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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a 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 Excellence Commercial Property & Facilities Management Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Excellence

**EXCELLENCE COMMERCIAL PROPERTY &  
FACILITIES MANAGEMENT GROUP LIMITED**

**卓越商企服務集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6989)**

**DISCLOSEABLE AND CONNECTED TRANSACTION  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**  
**Independent Financial Adviser to the Independent Board Committee  
and the Independent Shareholders**



**FIRST**

**First Global Corporate Finance Co., Limited**

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Unless the context otherwise requires, capitalized terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 4 to 23 of this circular and a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 24 to 25 of this circular. A letter from First Global Corporate Finance Co., Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 26 to 64 of this circular.

A notice convening the EGM of the Company to be held at the Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province, PRC on 31 December 2025 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. If you are not able to attend and/or vote at the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting (i.e. not later than 10:00 a.m. on 29 December 2025) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

12 December 2025

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context otherwise requires:*

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	board of Directors
“Company”	Excellence Commercial Property & Facilities Management Group Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (Stock code: 6989)
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at the Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province, PRC on 31 December 2025 at 10:00 a.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages EGM-1 to EGM-2 of this circular
“Excellence Group”	Excellence Real Estate and its subsidiaries
“Excellence Property”	Shenzhen Excellent Property Management Co., Ltd.* (深圳市卓越物業管理有限責任公司), a company established in the PRC with limited liability, which is a wholly-owned subsidiary of the Company
“Excellence Real Estate”	Excellence Real Estate Group Co., Ltd.* (卓越置業集團有限公司), a company established in the PRC with limited liability on 21 June 1996, which is indirectly owned as to 95% by Mr. Li Wa (李華) and 5% by Mr. Li Xiaoping (李曉平)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising the independent non-executive Directors, which has been established for the purpose of advising the Independent Shareholders in respect of the Settlement Agreement and the transactions contemplated thereunder

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## DEFINITIONS

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“Independent Financial Adviser”	First Global Corporate Finance Co., Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Settlement Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than (i) Mr. Li Wa and his associates and (ii) any Shareholder who has a material interest in the transactions who, pursuant to the Listing Rules, must abstain from voting on the board resolution approving the Settlement Agreement
“Independent Third Parties”	individuals or companies who or which are independent of and not connected with (within the meaning of the Listing Rules) any Director, chief executive or substantial shareholders (within the meaning of the Listing Rules) of the Company, its subsidiaries or any of their respective associates
“Latest Practicable Date”	12 December 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Lease Agreement”	the 20-year lease agreement to be entered into with Sichuan Yonglitai Real Estate Co., Ltd., details of which has been set out in the section headed “Letter from the Board — Lease Agreement” to this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Mr. Li Wa”	Mr. Li Wa (李華), a controlling shareholder of the Company
“Mr. Li’s Companies”	companies which are associates (as defined under the Listing Rules) of Mr. Li Wa
“Offset Assets”	the properties as more particularised in the property valuation report set out in Appendix II to this circular, being the subject assets under the Settlement Agreement

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## DEFINITIONS

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“Operating Offset Assets”	the car parking spaces of Qingdao Excellence Century Center as referred to Certificate No. 4 to the property valuation report set out in Appendix II to this circular
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“PRC Legal Adviser”	Zhong Lun Law Firm, the legal adviser of the Company as to the PRC laws
“RMB”	renminbi, the lawful currency of the PRC
“Settlement”	the settlement of part of the trade receivables and other receivables due from the Excellence Group as at 31 July 2025 in the amount of not more than RMB362,825,942 by way of transfers of the Offset Assets by the Excellence Group to the Group
“Settlement Agreement”	the settlement agreement dated 24 August 2025 entered into between Excellence Property and Excellence Real Estate in relation to the Settlement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Valuation”	the valuation of the Offset Assets by the Valuer as set out in the Valuation Report
“Valuation Report”	the property valuation report set out in Appendix II to this circular
“Valuer”	Jones Lang LaSalle Corporate Appraisal and Advisory Limited
“%”	per cent.

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## LETTER FROM THE BOARD

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### **EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED**

**卓越商企服務集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6989)**

*Executive Directors:*

Mr. Li Xiaoping (*Chairman*)

Mr. Yang Zhidong

*Non-executive Directors:*

Ms. Guo Ying

Mr. Wang Yinhu

*Independent Non-executive Directors:*

Professor Cui Haitao

Mr. Kam Chi Sing

Ms. Liu Xiaolan

*Registered Office:*

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman

KY1-1111

Cayman Islands

*Principal Place of Business in Hong Kong:*

40th Floor, Dah Sing Financial Centre

248 Queen's Road East

Wanchai

Hong Kong

12 December 2025

*To the Shareholders*

Dear Sir or Madam,

### **DISCLOSEABLE AND CONNECTED TRANSACTION AND NOTICE OF EXTRAORDINARY GENERAL MEETING**

#### **INTRODUCTION**

Reference is made to the announcement of the Company dated 25 August 2025 in respect of the Settlement Agreement and the transactions contemplated thereunder, pursuant to which Excellence Real Estate shall conditionally transfer, and Excellence Property shall conditionally accept the transfer of, the Offset Assets at a total consideration of not more than RMB362,825,942.

The purposes of this circular are to provide the Shareholders with, (i) further details of the Settlement Agreement; (ii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iii) recommendation from the Independent Board Committee to the Independent Shareholders; and (iv) a notice of the EGM to consider and, if thought fit, to approve the Settlement Agreement and the transactions contemplated thereunder.

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## LETTER FROM THE BOARD

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### THE SETTLEMENT AGREEMENT

#### Date

24 August 2025

#### Parties

- (1) Excellence Property; and
- (2) Excellence Real Estate

#### Subject matter

Pursuant to the Settlement Agreement, Excellence Property shall conditionally acquire, and Excellence Real Estate shall conditionally sell, the Offset Assets at a total consideration of not more than RMB362,825,942.

For further details of the Offset Assets, please refer to the property valuation report set out in Appendix II to this circular.

The Settlement Agreement is a framework agreement which contains the principles, mechanisms and terms and conditions upon which the parties thereto are to carry out (or procure to carry out) the transactions contemplated thereunder. Following the Settlement Agreement having becoming effective, Excellence Real Estate shall procure its relevant subsidiaries to enter into transfer agreements with subsidiaries of Excellence Property to effect the transactions contemplated under the Settlement Agreement. It is currently contemplated that the completion of transfer of property titles or the delivery of completion documents (if the transfer of property titles is not feasible) will be a condition precedent to the individual transfer agreements.

#### Consideration

Pursuant to the Settlement Agreement, the consideration for the transfers of the Offset Assets was not more than RMB362,825,942 including the lease agreement of RMB5.4 million set out under section headed “Lease Agreement” of this circular, which shall be settled by the trade receivables and other receivables as at 31 July 2025 due from the Excellence Group in an equivalent amount.

#### *Basis of determining the consideration*

The consideration for the transfers of the Offset Assets was determined after arm’s length negotiations between the parties to the Settlement Agreement with reference to the Valuation as at 31 July 2025 in the aggregate amount of RMB379,160,000 conducted by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer, of which (i) certain residential, retail units and apartment units were valued at RMB49,100,000 using market approach, and (ii) certain office units, car parking spaces, right of use in residential units and right of use in car parking spaces were valued at RMB330,060,000 using income approach.

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## LETTER FROM THE BOARD

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### *Valuation methodologies – market approach*

For those Offset Assets that were valued using market approach, the Valuer adopted the comparison approach by making reference to comparable market transactions in its assessment of the market value of a property interest. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

During the course of discussions with the Valuer, the Directors understood that the Valuer adopted the same type of comparables for the relevant Offset Assets. For example, in assessing the residential and retails units of Qingdao Excellence Heyue, the Valuer adopted comparables with similar characteristics in terms of use, size, layout and accessibility. The selected comparables are residential and retail units located in the area close to the subject property with similar building conditions and facilities as Qingdao Excellence Heyue, which were transacted in 2025.

Having considered the above, the Directors consider that the comparables selected by the Valuer for the corresponding Offset Assets are fair and representative samples for the Valuation.

### *Valuation methodologies – income approach*

For those Offset Assets that were valued using income approach, as there were no recent sales transaction of similar property interests in the locality where such properties are located, the Valuer took into account the rental income of a property derived from its existing leases and/or achievable in the existing market with due allowance for reversionary income potential of the leases, which then have been capitalized to determine the market value at an appropriate capitalization rate.

During the course of discussions with the Valuer, the Directors understood that the Valuer compared with similar developments which are located in the similar areas as the relevant Offset Assets, for the calculation of market rent in considering the rental income of vacant area. For example, in assessing the office units of Vanke-Excellence-Longafter Weilaizhiguang, the Valuer compared with similar developments which are located in the similar areas as Vanke-Excellence-Longafter Weilaizhiguang and computed the unit rent of these comparable office units. The Valuer will also consider the stabilized market yield based on their own research on office markets in the surrounding area of Vanke-Excellence-Longafter Weilaizhiguang.

Having considered the above, the Directors consider that the comparables selected by the Valuer for the corresponding Offset Assets are fair and representative samples for the Valuation.



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## LETTER FROM THE BOARD

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The Directors have reviewed and enquired the qualification and experience of the Valuer. The Directors have also (i) reviewed the relevant engagement letter (including their scope of work); and (ii) reviewed the pitchbook of the Valuer to understand the qualification of the Valuer including its previous experience in conducting assets valuation, as well as the valuation methodology. The Directors are satisfied that the terms of engagement and the scope of work of the Valuer are appropriate to the opinion the Valuer is required to give.

The Directors understood that the Valuer is a valuation firm established in Hong Kong with solid experience in conducting valuation. They have participated in other valuation projects of companies listed in Hong Kong and the PRC. The Valuer is a qualified valuer under Royal Institution of Chartered Surveyors. In particular, Mr. Gilbert C. H. Chan, the signatory to the Valuation Report, is a Chartered Surveyor who has 32 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

Furthermore, to the best knowledge, information and belief of the Board and having made all reasonable enquiries, the Valuer is independent of the Group and is not a connected person of the Group.

In addition, the Directors have discussed with the Valuer in respect of the valuation assumptions applied in the Valuation Report. The Valuation made by the Valuer has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests. The Directors noted that the valuation assumptions adopted by the Valuer are common assumptions adopted in a valuation and the Directors are not aware of any major factor which caused them to doubt the fairness and reasonableness of the assumptions adopted for the Valuation Report.

As set out above, the Directors are satisfied that (i) the Valuer is independent from the Company and has sufficient experience and competency to perform the valuation; (ii) the scope of work of the Valuer is appropriate for the relevant engagement; and (iii) the valuation methodologies and assumptions adopted and the comparables selected by the Valuer are fair and reasonable in relation to the Valuation. Based on the above, the Directors are of the view that the Valuation performed by the Valuer is fair and reasonable. Taking into account the factors discussed above, the Directors consider that the Valuation is an appropriate reference to assess the fairness and reasonableness of the Offset Assets.

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## LETTER FROM THE BOARD

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### **Conditions precedent**

The effectiveness of the Settlement Agreement and the transactions contemplated thereunder are subject to the approval by the Independent Shareholders at the EGM. Other than this, the Settlement Agreement does not impose any other condition precedent.

The long stop date of the Settlement Agreement shall be eleven months from the effective date of the Settlement Agreement having considered the administrative and procedural requirements for arranging the execution of the separate transaction agreements pursuant to the Settlement Agreement. As the transfer of each Offset Assets will be governed by a separate transaction agreement executed under the Settlement Agreement, and given that the Offset Assets are dispersed across multiple first- and second-tier cities in China, the contract approval and stamping process requires a certain amount of time. In addition, for certain Offset Assets, transaction-related procedures must be handled at local housing administration centers, which involve several steps, including contract stamping, contract filing, data entry, and information review.

The long stop date under the Settlement Agreement is just a tentative targeted completion date agreed by the relevant parties to allow the relevant parties sufficient time to enter into separate agreements under the Settlement Agreement. If there are any unexpected circumstances causing delay in such process, the long stop date will be extended accordingly to allow orderly completion of such process. If this happens, such will constitute a material change in terms of the Settlement Agreement. Accordingly, the Company will re-comply with the relevant requirements under the Listing Rules.

Prior to the entering of the individual agreement for the transfer of the relevant Offset Assets, the Company will conduct an updated valuation of each Offset Asset using the same valuation methodology. The Company will only enter into and complete the relevant individual transfer agreement if the updated valuation of such Offset Asset is equal to or higher than its valuation as at 31 October 2025. If the updated valuation is lower than the valuation as at 31 October 2025, the Company will not proceed with the execution of the relevant individual transfer agreement. In such event, the Company will re-negotiate with Excellence Real Estate for amicable solutions and will re-comply with the Listing Rules.

The Settlement Agreement currently entered into only serves as a framework agreement to govern the terms and conditions of each individual agreement and does not impose a mandatory obligation on the part of the Company or Excellence Real Estate to accept or transfer the Offset Assets.

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## LETTER FROM THE BOARD

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### INFORMATION OF THE PARTIES

Excellence Property is a company established in the PRC with limited liability. As at the Latest Practicable Date, Excellence Property is a wholly-owned subsidiary of the Company and is principally engaged in property management services and related services.

