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BAIWANG CO., LTD.
百望股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 6657)

**SUPPLEMENTAL ANNOUNCEMENT OF CONNECTED TRANSACTION
IN RELATION TO THE CONVERTIBLE LOAN AGREEMENT**

INTRODUCTION

References are made to the announcements of Baiwang Co., Ltd. (the “**Company**”) dated November 17, 2024, December 3, 2025 and December 31, 2025 (the “**Announcements**”) in relation to the execution of the Convertible Loan Agreement by the Company with Huanqiu Zhilian and Baiwangyun Overseas, the extension of the period for the Company to exercise the Conversion Option and the increase of the Company’s capital in Baiwangyun Overseas (the “**Capital Increase**”) using the outstanding principal of the convertible loan. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board hereby supplements below additional information in relation to the Valuation Report and the Capital Increase.

ADDITIONAL INFORMATION ON THE VALUATION REPORT

Selection of comparable companies

The Board consulted with the Valuer and reviewed the selection criteria for comparable companies selected by the Valuer: firstly, the comparable companies are publicly listed; secondly, the comparable companies operate in a similar industry with Baiwangyun Overseas (the “**Target Company**”), namely the software and services sector, as sourced from Capital IQ, a reliable third-party database service provider designed by Standard & Poor’s (S&P); Thirdly, the comparable companies primarily operate in Africa/Middle East and Asia/Pacific emerging markets, which share the similarity with the Target Company; Fourthly, the comparable companies primarily engage in industry of enterprise finance/tax digitalization or digital finance/tax operations, which share the similarity with the Target Company.

As sourced from Capital IQ, an exhaustive list of comparable companies satisfying the above criteria was obtained: Aisino Co., Ltd. (SHSE: 600271), Fujian Boss Software Corp. (SZSE: 300525), Baiwang Co., Ltd. (SEHK: 6657), and Servyou Software Group Co., Ltd. (SHSE: 603171).

The Board reviewed the most recent available annual reports (FY2024) of these companies, the proportion of revenue derived from business activities similar to the Target Company for each comparable company is as follows (the proportion of revenue from enterprise finance/tax digitalization or digital finance/tax services is 100% for the Target Company):

Company	Proportion of Revenue from Enterprise Finance/Tax Digitalization or Digital Finance/Tax Services
Aisino Co., Ltd. (SHSE: 600271)	71%
Fujian Boss Software Corp. (SZSE: 300525)	98%
Baiwang Co., Ltd. (SEHK: 6657)	53%
Servyou Software Group Co., Ltd. (SHSE: 603171)	61%

Furthermore, the Board did not identify any other comparable listed companies. In summary, the Board is satisfied with the Valuer's selection criteria and believes the list of four comparable companies is appropriate and exhaustive and align with the Target Company's business.

Basis of adopting the Leading EV/S multiple in the valuation

The Board has reviewed the Valuation Report and consulted with the Valuer in the course of the valuation exercise. The Valuer has considered price-to-book ratio (P/B), price-to-sales ratio (P/S), enterprise-value-to-sales ratio (EV/S), enterprise-value-to-EBIT ratio (EV/EBIT), and price-to-earnings ratio (P/E) multiples in its valuation. Based on the financial statements provided by the Target Company as of the Valuation Benchmark Date, along with projected revenues for the year 2025 and 2026, the Target Company remains in the start-up stage with high revenue growth potential. As of the Valuation Benchmark Date, the Target Company has not yet achieved profitability due to rapid business expansion. Therefore, the EV/EBIT and P/E multiples are not applicable for evaluating the equity value of the Target Company.

The P/B multiple is typically used for valuing companies in capital-intensive industries, financial institutions, and other entities with substantial asset bases, stable balance sheets, and net assets that can effectively reflect core corporate value. Hence P/B ratio is not applicable to the Target Company.

The P/S multiple uses only a company's market capitalization as the numerator. When comparing the value of companies with different capital structures, the EV/S multiple are preferred which is because the enterprise value takes into account the debt and the equity structure of a company, but the market capitalization does not.

In summary, the EV/S ratio is considered as the suitable multiple to determine the value of the Target Company as of the Valuation Benchmark Date.

