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Arrail Group Limited

瑞爾集團有限公司

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

(Stock Code: 6639)

**VOLUNTARY ANNOUNCEMENT
SHARE REPURCHASE UNDER THE GENERAL MANDATE
AND
PURCHASE OF SHARES UNDER THE 2022 RSU SCHEME**

This announcement is made by Arrail Group Limited ((the “**Company**”) on a voluntary basis to inform the shareholders (the “**Shareholder(s)**”) and potential investors of the Company about the latest business plan of the Company.

Share Repurchase under the General Mandate

References are made to the announcements of the Company dated October 26, 2023 and March 11, 2024. In accordance with the ordinary resolution passed by the Shareholders at the annual general meeting of the Company held on September 26, 2023 (the “**2023 AGM**”), the directors of the Company (the “**Directors**”) were granted a general mandate (the “**2023 Share Repurchase**”) to repurchase no more than 58,159,195 shares of the Company (the “**Shares**”), representing 10% of the total number of issued Shares as of the date of 2023 AGM. As of September 25, 2024, approximately HK\$100 million has been utilized to repurchase an aggregate of 17,561,000 Shares under the 2023 Share Repurchase. The 2023 Share Repurchase was funded by the Company’s existing available cash other than the proceeds from the global offering of the Company (the “**Global Offering**”).

Next Step Outlook

A general mandate (the “**2024 Repurchase Mandate**”) to repurchase no more than 56,403,095 Shares, representing 10% of the total number of issued Shares (excluding the treasury shares (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) as of date of the annual general meeting of the Company held on September 26, 2024 (the “**2024 AGM**”) were granted to the Directors at the 2024 AGM.

On September 30, 2024, the board of Directors (the “**Board**”) resolved to utilize the 2024 Repurchase Mandate to repurchase Shares in the open market as appropriate (the “**2024 Share Repurchase Plan**”). The period for the 2024 Share Repurchase Plan is starting from September 30, 2024 until (a) the conclusion of the next annual general meeting of the Company, (b) the expiration of the period within which the next annual general meeting of the Company is required to be held by the articles of association of the Company or any applicable law, or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company, whichever is the earliest. The 2024 Share Repurchase Plan will be funded by the Company’s existing available cash other than the proceeds from the Global Offering.

The Company will conduct the 2024 Share Repurchase Plan in compliance with the articles of association of the Company, the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Companies Act of the Cayman Islands and all other applicable laws and regulations.

The Board believes that the 2024 Share Repurchase Plan in the present conditions will demonstrate the Company’s confidence in its own business outlook and prospects and would, ultimately, benefit the Company and create value to the Shareholders. In addition, the Board believes that the current financial resources of the Company would enable it to implement the 2024 Share Repurchase Plan while maintaining a solid financial position.

Purchase of Shares under the 2022 RSU Scheme

Reference is made to the announcement of the Company dated September 5, 2022 in relation to the adoption of the 2022 restricted share unit scheme of the Company (the “**2022 RSU Scheme**”). Pursuant to the 2022 RSU Scheme, the underlying Shares will be satisfied by the existing Shares to be acquired by the trustee on the market based on the trading price of the market.

The Board and the senior management of the Company believed that considering the Company’s performance, value of assets and the actual business prospects of the Company and considered that the trading prices of the Shares in the past several months represent a good opportunity to purchase Shares for the purposes of the 2022 RSU Scheme. Therefore, the Board has also actively instructed the trustee of the 2022 RSU Scheme to purchase Shares in the open market pursuant to the scheme rules of the 2022 RSU Scheme (the “**Purchase of Shares under the 2022 RSU Scheme**”). From July 2024 to the date of this announcement, the Company has used approximately HK\$23 million to purchase 5,647,500 Shares for incentives for the relevant grantees under the 2022 RSU Scheme.

Shareholders and potential investors of the Company should note that the 2024 Share Repurchase Plan and the Purchase of Shares under the 2022 RSU Scheme will be subject to market conditions and will be at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of the implementation of the 2024 Share Repurchase Plan and the Purchase of Shares under the 2022 RSU Scheme. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

By Order of the Board
Arrail Group Limited
Zou Qifang
Chairman

Hong Kong, October 2, 2024

As of the date of this announcement, the Board comprises Mr. Zou Qifang and Mr. Zhang Jincui as executive Directors, and Ms. Liu Xiaomei Michelle, Mr. Sun Jian and Mr. Zhang Bang as independent non-executive Directors.