Excellence Real Estate is a company established in the PRC with limited liability and is principally engaged in real estate development. The ultimate beneficial owner of Excellence Real Estate is Mr. Li Wa (李華).

### INFORMATION OF THE OFFSET ASSETS

Settlement of the Offset Assets through:

#### Transfer of ownership title

- (i) the office units of Vanke Excellence Longafter Weilaizhiguang located at the southern side of Humen Avenue and the eastern side of Hubaidong Road, Dongguan City, Guangdong Province, the PRC;
- (ii) the residential units and retail units of Qingdao Excellence Heyue located at the southern side of Huoju Road and the western side of Chongren Road, Chengyang District, Qingdao City, Shandong Province, the PRC;
- (iii) the retail units of Qingdao Excellence Jiayue located in No. 117 Huoju Road, Chengyang District, Qingdao City, Shandong Province, the PRC;
- (iv) the residential unit of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road, Chenggong District, Kunming City, Yunnan Province, the PRC;
- (v) the car parking spaces of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road, Chenggong District, Kunming City, Yunnan Province, the PRC;
- (vi) the car parking spaces of Guangzhou Excellence Qingcuifu located at No. 28 Lianxing Road, Panyu District, Guangzhou City, Guangdong Province, the PRC;
- (vii) the retail units of Chongqing Excellence Queensway located at the northern side of Chang'an Middle Road and the western side of Wuxing Southern Road, Jiangbei District, Chongqing, the PRC;
- (viii) the apartment units of Shenzhen Excellence Rongjin Hanhaiwan Mingting located at the southern side of Jinrong Road and the western side of Haitao Road, Yantian District, Shenzhen City, Guangdong Province, the PRC;
- (ix) the apartment units of Changsha Excellence Yanghuyuan Building No. 17 (under construction) located at the southern side of Yanghu Road and the western side of Tanzhou Avenue, Yuelu District, Changsha City, Hunan Province, the PRC.

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## LETTER FROM THE BOARD

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### **Lease of right of use**

- (x) the residential units of Chengdu Excellence Yuncui located at No. 229 Hangzhou Road, West Section Tianfu New Area, Chengdu City, Sichuan Province, the PRC;

### **Transfer of right of use**

- (xi) the car parking spaces of Qingdao Excellence Blue Islands located at No. 18 Shuangyuan Road, Chengyang District, Qingdao City, Shandong Province, the PRC;
- (xii) the car parking spaces of Qingdao Excellence Century Center located at No. 31 Longcheng Road, Shibei District, Qingdao City, Shandong Province, the PRC;
- (xiii) the car parking spaces of Qingdao Excellence Heyue;
- (xiv) the car parking spaces of Qingdao Excellence Jiayue;
- (xv) the car parking spaces of Qingdao Excellence Yuhai located at No. 795 Jinshatan Road, Huangdao District, Qingdao City, Shandong Province, the PRC;
- (xvi) the basement units and the car parking spaces of Qingdao Excellence Tianyuan located in No. 789 Jinshatan Road, Huangdao District, Qingdao City, Shandong Province, the PRC;
- (xvii) the car parking spaces of Wuhan Excellence City located at No. 88 Shangqi Tongyong Avenue, Hongshan District, Wuhan City, Hubei Province, the PRC;
- (xviii) the car parking spaces of Tianjin Excellence Yunmen located at No. 1 Weihua Avenue, Xiqing District, Tianjin, the PRC;
- (xix) the car parking spaces of Jiaxing Xiuchen Huafu located at the northern side of Ao'xing Road and the eastern side of Chayuan Road, Jiaxing City, Zhejiang Province, the PRC;

According to the relevant provisions of the Property Law of the People's Republic of China, real estate registration shall be handled by the registration authority where the real estate is located under the PRC laws. As advised by the PRC Legal Adviser, as certain cities have not yet promulgated specific regulations governing the registration of property titles of the Offset Assets (xi) to (xix), it is currently not feasible to register property titles of these Offset Assets and issue property title certificates. In the PRC, it is a known market practice to have assets traded through the transfer of the right of use under similar circumstances when the registration of the property titles of assets is unavailable due to a lack of specific regulations in certain area. As advised by the PRC Legal Adviser, certain Offset Assets could not undergoing a direct transfer of property ownership right under the current PRC laws and regulations. The Group therefore resorted to an assignment of the right of use and the lease agreement with respect to such Offset Assets ((x) to (xix) above) under the Settlement Agreement, including the right to occupy, use and benefit from such Offset Assets and the right to dispose of the right of use of (or sub-lease) the Offset Assets (x) to (xix) instead of a direct transfer of ownership title. As further advised by PRC Legal Adviser and based on the legal opinion issued by the PRC Legal Adviser to the Company, as at the Latest Practicable Date, there is no applicable law restricting or prohibiting the transferee under a right of use agreement to sub-transfer the right of use to third parties, and since the lessee has the right of sub-lease under the Lease Agreement, the lessee is entitled to dispose of the right of use of the Offset Asset (x).

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## LETTER FROM THE BOARD

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Further details of the Offset Assets have been set out in the property valuation report in Appendix II to this circular.

As the Offset Assets form part of the property projects developed by the Excellence Group, no original acquisition cost for the Offset Assets is available.

As at the Latest Practicable Date, to the best of the Directors' knowledge and having made all reasonable inquiries, the Operating Offset Assets are in operation for parking fees and the remaining Offset Assets (other than the property held for development which is still under construction) have not been leased out and are held for sale.

During the two years ended 31 December 2024 and the six months ended 30 June 2025, the relevant financial information in relation to the Operating Offset Assets is as follows:

	<b>For the year ended</b>		<b>For the six</b>
	<b>31 December</b>		<b>months ended</b>
	<b>2023</b>	<b>2024</b>	<b>30 June</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Net profit before taxation	5,025,726.03	4,333,513.93	1,472,627.86
Net profit after taxation	3,769,294.52	3,250,135.45	1,104,470.90

### LEASE AGREEMENT

As mentioned in note 3 to the valuation certificate 2 to the property valuation report of the Offset Assets set out in Appendix II to this circular, it is intended that the right to use will be secured through the execution of the Lease Agreement, which is a commonly adopted approach for property units as opposed to right of use for car parking spaces as advised, and based on the legal opinion issued, by the PRC Legal Adviser. The Lease Agreement will be used to offset outstanding receivables totalled of RMB5.4 million under the Settlement Agreement.

The major terms of the Lease Agreement are set out below:

Parties:	(1) The Company; and  (2) Sichuan Yonglitai Real Estate Co., Ltd.
Term:	Commencing from the date of the EGM and ending on 31 October 2045 (both dates inclusive).
Subject matter:	9 residential units of Chengdu Excellence Yuncui, No. 229 Hangzhou Road West Section, Tianfu New Area, Chengdu City, Sichuan Province, the PRC shall be leased to the Group. The Group shall act as a lessee under the lease agreement.

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## LETTER FROM THE BOARD

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Rental:	<p>For illustrative purpose only, on the assumption that the EGM will be convened and held on 30 November 2025, the rental payable is RMB5,886,000 in total (tax inclusive), which is determined after arm's length negotiations between parties after taking into consideration the valuation in the valuation certificate 2 to the property valuation report of the Offset Assets set out in Appendix II to this circular.</p> <p>For illustrative purpose only, in accordance with HKFRS, the rental payment is capital in nature and the these residential units will be recognised as right-of-use assets of the Group on 30 November 2025 for an amount of approximately RMB5,400,000.</p>
Payment arrangement:	<p>The above rental shall be applied to offset part of the consideration for the transfers of the Offset Assets on a dollar-to-dollar basis.</p>
Transferability:	<p>In the event that these residential units become saleable and transferable, Sichuan Yonglitai Real Estate Co., Ltd. shall transfer the property titles of these residential units to the Group at no further consideration.</p>

Based on the public information available, Sichuan Yonglitai Real Estate Co., Ltd. is a company established in the PRC with limited liability and is principally engaged in property development. As at the Latest Practicable Date, it was owned as to 66% by Chengdu Excellence City Real Estate Company Limited\* (成都卓越城置業有限公司) and 34% by Shenzhen Pengshengtong Real Estate Company Limited\* (深圳鵬盛通置業有限公司). Chengdu Excellence City Real Estate Company Limited is owned as to 95% by Excellence Real Estate and 5% by Shenzhen Pengshengtong Real Estate Company Limited. Shenzhen Pengshengtong Real Estate Company Limited is owned as to 50% by Ms. Li Xin and 50% by Mr. Tian Yongzhi. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, Ms. Li Xin and Mr. Tian Yongzhi are Independent Third Parties.

As disclosed in the valuation certificate 2 to the property valuation report of the Offset Assets set out in Appendix II to this circular, these residential units are subject to a mandatory holding period of 30 years, during which they may not be sold in part, transferred or mortgaged. In the event of judicial disposal arising from corporate bankruptcy or other circumstances, the units must be disposed of as a whole, and their post-disposal use shall remain as rental housing. Accordingly, during this period, the residential units may not be transferred through title deed transactions. Nonetheless, based on the legal opinion issued by the PRC Legal Adviser, leasing arrangements or transfers of right-of-use that are not otherwise restricted remain permissible.

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## LETTER FROM THE BOARD

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The Directors (including the independent non-executive Directors) consider that the proposed 20-year lease agreement and the transaction to be contemplated thereunder will be entered into in the ordinary and usual course of business of the Company after arm's length negotiations between the Group and the Excellence Group, and the proposed terms of such lease agreement are on normal commercial terms or better, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

In accordance with HKFRS 16, the Group will recognise right-of-use assets in its consolidated statement of financial position in respect of the lease of these residential units.

### **REASONS AND BENEFITS FOR ENTERING INTO THE SETTLEMENT AGREEMENT**

The Group has been providing various services to the Excellence Group as mentioned under the section headed "Ongoing Continuing Connected Transactions with the Excellence Group" of this circular, and it has implemented continuous measures to monitor the transactions with and the settlements from the Excellence Group.

However, same as other property developers in the PRC, the Excellence Group has been facing challenges in its operation impacted by the prolonged downturn and bottoming stage of the real estate sector, as well as weaker buyer sentiment. In addition, stringent regulatory controls over the use of presale funds further restricted the Excellence Group's ability to allocate and transfer cash for general corporate purposes, intensifying short-term liquidity pressure. Given the unprecedented challenges faced by all real estate developers, it is relatively common for real estate developers to settle payable obligations through property-for-debt arrangements instead of cash. As such, the Group entered into the Settlement Agreement with Excellence Real Estate to clear some of the outstanding receivables due from the Excellence Group.

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## LETTER FROM THE BOARD

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As at 30 June 2025, the trade receivables with the Excellence Group amounted to approximately RMB751 million, which were arising from the existing continuing connected transactions with the Excellence Group under (a) the master property management services agreement in 2022 and renewed in 2024; (b) the master supply and installation agreement in 2022 and renewed in 2024; (c) the property agency services framework agreement in 2022 and renewed in 2024; (d) the master intelligent community services agreement in 2021 and renewed in 2024; (e) the master construction material trading agreement in 2021 and renewed in 2024; and (f) the master decoration and maintenance services framework agreement in 2022 and renewed in 2024. The ageing analysis of the trade receivables is set out below:

	<b>As at 30 June 2025</b> <i>RMB'million</i>
Within one year	492
One to two years	195
Two to three years	53
More than three years	11
	<hr/>
<b>Total</b>	<b>751</b>
	<hr/> <hr/>

As 30 June 2025, the other receivables with the Excellence Group amounted to approximately RMB384 million, which comprised (i) RMB300 million of the outstanding due from the former shareholder of an acquired subsidiary of the Group with an ageing within one year as disclosed in the circular of the Company dated 13 January 2025 (the “**Acquired Balance**”); (ii) RMB36 million of dividend receivables which have been fully settled as at the Latest Practicable Date; (iii) RMB35 million of utilities prepayment; (iv) RMB5 million of rental deposits for staff dormitories; and (v) RMB8 million of other miscellaneous expenses, all of which were incurred and/or recovered in the ordinary course of business of the Group.

For the purpose of the Settlement Agreement, the Board will prioritise the relevant offset against the Acquired Balance in the entire amount, followed by trade receivables. The Company will select those trade receivables with larger amounts and longer ageing for priority offset.

### ***Ongoing measures adopted by the Group***

Before entering into business cooperation with the Excellence Group, the Company implemented a robust and well-established credit risk assessment and due diligence framework designed to effectively identify, evaluate, and manage potential credit risks. This framework included the following key steps:

#### **1. Entity Information Screening:**

The Company first conducted an initial screening by obtaining and reviewing the business registration information, shareholding structure, principal business activities, litigation records, and administrative penalty history of the relevant members of the Excellence Group. Such members with transparent corporate structures, focused core businesses, and no administrative penalty records were prioritized for cooperation.



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## LETTER FROM THE BOARD

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### 2. Financial and Operational Analysis:

The Company obtained and analyzed the consolidated financial statements of the Excellence Group for the most recent three financial years and one interim period (if available). Key areas of focus included solvency indicators (e.g., current ratio, quick ratio, debt-to-asset ratio, cash-to-short-term debt ratio), profitability indicators (e.g., gross profit margin, return on total assets, return on equity, cash interest coverage ratio), and cash flow position.