Considering that the Target Company was established in October 2024 and launched its operations in the first half of 2025, and as of the Valuation Benchmark Date, the Target Company held a substantial number of unfulfilled customer orders and contracts in hand, with revenue recognition expected to occur after the Valuation Benchmark Date. Therefore, the Board agreed with the Valuer that historical sales record as of the Valuation Benchmark Date would not be appropriate to reflect the equity value of the Target Company compared with the estimated revenues.

Furthermore, given the clear business model and the fact that estimated revenue in FY2026 of the Target Company is supported by existing backlog orders, the Board agreed with the Valuer to adopt the estimated 2026 revenue for evaluating the value of the Target Company, specifically:

1. Clear business model. The Target Company currently provides digital solutions – including government governance technology, tax compliance technology, and data-driven financial technology – to government clients, corporate clients, and financial institutions mainly in Africa/Middle East and Asia/Pacific emerging markets.
 - (1) Government governance technology: (a) the Target Company replicates China's tax governance technology, management systems, and proven experience centered on "data-driven taxation" across borders. This enables overseas government clients to achieve their objectives of expanding the tax base, increasing tax revenue, and managing risks. A formal contract for the National Electronic Invoice System project has been signed with Laos; (b) serving as a partner for governments worldwide in achieving governance modernization and digital transformation. Collaborative relationships have been established with multiple overseas partners, and projects are progressing smoothly.
 - (2) Tax compliance technology: This constitutes the core segment of the Target Company's services for enterprises and tax authorities. Aligned with the global trend of intensifying tax digitalization and compliance oversight, this business addresses enterprises' essential compliance requirements during operations, serving as a model for replicating the Company's digital tax solutions service approach.

- (3) Data fintech: This segment enables the Target Company to connect financial institutions with vast numbers of small and micro enterprises through technological empowerment. It generates diversified revenue opportunities such as transaction volume-based commissions and data value-added services, supporting the replication of the Company’s data-driven analytical service model.

As of the Valuation Benchmark Date, the Target Company has successfully signed contracts and commenced operations in countries including the United Arab Emirates, Iraq, Algeria, Angola, Laos and Côte d’Ivoire.

2. The Company and the Valuer verified the authenticity and reliability of the Target Company’ 2026 order backlog.

Based on the above reasons, the Company agrees that the Valuer’s adoption of a leading EV/S multiple and 2026 projected revenue is appropriate to evaluate the market value of the Target Company.

Due Diligence performed by the Directors on the Target Company and the Valuation

For the Target Company and the Valuation, the Board conducted independent due diligence including legal due diligence and financial due diligence, aimed at assessing legal and financial facts and issues with material impact on the transaction, comprehensively understanding the financial and operational status of the Target Company, GLOBAL DIGITAL and its subsidiaries (the “**Target Group**”), and evaluating the reasonableness of the Valuation Report. This ensures the Capital Increase aligns with the interests of the Company and its Shareholders as a whole.

The due diligence work primarily encompassed the following aspects:

1. Investigating the Target Group’s legal and equity structure and reviewing all incorporation documents within its scope

The Board thoroughly reviewed the equity structure of the Target Group through the legal due diligence report. The structure includes a Cayman Islands holding company, a multi-tiered BVI holding platform, Hong Kong and Singapore SPVs, a wholly foreign-owned enterprise (WFOE) in mainland China, and mainland operating entities (such as Huanqiu Zhilian and the Target Company). This process clarified the controlling relationships and legal status among all entities, clarified the Target Group’s equity structure and defined the due diligence scope. It identified the Target Group’s actual controllers and shareholders, confirming no connected transactions or competitive conflicts exist between the Target Group’s directors, supervisors, senior management, and the Company.

2. Reviewing financing agreements signed between the Target Company and other investors

By analysing the pricing mechanism and core delivery terms of its recent financing, the Company established a direct, fair, and market-based benchmark for determining the transaction consideration. Simultaneously, the Company comprehensively identified the special rights held by existing investors, providing clear negotiation objectives and legal grounds for the Company to secure equal or more favourable rights terms in the transaction and guard against potential future conflicts of interest.

