,249,368
	3,363,213	(106,038)	(3,000)	3,254,175
Non-controlling interests	(21,756)	—	—	(21,756)
Total equity	3,341,457	(106,038)	(3,000)	3,232,419

II. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS OF THE REMAINING GROUP FOR THE YEAR ENDED 31 DECEMBER 2023

	The Group for the year ended 31 December 2023 (Audited) *HK$'000* *Note 1*	Pro forma adjustments (Unaudited) *HK$'000* *Note 2*	Pro forma adjustments (Unaudited) *HK$'000* *Note 3*	The Remaining Group for the year ended 31 December 2023 (Unaudited) *HK$'000*
REVENUE	279,213	—	—	279,213
Cost of sales	(216,066)	—	—	(216,066)
Gross profit	63,147	—	—	63,147
Other income	2,079	—	—	2,079
Other losses, net	(597,242)	(106,038)	—	(703,280)
Selling and distribution expenses	(10,959)	—	—	(10,959)
General and administrative expenses	(161,022)	—	(3,000)	(164,022)
Research and development costs	(24,773)	—	—	(24,773)
Finance costs	(22,187)	—	—	(22,187)
Share of losses of:				
Joint venture	(96,784)	—	—	(96,784)
Associate	(20,164)	—	—	(20,164)
LOSS BEFORE TAX	(867,905)	(106,038)	(3,000)	(976,943)
Income tax expense	(1,071)	—	—	(1,071)
LOSS FOR THE YEAR	(868,976)	(106,038)	(3,000)	(978,014)
Attributable to:				
Owners of the Company	(860,535)	(106,038)	(3,000)	(969,573)
Non-controlling interests	(8,441)	—	—	(8,441)
	(868,976)	(106,038)	(3,000)	(978,014)

III. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS OF THE REMAINING GROUP FOR THE YEAR ENDED 31 DECEMBER 2023

	The Group for the year ended 31 December 2023 (Audited)	Pro forma adjustments (Unaudited)	(Unaudited)	The Remaining Group for the year ended 31 December 2023 (Unaudited)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	Note 1	*Note 2*	*Note 3*	
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(867,905)	(106,038)	(3,000)	(976,943)
Adjustments for:				
Finance costs	22,187	—	—	22,187
Share of loss of a joint venture	96,784	—	—	96,784
Share of loss of an associate	20,164	—	—	20,164
Bank interest income	(988)	—	—	(988)
Fair value gains on investment properties	(287)	—	—	(287)
Fair value losses/(gains) on financial assets at fair value through profit or loss, net	(72,691)	106,038	—	33,347
Fair value gains on convertible bonds	(10,617)	—	—	(10,617)
Gain on disposal of subsidiaries	(24,122)	—	—	(24,122)
Impairment of goodwill	410,210	—	—	410,210
Impairment of accounts receivable, net	362	—	—	362
Impairment of loans receivable, net	97,195	—	—	97,195
Impairment of other receivables, net	179,138	—	—	179,138
Loss on assignment of a loan receivable	12,170	—	—	12,170
Write-off of items of property, plant and equipment	1,649	—	—	1,649
Depreciation of property, plant and equipment	6,116	—	—	6,116
Depreciation of right-of-use assets	4,174	—	—	4,174
Amortisation of other intangible assets	17,633	—	—	17,633
Write-down of inventories to net realisable value	16,980	—	—	16,980
	(91,848)	—	(3,000)	(94,848)

	The Group for the year ended 31 December 2023 (Audited) *HK$'000* *Note 1*	Pro forma adjustments (Unaudited) *HK$'000* *Note 2*	Pro forma adjustments (Unaudited) *HK$'000* *Note 3*	The Remaining Group for the year ended 31 December 2023 (Unaudited) *HK$'000*
Increase in inventories	(8,471)	—	—	(8,471)
Decrease in accounts receivable	35,993	—	—	35,993
Increase in loans receivable	(18,936)	—	—	(18,936)
Decrease in prepayments, deposits and other receivables	12,693	—	—	12,693
Decrease in accounts payable	(3,274)	—	—	(3,274)
Increase in other payables and accruals	45,564	—	—	45,564
Cash used in operations	(28,279)	—	(3,000)	(31,279)
Hong Kong profits tax paid	(660)	—	—	(660)
Overseas taxes paid	(22)	—	—	(22)
Net cash flows used in operating activities	(28,961)	—	(3,000)	(31,961)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	988	—	—	988
Purchases of items of property, plant and equipment	(2,042)	—	—	(2,042)
Additions to other intangible assets	(19,508)	—	—	(19,508)
Disposal of subsidiaries	193,362	—	—	193,362
Investment in a joint venture	(39,290)	—	—	(39,290)
Proceeds from the Disposal	—	—	792,975	792,975
Net cash flows from investing activities	133,510	—	792,975	926,485

	The Group for the year ended 31 December 2023 (Audited) *HK$'000* *Note 1*	Pro forma adjustments (Unaudited) *HK$'000* *Note 2*	(Unaudited) *HK$'000* *Note 3*	The Remaining Group for the year ended 31 December 2023 (Unaudited) *HK$'000*
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of convertible bonds	(46,800)	—	—	(46,800)
New bank borrowings	16,550	—	—	16,550
Repayment of bank borrowings	(63,662)	—	—	(63,662)
Principal portion of lease payments	(7,308)	—	—	(7,308)
Interest paid	(19,806)	—	—	(19,806)
Net cash flows used in financing activities	(121,026)	—	—	(121,026)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(16,477)	—	789,975	773,498
Cash and cash equivalents at beginning of year	81,316	—	—	81,316
Effect of foreign exchange rate changes, net	(550)	—	—	(550)
CASH AND CASH EQUIVALENTS AT END OF YEAR	64,289	—	789,975	854,264
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances	61,002	—	789,975	850,977
Non-pledged time deposits with original maturity of less than three months when acquired	3,287	—	—	3,287
	64,289	—	789,975	854,264

NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

1. The amounts are extracted from the audited consolidated statement of financial position of the Group as at 31 December 2023, and the audited consolidated statement of profit or loss and the audited consolidated statement of cash flows of the Group for the year ended 31 December 2023 as set out in the published annual report of the Company for the year ended 31 December 2023.