Based on the analysis, the Company adopted a cautious stance toward the Excellence Group's short-term cash flow conditions. Nevertheless, the Company remained confident in the resilience and growth potential of subsidiaries located in Shenzhen or other core cities, prime districts, and premium locations, given the quality of their underlying assets. Furthermore, with the continued implementation of favorable real estate policies, the Company maintained a positive long-term outlook on the Excellence Group's overall development prospects.

The individual agreements under the relevant continuing connected transaction agreements included clearly stipulated terms covering settlement cycles, invoice issuance, payment timelines, and termination clauses to protect the Company's interests. While specific terms varied by business type, in general, payment shall be conducted on a monthly basis and the Excellence Group shall make payment within the applicable credit terms granted which were ranging from five to fifteen working days upon receipt of the invoice issued by the Group. If the Excellence Group defaults and overdue the payment for more than one to three months, the Group shall have the unilateral right to terminate the relevant agreement.

As the receivables due to the Group by the Excellence Group are not secured by any assets of the Excellence Group, after arm's length negotiation with the Excellence Group, the Group reached the Settlement with the Excellence Group which will (i) allow the Group to recover a large portion of the trade receivables and other receivables due from the Excellence Group; (ii) mitigates the Group's credit exposure to accounts receivables; and (iii) provide the Group with a portfolio of long-term value-accretive assets.

Since the listing of the Shares, the basic property management services and value-added services of the Group comprised (i) carpark management services, second-hand property leasing and sales agency services, asset-light property operation services and space operation services for commercial properties; and (ii) carpark management services and second-hand property leasing and sales agency services for residential properties. The Company has established a professional and well-developed asset operation team of approximately 20 members, covering China's East, South, North, and Southwest regions which include the locations of the Offset Assets. All team members have relevant experience in real estate asset sales, leasing, and operations over three years. The asset operation team is led by an experienced staff who has over 20 years of nationwide real estate sales management experience and has overseen projects across first-, second-, and third-tier cities in China which include the location of the Offset Assets, with a strong track record in asset valuation, sales channel management, leasing and operation, and cost control. This allows the team to exercise a high degree of market insight and professional judgment in key operational and investment decisions.

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## LETTER FROM THE BOARD

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This asset operation team has been consistently responsible for asset screening and valuation in the Company's previous transactions as disclosed in the announcements of the Company dated 14 May 2024 and 21 November 2024. The Offset Assets have also undergone careful selection and prudent assessment by this asset operation team. In addition, the Company is actively exploring cooperation with external professional institutions to further enhance asset operation efficiency and unlock potential excess returns.

The major parameters for selecting the Offset Assets by the asset operation team includes:

- (i) *City analysis*: Evaluate the city's fundamental conditions based on indicators such as GDP, urban household population/residential population, per capita disposable income and automobile ownership rate;
- (ii) *Location analysis*: assess the site's surrounding factors including transportation network, educational resources, municipal facilities, and commercial amenities; and
- (iii) *Market analysis*: analyze the local real estate market by examining factors such as inventory absorption conditions, inventory turnover period, popular product types and prevailing sales prices.

In light of the above and in considering agreeing to the Settlement, the Group has additionally considered the following factors:

### **1. High-quality assets with appreciation potential**

The Offset Assets primarily comprise commercial office buildings, premium residential units and car parking spaces located in core urban areas in the PRC. They benefit from prime locations with strong demand fundamentals, sound liquidity, and defensive value retention across market cycles. They are also expected to deliver long-term capital appreciation. The Group believes that accepting the transfers of the Offset Assets will not only safeguard the interests of the Shareholders but also further strengthen the asset base of the Group.

### **2. Business synergies and strategic value**

The Offset Assets are highly complementary to the Group's existing property management and value-added services. Their addition will enable the Group to expand its managed portfolio, diversify service scenarios, and extend its value chain. For example, the Group can provide bespoke property and ancillary services to high-end residential communities and parking facilities, while exploring corporate support and business solutions for office tenants. This is expected to enhance the Group's brand influence and overall competitiveness.

### **3. Attractive timing under current market conditions**

Against the backdrop of ongoing adjustments in the real estate market in the PRC, valuations of high-quality assets remain at relatively subdued levels. Accepting the transfers of the Offset Assets at the present time allows the Group to capture long-term resources at attractive entry points, aligning with the Group's strategy of prudent investment and counter-cyclical positioning.

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## LETTER FROM THE BOARD

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### 4. Flexible asset management strategy

Looking ahead, the Group will adopt a flexible approach to managing the Offset Assets, taking into account both market conditions and asset characteristics. Options include self-operated leasing to generate recurring cash flows, engaging professional agencies for specialized operations, or selectively disposing of assets to realize capital gains when appropriate. Through this diversified strategy, the Group seeks to maximize the overall value of the Offset Assets, enhance profitability, and deliver sustainable and attractive returns to the Shareholders.

Based on the professional assessment of the asset operation team, the Company has formulated a differentiated asset realization strategy for the subject assets. Specifically:

- For assets located in areas with strong demand and quick sales turnover, the Company will consider disposing of such assets opportunistically to swiftly recover cash and cover costs.
- For assets located in core prime locations with long-term operational value or appreciation potential, the Company will adopt a strategic holding and operation approach to preserve and enhance value.

Through this flexible combination of holding, operation, and disposal strategies, the Company aims to accelerate cash recovery while maximizing asset value returns. Accordingly, the Company believes that accepting these non-liquid real estate assets as settlement for outstanding receivables is commercially reasonable and in the best interests of the Company as a whole.

Based on the valuation assessments conducted by the asset operation team and the Valuer, as well as the Company's strategic positioning, the Board noted that the real estate market in the PRC is currently in a structural adjustment phase, with industry-wide liquidity pressure and uncertainty over receivable recoverability. At the same time, valuations of high-quality real estate assets have reached a relatively low level. Against this backdrop, accepting the Offset Assets in lieu of cash settlement at this point is a prudent and forward-looking strategy, enabling the Company to secure high-quality resources with long-term holding value at favorable valuations through diversified asset allocation.

Again, the Settlement aligns with the Company's prudent investment philosophy and counter-cyclical deployment strategy. It is expected to enhance the overall profitability of the Company's asset portfolio and generate sustainable and stable returns for shareholders.

The sole purpose of the Settlement Agreement is to offset the outstanding receivables due from the Excellence Group, and the Offset Assets were chosen based on the factors mentioned above after due and careful consideration by the Company. The Offset Assets were selected because they will create business synergy and strategic value to the Group. These Offset Assets are located in the core cities in the PRC that have already been covered by the Company's business operations. The property types of the Offset Assets highly align with the Group's existing property management and value-added services. The Offset Assets possess long-term operational value or appreciation potential. Specifically, with respect to Offset Assets (x) to (xix), the asset operation team has conducted telephone interview with the relevant governmental authorities in the PRC and was advised that the asset rights do not encounter any restrictions on sub-transfer. With favorable disposal and operational prospects, the Company's asset allocation and risk control requirements are considered to be met. These arrangements are deemed commercially viable.

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## LETTER FROM THE BOARD

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The asset operation team noted that the beneficial interests of the Offset Assets (x) to (xix) could also be transferred to the Group through the transfer of right of use or lease of right of use of the relevant Offset Assets, which is a common market practice, legitimate and complies with the relevant laws and regulations in the PRC. As the lack of ownerships is due to the lack of specific regulation in certain areas rendering the registration of the ownership currently unavailable, once the registration of ownership title of Offset Assets (xi) to (xix) becomes available in the future, such ownership title of the relevant Offset Assets should vest with the Group without further cost to be incurred. As such, the operation team have selected Offset Assets based on the quality and future benefits which they could bring to the Group regardless of whether the Offset Assets currently have ownership title or not. With respect to Offset Asset (x), its protection measure has been set out in the sub-paragraph headed “Transferability” under the paragraph headed “Lease Agreement” to this letter.

The Board noted that a substantial part of the Offset Assets in term of valuation amount as at 31 July 2025 under the Settlement Agreement could not undergo a direct transfer of property ownership right under the current PRC laws and regulations, and therefore resorting to use the transfer of the right of use for such Offset Assets to ensure the underlying beneficial interests of the Offset Assets are transferred to the Group. Pursuant to the individual agreement to be entered into regarding the transfer of right of use for these Offset Assets, the Group shall have the right of use of the relevant Offset Assets, including all rights and incidental interests such as occupancy, use, sub-transfer of right of use, disposal of right of use, lease, operation, management, income and advertising revenue of corresponding Offset Assets. The right of use arrangement is a legitimate means for transferring the underlying beneficial interests of these assets under similar circumstances in the PRC, which is in compliance with the relevant laws and regulations in the PRC.

Upon completion of the transfer of the right of use and the lease of right of use of the Offset Assets, the Group will base on the market conditions to determine whether to dispose of the right of use for Offset Assets (x) to (xix) or to lease out these Offset Assets to generate stable income to the Group.

Under the terms of the separate agreement for the Offset Assets, if the beneficial interests of the Offset Assets are not transferred to the Group as contemplated under the Settlement Agreement, the Group has a right to request and the Excellence Group is obliged to settle the remaining outstanding receivables by way of further assets for offsetting arrangement subject to compliance with the Listing Rules. For those Offset Assets without ownership title, in the event if the direct transfer of the ownership of the Offset Assets is allowed under the PRC laws and regulations in the future (for example, due to any relaxation of the existing PRC laws and regulations), the Excellence Group shall actively cooperate with the Group to carry out the direct transfer of ownership of the relevant Offset Assets with no additional costs to the Group.

Under the Settlement Agreement, the beneficial interest of the Offset Asset (x) listed under the section headed “Information of the Offset Assets” will be transferred to the Group by way of a lease agreement. In the event judicial disposal arising from corporate bankruptcy or other circumstances, the units must be disposed of as a whole, which will terminate the Group’s beneficial interests in the lease agreement, the Excellence Group shall compensate the Group by way of other assets with equivalent value, subject to compliance with the relevant requirements of the Listing Rules.

Having considered the Offset Assets without ownership title chosen under the Settlement Agreement are of good quality with great appreciation potential based on the aforementioned factors; and the Company will obtain beneficial interests of those Offset Assets where direct

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## LETTER FROM THE BOARD

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transfer of the ownership title is not available under the prevailing PRC laws and regulations, an arrangement in place that the Excellence Group shall actively cooperate with the Group to carry out the direct transfer of ownership of the relevant Offset Assets in accordance with the PRC laws and regulations, and further compensation to be sought from the Excellence Group in the case of the beneficial interests of the Offset Assets are not transferred to the Group as contemplated under the Settlement Agreement, the Company considered that the transfer of use of right arrangement including the lease agreement is adequate to protect the interests of the Company under the Settlement Agreement.

In light of the above and having considered, among others, the reasons for the Settlement Agreement, the reasons of choosing the Offset Assets, the benefits which could bring to the Group by Offset Assets and adequate measures in place to protect the interests of the Group for those Offset Assets currently without ownership title, all set out in this circular, and that valuation amount of the Offset Assets, which served as a reference for determination of the consideration of the Settlement Agreement, the Board is of the view that the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable, are not entered in the ordinary and usual course of business of the Group but are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

### **ONGOING CONTINUING CONNECTED TRANSACTIONS WITH THE EXCELLENCE GROUP**

As at the Latest Practicable Date, the ongoing continuing connected transactions with the Excellence Group included (a) the master property management services agreement in 2022 and renewed in 2024; (b) the master supply and installation agreement in 2022 and renewed in 2024; (c) the property agency services framework agreement in 2022 and renewed in 2024; (d) the master intelligent community services agreement in 2021 and renewed in 2024; (e) the master construction material trading agreement in 2021 and renewed in 2024; (f) the master decoration and maintenance services framework agreement in 2022 and renewed in 2024 (the “**On-going CCTs**”).

To systematically control credit risk associated with related party receivables, the Company has significantly streamlined and divested a substantial portion of its existing business with the Excellence Group. Specifically, the On-going CCTs other than the master property management services agreement have been substantially reduced following the Company’s due diligence and project selection process, and only high-quality projects have been retained. The aggregated transactions amount of the On-going CCTs other than the master property management services agreement was only RMB11.1 million for the six months ended 30 June 2025 as compared with that of RMB101 million for the six months ended 30 June 2024.

The transactions under the master property management services agreement for the six months ended 30 June 2025 amounted to approximately RMB152 million, of which RMB97 million was generated from the provision of basic property management services to the units of premium Grade A office buildings and retail podiums developed by the Excellence Group located in prime central districts of Shenzhen, which remain unsold or yet to be leased out. The majority of these buildings and podiums were sold or leased out to Independent Third Parties. As the Company has been providing basic property management services for these entire buildings for the benefit of the Independent Third Parties and the Excellence Group. Having considered that a majority of the basic management fees were collected from Independent Third Parties, the Board is of the view that the Group continues to provide property management services for these buildings are in the interests of the Company and the Shareholders as a whole. As such, the Company expects

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## LETTER FROM THE BOARD

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that it will continue the master property management services agreement. For the other services provided under the master property management services agreement and other On-going CCTs, going forward, in line with the current practice adopted by the Group as mentioned in the section headed “Reasons and benefits for entering into the Settlement Agreement” above, the Company will only provide services to entities within the Excellence Group’s consolidated scope that demonstrate sound financial standing or are willing to accept prepayment arrangements.