3. Verifying the Target Group's business and operational status, including:
 - (1) Conducting on-site visits to the Target Company's primary offices and in-depth interviews with core management to verify its business model, operational status, market positioning, and future business plans;
 - (2) Systematically reviewing the Target Group's intellectual property assets, including the registration status, clarity of ownership, term of rights, and any pledges, licenses, or disputes related to trademarks, software copyrights, and domain names;
 - (3) Investigating the Target Group's human resources structure, covering employee composition, labour contract execution, background of key personnel, and compensation systems to assess team stability and human resources compliance risks;
 - (4) Reviewing the Target Group's executed business contracts, examining contract subject matter, amounts, payment terms, unilateral termination clauses, breach liabilities, applicable laws, and dispute resolution mechanisms to identify potential performance risks and legal obligations;
4. Based on the legal due diligence report and public channel searches, confirmed no significant pending litigation, arbitration, or administrative penalties against the Target Group. The founder also confirmed no competitive conflicts related to the Target Group.

5. Systematically collecting and verifying financial due diligence materials within the Target Group, covering the period from the Target Company's establishment to October 2025. Based on the review results, the Company conducted a comprehensive verification of the Target Group and its major subsidiaries' profitability, asset-liability structure, and cash flow status. This included:
 - (1) Verifying the Target Company's revenue recognition compliance, cost control capabilities, and profitability to mitigate investment risks arising from inflated profits or unreasonable cost structures;
 - (2) Validating the scale and structure of assets and liabilities, identifying undisclosed contingent liabilities to ensure asset quality reliability;
 - (3) Analyzing operating cash flow and assessing cash balance adequacy;
 - (4) Cross-verifying the alignment of financial data with actual business operations, and adjusting valuation model parameters (revenue forecast data) based on due diligence findings to provide a basis for transaction negotiations.

6. The following measures were taken to verify the accuracy and reasonableness of key valuation-impacting data for the Target Company:
 - (1) the Board verified the financial projections provided by management of the Target Company by physically reviewing original copies of major signed sales contracts, original acceptance certificates, and original payment receipts (if applicable).
 - (a) Projected Revenue for 2025: As the Valuation Benchmark Date was 31 October 2025, two business contracts remained unconfirmed for revenue recognition. We reviewed original business contracts, acceptance certificates, and payment receipts at the Target Company's premises to validate transaction authenticity and compliance with 2025 revenue recognition criteria.
 - (b) Projected Revenue for 2026: We reviewed all original signed contracts underlying the projected revenue for 2026.
 - (2) Through financial due diligence procedures, the net debt status of the Target Company as of the Valuation Benchmark Date was verified, ensuring the accuracy of parameters in the valuation model.

- (3) the Target Company was valued with the assistance of the Valuer, a PRC qualified independent valuer.
 - (a) All obtained financial and legal due diligence materials and related due diligence reports were provided to the Valuer, ensuring that the Valuer possesses a comprehensive understanding of the Target Company's business operations, financial condition, and compliance status. This enables the Valuer to make informed decisions when selecting comparable companies, defining valuation methodologies, and establishing key assumptions, thereby ensuring the accuracy, compliance, and fairness of the Valuation.
 - (b) The Valuer's work related to the valuation and the Target Company's historical performance was reviewed, including conducting on-site visits to the Target Company and verifying business documentation alongside the Valuer, and the valuation methodology, assumptions, and underlying calculation benchmarks have been substantiated.

The Board's view on the key methodology and assumptions used in the Valuation

The Board is of the view that based on the due diligence procedures conducted and the review of the Valuation Report, the Board believes that the key methodology and assumptions used in the Valuation are fair and reasonable, and that the consideration is fair and justifiable. This determination is based on the following facts and analysis:

1. The selected valuation methodology aligns with the Target Company's business substance and development stage.

Established in October 2024, the Target Company operates a clear business model focused on replicating mature tax governance, compliance technology, and data-driven financial solutions in overseas markets, having successfully secured contracts and commenced operations in multiple countries. Given its early stage of business expansion, historical financial data (such as short-term operational results and current unprofitability due to initial investments) cannot fully reflect its future value, the Valuer systematically analyzed multiple valuation multiples in the Valuation Report. After review, the Board determined that for a technology enterprise like the Target Company characterized by light assets, high growth, and currently unrepresentative profitability metrics, the EV/S ratio aligns with market practice. This method focuses on revenue growth potential, more effectively measuring the value of its business model while avoiding distortions that could arise from multiples based on profitability or net assets.

2. Key valuation assumptions are grounded in independently verified specific business contracts.

The primary basis for adopting the “leading EV/S multiple” and the 2026 projected revenue is the Target Company’s signed backlog of orders. As stated above, the Board conducted due diligence, physically verifying all original major sales contracts supporting the 2026 projected revenue to confirm their authenticity and revenue recognition conditions. These legally binding contracts form a solid foundation for the projected revenue of approximately RMB36.95 million.