2. The calculations of the pro forma adjustments on the consolidated statement of financial position of the Group as if the Disposal had taken place on 31 December 2023, and the consolidated statement of profit or loss and the consolidated statement of cash flows of the Group as if the Disposal had taken place on 1 January 2023 are as follows:

   Consolidated statement of financial position of the Group as if the Disposal had taken place on 31 December 2023

	HK$'000
Consideration	792,975
Less: Carrying amount of the Sale Shares as at 31 December 2023	(899,013)
Pro forma adjustment on fair value loss arising from the Disposal	(106,038)

   Consolidated statement of profit or loss and consolidated statement of cash flows of the Group as if the Disposal had taken place on 1 January 2023

	HK$'000
Consideration	792,975
Less: Carrying amount of the Sale Shares as at 1 January 2023	(849,171)
Pro forma adjustment on fair value loss arising from the Disposal	(56,196)
Less: Fair value gain recognised in profit or loss on the Sale Shares during the year ended 31 December 2023	(49,842)
Total pro forma adjustment	(106,038)

3. The adjustment represents the receipt of the Consideration of US$101,533,292.15 (equivalent to approximately HK$792,975,000) and the derecognition of the Sale Shares with estimated directly attributable legal and professional costs to be incurred for the Disposal of approximately HK$3,000,000, which resulted in net cash inflows of approximately HK$789,975,000.

4. The pro forma adjustments in the unaudited pro forma financial information are not expected to have a continuing effect on the Remaining Group.

5. Apart from the above, no other adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2023.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the purpose of incorporation in this circular, received from Ernst & Young, Certified Public Accountants, in respect of the unaudited pro forma financial information of the Remaining Group.

EY 安永

27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

To the Directors of Apollo Future Mobility Group Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Apollo Future Mobility Group Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company (the "**Directors**") for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma consolidated statement of financial position of the Group as at 31 December 2023, the unaudited pro forma consolidated statement of profit or loss and the unaudited pro forma consolidated statement of cash flows of the Group for the year ended 31 December 2023, and related notes as set out on pages III-1 to III-8 of the circular dated 21 August 2024 (the "**Circular**") issued by the Company (the "**Unaudited Pro Forma Financial Information**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages III-1 to III-8 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the disposal of an aggregate of 4,931,588 preferred shares of Divergent Technologies Inc. (the "**Disposal**") on the Group's financial position as at 31 December 2023 and the Group's financial performance and cash flows for the year ended 31 December 2023 as if the Disposal had taken place at 31 December 2023 and 1 January 2023, respectively. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2023 as set out in the annual report of the Company dated 28 March 2024.

DIRECTORS' RESPONSIBILITY FOR THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline ("**AG**") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of the Disposal on unadjusted financial information of the Group as if the Disposal had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Disposal would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Disposal, and to obtain sufficient appropriate evidence about whether:

— the related pro forma adjustments give appropriate effect to those criteria; and.

— the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the Disposal in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young
Certified Public Accountants
Hong Kong
21 August 2024

Room 1105, Tai Tung Building
8 Fleming Road, Wanchai
Hong Kong

21 August 2024

The Board of Directors
Apollo Future Mobility Group Limited
Units 2001–2002, 20/F,
Li Po Chun Chambers,
189 Des Voeux Road Central,
Sheung Wan, Hong Kong

Dear Sirs/Madams,

INSTRUCTIONS

This report has been prepared solely for Apollo Future Mobility Group Limited (the "**Company**" or "**you**"), which has engaged Vision Appraisal and Consulting Limited ("**Vision**" or "**we**") to perform valuations in relation to 4,138,770 shares of the series B preferred stock (the "**PS B**") and 792,818 shares of the series C-1 preferred stock (the "**PS C-1**") issued by Divergent Technologies, Inc. (the "**Target Company**" or "**Divergent**") as of 30 June 2024 (the "**Date of Valuation**").

This report states the purpose of valuation, basis of valuation, scope of work, limitations in scope of work, source of information, an overview of the Target Company, valuation methodology, major assumptions, limiting conditions, remarks and opinion of values.

1. PURPOSE OF VALUATION

This report is prepared solely for the use of the directors and management of the Company. In addition, Vision acknowledges that this report may be made available to the Company for public documentation purpose and used as reference on the Company's circular dated 21 August 2024.

We will not accept any responsibility or liability to any third party to whom in respect of, or arising out of, the contents of this report may be shown. If others choose to rely in any way on the contents of this report they do so entirely at their own risk.

2. BASIS OF VALUATION

Our valuation is based on fair value. According to Hong Kong Financial Reporting Standard 13 — Fair Value Measurement, fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

3. SCOPE OF WORK

Our valuation conclusion is based on the assumptions stated herein and the information provided by the management of the Company, the Target Company and/or their representative(s) (collectively the "**Management**").