In addition, the Company plans to gradually exit projects with the Excellence Group by, for example, not renewing or terminating expiring contracts and recover overdue receivables by, for example, initiating legal actions against the Excellence Group or introducing asset pledge or other credit enhancement measures for repayment.

Through this set of combined actions, the Company aims to achieve a prudent and orderly withdrawal from certain connected transactions while maximizing cash recovery and minimizing credit risk exposure. The Board considered that, in light of the above, the On-going CCTs are fair and reasonable.

### IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Rule 14.06 of the Listing Rules in respect of the Settlement are more than 5% but all of which are less than 25%, the Settlement constitutes a discloseable transactions of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Excellence Real Estate is owned as to more than 30% by Mr. Li Wa, a controlling shareholder of the Company. As such, Excellence Real Estate is an associate of Mr. Li Wa and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Settlement Agreement and the transactions contemplated thereunder will constitute connected transactions under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Settlement Agreement exceed 5%, the Settlement Agreement is subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

As the Excellence Group forms part of Mr. Li’s Companies and that (i) Mr. Li Xiaoping serves as a vice chairman and president of Excellence Real Estate and a director or general manager in certain subsidiaries of the Excellence Group; and (ii) Mr. Wang Yinhu serves as a general manager of the financing department of Excellence Real Estate, both Mr. Li Xiaoping and Mr. Wang Yinhu are considered as having material interests in the Settlement Agreement and the transactions contemplated thereunder. Accordingly, Mr. Li Xiaoping and Mr. Wang Yinhu were required to, abstain, and had abstained, from voting on the relevant resolutions at the Board meeting. Save as disclosed, none of the Directors was required to abstain from voting on the relevant resolutions at the Board meeting.

### INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising of Professor Cui Haitao, Mr. Kam Chi Sing and Ms. Liu Xiaolan, being all of the independent non-executive Directors, has been established to advise the Independent Shareholders on the fairness and reasonableness of the terms of the Settlement Agreement, after taking into account the recommendations of the Independent Financial Adviser.



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## LETTER FROM THE BOARD

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First Global Corporate Finance Co., Limited has been appointed as the Independent Financial Adviser to the Company to provide the Independent Board Committee and the Independent Shareholders with independent advice in connection with the transactions contemplated under the Settlement Agreement.

### EGM

Set out on pages EGM-1 to EGM-2 of this circular is a notice convening the EGM which will be held at Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province, PRC on 31 December 2025 at 10:00 a.m.. At the EGM, resolution will be proposed to the Shareholders to consider and, if thought fit, to approve the Settlement Agreement and the transactions contemplated thereunder by way of an ordinary resolution.

A form of proxy for use at the EGM is enclosed herewith. If you are not able to attend and/or vote at the EGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM (i.e. not later than 10:00 a.m. on 29 December 2025) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 14A.36 of the Listing Rules, any connected person(s) and any Shareholder and their respective associates with a material interest (other than by virtue of being a Shareholder) in the Settlement Agreement and the transactions contemplated thereunder are required to abstain from voting at the EGM. As at the Latest Practicable Date, Mr. Li Wa and his associates are interested in 722,440,000 Shares, representing approximately 59.20% of the issued share capital of the Company, while Mr. Li Xiaoping and his associates are interested in 118,392,000 Shares, representing approximately 9.70% of the issued share capital of the Company. Accordingly, Mr. Li Wa, Mr. Li Xiaoping and their respective associates shall abstain from voting on the proposed resolution approving the Settlement Agreement and the transactions contemplated thereunder at the EGM.

Save for the above, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, none of the other Shareholders is required to abstain from voting on the resolution in respect of the Settlement Agreement and the transactions contemplated thereunder to be proposed at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, the resolution put to vote at the EGM will be taken by way of poll.

An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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## LETTER FROM THE BOARD

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### CLOSURE OF REGISTER OF MEMBERS

The EGM will be convened and held on 31 December 2025. For the purpose of determining the identity of the Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from 24 December 2025 to 31 December 2025, both dates inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 23 December 2025. The record date for determining the Shareholders' entitlement to attend and vote at the EGM is 31 December 2025.

### RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on pages 24 to 25 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the proposed resolution to approve the Settlement Agreement and the transactions contemplated thereunder; and (ii) the letter from the Independent Financial Adviser as set out on pages 26 to 64 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the fairness and reasonableness of the Settlement Agreement and the transactions contemplated thereunder.

The Independent Board Committee, having taken into account, among other things, the advice of the Independent Financial Adviser, is of the view that although the Settlement Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of the Group, the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM in respect of the approval of the Settlement Agreement and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) are of the view that although the Settlement Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of the Group, the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole and therefore recommend you to vote in favour of the ordinary resolution to be proposed at the EGM.



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## LETTER FROM THE BOARD

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### GENERAL INFORMATION

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

### MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully  
By order of the Board  
**Excellence Commercial Property &  
Facilities Management Group Limited**  
**Li Xiaoping**  
*Chairman*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*The following is the text of the letter of recommendation, prepared for the purpose of incorporation in this circular, from the Independent Board Committee to the Independent Shareholders in respect of approving the Settlement Agreement and the transactions contemplated thereunder.*



### **EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED**

**卓越商企服務集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6989)**

12 December 2025

*To the Independent Shareholders*

Dear Sir or Madam,

#### **DISCLOSEABLE AND CONNECTED TRANSACTION**

We refer to the circular dated 12 December 2025 (the “**Circular**”) issued by the Company to the Shareholders of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether, in our opinion, the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group and in the interests of the Group and the Shareholders as a whole, and how the Independent Shareholders should vote at the EGM, after taking into account the recommendation of the Independent Financial Adviser.

First Global Corporate Finance Co., Limited has been appointed by the Board as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders in connection with the Settlement Agreement and the transactions contemplated thereunder. Details of the advice from the Independent Financial Adviser, together with the reasons for its opinion, the key assumptions made and the factors taken into consideration in forming its opinion, are set out in its letter on pages 26 to 64 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 4 to 23 of the Circular and the additional information set out in the appendices to the Circular.

Having considered the information as set out in the letter from the Board, the terms and conditions of the Settlement Agreement and the transactions contemplated thereunder, the factors and reasons considered by, and the opinion of the Independent Financial Adviser as set out in its

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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letter of advice, we are of the view that although the Settlement Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of our Group, the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable, on normal or better commercial terms and in the interests of the Group and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the Settlement Agreement and the transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully

For and on behalf of

the Independent Board Committee

**Excellence Commercial Property & Facilities Management Group Limited**

**Cui Haitao**

**Kam Chi Sing**

**Liu Xiaolan**

*Independent*

*Independent*

*Independent*

*Non-executive Director*

*Non-executive Director*

*Non-executive Director*

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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*The following is the full text of a letter of advice from First Global Corporate Finance Co., Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the discloseable and connected transactions, which has been prepared for the purpose of incorporation in this circular.*



Room 1706-07, 17/F,  
China Insurance Group Building,  
141 Des Voeux Road Central,  
Central,  
Hong Kong

12 December 2025

*To: The Independent Board Committee and the Independent Shareholders*

Dear Sir or Madam,

### DISCLOSEABLE AND CONNECTED TRANSACTIONS

#### INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Settlement Agreement with Excellence Real Estate pursuant to which Excellence Real Estate shall conditionally transfer, and Excellence Property shall conditionally accept the transfer of, the Offset Assets at a total consideration of RMB362,825,942 (the “**Transactions**”), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 12 December 2025 (the “**Circular**”), of which this letter of advice forms a part. Unless the context requires otherwise, capitalised terms used in this letter of advice shall have the same meanings as defined in the Circular.

#### The Settlement Agreement

On 24 August 2025 (after trading hours), Excellence Property entered into the Settlement Agreement with Excellence Real Estate.

The Settlement Agreement is a framework agreement which contains the principles, mechanisms and terms and conditions upon which the parties thereto are to carry out (or procure to carry out) the transactions contemplated thereunder. Following the Settlement Agreement having becoming effective, Excellence Real Estate shall procure its relevant subsidiaries to enter into transfer agreements with subsidiaries of Excellence Property to effect the transactions contemplated under the Settlement Agreement. It is currently contemplated that the completion of transfer of property titles or the delivery of completion documents (if the transfer of property titles is not feasible) will be a condition precedent to the individual transfer agreements.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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### **Listing Rules implications**

As one or more of the applicable percentage ratios under Rule 14.06 of the Listing Rules in respect of the total consideration are more than 5% but all of which are less than 25%, the Settlement constitutes a discloseable transactions of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Excellence Real Estate is owned as to more than 30% by Mr. Li Wa, a controlling shareholder of the Company. As such, Excellence Real Estate is an associate of Mr. Li Wa and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Settlement Agreement and the transactions contemplated thereunder will constitute connected transactions under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Settlement Agreement exceed 5%, the Settlement Agreement is subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **EGM AND VOTING AT THE EGM**

The EGM is scheduled to be held at Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province, PRC at 10 a.m. on 31 December 2025 for the purpose of considering and, if thought fit, approving the Settlement Agreement and the transactions contemplated thereunder.

As the Excellence Group forms part of Mr. Li's Companies and that (i) Mr. Li Xiaoping serves as a vice chairman and president of Excellence Real Estate and a director or general manager in certain subsidiaries of the Excellence Group; and (ii) Mr. Wang Yinhu serves as a general manager of the financing department of Excellence Real Estate, both Mr. Li Xiaoping and Mr. Wang Yinhu are considered as having material interests in the Settlement Agreement and the transactions contemplated thereunder. Accordingly, Mr. Li Xiaoping and Mr. Wang Yinhu were required to abstain from voting on the relevant resolutions at the Board meeting. Save as disclosed, none of the Directors was required to abstain from voting on the relevant resolutions at the Board meeting. Voting on the resolution at the EGM will be taken by poll.

### **THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors, namely Professor Cui Haitao, Mr. Kam Chi Sing and Ms. Liu Xiaolan, has been established to consider and advise the Independent Shareholders as to whether the terms of the Settlement Agreement are fair and reasonable and the transactions contemplated thereunder are (i) fair and reasonable; (ii) on normal commercial terms or better and in the ordinary and usual course of business of the Company; (iii) in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in favour of the Transactions. None of the members of the Independent Board Committee has any material interest in the Transactions.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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We, First Global Corporate Finance Co., Limited (“**First Global**”), have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. First Global is a licensed corporation licensed under the Securities and Futures Ordinance (“**SFO**”) to carry out Type 6 (advising on corporate finance) regulated activity. Ms. Wendy Liu (“**Ms. Liu**”) is the person signing off the opinion letter from First Global contained in the Circular. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under the SFO since 2014. Ms. Liu has participated in and completed various independent financial advisory transactions in Hong Kong.

### OUR INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, save for this engagement of us as the Independent Financial Adviser, no other relationship has been formed and no direct engagement has been performed between the Group, the other party(ies) to the Transactions, or a close associate or core connected person of any of them and us. As at the Latest Practicable Date, we did not have any relationship with, or interest in, the Group, the other party(ies) to the Transactions, or a close associate or core connected person of any of them and us, or other parties that could reasonably be regarded as relevant to our independence. Apart from the normal advisory fee payable to us in connection with our engagement as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Company and its subsidiaries or their respective substantial shareholders or any party acting in concert, or presumed to be acting in concert, with any of them. Accordingly, we considered that we are independent to act as the Independent Financial Adviser in respect of the Transactions pursuant to Rule 13.84 of the Listing Rules.

### BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group (including but not limited to those contained or referred to in the Circular). We have reviewed the documents including but not limited to (i) the Settlement Agreement; (ii) the property valuation report of the Offset Assets as set out in Appendix II to this Circular (the “**Valuation Report**”); (iii) the Circular and the Letter from the Board contained therein; (iv) the interim reports for the six months ended 30 June 2025 (the “**2025 Interim Report**”) and the annual reports of the Company for the year ended 31 December 2023 and 2024, respectively (the “**2023 Annual Report**” and “**2024 Annual Report**”, respectively); and (v) the relevant supporting documents in respect of the Transactions provided by the Company, including but not limited to historical documents and records, to formulate our opinion and recommendation. We have assumed that the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group were true, accurate and complete at the time they were made and continue to be true, accurate and complete in all material aspects until the date of the EGM. The Shareholders will be informed should there be any material change of information in the Circular up to the date of the EGM. We have also assumed that all statements of belief, opinions, expectation and intention made by the management of the Group in the Circular were reasonably made after due enquiry and careful consideration. Where applicable, we have also conducted independent desktop search and confirmed that there was no material difference between our search result and the information and facts supplied, opinions expressed, statements and representations made to us by the management

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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of the Group. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or advisers, which have been provided to us.

The Directors have collectively and individually accepted full responsibility of the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief the information contained in the 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 the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We considered that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs or future prospects of the Group, or their respective shareholders, subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the market, financial, economic and other conditions in effect and the information made available to us as at the Latest Practicable Date. Nothing contained in this letter of advice should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion in respect of the Transactions, we have considered the following principal factors and reasons:

#### **I. Background of the Group**

##### ***(i) Background information of the Group***

The Group is a leading commercial property management service provider in the PRC. Founded in 1999, the Group has been focusing on providing commercial property management services for about 20 years, and has established reputation in the market and a premium brand.