Therefore, this valuation assumption is not speculative but directly links the valuation benchmark to verifiable business outcomes already secured. This ensures the valuation accurately reflects the Target Company’s business progress since the Valuation Benchmark date, avoiding situations where its short operational cycle might cause the valuation to understate the value of contracted business.

3. The selection of comparable companies ensures market fairness of valuation multiples.

As stated above, the four selected comparable listed companies exhibit high comparability with the Target Company in core business, target markets, and industry attributes, with significant proportions of their revenue derived from relevant business lines. This clear selection criteria and rigorous execution process ensure that the referenced EV/S multiple range accurately reflects the public market’s pricing level for similar businesses, thereby providing an objective market benchmark for the valuation outcome.

4. The consideration was determined with reference to the Valuation and taking into account other factors.

As stated in the announcement of the Company dated December 31, 2025 (the “**Announcement**”), the Valuation of the 100% equity interest in the Target Company was RMB80 million as of the Valuation Benchmark Date (equivalent to RMB16 per RMB1 of registered capital). Based on the Valuation, the Company engaged in multiple rounds of commercial negotiations with the Target Company to secure a larger equity stake within the agreed capital increase amount, thereby enhancing its control over the Target Company and future profit entitlement. The Target Company agreed to complete this capital increase at a final consideration of RMB13 per RMB1 of registered capital, primarily based on the following commercial considerations:

- (1) **Realization of strategic synergy value:** The transaction represents a strategic investment rather than a purely financial one. The Company’s entry will bring intangible value to the Target Company, including brand endorsement and market credibility assurance. As a publicly listed company, the Company’s brand endorsement and reputation will provide crucial support for the Target Company’s overseas business expansion, enhancing its market credibility and facilitating access to international government and large enterprise clients.
- (2) **Long-term resource empowerment and financing support:** The target company can leverage the Company’s industrial resources and capital market credibility to accelerate the implementation and expansion of its overseas operations. Simultaneously, this strategic investment establishes a more favourable foundation for the Target Company to attract other investors in the future.

In summary, the Board believes that the key methodology and assumptions used in the Valuation were determined based on the Target Company’s actual business characteristics, verified contractual foundation, and prevailing valuation practices. The consideration fairly reflects the intrinsic value of the Target Company at its current stage of development, based on its clear business model and signed business orders.

ADDITIONAL INFORMATION ON THE CAPITAL INCREASE

Rationale for obtaining the Repurchase Option and Warrant

As stated in the Announcement, the Company (1) shall have the right to issue a Repurchase Notice to Baiwangyun Overseas, requiring Baiwangyun Overseas to repurchase or have Huanqiu Zhilian and/or its designated third party to purchase all equity held by the Company in Baiwangyun Overseas if Baiwangyun Overseas Group has completed a “Qualified IPO” (the “**Repurchase Option**”); and (2) obtained a warrant (the “**Warrant**”) entitling the Company to reduce its equity interest in Baiwangyun Overseas corresponding to RMB15 million of the total Capital Increase amount in the Capital Increase, and invest such funds into GLOBAL DIGITAL. The Company secured such right terms in the Capital Increase through negotiation, and the Board believes that such arrangement is fair and reasonable and in line with the interests of the Company and its Shareholders as a whole.

Listing Rule implications for exercising the Repurchase Option and Warrant

If and when the Company decides to exercise the Repurchase Option or the Warrant, such contemplated transactions may constitute discloseable and/or connected transactions of the Company under Chapter 14 and Chapter 14A of the Listing Rules. The Company will comply with relevant requirements of the Listing Rules with respect to such transactions.

The above additional information does not affect other information contained in the Announcement.

By Order of the Board

Baiwang Co., Ltd.

Ms. Chen Jie

Chairlady of the Board and Executive Director

Hong Kong, February 6, 2026

As of the date of this announcement, the executive Directors are Ms. Chen Jie, Mr. Zou Yan and Ms. Jin Xin; the non-executive Directors are Mr. Huang Miao and Mr. Diao Juanhuan; and the independent non-executive Directors are Mr. Tian Lixin, Dr. Wu Changhai, Dr. Song Hua and Mr. Ng Kwok Yin.