In the course of our valuation work, we have conducted the following processes to evaluate the reasonableness of the adopted basis and assumptions provided:

- Discussed with the Management in relation to the development, operations and other relevant information of the Target Company;
- Reviewed relevant information and other relevant data concerning the Target Company, including the latest capitalization table and recent transactions of the shares of the Target Company, provided to us by the Management;
- Performed market research and relevant statistical figures from public sources in relation to the valuations of the PS B and the PS C-1 if necessary;
- Prepared valuation models to derive the fair values of the PS B and the PS C-1; and
- Presented all relevant information on the scope of works, limitations in scope of work, sources of information, an overview of the Target Company, valuation methodology, major assumptions, limiting conditions, remarks and opinion of values in this report.

We have no reason to believe that any material fact has been withheld from us. Moreover, we do not warrant that our investigations have revealed all of the matters which an audit or more extensive examination might disclose.

4. LIMITATIONS IN SCOPE OF WORK

In the course of our valuation work, our scope of work for the purpose of the valuation are subject to the following limitations:

- In performing our services, we have relied on the accuracy of the information provided by the Management with regards to the Target Company's business affairs as well as the outlook for the business. The procedures and enquiries undertaken by us in preparing this report do not include any verification work, nor do they constitute an examination made in accordance with generally accepted auditing standards. As such, we do not express an opinion or offer any forms of assurance regarding the accuracy, reasonableness, completeness or reliability of these information we are based;

- Information furnished by others, upon which all or portions of this report are based, is believed to be reliable. However, we did not independently verify this information and no warranty is given as to the accuracy of such information;

- The results of our work are dependent on the information of the Target Company provided by the Management. However, because events and circumstances frequently do not occur as expected, there will usually be differences between predicted and actual results, and those differences may be material. We take no responsibility for the achievement of predicted results;

- Our analysis is limited to a desktop assessment on the Target Company, which relied on information provided by Management. We are not required to perform physical inspection, site visits and verify the legal titles of the assets held by the Target Company; and

- We have considered published market data and other public information, where appropriate, for which we are not responsible for their content and accuracy. Such information was obtained from sources such as Bloomberg and publicly available industry reports.

5. SOURCES OF INFORMATION

For the purpose of our valuation, we have been provided with the information in respect of the Target Company prepared by the Management. The valuation required the consideration of all relevant factors including, but not limited to, the following:

- Background information in relation to the business operation of the Target Company;

- The capitalization table of the Target Company as of the 30 June 2024;

- Information regarding the recent transactions of the Target Company's shares;

- The specific elements affecting the Company and the market outlook in general; and

- Bloomberg and other reliable sources of market data if necessary.

We have assumed the accuracy of information provided and relied to a considerable extent on such information in arriving at our opinion.

6. OVERVIEW OF THE TARGET COMPANY

6.1 History

Divergent Technologies, Inc. (i.e. the Target Company) is a private company incorporated in Delaware and principally engaged in the business of research, design, development and production of three-dimensional printed vehicle structures through its patented hardware and software platform.

6.2 Form and Ownership

The Target Company has completed several series of fund-raising rounds. The below table summarize the outstanding shares as of 30 June 2024.

Classes	Number of shares outstanding
Class A common shares	2,300,988
Class B common shares	3,153,270
Series seed preferred stock	1,369,980
Series A preferred stock	2,499,709
Series B preferred stock	5,476,787
Series C preferred stock	7,752,862
Series C-1 preferred stock	4,939,843
Series C-2 preferred stock	1,843,901
Series C-3 preferred stock	1,508,676
Series D preferred stock	7,671,593
2014 equity incentive plan option	8,842,984
Miscellaneous options and warrants	1,763,948

All preferred stockholders shall vote together with common stock shareholders. However, each of Class B Common Shares and Series Seed Preferred Stock will have 10 times voting right than other classes of shares.

7. VALUATION METHODOLOGY

7.1 Valuation of the Equity Interest in the Target Company

In conducting the valuation, we have considered three generally accepted approaches, including income approach, market approach and cost approach.

7.1.1 Income Approach

Income approach measures the value of an asset by the present value of its future economic benefits. These benefits can include earnings, cost savings, tax deductions and proceeds from its disposition.

7.1.2 Market Approach

The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available.

7.1.3 Cost Approach

Cost approach measures the value of an asset by the cost to reproduce or replace it with another of like utility. To the extent that the asset being valued provides less utility than a new asset, the reproduction or replacement cost would be adjusted to reflect appropriate physical deterioration, functional and economic obsolescence.

7.1.4 Adopted Approach

Basis of Selection

The selection of the valuation approach in valuing the Target Company is based on, among other criteria, the quantity and quality of the information provided, accessibility to available data, availability of relevant market transactions, uniqueness of the Target Company's business operations and nature of the industry the Target Company is participating.

The market approach was adopted as it is considered to be the most appropriate valuation approach in this valuation as (i) it requires far fewer subjective assumptions than the income approach; (ii) it is more likely to reflect current market expectations over the corresponding industry as compared to the cost approach; and (iii) relevant market transactions were available.

Valuation Methodology under the Market Approach

Under the market approach, there are a number of valuation methods that are generally accepted and used in the market, including (i) market multiple method, such as price-to-earnings, price-to-book, price-to-sales, enterprise value/earnings before interests, taxes, depreciation and amortization multiples, and (ii) comparable market transaction method that utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value. However, these methods do not consider the equity allocation and are only applicable in the valuation of companies with simple capital structure or in the valuation of the fair value of the companies as a whole, without considering equity allocation. Taking into account (i) the Target Company is a privately-owned company with a complicated capital structure consisting of multiple equity class; (ii) the purpose of the valuation is to derive the fair value of the specific classes of share held by the Company (i.e. PS B and PS C-1); (iii) recent transactions of the shares of the Target Company were available; (iv) the market practice in the valuation of companies with similar complex capital structures, we considered that the backsolve method as the most suitable valuation method among other valuation methods under the market approach.