## LETTER FROM INDEPENDENT FINANCIAL ADVISER

### (ii) *Historical financial performance and position of the Group*

The following table sets out key consolidated financial information of the Group for the six months ended 30 June 2025, year ended 31 December 2023 (the “FY2023”), 31 December 2024 (the “FY2024”) as extracted from the 2023 Annual Report, 2024 Annual Report and 2025 Interim Report:

	For the six months ended 30 June 2025	For the six months ended 30 June 2024	For the FY2024 (audited)	For the FY2023 (audited)
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue				
Basic property management services	1,799,782	1,713,976	3,619,416	3,221,360
Value-added services	184,284	349,147	561,664	679,272
Sale of carparks	12,117	–	9,266	–
Revenue from other sources (discontinued)	18,962	19,355	41,890	26,176
	(note)			
Total Revenue	2,015,145	2,082,478	4,232,236	3,926,808
Net Profit	162,306	183,799	334,974	323,347

*Note:* During the period for the six months ended 30 June 2025, the Group entered into an equity agreement with Excellence Group to dispose of its entire interests in its certain wholly-owned subsidiary at total consideration of RMB337,789,000, satisfied by the equity of Shenzhen Excellence Real Estate Investment Co., Ltd. (深圳市卓越不動產投資有限公司) amounted to RMB151,478,000, certain commercial apartments amounted to RMB100,000,000 and cash amount to RMB86,311,000. The net assets of the disposed subsidiary at the respective disposal date were RMB339,941,000. This transaction was completed during the period.

*Discussion on the Group's financial performance for the six month ended 30 June 2025 as compared with that for the six month ended 30 June 2024*

The revenue of the Group of approximately RMB2,015.15 million for the six months ended 30 June 2025 (“1H2025”) decreased slightly by approximately RMB67.33 million or 3.23% when compared to that for the six months ended 30 June 2024 (“1H2024”), which is mainly attributable to (i) increase in revenue from basic property management services and (ii) decrease in value-added services. Net profit for the period for 1H2025 decreased by approximately RMB21.49 million or 11.69% to approximately RMB162.31 million when compared to 1H2024. Such loss was mainly due to the decrease in gross profit margin of the Excellence Group commercial services.



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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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*Discussion on the Group's financial performance for the FY2024 as compared with that for the FY2023*

Based on the 2024 Annual Report, the Group's revenue reached approximately RMB4,232.24 million in 2024, with a year-on-year growth of approximately 7.78%. The basic property service income from third parties accounted for approximately 61.4%, posting a gross profit of approximately RMB793.46 million, increase by approximately 6.26% compared with the corresponding period in FY2023. The comprehensive gross profit rate was approximately 18.70%, representing a decrease of approximately 0.30% compared with FY2023. For FY2024, the Group's net profit amounted to approximately RMB334.97 million (FY2023: approximately RMB323.35 million), representing a decrease of approximately 3.59% from last year.

*Discussion on the Group's financial position as at 30 June 2025 as compared with that as at 31 December 2024*

Set out below is a summary of the consolidated statement of financial position of the Group as at 31 December 2024 and 30 June 2025 as extracted from the 2025 Interim Report.

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
<b>Total Assets</b>	5,346,260	5,140,193
<b>Total Liabilities</b>	1,458,454	1,342,680
<b>Net Assets</b>	3,887,806	3,797,513

The total assets of the Group were approximately RMB5,140.19 million and RMB5,346.26 million as at 31 December 2024 and 30 June 2025, which represents an approximately 4.01% increase, which was mainly attributable to the increase in trade and other receivables. The total liabilities of the Group were approximately RMB1,342.68 million and RMB1,458.45 million respectively as at 31 December 2024 and 30 June 2025 which represents an approximately 8.62% increase, which was mainly attributable to the increase in trade and other payables. While the asset-liability ratio of the Group as at 31 December 2024 and 30 June 2025 remained stable at approximately 26.12% and 27.28% respectively. The asset-liability ratio is calculated as the total liabilities divided by total assets. The financial position of the Group remained healthy with consolidated net assets of the Group increased slightly by approximately 2.38% from approximately RMB3,797.51 million as at 31 December 2024 to approximately RMB3,887.81 million as at 30 June 2025.

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*Discussion on the Group's financial position as at 31 December 2024 as compared with that as at 31 December 2023*

Set out below is a summary of the consolidated statement of financial position of the Group as at 31 December 2023 and 31 December 2024 as extracted from the 2024 Annual Report.

	As at 31 December 2024 RMB'000	As at 31 December 2023 RMB'000
<b>Total Assets</b>	5,140,193	5,198,390
<b>Total Liabilities</b>	1,342,680	1,545,694
<b>Net Assets</b>	3,797,513	3,652,696

The total assets of the Group were approximately RMB5,198.39 million and RMB5,140.19 million as of 31 December 2023 and 31 December 2024, respectively, representing an approximately 1.12% decrease, which is mainly attributable to the decrease in intangible assets. The total liabilities of the Group were approximately RMB1,545.69 million and RMB1,342.68 million at 31 December 2023 and 31 December 2024, respectively, representing an approximately 13.13% decrease, which is mainly attributable to the decrease in trade and other payables, amounting to approximately RMB1,101.26 million and RMB944.35 million at the same dates. The financial position of the Group remained healthy, with consolidated net assets increasing slightly by approximately 3.96%, from approximately RMB3,652.70 million as of 31 December 2023 to approximately RMB3,797.51 million as of 31 December 2024.

## II. The Settlement Agreement

### (i) *Background information of the Parties*

Excellence Property is a company established in the PRC with limited liability. As at the Latest Practicable Date, Excellence Property is a wholly-owned subsidiary of the Company and is principally engaged in property management services and related services.

Excellence Real Estate is a company established in the PRC with limited liability and is principally engaged in real estate development.

### (ii) *Background information of the Offset Assets*

Settlement of the Offset Assets through:

*Transfer of ownership title*

- (i) the office units of Vanke Excellence Longafter Weilaizhiguang located at the southern side of Humen Avenue and the eastern side of Hubaidong Road, Dongguan City, Guangdong Province, the PRC;

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- (ii) the residential units and retail units of Qingdao Excellence Heyue located at the southern side of Huoju Road and the western side of Chongren Road, Chengyang District, Qingdao City, Shandong Province, the PRC;
- (iii) the retail units of Qingdao Excellence Jiayue located in No. 117 Huoju Road, Chengyang District, Qingdao City, Shandong Province, the PRC;
- (iv) the residential unit of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road, Chenggong District, Kunming City, Yunnan Province, the PRC;
- (v) the car parking spaces of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road, Chenggong District, Kunming City, Yunnan Province, the PRC;
- (vi) the car parking spaces of Guangzhou Excellence Qingcuifu located at No. 28 Lianxing Road, Panyu District, Guangzhou City, Guangdong Province, the PRC;
- (vii) the retail units of Chongqing Excellence Queensway located at the northern side of Chang'an Middle Road and the western side of Wuxing Southern Road, Jiangbei District, Chongqing, the PRC;
- (viii) the apartment units of Shenzhen Excellence Rongjin Hanhaiwan Mingting located at the southern side of Jinrong Road and the western side of Haitao Road, Yantian District, Shenzhen City, Guangdong Province, the PRC;
- (ix) the apartment units of Changsha Excellence Yanghuyuan Building No. 17 (under construction) located at the southern side of Yanghu Road and the western side of Tanzhou Avenue, Yuelu District, Changsha City, Hunan Province, the PRC.

### *Lease of right of use*

- (x) the residential units of Chengdu Excellence Yuncui located at No. 229 Hangzhou Road, West Section Tianfu New Area, Chengdu City, Sichuan Province, the PRC;

### *Transfer of right of use*

- (xi) the car parking spaces of Qingdao Excellence Blue Islands located at No. 18 Shuangyuan Road, Chengyang District, Qingdao City, Shandong Province, the PRC;
- (xii) the car parking spaces of Qingdao Excellence Century Center located at No. 31 Longcheng Road, Shibei District, Qingdao City, Shandong Province, the PRC;

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- (xiii) the car parking spaces of Qingdao Excellence Heyue;
- (xiv) the car parking spaces of Qingdao Excellence Jiayue;
- (xv) the car parking spaces of Qingdao Excellence Yuhai located at No. 795 Jinshatan Road, Huangdao District, Qingdao City, Shandong Province, the PRC;
- (xvi) the basement units and the car parking spaces of Qingdao Excellence Tianyuan located in No. 789 Jinshatan Road, Huangdao District, Qingdao City, Shandong Province, the PRC;
- (xvii) the car parking spaces of Wuhan Excellence City located at No. 88 Shangqi Tongyong Avenue, Hongshan District, Wuhan City, Hubei Province, the PRC;
- (xviii) the car parking spaces of Tianjin Excellence Yunmen located at No. 1 Weihua Avenue, Xiqing District, Tianjin, the PRC;
- (xix) the car parking spaces of Jiaxing Xiuchen Huafu located at the northern side of Ao'xing Road and the eastern side of Chayuan Road, Jiaxing City, Zhejiang Province, the PRC;

According to the relevant provisions of the Property Law of the People's Republic of China, real estate registration shall be handled by the registration authority where the real estate is located under the PRC laws. As advised by the PRC Legal Adviser, as certain cities have not yet promulgated specific regulations governing the registration of property titles of the Offset Assets (xi) to (xix), it is currently not feasible to register property titles of these Offset Assets and issue property title certificates. Based on our discussion with the PRC Legal Adviser, we are given to understand that in the PRC, it is a known market practice to have assets traded through the transfer of the right of use under similar circumstances when the registration of the property titles of assets is unavailable due to a lack of specific regulations in certain area. As advised by the PRC Legal Adviser, this constitutes a valid transfer of the right of use of these Offset Assets to the Group, which is permitted under the applicable PRC law. In addition, we have conducted a desktop research regarding the assignment of rights of use in properties where direct transfer of ownership right is not available, we noted that Redsun Services Group Limited (stock code:1971) and Roiserv Lifestyle Services Co., Ltd. (stock code: 2146) conducted similar transaction in April and July 2025, respectively. Furthermore, we noted that judicial auction platforms in the PRC such as taobao.com and JD.com publicly list extensive information and cases with respect to the transfer or auction of right of use of parking spaces and other assets (including cases in Qingdao, Tianjin, Jiaxing, Wuhan, and other regions where right of use transfer of parking spaces in this transaction is located). Therefore, we are of the view that it is not uncommon in some cases assets in the PRC could not undergo a direct transfer of property ownership rights. As advised by the PRC Legal Adviser, as certain Offset Assets could not undergoing a direct transfer of property ownership right under the current PRC laws and regulations. The Group therefore resorted to an assignment of the right of use and the lease agreement with respect to such Offset Assets ((x) to (xix) above) under the Settlement Agreement,

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including the right to occupy, use and benefit from such Offset Assets, including the right to dispose of the right of use of Offset Assets (x) to (xix) instead of a direct transfer of ownership title. We have discussed and were further advised by the PRC Legal Adviser with the support of the legal opinion issued by the PRC Legal Adviser to the Company that, as at the Latest Practicable Date, there is no applicable law restricting or prohibiting the transferee under a right of use agreement to sub-transfer the right of use to third parties, and since the lessee has the right of sub-lease under the Lease Agreement, the lessee is entitled to dispose of the right of use of the Offset Asset (x).

Further details of the Offset Assets have been set out in the property valuation report in Appendix II to this circular.

As the Offset Assets form part of the property projects developed by the Excellence Group, no original acquisition cost for the Offset Assets is available.

As at the Latest Practicable Date, to the best of the Directors' knowledge and having made all reasonable inquiries, the Operating Offset Assets are in operation for parking fees and the remaining Offset Assets (other than the property held for development which is still under construction) have not been leased out and are held for sale.

During the two years ended 31 December 2023 and 2024 and the six months ended 30 June 2025, the relevant financial information in relation to the Operating Offset Assets is as follows:

	<b>For the year ended</b>		<b>For the</b>
	<b>31 December</b>		<b>six months</b>
	<b>2023</b>	<b>2024</b>	<b>ended</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>30 June</b>
	<b>RMB</b>	<b>RMB</b>	<b>2025</b>
			<b>(unaudited)</b>
			<b>RMB</b>
Net profit before taxation	5,025,726.03	4,333,513.93	1,472,627.86
Net profit after taxation	3,769,294.52	3,250,135.45	1,104,470.90

### *Lease Agreement*

As mentioned in note 3 to the valuation certificate 2 to the property valuation report of the Offset Assets set out in Appendix II to this circular, it is intended that the right to use will be secured through the execution of the Lease Agreement, which is a commonly adopted approach for property units as opposed to right of use for car parking spaces as advised, and based on the legal opinion issued by the PRC Legal Adviser. The Lease Agreement will be used to offset outstanding receivables totalled of RMB5.4 million under the Settlement Agreement.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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The major terms of the Lease Agreement are set out below:

- Parties: (1) The Company; and
- (2) Sichuan Yonglitai Real Estate Co., Ltd.
- Term: Commencing from the date of the EGM and ending on 31 October 2045 (both dates inclusive).
- Subject matter: 9 residential units of Chengdu Excellence Yuncui, No. 229 Hangzhou Road West Section, Tianfu New Area, Chengdu City, Sichuan Province, the PRC shall be leased to the Group. The Group shall act as a lessee under the lease agreement.
- Rental: For illustration purpose only, on the assumption that the EGM will be convened and held on 30 November 2025, the rental payable is RMB5,886,000 in total (tax inclusive), which is determined after arm's length negotiations between parties after taking into consideration the valuation in the valuation certificate 2 to the property valuation report of the Offset Assets set out in Appendix II to this circular.
- For illustration purpose only, in accordance with HKFRS, the rental payment is capital in nature and these residential units will be recognised as right-of-use assets of the Group on 30 November 2025 for an amount of approximately RMB5,400,000.
- Payment arrangement: The above rental shall be applied to offset part of the consideration for the transfers of the Offset Assets on a dollar-to-dollar basis.
- Transferability: In the event that these residential units become saleable and transferable, Sichuan Yonglitai Real Estate Co., Ltd. shall transfer the property titles of these residential units to the Group at no further consideration.

