SANBASE CORPORATION LIMITED
莊皇集團公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8501)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the annual report of Sanbase Corporation Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 March 2026 published on 16 July 2026 (the "**2026 Annual Report**").

The board (the "**Board**") of directors (the "**Director(s)**") wishes to provide supplemental information regarding the background of the restatement (the "**Restatement**") to the consolidated financial statements of the Company for the year ended 31 March 2025 (the "**2025 Consolidated Financial Statements**") as detailed in the section headed "*Directors' Report – Restatement to the consolidated financial statements for the year ended 31 March 2025*" and paragraph 2(v) "*Basis of Preparation – Prior year adjustment*" of the notes to the consolidated financial statements as contained in the 2026 Annual Report. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the 2026 Annual Report.

THE RESTATEMENT

As disclosed in the 2026 Annual Report, the 2025 Consolidated Financial Statements has been restated due to the prior year adjustment to the financial asset at fair value through profit or loss for the year ended 31 March 2025 in respect of the Group's investment in the Cayman Fund following the Board's subsequent identification of the pre-existing Adverse Matters. Such Adverse Matters were not revealed during the preparation and audit of the 2025 Consolidated Financial Statements primarily due to the inherent limitations on the Group's limited access to the Cayman Fund's information. Particularly, as a minority shareholder of the Cayman Fund, the Group is only entitled to certain reports of the Fund issued on an annual basis to its shareholders, including, among others, statements of net asset value, audited financial statements and valuation reports of the Project, and the Company and Auditor has historically placed reasonable reliance on the information and documents provided by the investment management of the Fund (the "**Investment Manager**") in assessing the fair value of the Group's investment in the Cayman Fund.

During the course of preparation of the 2025 Consolidated Financial Statements, despite repeated requests of the Company, the Investment Manager did not provide the Group with the Fund's signed audited financial statements for the year ended 31 December 2024, citing delays caused by the change of the Fund's auditor in 2025. Instead, only certain unaudited or draft documents were provided to the Group, including among others, a draft valuation report of the Project as at 31 December 2024 (the "**Draft Valuation Report**"), unaudited statement of changes in NAV of the Fund for the year ended 31 December 2024, and unaudited management accounts of the Cayman Fund for the year ended 31 December 2024. All such unaudited or draft documents did not reveal any of the Adverse Matters.

The Auditor also carried out independent audit work in preparing the 2025 Consolidated Financial Statements, including but not limited to, (a) obtaining direct audit evidence via interview with the Investment Manager, who was independent of the Group and knowledgeable about the Fund's business, and the Auditor understood that, among others, (i) the Draft Valuation Report provided by the Investment Manager was technically completed, subject to only a sign-off by the Project's independent valuer, (ii) other than a delay in Project completion, there were no adverse matters that had a significant impact on the valuation of the Project and there was no significant change to valuation methodology and key assumptions compared to prior years, (iii) the valuation contained in the Draft Valuation Report represents the Investment Manager's best estimate of the Project, and (iv) there was no material subsequent event, nor indications that there were going concern issues or any matters related to the Adverse Matters made known to the Group and the Auditor; (b) inspecting the Draft Valuation Report and corroborated with prior years' valuation reports which supported that the valuation methodology and key assumptions contained in the Draft Valuation Report were largely consistent with prior years; (c) confirmed that historically there were no material differences between the management accounts of the Fund against the final signed audited financial statements of the Fund; and (d) conducted independent research on the property market in Cambodia and have not noted any adverse factors affecting the reasonableness of the adopted valuation assumptions in the Draft Valuation Report. The Auditor therefore concluded that it has obtained sufficient and appropriate audit evidence at the material time. In addition, the Company has also carried out its own independent desktop searches, including news searches on the Project and other market research on Cambodia's property market in general, all of which did not indicate any substantial risks specific to the Project or any of the Adverse Matters. Notwithstanding the above comprehensive audit work carried out by the Auditor and the independent work done of the Company, the Adverse Matters were not revealed to the Company until April 2026 when the Investment Manager provided to the Group the draft audited financial statements of the Fund for the year ended 31 December 2024, which contained details of the Adverse Matters, hence, leading to the Restatement.

As stated in the 2026 Annual Report, following the Restatement, the Group will continue to closely monitor the development of the Adverse Matters and request for updates from the Cayman Fund. Furthermore, the Board will mandate enhanced information access rights and/or other shareholders' protection rights such as voting rights or board representation rights prior to the making of future investments concerning a significant or majority stake of the investment target. In respect of investments in other standard investment or wealth management products offered by fund managers or financial institutions to a broad investor base, the Group will limit its scope of investment to low risk investment funds or wealth management products offered by financial institutions with strong reputation and high creditworthiness, including but not limited to structured deposits, money market funds, treasury bonds or other investments in which the underlying investment targets are situated in mainstream financial markets where public information in relation to the investment targets is more readily available, enabling the Group to obtain up-to-date information of its investment from other credible independent third-party sources, with a view to reduce reliance on the fund manager/offering institution when assessing the latest performance of the Group's investment. For further details of the Restatement, please refer to paragraph 2(v) "*Basis of Preparation – Prior year adjustment*" of the notes to the consolidated financial statements as contained in the 2026 Annual Report.

This announcement is supplemental to and should be read in conjunction with the 2026 Annual

Report. Save as disclosed above, all other information set out in the 2026 Annual Report remains unchanged.

By order of the Board of
Sanbase Corporation Limited
Wong Sai Chuen
Chairman, Chief Executive Officer and
Executive Director

Hong Kong, 6 August 2026

As at the date of this announcement, the Board comprises Mr. Wong Sai Chuen (Chairman and Chief Executive Officer) and Ms. Hui Man Yee, Maggie being the executive Directors; and Mr. Cheung Chi Man, Dennis, Mr. Law Chun Yat and Mr. Siu Chi Wai being the independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the date of its publication. This announcement will also be published on the Company's website at www.sclhk.com.