The backsolve method is a generally accepted and commonly used method in the market for the valuation of private companies having complex capital structure consisting of multiple equity classes like common or preferred shares, warrants, options or convertible securities.

The Target Company is a privately-owned company with a complicated capital structure consisting of multiple equity classes and hence we considered that the backsolve method is the most suitable valuation method and it is in line with market practice.

The backsolve method relies on the option-pricing method to determine a value for the shares using recent transactions prices. Further explanation is set out in Section 7.2 — Valuation of the PS issued by the Target Company.

7.2 Valuation of the PS issued by the Target Company

Under option-pricing method, common stock and preferred stock are considered as portfolio of call options on the equity value of an enterprise. Suppose a company has a simple equity structure, including one class of preference shares and common shares. The common shares can be considered as a contingent claim on the equity value with liquidation preferences of the preferred stock as its exercise price at a prescribed point of time, for example, successful exit or failure. This behavior can be modeled as a call option and the preferred shares will then be residual value of the equity value over the above common share value. This method provides a systemic framework to consider seniorities of equity securities. Hence, we considered the backsolve method relies on the option-pricing method is the most suitable method for the valuation of PS B and PS C-1 of the Target Company.

7.2.1 Key Parameters

The following table sets forth the key parameter assumed and adopted in the valuation of the PS B and PS C-1:

Key Parameters	**Adopted**
(a) Dates of recent transactions	5 April 2024, 25 June 2024
(b) Expected date of liquidity event	31 December 2024
(c) Expected time-to-liquidity event	0.5 year
(d) Risk-free rate	6%
(e) Volatility	31%
(f) Dividend yield	Nil
(g) Discount for lack of marketability	15.7%

Notes:

(a) Based on the information provided by the Management;

(b) Based on the probability-weighted value of time-to-liquidity event in various possible scenarios as provided in the future plan given by the Management;

(c) Based on the time period between the Date of Valuation and the expected date of liquidity event;

(d) With reference to US Dollar Swaps of tenor similar to the time-to-liquidation event as of the Date of Valuation;

(e) The expected volatility was determined with reference to the historical volatility of the share prices of the comparable companies as of Date of Valuation. The volatility ranged from approximately 25% to 46% and the median was approximately 31%, with reference to Bloomberg;

(f) As advised by the Management; and

(g) Based on the discount for lack of marketability of 15.7%, with reference to Stout Restricted Stock Study Companion Guide 2023 Edition.

7.2.2 Expected Volatility

Since the Target Company is a private company with no share transaction in public market, the expected volatility was determined with reference to the historical volatility of the share prices of the publicly listed companies that are considered to be comparable to the Target Company (the "**Comparable Companies**").

Due to the fact that there is no company that is exactly the same as the Target Company, a set of the Comparable Companies must be selected in valuing the Target Company. To determine the set of the Comparable Companies, we mainly focused on the following perspectives during the selection process from the public resources (e.g. Bloomberg), including:

(i) The companies are principally engaged in three-dimensional printing industry; and

(ii) Sufficiency of information (such as listing and operating histories, and availability of the financial information to the public).

Based on the abovementioned selection criteria, we considered the set of the Comparable Companies adopted in the valuation is exhaustive. Details of the Comparable Companies are listed as follows:

Company Name	**Stock Code**	**Listing Location**	**Business Description**	**Volatility as of 30 June 2024**
Autodesk, Inc.	NASDAQ: ADSK	US	Autodesk, Inc. supplies PC software and multimedia tools. Its two-dimensional and three-dimensional products are used across industries and in the home for architectural design, mechanical design, geographic information systems and mapping, and visualization applications. Its software products are sold worldwide through a network of dealers and distributors.	28.89%
Stratasys Ltd.	NASDAQ: SSYS	US	Stratasys Ltd. manufactures three-dimensional printers. The Company builds three-dimensional models by depositing multiple layers of resin one on top of another based on data from three-dimensional computer aided design files. Stratasys products are used by designers, engineers, and manufacturers to visualize, verify, and communicate product designs.	45.61%
Materialise NV	NASDAQ: MTLS	US	Materialise NV operates as a rapid prototype designer and manufacturer. It focuses on three-dimensional imaging software combined with plastic molding to develop products for industrial, medical, and dental industries. It offers design software and prototype solutions to businesses around the world.	36.30%

Company Name	Stock Code	Listing Location	Business Description	Volatility as of 30 June 2024
Dassault Systemes SE	DSY: FP	France	Dassault Systemes operates as a software company. The develops and offers three-dimensional experience platform to create innovative new products and services using virtual experiences. It serves aerospace, construction, business services, consumer packaged goods, high-tech, life science, health care, marine, energy, and industrial equipment industries worldwide.	25.92%
Proto Labs Inc	NYSE: PRLB	US	Proto Labs, Ltd. manufactures machines parts. It provides CNC machining, cad model, prototyping, jigs, and injection moulded parts. It serves customer in the Europe, and Asia.	31.22%

Source: Bloomberg

The expected volatility was determined with reference to the historical volatility of the share prices of the Comparable Companies as of Date of Valuation. The volatility ranged from approximately 25% to 46% and the median was approximately 31%.