Based on the public information available, Sichuan Yonglitai Real Estate Co., Ltd. is a company established in the PRC with limited liability and is principally engaged in property development. As at the Latest Practicable Date, it was owned as to 66% by Chengdu Excellence City Real Estate Company Limited\* (成都卓越城置業有限公司) and 34% by Shenzhen Pengshengtong Real Estate Company Limited\* (深圳鵬盛通置業有限公司). Chengdu Excellence City Real Estate Company Limited is owned as to 95% by Excellence Real Estate and 5% by Shenzhen Pengshengtong Real Estate Company Limited. Shenzhen Pengshengtong Real Estate Company Limited is owned as to 50% by Ms. Li Xin and 50% by Mr. Tian Yongzhi. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, Ms. Li Xin and Mr. Tian Yongzhi are Independent Third Parties.

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As disclosed in the valuation certificate 2 to the property valuation report of the Offset Assets set out in Appendix II to this circular, these residential units are subject to a mandatory holding period of 30 years, which ends on 23 June 2051, during which they may not be sold in part, transferred or mortgaged. In the event of judicial disposal arising from corporate bankruptcy or other circumstances, the units must be disposed of as a whole, and their post-disposal use shall remain as rental housing. Accordingly, during this period, the residential units may not be transferred through title deed transactions. Nonetheless, based on the legal opinion issued by the PRC Legal Adviser, leasing arrangements or transfers of right-of-use that are not otherwise restricted remain permissible.

The Directors (including the independent non-executive Directors) are of the view that the Lease Agreement and the transactions contemplated thereunder will be conducted in the ordinary and usual course of business of the Company as the Group conducts similar lease arrangement during its normal course of business with the Group being a lessee under these lease agreements. The Directors are of the view that the Group's Lease Agreement has the same business model as their previous lease agreements. By sub-leasing the properties in these lease agreements, the Group generated approximately RMB37 million of revenue for the two years ended 31 December 2024. As advised by the Company, even though the terms of the Group's previous lease agreements have shorter duration than the Lease Agreement, they considered the Lease Agreement will be conducted in the Group's normal course of business as the Lease Agreement allows the Group to sub-lease the properties to other parties and earn rental income which is what the Group has been doing in the past two years. These terms have been reached following arm's length negotiations between the Group and the Excellence Group and are on normal commercial terms or better. The Directors consider the terms of the lease agreement to be fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

In accordance with HKFRS 16, the Group will recognize right-of-use assets in its consolidated statement of financial position in relation to the lease of these residential units.

### ***(iii) Reasons for and benefits of the Settlement Agreement***

The Group has been providing various services to Excellence Group as mentioned under the section headed "Ongoing Continuing Connected Transactions with Excellence Group", and it has implemented continuous measures to monitor the transactions with and the settlements from Excellence Group. However, as impacted by the prolonged downturn and bottoming stage of the real estate sector, as well as weaker buyer sentiment, same as other property developers in the PRC, Excellence Group has been facing challenges in its operation. In addition, stringent regulatory controls over the use of presale funds further restricted Excellence Group's ability to allocate and transfer cash for general corporate purposes, intensifying short-term liquidity pressure. Given the unprecedented challenges faced by all real estate developers, it is relatively common for real estate developers to settle payable obligations through property-for-debt arrangements instead of cash. As such, the Group entered into the Settlement Agreement with Excellence Real Estate to clear some of the outstanding receivables due from Excellence Group.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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As at 30 June 2025, the trade receivables with the Excellence Group amounted to approximately RMB751 million, which were arising from the existing continuing connected transactions with the Excellence Group under (a) the master property management services agreement in 2022 and renewed in 2024; (b) the master supply and installation agreement in 2022 and renewed in 2024; (c) the property agency services framework agreement in 2022 and renewed in 2024; (d) the master intelligent community services agreement in 2021 and renewed in 2024; (e) the master construction material trading agreement in 2021 and renewed in 2024; and (f) the master decoration and maintenance services framework agreement in 2022 and renewed in 2024. The ageing analysis of the trade receivables is as follows:

	<b>As at 30 June 2025</b> <i>RMB'million</i>
Within one year	492
One to two years	195
Two to three years	53
More than three years	11
	<hr/>
<b>Total</b>	<b>751</b> <hr/> <hr/>

As 30 June 2025, the other receivables with the Excellence Group amounted to approximately RMB384 million, which comprised (i) RMB300 million of the outstanding due from the former shareholder of an acquired subsidiary of the Group with an ageing within one year as disclosed in the circular of the Company dated 13 January 2025 (the “**Acquired Balance**”); (ii) RMB36 million of dividend receivables which have been fully settled as at the Latest Practicable Date; (iii) RMB35 million of utilities prepayment; (iv) RMB5 million of rental deposits for staff dormitories; and (v) RMB8 million of other miscellaneous expenses, all of which were incurred and/or recovered in the ordinary course of business of the Group.

For the purpose of the Settlement Agreement, the Board will prioritise the relevant offset against the Acquired Balance in the entire amount, followed by trade receivables. The Company will select those trade receivables with larger amounts and longer ageing for priority offset. We considered the allocation basis for offsetting the receivables is fair and reasonable as older, larger receivables are at higher receivables risk and impairment potential, so prioritizing them improves liquidity, reduces bad debt exposure, and aligns with prudent financial management of the Group.



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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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### *Ongoing continuing connected transactions with the excellence group*

As at the Latest Practicable Date, the ongoing continuing connected transactions with the Excellence Group included (a) the master property management services agreement in 2022 and renewed in 2024; (b) the master supply and installation agreement in 2022 and renewed in 2024; (c) the property agency services framework agreement in 2022 and renewed in 2024; (d) the master intelligent community services agreement in 2021 and renewed in 2024; (e) the master construction material trading agreement in 2021 and renewed in 2024; (f) the master decoration and maintenance services framework agreement in 2022 and renewed in 2024 (the “**On-going CCTs**”).

To systematically control credit risk associated with related party receivables, the Company has significantly streamlined and divested a substantial portion of its existing business with the Excellence Group. Specifically, the On-going CCTs other than the master property management services agreement have been substantially reduced following the Company’s due diligence and project selection process, and only high-quality projects have been retained. The aggregated transactions amount of the On-going CCTs other than the master property management services agreement was only RMB11.1 million for the six months ended 30 June 2025 as compared with that of RMB101 million for the six months ended 30 June 2024.

The transactions under the master property management services agreement for the six months ended 30 June 2025 amounted to approximately RMB152 million, of which RMB97 million was generated from the provision of basic property management services to the premium Grade A office buildings and retail developed by the Excellence Group located in prime central districts of Shenzhen, which remain unsold or yet to be leased out. The majority of these buildings and podiums were sold or leased out to Independent Third Parties. As the Company has been providing basic property management services for these entire buildings for the benefit of the Independent Third Parties and Excellent Group. Having considered that a majority of the basic management fees were collected from Independent Third Parties, the Board is of the view that the Group continues to provide property management services for these buildings are in the interests of the Company and the Shareholders as a whole. As such, the Company expects that it will continue the master property management services agreement. For the other services provided under the master property management services agreement and other On-going CCTs, going forward, in line with the current practice adopted by the Group as mentioned in the section headed “Reasons and benefits for entering into the Settlement Agreement” above, the Company will only provide services to entities within the Excellence Group’s consolidated scope that demonstrate sound financial standing or are willing to accept prepayment arrangements.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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In addition, the Company plans to gradually exit projects with the Excellence Group by, for example, not renewing or terminating expiring contracts and recover overdue receivables by, for example, initiating legal actions against the Excellence Group or introducing asset pledge or other credit enhancement measures for repayment.

Through this set of combined actions, the Company aims to achieve a prudent and orderly withdrawal from certain connected transactions while maximizing cash recovery and minimizing credit risk exposure. The Board considered that, in light of the above, the On-going CCTs are fair and reasonable.

Before entering into business cooperation with the Excellence Group, the Company implemented a robust and well-established credit risk assessment and due diligence framework designed to effectively identify, evaluate, and manage potential credit risks. This framework included the following key steps:

1. *Entity Information Screening:*

The Company first conducted an initial screening by obtaining and reviewing the business registration information, shareholding structure, principal business activities, litigation records, and administrative penalty history of the relevant members of the Excellence Group. Such members with transparent corporate structures, focused core businesses, and no administrative penalty records were prioritized for cooperation.

2. *Financial and Operational Analysis*

The Company obtained and analyzed the consolidated financial statements of the Excellence Group for the most recent three financial years and one interim period (if available). Key areas of focus included solvency indicators (e.g., current ratio, quick ratio, debt-to-asset ratio, cash-to-short-term debt ratio), profitability indicators (e.g., gross profit margin, return on total assets, return on equity, cash interest coverage ratio), and cash flow position.

Based on the analysis, the Company adopted a cautious stance toward the Excellence Group's short-term cash flow conditions. Nevertheless, the Company remains confident in the resilience and growth potential of subsidiaries located in Shenzhen and other core cities, prime districts, and premium locations, supported by the quality of their underlying assets. Furthermore, with the continued implementation of favorable real estate policies, the Company maintains a positive long-term outlook on the Excellence Group's overall development prospects.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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The individual agreements under the relevant continuing connected transactions include clearly defined terms regarding settlement cycles, invoice issuance, payment timelines, and termination clauses to safeguard the Company's interests. While specific terms vary depending on the nature of the business, the general terms stipulate that payment shall be conducted on a monthly basis, with the Excellence Group required to make payment within the applicable credit terms granted which were ranging from five to fifteen working days upon receipt of the invoice issued by the Group. In the event of a default where payments are overdue by more than one to three months, the Group retains the unilateral right to terminate the relevant agreement. As at the Latest Practicable Date, Excellence Group had breached the payment terms as stated in the On-going CCTs agreements. The Ongoing CCTs agreements had specified that the receivables should be settled in cash, however, as impacted by the prolonged downturn and bottoming stage of the real estate sector, as well as weaker buyer sentiment, Excellence Group has experienced temporary disruptions in its residential sales business. In addition, stringent regulatory controls over the use of presale funds further restricted Excellence Group's ability to allocate and transfer cash for general corporate purposes, intensified short-term liquidity pressure, which make Excellence Group failed to settle the receivables according to the terms stated in the On-going CCTS agreements.

As the receivables due to the Group by Excellence Group are not secured by any assets of Excellence Group, after arm's length negotiation with the Excellence Group, the Group reached the Settlement with the Excellence Group which will (i) allow the Group to recover a large portion of the trade receivables and other receivables due from the Excellence Group; (ii) mitigates the Group's credit exposure to accounts receivables; and (iii) provide the Group with a portfolio of long-term value-accretive assets. In view of the above, we consider the Company's acceptance of the Offset Assets which are illiquid assets to offset the receivables is fair and reasonable.

Since the listing of the Shares, the Group's property management services and value-added services have included: (i) carpark management services, second-hand property leasing and sales agency services, asset-light property operation services, and space operation services for commercial properties; and (ii) carpark management services and second-hand property leasing and sales agency services for residential properties.

The Company has established a professional and well-structured asset operation team comprising approximately 20 members, covering China's East, South, North, and Southwest regions, including the locations of the Offset Assets. All team members possess over three years of relevant experience in real estate asset sales, leasing, and operations. The team is led by a highly experienced professional with over 20 years of nationwide real estate sales management experience, having overseen projects in first-, second-, and third-tier cities across China, including those where the Offset Assets are located. This leader has a proven track record in asset valuation, sales channel management, leasing and operation, and cost control, enabling the team to apply a high level of market insight and professional judgment in

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critical operational and investment decisions. Based on the information provided by the Company, we are of the view that the Company has relevant experience and expertise in real estate sales, leasing and operations in China.

The asset operation team has consistently been responsible for asset screening and valuation, as demonstrated in the Company's previous transactions disclosed in the announcements dated 14 May 2024 and 21 November 2024. The Offset Assets have similarly undergone rigorous selection and prudent assessment by this team. Detailed assessment and work done performed in selecting the Offset Assets without ownership titles under the Settlement Agreement is set off below:

The asset operation team conducted a comprehensive review of potential Offset Assets in multiple project locations, focusing on usage rights assets such as parking spaces and storage rooms across Chengdu, Qingdao, Wuhan, Tianjin, and Jiaxing. The team's work encompassed the following key aspects:

*1. Legal and Transactional Due Diligence*

The team reviewed the ownership structure and confirmed that the usage-right transfer model is permissible and commonly practiced under local laws in the relevant jurisdictions. Only assets with clear and transferable usage rights were considered eligible for selection.

