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Elephant Holdings Group Limited

大象控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8635)

VOLUNTARY ANNOUNCEMENT NEW BUSINESS DEVELOPMENT – ESTABLISHMENT OF SHENZHEN DAJINXIANG ARTIFICIAL INTELLIGENCE TECHNOLOGY CO., LTD. (深圳市大金象人工智能科技有限公司)

This announcement is made voluntarily by Elephant Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to inform the shareholders of the Company (the “**Shareholders**”) and potential investors on the Group’s latest business development.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Guangdong Tiantiansong Technology Co., Ltd.* (廣東天天送科技有限公司), an indirect wholly-owned subsidiary of the Company, has established a direct wholly-owned subsidiary, Shenzhen City Dajinxiang Artificial Intelligence Technology Co., Ltd.* (深圳市大金象人工智能科技有限公司) (“**Dajinxiang**”), in Guangdong Province, the People’s Republic of China (the “**PRC**”) on 13 August 2025.

INFORMATION ON THE SUBSIDIARY

Dajinxiang is a limited liability company established in the PRC and is an indirect wholly-owned subsidiary of the Company, with a registered capital of RMB1 million. It will primarily focus on providing advertising, search engine marketing, data analysis, and operations management services under the existing financial and other information technology (IT) services segment of the Group. The target customers of Dajinxiang include but are not limited to financial services companies, e-commerce platforms, trading platforms, and other companies with digital marketing needs.

REASONS FOR AND BENEFITS OF ESTABLISHMENT OF THE SUBSIDIARY IN THE PRC

The Group is principally engaged in (i) development and provision of financial trading solutions; (ii) development and supply of resource allocation, planning, scheduling and management of software and services; (iii) provision of bullion trading services; and (iv) cryptocurrency trading. A significant portion of its revenue is generated from the financial trading solutions and other IT services segment in Hong Kong.

As disclosed in the annual report of the Company for the year ended 31 March 2025, the Group recorded decrease in revenue by approximately 21.3% during the year, primarily due to a decline in revenue attributable to the financial trading solutions and other IT services segment by approximately 34.8%. Given the current challenging market conditions, the Group is committed to exploring new business opportunities to diversify its business and broaden its source of income. To maintain competitiveness and capture market opportunities, the Group aims to expand its business by extending and upgrading its existing technology and service model.

As digital lifestyles become increasingly popular, the mobile network penetration rate in the PRC is projected to exceed 88%, with reference to “Global Entertainment and Media Industry Outlook 2025-2029 – China Summary” published on 13 August 2025. According to 2024 China Internet Advertising Data Report, the PRC’s internet advertising market revenue grew by 13.55% to RMB650.86 billion in 2024, achieving positive growth for two consecutive years. The compound annual growth rate (CAGR) from 2024 to 2029 is projected to reach 8.9%. By 2029, the PRC’s internet advertising market is expected to reach approximately US\$220.4 billion.

In light of this robust growth in the internet advertising sector in the PRC, the Group intends to expand the scope of services under the existing financial and other IT services segment of the Group and to develop Dajinxiang as a data marketing services provider, offering advertising, search engine marketing, data analysis, and operations management services based on traffic network platforms. Compared to traditional advertisement and marketing companies, the Group believes that a data marketing services provider has a more favourable profit model and can drive future growth. By moving beyond traditional advertising and marketing models, Dajinxiang aims to effectively integrate artificial intelligence (AI) algorithms and big data with the Group’s existing data analysis technologies to enhance accuracy and automation. Dajinxiang also strives to apply the Group’s financial IT expertise to digital marketing scenarios, creating differentiation by retaining the existing technology platform architecture while adding AI data analysis and advertising modules. This initiative aligns with the Group’s strategic goal to expand its financial trading solutions and other IT services business in the rapidly evolving internet advertising industry in the PRC.

The core techniques of the Group’s existing financial trading solutions and other IT services include data processing, user behaviour analysis, trading system operations and backend management tools. In contrast, the core techniques expected to be employed by Dajinxiang will focus on data analysis, user profiling, targeted push notifications, and advertising optimization. The Group’s current service model emphasises customisation of trading solutions according to customer needs while providing continuous technical support. Dajinxiang, on the other hand, is expected to customise promotion plans based on customer requirements and offer ongoing operation and data optimisation. Both models adopt project-based and continuous service approaches, with similar contract cycles and delivery methods. AI and big data represent technological upgrades but do not fundamentally alter the nature of the main business of the Group.

The Board believes that this new business venture will provide significant opportunities for the Group to diversify its business scope and enhance its revenue avenues.

* *For identification purpose only*

By order of the Board
Elephant Holdings Group Limited
Di Xiaoguang
Chairlady and executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises Ms. Di Xiaoguang as the chairlady of the Board and an executive Director; Mr. Sen Zen as an executive Director and the chief executive officer of the Company; Ms. Qin Yue and Mr. Wong Wing Hoi as the executive Directors; and Ms. Li Xinjuan, Ms. Lau Wai Hing and Ms. Ho Sze Man Kristie as 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 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 a minimum period of 7 days from the date of its publication and will also be published on the Company’s website at www.elephant8635.com.