7.2.3 Recent Transactions

According to the information provided by the Management, shares of the Target Company were transferred between other existing shareholders of the Target Company and independent third parties at a consideration of US$22.83 per share on 5 April 2024 and US$20.625 per share on 25 June 2024 respectively, which were the most recent transactions for assessing our valuation of the Target Company. We considered that the period in which these recent transactions took place adequately covers the prevailing capital market conditions and sentiments in the United States and these recent transactions are sufficient and representative after taking into account that the Target Company is unlisted. We also considered that the number of transactions adopted in our valuation is in line with market practice.

With reference to general market practice, a single recent transaction is commonly used to derive the valuation result under the backsolve method. This is because a single recent transaction represents a funding process, which reflects the investors' expectations and appraisal of a private company. Therefore, it is generally considered by the market that a single recent transaction is representative under the backsolve mothold.

In the preparation of the valuation of the Target Company, we have considered two recent transactions of the Target Company, taking into account that (i) the transaction dates of these two transactions were close to each other and were close to the valuation date; (ii) these were the only two shares transfer transactions within six months prior to the date of the Sale and Purchase Agreement; (iii) these two recent transaction may reflect the investors' expectations and appraisal of the Target Company under the most current market sentiment; and (iv) it is in line with market practice to use the most recent transaction (even if there is only one transaction to take reference to) under the backsolve model. We considered our valuation method adopted as a reasonable and is in line with market practice.

7.3 Disposal of Shares held by the Company and its Subsidiary

On 26 July 2024, the Company and Global 3D Printing Co Ltd, a direct wholly-owned subsidiary of the Company, has entered into the Sale and Purchase Agreement with the Target Company and Lateralus Holdings IV, LLC, an independent third party purchaser (the "**Purchaser**") in relation to the sales of the PS B and the PS C-1 at the Consideration of US$101,533,292.15 (the "**Disposal**").

According to the Management, the Company is given to understand by the Target Company that the shares of the Target Company held by the Company and Global 3D Printing Co Ltd exceeds the foreign ownership threshold (the "**Threshold**") triggering the United States laws and regulations that would hinder the Target Company to obtain classified defense contracts in the United States. Hence, the Target Company has requested and facilitated the divestiture of its foreign shareholders exceeding the Threshold. The Purchaser, who is an existing shareholder of the Target Company, was designated by the Target Company as the purchaser to facilitate the Disposal.

As the Company and its subsidiary sold the PS B and the PS C-1 under a pressing circumstance without a proper marketing period, an adjustment of marketability was adopted to reflect the lack of a market for selling the PS B and the PS C-1 in a normal business condition with sufficient time to look for a higher compensation. In our valuation, the discount for lack of marketability of 15.7% was adopted, with reference to Stout Restricted Stock Study Companion Guide 2023 Edition.

7.4 Valuation Computation

In the valuation of the PS B and the PS C-1, the backsolve model was employed to seek the implied equity values of the Target Company as of 5 April 2024 and 25 June 2024 respectively.

The backsolve method is the application of equity allocation model in reverse. Similar to a conventional equity allocation model, it makes use of the option-pricing concept which perceived the common shares and preferred shares as a portfolio of call options on the equity value of an enterprise. Suppose a company has a simple equity structure, including one class of preference shares and common shares. The common shares can be considered as a contingent claim on the equity value with liquidation preferences of the preferred stock as its exercise price at a prescribed point of time, for example, successful exit or failure. This behavior can be modeled as a call option and the preferred shares will then be residual value of the equity value over the above common share value. This method provides a systemic framework to consider seniorities of equity securities.

The equity allocation model computes the value that can be allocated to each class of share and then the backsolve method is applied such that the allocated value per share is exactly equal to the recent transaction price, being US$22.83 per share for shares transfer on 5 April 2024 and US$20.625 per share for shares transfer on 25 June 2024. The equity value derived from this process to match the allocated value to each of the recent transaction price is the implied equity value of the Target Company. After the equity value of the Target Company was determined, the equity value was allocated to the various classes of equity based on the economic and control rights under two different scenarios: liquidation scenario and non-liquidation scenario to different classes of shares by adopting an equity allocation model.

The following table extracted the implied equity value per share of PS B and the PS C-1, derived from the backsolve method using the recent transaction prices and the parameters as detailed in section 7.2.1:

Classes	Implied Equity Value Per Share as of 30 June 2024 (Computation based on 5 April 2024 transactions)	Implied Equity Value Per Share as of 30 June 2024 (Computation based on 25 June 2024 transactions)
	US$	*US$*
PS B	22.12	21.17
PS C-1	22.66	21.87

* *Rounded to 2 decimal places*

Classes	Number of Shares held by the Company	Implied Equity Value as of 30 June 2024 (Computation based on 5 April 2024 transactions)	Implied Equity Value as of 30 June 2024 (Computation based on 25 June 2024 transactions)
		US$	*US$*
PS B	4,138,770	91,600,000	87,600,000
PS C-1	792,818	18,000,000	17,300,000

* *Rounded to nearest hundred thousand, difference due to rounding*

With the adjustment for the discount for lack of marketability, the estimated fair values of the PS B and the PS C-1 based on the respective backsolve model were averaged to arrive our opinion of value. The computation was as below:

Classes	Implied Equity Value as of 30 June 2024 (Computation based on 5 April 2024 transactions) *US$*	Discount for Lack of Marketability	Fair Value after Adjustment *US$*
PS B	91,600,000		77,200,000
PS C-1	18,000,000	15.7%	15,100,000
Total	109,500,000		92,300,000

* *Rounded to nearest hundred thousand, difference due to rounding*

Classes	Implied Equity Value as of 30 June 2024 (Computation based on 25 June 2024 transactions) *US$*	Discount for Lack of Marketability	Fair Value after Adjustment *US$*
PS B	87,600,000		73,900,000
PS C-1	17,300,000	15.7%	14,600,000
Total	105,000,000		88,500,000

* *Rounded to nearest hundred thousand, difference due to rounding*

Based on the computation above, the average fair value after adjustment as of the Date of Valuation was US$90,400,000.