*2. Market Research and Benchmarking Analysis*

Market information was collected and analysed to assess the prevailing pricing and demand conditions for similar asset types in surrounding areas. For instance, the team compared market rental levels and transaction prices for residential and auxiliary facilities located in urban and suburban areas in the relevant regions.

*3. Financial Analysis and Value Assessment*

The team performed financial assessments to evaluate the reasonableness of market value, taking into account indicative transaction benchmarks, expected occupancy levels, potential revenue streams, and maintenance costs over the life cycle of the assets. In the case of residential-type usage-right assets, rental yield projections were modelled over the estimated operating period, while for parking and storage-type assets, transaction velocity and capital recovery potential were key considerations.

*4. Risk Evaluation and Mitigation*

The team identified potential risks, including local market saturation, external parking competition, regulatory or usage restrictions, and liquidity risks. Mitigation strategies were considered, such as focusing on assets located in areas with established residential demand or stable commercial operations to enhance marketability and reduce settlement risk.

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Through this structured screening and valuation process, the asset operation team ensured that only assets with stable marketability, realistic cash flow potential, and acceptable legal status (for properties that could undergo a direct transfer of ownership title, the asset operation team has obtained relevant documents to verify that Excellence Group holds full ownership of such properties and has the right to transfer the property interests; for properties that could only undergo a transfer of rights of use, the team noted that this is a common market practice, legitimate and complies with the relevant laws and regulations in the PRC) were included as Offset Assets under the Settlement Agreement.

Based on the above, the Company considered that the above selection is fair and reasonable and in the interest of the Company as a whole.

Additionally, the Company is actively exploring partnerships with external professional institutions to further enhance asset operation efficiency and unlock potential excess returns. The major parameters for selecting the Offset Assets by the asset operation team includes:

- (i) City analysis: Evaluate the city's fundamental conditions based on indicators such as GDP, urban household population/residential population, per capita disposable income and automobile ownership rate;
- (ii) Location analysis: assess the site's surrounding factors including transportation network, educational resources, municipal facilities, and commercial amenities; and
- (iii) Market analysis: analyze the local real estate market by examining factors such as inventory absorption conditions, inventory turnover period, popular product types and prevailing sales prices.

In light of the above and in considering agreeing to the Settlement, the Group has additionally considered the following factors:

*1. High-quality assets with appreciation potential*

The Offset Assets primarily consist of commercial office buildings, premium residential units, and car parking spaces located in core urban areas in the PRC. They benefit from prime locations with strong demand fundamentals, sound liquidity, and defensive value retention across market cycles. They are also expected to deliver long-term capital appreciation. The Group believes that accepting the transfers of the Offset Assets will not only safeguard the interests of the Shareholders but also further strengthen the asset base of the Group.

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The Settlement Agreement facilitates the recovery of a substantial portion of the Group's trade and other receivables. Through the acquisition of the Offset Assets, the Group can offset an amount of RMB362,825,942, thereby directly reducing outstanding receivables and strengthening the Company's financial position. This approach effectively converts potentially doubtful receivables into tangible assets, offering a practical and efficient alternative to prolonged collection efforts while mitigating the risk of bad debt write-offs.

From our independent review, it is noted that the Group's trade receivables totaled approximately RMB1.99 billion as at 30 June 2025, of which approximately RMB750.96 million was due from Excellence Group. The Group's other receivables totaled approximately RMB595.36 million, of which approximately RMB383.71 million was due from Excellence Group. In light of this, we believe the transactions under the Settlement Agreement would significantly reduce the receivables risk for the Company.

### *2. Business synergies and strategic value*

The Offset Assets are highly complementary to the Group's existing property management and value-added services. Their addition will enable the Group to expand its managed portfolio, diversify service scenarios, and extend its value chain. For example, being a comprehensive property management service provider with strong property management experience and a strategic network across the PRC, the Group can provide bespoke property and ancillary services to high-end residential communities and parking facilities, while exploring corporate support and business solutions for office tenants. The Group can provide basic property management services, system or materials supply services and engineering services to the Offset Assets, and also other value-added services such as asset services which includes preliminary property consulting services, property leasing and sales agency services, asset-light property operation services and space operation services, and corporate services. This is expected to enhance the Group's brand influence and overall competitiveness.

The Offset Assets includes (i) 18 properties held for sale by the Excellence Group in the PRC (comprising (a) office units; (b) residential and retail units; (c) car parking spaces; and (d) the right of use in residential units, car parking spaces and ancillary units respectively located in Dongguan City, Chengdu City, Qingdao City, Wuhan City, Kunming City, Tianjin City, Guangzhou City, Jiaxing City, Chongqing City and Shenzhen City); and (ii) one property held for development by the Excellence Group in the PRC (being various apartment units of a property project under construction in Changsha City, Hunan Province, the PRC).

These tangible assets provide portfolio diversification and align with the Group's position as a comprehensive property management service provider with a strategic network across the PRC. The Offset Assets offer significant potential for future value appreciation or utilization, aligning with the Group's expertise in property management and its strategy to deliver differentiated and diversified value-added services. Leveraging the Group's strong property management capabilities, these assets could be monetized through sales or other means, depending on market conditions and strategic objectives.

The total consideration of RMB362,825,942 for the Offset Assets was determined through arm's length negotiations and is supported by an independent valuation of RMB379,160,000 as of 31 July 2025. The valuation, conducted using the market and income approaches, exceeds the total consideration amount, reflecting favorable pricing for the Group. Further details on the valuation will be addressed in the subsequent section.

### *3. Attractive timing under current market conditions*

Against the backdrop of ongoing adjustments in the real estate market in the PRC, valuations of high-quality assets remain at relatively subdued levels. Accepting the transfers of the Offset Assets at the present time allows the Group to capture long-term resources at attractive entry points, aligning with the Group's strategy of prudent investment and counter-cyclical positioning.

We have performed desktop research on the property and parking spaces market in the PRC, analyzing recent trends, policy developments, and market dynamics.

For the PRC's property market, following a prolonged downturn, the PRC's property market is showing signs of stabilization in 2025. Central and local governments have implemented targeted supportive measures, such as reduced mortgage rates, lower down payment requirements, and initiatives to absorb excess inventory. These measures have slowed the pace of sales and price declines, while market sentiment in core cities has started to recover.

According to the National Bureau of Statistics (NBS), China's robust economic fundamentals are supporting this stabilization, with GDP growth reaching 5.4% in Q1 2025. This strong economic performance lays a solid foundation for property sector activity, particularly in key urban areas where the Offset Assets are located. Such conditions enhance the potential for value appreciation, making the acquisition of these assets strategically advantageous for the Group.

For the China's parking spaces market, The rapid urbanization of China continues to transform the transportation sector, driving significant demand for parking infrastructure. By the end of 2024, the Ministry of Public Security reported that China's vehicle population reached 453 million, including 353 million automobiles. This growth has heightened demand for parking spaces, particularly in densely populated urban areas where supply remains constrained.



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The Offset Assets include a substantial number of parking facilities in prime locations, positioning the Group to benefit from this structural demand. With urbanization continuing to accelerate, the parking spaces market offers strong long-term growth potential, further enhancing the Group's ability to monetize these assets.

Considering China's property and parking spaces markets are poised for continued growth, supported by favorable macroeconomic conditions, targeted government policies, and evolving market dynamics, we are of the view that the prospects of property and parking spaces market are generally positive.

#### 4. *Flexible asset management strategy*

Looking ahead, the Group will adopt a flexible approach to managing the Offset Assets, taking into account both market conditions and asset characteristics. Options include self-operated leasing to generate recurring cash flows, engaging professional agencies for specialized operations, or selectively disposing of assets to realize capital gains when appropriate. Through this diversified strategy, the Group seeks to maximize the overall value of the Offset Assets, enhance profitability, and deliver sustainable and attractive returns to the Shareholders.

Based on the professional assessment of the asset operation team, the Company has formulated a differentiated asset realization strategy for the subject assets. Specifically:

For assets located in areas with strong demand and quick sales turnover, the Company will consider disposing of such assets opportunistically to swiftly recover cash and cover costs.

For assets located in core prime locations with long-term operational value or appreciation potential, the Company will adopt a strategic holding and operation approach to preserve and enhance value. Through this flexible combination of holding, operation, and disposal strategies, the Company aims to accelerate cash recovery while maximizing asset value returns. Accordingly, the Company believes that accepting these non-liquid real estate assets as settlement for outstanding receivables is commercially reasonable and in the best interests of the Company as a whole. The Company has yet to identify which properties it intends to dispose of or hold and operate.

We have conducted further industry research on the China property market outlook for the coming years. According to CBRE's "*Outlook for China's Real Estate Market in 2025*", the Chinese property market is expected to maintain its resilience and recovery trajectory through 2026-2027, driven by favorable policy support, urbanization, and evolving market dynamics. CBRE, a global leader in commercial real estate services and investments, has been ranked on the Fortune 500 every year since 2008. The office market in China is projected to experience steady recovery and development. The Grade A office market is expected to see a decline in vacancy rates from 15-20% in 2025 to 12-15% by 2027, reflecting improved demand across key



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industries, including technology, finance, and life sciences. Prime office rents are projected to grow at an annual rate of 2-4%, driven by strong demand for well-located, high-specification office spaces in central business districts. For the Residential property prices in Tier-1 and Tier-2 cities are forecasted to rise at a moderate pace of 3-5% annually, representing a balanced growth outlook, with government housing policies ensuring affordability and stability.

In conducting our independent analysis on the future demand for the car parking spaces, we have primarily focused on assessing the future demand for automobiles in the PRC, which shall in turn drive the future demand for the sales and leasing of car parking spaces in the PRC. According to data published by the National Bureau of Statistics of the People's Republic of China (the "**Statistics Bureau**") (<http://www.stats.gov.cn/>), China's gross domestic product ("**GDP**") exceeded RMB130 billion for the first time in 2024, reaching approximately RMB134.9 billion, which represents a growth of approximately 5.0% over the previous year. According to the "Economic and Financial Outlook Report 2025", published by the Bank of China Research Institute in November 2024, projects that China's GDP growth rate will remain at approximately 5% in 2025. Consumption is expected to serve as the primary driver of economic growth, supporting the retail sales of consumer goods. Moreover, the China Association of Automobile Manufacturers ("中國汽車工業協會") forecasts that total automobile sales in China will reach 32.9 million units in 2025, marking a year-on-year growth of 4.7%. This growth is attributed to favorable factors, including the continued implementation of macroeconomic support measures, policies promoting the upgrade of consumer goods, and the extension of tax exemption policies for new energy vehicle purchases.

Based on the valuation assessments conducted by the asset operation team and the Valuer, as well as the Company's strategic positioning, the Board noted that the real estate market in the PRC is currently in a structural adjustment phase, with industry-wide liquidity pressure and uncertainty over receivable recoverability. At the same time, valuations of high-quality real estate assets have reached a relatively low level. Against this backdrop, accepting the Offset Assets in lieu of cash settlement at this point is a prudent and forward-looking strategy, enabling the Company to secure high-quality resources with long-term holding value at favorable valuations through diversified asset allocation.

Furthermore, the Settlement aligns with the Company's prudent investment philosophy and counter-cyclical deployment strategy. It is anticipated to enhance the overall profitability of the Company's asset portfolio and generate sustainable and stable returns for shareholders for the reasons as disclosed above: i) for assets located in areas with strong demand and quick sales turnover, the Company will consider disposing of such assets opportunistically to swiftly recover cash and cover costs; ii) for assets located in core prime locations with long-term operational value or appreciation potential, the Company will adopt a strategic holding and operation approach to preserve and enhance value. Through this flexible combination of holding, operation, and disposal strategies, the Company aims to accelerate cash recovery while maximizing asset value returns. In view of the business plan and the current property market condition as disclosed above and the information provided by

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the Company including but not limited to Excellence Group's 2024 annual report (showing stable growth in leasing service revenue over the past three financial years, reflecting the Excellence Group's consistent operating performance and recurring income capability) and property industry reports across different locations in China, we concur with the Directors' view that the acceptance of the Offset Assets to settle the outstanding receivables is fair and reasonable.

The sole purpose of the Settlement Agreement is to offset the outstanding receivables due from Excellence Group, and the Offset Assets were chosen based on the factors mentioned above after due and careful consideration by the Company. The Offset Assets were selected because they will create business synergy and strategic value to the Group. These Offset Assets are located in the core cities in the PRC that have already been covered by the Company's business operations. The property types of the Offset Assets highly align with the Group's existing property management and value-added services. The Offset Assets possess long-term operational value or appreciation potential. Specifically, with respect to Offset Assets (x) to (xix), the asset operation team has conducted telephone interview with the relevant governmental authorities in the PRC and was advised that the asset rights do not encounter any restrictions on sub-transfer. With favorable disposal and operational prospects, thereby meeting the Company's asset allocation and risk control requirements are considered to be met. These arrangements are deemed commercially viable.

The asset operation team noted that the beneficial interests of the Offset Assets (x) to (xix) could also be transferred to the Group through the transfer of right of use or lease of right of use of the relevant Offset Assets, which is a common market practice, legitimate and complies with the relevant laws and regulations in the PRC. As the lack of ownerships is due to the lack of specific regulation in certain areas rendering the registration of the ownership currently unavailable, once the registration of ownership title of Offset Assets (xi) to (xix) becomes available in the future, such ownership title of the relevant Offset Assets should vest with the Group without further cost to be incurred. As such, the operation team have selected Offset Assets based on the quality and future benefits which they could bring to the Group regardless of whether the Offset Assets currently have ownership title or not. With respect to Offset Asset (x), its protection measure has been set out in the sub-paragraph headed "Transferability" under the paragraph headed "Lease Agreement" to this letter.