8. MAJOR ASSUMPTIONS

In conducting our valuation work, certain major assumptions have to be adopted in order to sufficiently support our conclusion of value. In addition, our valuation analyses are also subject to specific representations and certain principal assumptions that Management considers necessary and appropriate for adoption in our analyses (as outlined below).

- The information provided and the representations made by the Management with regard to the Target Company are accurate and reliable;

- The Target Company will continue to operate as a going concern and has sufficient liquidity and capability to achieve the business operations;

- The Target Company has obtained all necessary permits, business certificates, licenses and legal approvals to operate the business and all relevant permits, business certificates, licenses and legal approvals to operate the business in the localities in which the Target Company operates or intends to operate would be officially obtained and renewable upon expiry with de minimis expenses;

- Upon expiry of the current permits, business certificates, licenses and/or legal approvals, the Target Company is able to renew all such documents to operate the business with de minimis expenses;

- The projection outlined in the financial projection provided are reasonable, reflecting market conditions and economic fundamentals, and will be materialized;

- There will be sufficient supply of technical staff in the industry in which the Target Company operates or intends to operate, and the Target Company will retain competent management, key personnel and technical staff to support their ongoing operations and developments;

- There will be no major changes in the current taxation laws in the localities in which the Target Company operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;

- There will be no major changes in the political, legal, economic or market conditions in the localities in which the Target Company operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Target Company;

- There will be no material changes in the relevant interest rates and exchange rates that would impact the Target Company's business; and

- There are no undisclosed actual or contingent assets or liabilities, no unusual obligations or substantial commitments, other than in the ordinary course of business and as reflected in the financials, nor any litigation pending or threatened, which would have a material impact on the value of the Target Company as of the Date of Valuation.

In the event actual events do not accord with one or more of the above assumptions, the resulting value of the Target Company may vary substantially from the figure as set out in this report.

9. LIMITING CONDITIONS

The valuation reflects facts and conditions existing at the Date of Valuation. Subsequent events have not been considered and we are not required to update our report for such events and conditions.

To the best of our knowledge, all data set forth in this report are reasonable and accurately determined. The data, opinions, or estimates identified as being furnished by others that have been used in formulating this analysis are gathered from reliable sources; yet, no guarantee is made nor liability assumed for their accuracy.

We have relied on information provided by the Management to a considerable extent in arriving at our opinion of value. We have not verified the accuracy of the information provided and have assumed that the aforesaid information is accurate. We have not conducted any further investigations concerning whether all data have been provided to us for our assessment and we have no reason to believe that any material data have been withheld from us.

We would particularly point out that our valuation was based on the information such as the capitalization table, recent transactions, company background, and business nature and development of the Company provided to us.

Our conclusion of the value was derived from generally accepted valuation procedures and practices that rely substantially on the use of various assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained.

By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. Hence, there is no single indisputable range and generally we cannot provide absolute assurance on a valuation.

This report is for the exclusive use of the party to whom it is addressed and for the specific purpose stated in **Section 1 — Purpose of Valuation**, neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear. We will not accept any responsibility or liability to any third party to whom in respect of, or arising out of, the contents of this report may be shown.

The title of this report shall not pass to the Company until all professional fees have been paid in full.

10. REMARKS

Unless otherwise stated, all monetary amounts stated in this valuation report are in United States Dollar (US$).

11. OPINION

Based on the investigation and analysis stated above, our scope of work and limitations in scope of work, the assumptions adopted and the valuation method employed, it is our opinion that the fair values of the PS B and the PS C-1 as of 30 June 2024 were reasonably stated as follows:

Classes	Fair Value *US$*
4,138,770 shares of the Series B Preferred Stock	75,500,000
792,818 shares of the Series C-1 Preferred Stock	14,900,000
Total	90,400,000

* *Rounded to nearest hundred thousand*

We hereby confirm that we have neither present nor prospective interests in the Company and its subsidiaries, the Target Company, or the values reported herein.

Yours faithfully,
For and on behalf of
Vision Appraisal and Consulting Limited
Dave Yang
CFA
Director

Note: Mr. Dave Yang is a holder of Chartered Financial Analyst. He has over nine years' experience in business valuation, transaction advisory and corporate consultancy in the Asia Pacific Region including Hong Kong and China, as well as in Japan, Korea and Australia.

1. 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 Group. 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.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules were as follows:

Name of Directors/ chief executive of the Company	Capacity and nature of interest	Number of ordinary Shares held	Number of Share Options held	Total interests *(Note 1)*	Percentage of interest *(Approx.)* *(Note 2)*
Mr. Hui Chun Ying	Personal	—	10,000,000	10,000,000	0.98%
Ms. Chen Yizi	Personal	—	10,000,000	10,000,000	0.98%
Mr. Peter Edward Jackson	Personal	—	1,250,000	1,250,000	0.12%
Mr. Charles Matthew Pecot III	Personal	—	1,200,000	1,200,000	0.12%
Ms. Hau Yan Hannah Lee	Personal	—	1,000,000	1,000,000	0.09%
Mr. Lee Jackie Kai Yat	Personal	—	6,950,000	6,950,000	0.68%

Notes:

1. All the interests disclosed above represent long positions in the Shares.

2. Based on 1,022,438,090 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company have or are deemed to have interests or short positions in the Shares, underlying Shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were notifiable to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or recorded in the register required to be maintained by the Company under Section 352 of the SFO, or as otherwise notifiable to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO:

Name of Shareholders	Capacity and nature of interest	Number of Shares held *(Note 1)*	Percentage of Shares in issue *(Approx.)* *(Note 2)*
Mr. Ho King Man, Justin	Beneficial owner and interest in a controlled corporation	222,637,982 *(Note 3)*	21.78%
Ruby Charm Investment Limited	Beneficial owner	219,293,382 *(Note 3)*	21.45%
Atlantis Multi-Strategy Capital VCC	Beneficial owner	153,260,870 *(Note 4)*	14.99%
Atlantis Capital Group Holdings Limited	Interest in a controlled corporation	153,260,870 *(Note 4)*	14.99%
Ms. Liu Yang	Interest in a controlled corporation	153,260,870 *(Note 4)*	14.99%
WM Motor Holdings Limited	Beneficial owner	113,777,267 *(Note 5)*	11.13%
Timeless Hero Limited	Interest in a controlled corporation	113,777,267 *(Note 5)*	11.13%
Freeman Schenk Limited	Interest in a controlled corporation	113,777,267 *(Note 5)*	11.13%
Cantrust (Far East) Limited	Interest in a controlled corporation	113,777,267 *(Note 5)*	11.13%

Notes:

1. All the interests stated above represent long positions in the Shares.

2. Based on 1,022,438,090 Shares in issue as at the Latest Practicable Date.

3. Among 222,637,982 Shares, (i) 219,293,382 Shares are owned by Ruby Charm Investment Limited, a private company directly wholly-owned by Mr. Ho King Man, Justin; (ii) 844,600 Shares are owned by Jumbo Eagle Investments Limited, a private company directly wholly-owned by Mr. Ho King Man, Justin; and (iii) 2,500,000 Shares represent the share options granted to Mr. Ho King Man, Justin (with an exercise price of HK$35.64).

4. Atlantis Multi-Strategy Capital VCC (on behalf of MPW Index Supreme Investment Fund), is a variable capital company incorporated in Singapore under the Singapore Variable Capital Companies Act. The manager of MPW Index Supreme Investment Fund is Atlantis Investment Management (Singapore) Pte. Ltd., a holder of Capital Markets Services Licence issued pursuant to the Securities and Futures Act 2001 of Singapore. Atlantis Investment Management (Singapore) Pte. Ltd. is wholly owned by Atlantis Capital Group Holdings Limited, which is in turn wholly owned by Ms. Liu Yang.

5. These Shares are held by WM Motor Holdings Limited, of which 65.41% of the voting right is held by Timeless Hero Limited. Timeless Hero Limited is wholly-owned by Freeman Schenk Limited, which is in turn wholly-owned by Cantrust (Far East) Limited. Cantrust (Far East) Limited is the trustee of New Freeman Schenk Trust, a discretionary trust established by Mr. Freeman Hui Shen as the settlor. Accordingly, Mr. Freeman Hui Shen should be deemed to be interested in these Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, the Company had not been notified of any other relevant interests or short positions in the Shares and underlying Shares as at the Latest Practicable Date as required pursuant to section 336 of the SFO.

3. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, saved as disclosed herein this circular, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2023, the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group.

There was no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director is materially interested and which is significant to the business of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, there was no existing or proposed service agreement between any Director and any member of the Group (excluding agreements expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of their respective close associates had engaged in any business that competes or may compete with the business of the Group or had any other conflict of interests with the Group.

6. MATERIAL LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, the Group is not engaged in any litigation or claim of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against member of the Group.

7. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given an opinion or advice which is contained in this circular:

Name	Qualification
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor
Vision Appraisal and Consulting Limited	Valuer

Each of the experts above has given and confirmed that it has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, report, advice, opinion and/or references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above experts did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any Shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group.

As at the Latest Practicable Date, the above experts did not have any interest, either directly or indirectly, in any assets which have been since 31 December 2023 (being the date to which the latest published audited consolidated financial statements of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) had been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

(i) the capital injection agreement dated 14 October 2022 entered into between Lucky Ample Limited (a wholly-owned subsidiary of the Company), Shanghai Alliance Investment Ltd.* (上海聯和投資有限公司) ("**SAIL**") and WESail New Energy Automotive Co. Ltd.* (上海聯和力世紀新能源汽車有限公司) (the "**JV**"), pursuant to which Lucky Ample Limited and SAIL shall inject capital in the amount of US$43 million (equivalent to approximately HK$335.4 million) and US$27 million (equivalent to approximately HK$210.6 million) respectively in cash into the JV, details of which are set out in the announcement of the Company dated 14 October 2022;

(ii) the sale and purchase agreement dated 23 December 2022 entered into between the Company and MTG in relation to the Ideenion Disposal for a total consideration of EUR15,000,000 (equivalent to approximately HK$124,350,000), details of which are set out in the announcements of the Company dated 23 December 2022 and 3 January 2023;

(iii) the sale and purchase agreement dated 30 December 2022 entered into between Ming Fung and Innosophi in relation to the Chance Achieve Disposal for a total consideration of HK$408,000,000, details of which are set out in the announcements of the Company dated 30 December 2022, 11 January 2023, 17 January 2023, 20 January 2023, 2 March 2023 and 31 March 2023;

(iv) the sale and purchase agreement dated 11 January 2023 entered into between Castle Riches and WM Motor in relation to the WM Acquisition for a total consideration of US$2,023.27 million (equivalent to approximately HK$15,853.71 million), which would be settled by way of allotment and issue of consideration Shares at the issue price of HK$0.55 per Share, details of which are set out in the announcements of the Company dated 11 January 2023, 17 January 2023, 2 February 2023, 2 March 2023, 31 March 2023, 28 April 2023, 24 May 2023, 28 May 2023 and 31 July 2023;

(v) the deed of termination dated 8 September 2023 entered into between Castle Riches and WM Motor to terminate the acquisition agreement in relation to the WM Acquisition, details of which are set out in the announcement of the Company dated 8 September 2023;

(vi) the subscription agreement dated 15 January 2024 entered into between the Company and Ruby Charm Investment Limited, pursuant to which Ruby Charm Investment Limited has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 96,130,985 subscription shares at the subscription price of HK$0.51 per subscription share for gross proceeds of approximately HK$49.0 million. Further details of the subscription agreement are set out in the announcements of the Company dated 15 January 2024 and 24 January 2024;

(vii) the subscription agreement dated 15 March 2024 entered into between the Company and nine subscribers (the "**Subscribers**"), pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 445,652,177 subscription shares at the subscription price of HK$0.46 per subscription share for gross proceeds of approximately HK$205.0 million. Further details of the subscription agreements are set out in the announcements of the Company dated 15 March 2024 and 13 May 2024; and

(viii) the Sale and Purchase Agreement.

Save as the disclosed above, as at the Latest Practicable Date, no contracts (not being contracts entered into in the ordinary course of business) had been entered into by members of the Group within the two years immediately preceding the date of this circular and which are, or may be, material to the Group.

9. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Group (www.apollofmg.com) for a period of 14 days from the date of this circular:

(a) the Sale and Purchase Agreement;

(b) the report from Ernst & Young on the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix III to this circular;

(c) the valuation report prepared by the Valuer in relation to the Sale Shares, the text of which is set out in Appendix IV to this circular; and

(d) the consent letters as referred to in the section headed "7. EXPERTS AND CONSENTS" above.

10. MISCELLANEOUS

(a) The company secretary of the Company is Mr. Ng Cheuk Kwan ("**Mr. Ng**"). Mr. Ng holds a bachelor's degree in business administration in accounting and finance from the University of Hong Kong. Prior to joining the Group, he worked as a senior accountant in a leading international accounting firm. Mr. Ng has extensive experience in the field of accounting, financial management and auditing. He is a member of The Hong Kong Institute of Certified Public Accountants.

(b) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

(c) The head office and principal place of business of the Company in Units 2001–2002, 20/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Sheung Wan, Hong Kong.

(d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

APOLLO FUTURE MOBILITY GROUP LIMITED
APOLLO 智慧出行集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 860)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the "**SGM**") of Apollo Future Mobility Group Limited (the "**Company**") will be held at 15th Floor, Tower One, Lippo Centre, 89 Queensway, Admiralty, Hong Kong on Thursday, 5 September 2024 at 11:00 a.m. for the purpose of considering and, if though fit, passing the following resolution as ordinary resolution of the Company. Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 21 August 2024 (the "**Circular**"):

ORDINARY RESOLUTION

1. "**THAT**:

   (i) the sale and purchase agreement dated 26 July 2024 (the "**Sale and Purchase Agreement**") entered into among the Company, as one of the vendors, Global 3D Printing Co Ltd, as one of the vendors and Lateralus Holdings IV, LLC, as the purchaser and Divergent Technologies Inc. ("**Target Company**"), in relation to the sale and purchase of the Sale Shares, representing an aggregate of approximately 12.87% of the issued shares of the Target Company as at the date of the Sale and Purchase Agreement, at the Consideration of US$101,533,292.15 (equivalent to approximately HK$793.0 million) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and

(ii) any one or more director(s) of the Company be and is hereby authorised to do all such acts and things and sign all such documents (under seal, if necessary) and to take all such steps as he/she consider, necessary or expedient or desirable in connection with or to give effect to the Sale and Purchase Agreement and to implement the transactions contemplated thereunder and to agree to such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interests of the Company."

By order of the Board
Apollo Future Mobility Group Limited
Hui Chun Ying
Chairman and Executive Director

Hong Kong, 21 August 2024

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
Units 2001–2002,
20/F Li Po Chun Chambers
189 Des Voeux Road Central
Sheung Wan
Hong Kong

Notes:

1. A form of proxy to be used for the meeting is enclosed with the circular of the Company despatched to the Shareholder on 21 August 2024.

2. Any member entitled to attend and vote at the SGM (and any adjournment of such meeting) shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member who is the holder of two or more Shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the SGM (and any adjournment of such meeting). A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he/her/it/they represent as such member could exercise.

3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her/its attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.

4. In order to be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM (or any adjournment of such meeting) (as the case may be) at which the person named in the instrument proposes to vote.

5. Completion and return of the proxy form does not preclude a member from attending and voting in person at the SGM (or any adjournment of such meeting) and, in such event, the proxy form shall be deemed to be revoked.

6. Where there are joint holders of any Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders are present at the SGM (and any adjournment of such meeting), the most senior will alone be entitled to vote, whether in person or by proxy. For this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

7. The register of members of the Company will be closed from Monday, 2 September 2024 to Thursday, 5 September 2024 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for attending the SGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 30 August 2024.

As at the date of this notice, the Board comprises two executive Directors, namely Mr. Hui Chun Ying (Chairman) and Ms. Chen Yizi; and three independent non-executive Directors, namely Mr. Peter Edward Jackson, Mr. Charles Matthew Pecot III and Ms. Hau Yan Hannah Lee.