The Board noted that a substantial part of the Offset Assets in term of valuation amount as at 31 July 2025 under the Settlement Agreement could not undergo a direct transfer of property ownership right under the current PRC laws and regulations, and therefore resorting to use the transfer of the right of use for such Offset Assets to ensure the underlying beneficial interests of the Offset Assets. Pursuant to the individual agreement to be entered into regarding the transfer of right of use for these Offset Assets, the Group shall have the right of use of the relevant Offset Assets, including all rights and incidental interests such as occupancy, use, sub-transfer of right of use, disposal of right of use, lease, operation, management, income and advertising revenue of corresponding Offset Assets) are transferred to the Group. The

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right of use arrangement is a legitimate means for transferring the underlying beneficial interests of these assets under similar circumstances in the PRC, which is in compliance with the relevant laws and regulations in the PRC. Based on the above, we are of the view that the acceptance of the Offset Assets without ownership titles is fair and reasonable.

Upon completion of the transfer of the right of use and the lease of right of use of the Offset Assets, the Group will base on the market conditions to determine whether to dispose of the right of use for Offset Assets (x) to (xix) or to lease out these Offset Assets to generate stable income to the Group.

Under the terms of the separate agreement for the Offset Assets, if the beneficial interests of the Offset Assets are not transferred to the Group as contemplated under the Settlement Agreement, the Group has a right to request and Excellence Group is obliged to settle the remaining outstanding receivables by way of further assets for offsetting arrangement subject to compliance with the Listing Rules.

For those Offset Assets without ownership title, in the event if the direct transfer of the ownership of the Offset Assets is allowed under the PRC laws and regulations in the future (for example, due to any relaxation of the existing PRC laws and regulations), Excellence Group shall actively cooperate with the Group to carry out the direct transfer of ownership of the relevant Offset Assets with no additional costs to the Group. Taken into account the current market condition as disclosed above, even though it may not be an appropriate timing to dispose the Offset Assets in the short term, the Company can always choose to hold or dispose the Offset Assets to realize capital gains when appropriate given the fact that the rights of use of the Offset Assets without ownership title is freely transferable and legitimate. As mentioned above, even though ownership title certificate is not available for Offset Assets (x) to (xix), the beneficial interests of Offset Assets (x) to (xix) could be transferred to the Group through the transfer of right of use or lease of right of use of the relevant Offset Assets, which is a common market practice and legitimate in the PRC. Should the Group wish to dispose the rights of use of these Offset Assets in the future, they have the legal rights to do so. Therefore, we consider the Company's selection of Offset Assets (x) to (xix) under the Settlement Agreement is fair and reasonable.

Under the Settlement Agreement, the beneficial interest of the Offset Asset (x) listed under the section headed "Information of the Offset Assets" will be transferred to the Group by way of a lease agreement. In the event judicial disposal arising from corporate bankruptcy or other circumstances, the units must be disposed of as a whole, which will terminate the Group's beneficial interests in the lease agreement, Excellence Group shall compensate the Group by way of other assets with equivalent value, subject to compliance with the relevant requirements of the Listing Rules.

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Having considered the Offset Assets without ownership title chosen under the Settlement Agreement are of good quality with great appreciation potential; based on the aforementioned factors; and the Company will obtain beneficial interests of those Offset Assets where direct transfer of the ownership title is not available under the prevailing PRC laws and regulations, an arrangement in place that Excellence Group shall actively cooperate with the Group to carry out the direct transfer of ownership of the relevant Offset Assets in accordance with the PRC laws and regulations, and further compensation to be sought from Excellence Group in the case of the beneficial interests of the Offset Assets are not transferred to the Group as contemplated under the Settlement Agreement, the Company considered and we concurred that the transfer of use of right arrangement including the lease agreement is adequate to protect the interests of the Company under the Settlement Agreement. Furthermore, when analyzing the residential units under the Lease Agreement, we understand that the Company has conducted detailed research covering city, location and market analysis and that the residential units are premium residential units located in core urban cities in the PRC with strong demand. The Company is of the view that the residential units under the Lease Agreement not just can offset some of the receivables due from Excellence Group but can generate recurring cashflows for the Group. We are also of the view that the residential units under the Lease Agreement meet the major parameters for selecting the Offset Assets as disclosed above.

In light of the above and having considered, among others, the reasons for the Settlement Agreement, the reasons of choosing the Offset Assets, the benefits which could bring to the Group by Offset Assets and adequate measures in place to protect the interests of the Group for those Offset Assets currently without ownership title, all set out in this circular, and that valuation amount of the Offset Assets, which served as a reference for determination of the consideration of the Settlement Agreement, the Board is of the view and we concurred that the terms of the Settlement Agreement and the transactions contemplated thereunder are fair and reasonable, are not entered in the ordinary and usual course of business of the Group but are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

(iv) ***Principal terms of the Settlement Agreement***

The principal terms of the Settlement Agreement are set out below:

**Date:** 24 August 2025

**Parties:**

1. Excellence Property; and
2. Excellence Real Estate

**Consideration:** Pursuant to the Settlement Agreement, the consideration for the transfers of the Offset Assets was not more than RMB362,825,942 including the lease agreement of RMB5.4 million set out under section headed “Lease Agreement” of this circular, which shall be settled by the trade receivables and other receivables as at 31 July 2025 due from Excellence Group in an equivalent amount.

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### *Basis of determining the consideration*

The consideration for the transfers of the Offset Assets was determined after arm's length negotiations between the parties to the Settlement Agreement with reference to the valuation of the Offset Assets as at 31 July 2025 in the aggregate amount of RMB379,160,000 conducted by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer, of which (i) certain residential and retail units and apartment units were valued at RMB49,100,000 using market approach; (ii) and certain office units, car parking spaces, right of use in residential units and right of use in car parking spaces were valued at RMB330,060,000 using income approach.

### *Valuation methodologies — market approach*

For those Offset Assets that were valued using market approach, the Valuer adopted the comparison approach by making reference to comparable market transactions in its assessment of the market value of a property interest. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

During the course of discussions with the Valuer, the Directors understood that the Valuer adopted the same type of comparables for the relevant Offset Assets. For example, in assessing the residential and retail units of Qingdao Excellence Heyue, the Valuer adopted comparables with similar characteristics in terms of use, size, layout and accessibility. The selected comparables are residential and retail units located in the area close to the subject property with similar building conditions and facilities as Qingdao Excellence Heyue, which were transacted in 2025.

Having considered the above, the Directors consider that the comparables selected by the Valuer for the corresponding Offset Assets are fair and representative samples for the Valuation.

For those Offset Assets that were valued using income approach, as there were no recent sales transaction of similar property interests in the locality where such properties are located, the Valuer took into account the rental income of a property derived from its existing leases and/ or achievable in the existing market with due allowance for reversionary income potential of the leases, which then have been capitalized to determine the market value at an appropriate capitalisation rate.

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During the course of discussions with the Valuer, the Directors understood that the Valuer compared with similar developments which are located in the similar areas as the relevant Offset Assets, for the calculation of market rent in considering the rental income of vacant area. For example, in assessing the office units of Vanke-Excellence-Longafter Weilaizhiguang, the Valuer compared with similar developments which are located in the similar areas as Vanke-Excellence-Longafter Weilaizhiguang and computed the unit rent of these comparable office units. The Valuer will also consider the stabilized market yield based on their own research on office markets in the surrounding area of Vanke-Excellence-Longafter Weilaizhiguang.

Having considered the above, the Directors consider that the comparables selected by the Valuer for the corresponding Offset Assets are fair and representative samples for the Valuation.

The valuation made by the Valuer has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

The Directors have thoroughly assessed the qualifications and experience of the Valuer. As part of this process, they have (i) reviewed the relevant engagement letter, including the scope of work; and (ii) examined the Valuer's pitchbook to gain an understanding of its qualifications, prior experience in asset valuation, and the valuation methodologies employed. The Directors are satisfied that the terms of engagement and the scope of work are appropriate for the opinion the Valuer is required to provide.

The Directors understand that the Valuer is a well-established valuation firm based in Hong Kong with substantial experience in conducting valuations, including for companies listed in Hong Kong and the PRC. The Valuer is recognized as a qualified valuer under the Royal Institution of Chartered Surveyors (RICS). Additionally, Mr. Gilbert C. H. Chan, the signatory of the Valuation Report is a Chartered Surveyor who has 32 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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Furthermore, to the best of the Board's knowledge, information, and belief, and after making all reasonable inquiries, the Valuer is independent of the Group and is not a connected person of the Group.

The Directors have also engaged in discussions with the Valuer regarding the valuation assumptions applied in the Valuation Report. They noted that the assumptions adopted are standard practices in valuation and have not identified any material factors that would cause them to question the fairness and reasonableness of the assumptions. The Directors further reviewed the valuation methodologies and comparables selected by the Valuer and deemed them to be fair and reasonable in the context of the Valuation.

Based on the above, the Directors are satisfied that (i) the Valuer is independent and has the necessary experience and qualifications to undertake the valuation; (ii) the scope of work outlined for the engagement is suitable and aligned with the requirements; and (iii) the valuation methodologies, assumptions, and selected comparables are appropriate and reasonable. Consequently, the Directors regard the Valuation conducted by the Valuer as fair and reasonable and consider it a reliable basis for evaluating the fairness and reasonableness of the Offset Assets.

The Directors have reviewed the assumptions adopted by the Valuer and have been advised that the key assumptions adopted therein are commonly used in valuing similar companies. There are no irregularities noted by the Directors in relation to the quantitative inputs in such valuation. The Directors therefore consider that the key assumptions, quantitative inputs and methodology adopted in such valuation are fair and reasonable.



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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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**Conditions  
precedent:**

The effectiveness of the Settlement Agreement and the transactions contemplated thereunder are subject to the approval by the Independent Shareholders at the EGM. The long stop date of the Settlement Agreement shall be eleven months from the effective date of the Settlement Agreement having considered the administrative and procedural requirements for arranging the execution of the separate transaction agreements pursuant to the Settlement Agreement. As the transfer of each Offset Assets will be governed by a separate transaction agreement executed under the Settlement Agreement, and given that the Offset Assets are dispersed across multiple first- and second-tier cities in China, the contract approval and stamping process requires a certain amount of time. In addition, for certain Offset Assets, transaction-related procedures must be handled at local housing administration centers, which involve several steps, including contract stamping, contract filing, data entry, and information review. Considering these administrative and procedural requirements, the Directors considered and we concurred that reserving a period of eleven months is fair and reasonable to allow sufficient time for the completion of all relevant processes. In view of the reasonings above, we are also of the view that the eleven months long stop date is on normal commercial terms and fair and reasonable as this allows the Group to have more time to complete all administrative, procedural and regulatory requirements, and the long stop date is negotiated between the parties under normal commercial terms without breaching any laws or regulations. Other than this, the Settlement Agreement does not impose any other condition precedent.

The long stop date under the Settlement Agreement is just a tentative targeted completion date agreed by the relevant parties to allow the relevant parties sufficient time to enter into separate agreements under the Settlement Agreement. If there are any unexpected circumstances causing delay in such process, the long stop date will be extended accordingly to allow orderly completion of such process. If this happens, such will constitute a material change in terms of the Settlement Agreement. Accordingly, the Company will re-comply with the relevant requirements under the Listing Rules.



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Prior to the entering of the individual agreement for the transfer of the relevant Offset Assets, the Company will conduct an updated valuation of each Offset Asset using the same valuation methodology. The Company will only enter into and complete the relevant individual transfer agreement if the updated valuation of such Offset Asset is equal to or higher than its valuation as at 31 October 2025. If the updated valuation is lower than the valuation as at 31 October 2025, the Company will not proceed with the execution of the relevant individual transfer agreement. In such event, the Company will re-negotiate with Excellence Real Estate for amicable solutions and will re-comply with the Listing Rules.

The Settlement Agreement currently entered into only serves as a framework agreement to govern the terms and conditions of each individual agreement and does not impose a mandatory obligation on the part of the Company or Excellence Real Estate to accept or transfer the Offset Assets. We believe this arrangement is fair and reasonable as the Group would not proceed with the transaction if the valuation of the Offset Assets falls below the existing value on the long stop date.

### *Our Assessment of the consideration under the Settlement Agreement*

As disclosed in the Letter from the Board, the consideration for the Offset Assets was determined by the parties after arm's length negotiations with reference to the appraised market value of the Properties as at 31 July 2025 (the “**Valuation Date**”).

Independent Shareholders' attention is drawn to the full text of the Valuation Report conducted by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (the “**JLL**” or “**Valuer**”), an independent property valuer, as set out in Appendix II to the Circular. In assessing the fairness and reasonableness of the Valuation, we have taken into the following consideration:

### *The qualification and scope of work of the Valuer*

In order to assess the expertise and independence of the Valuer, we have obtained and reviewed (i) the engagement letter of the Valuer; and (ii) the Valuer's relevant qualifications and experience.

We understand that the Valuer is a long-established professional valuation firm since 1990 with possession of relevant professional qualifications and experience required to perform the Valuation Report. As confirmed by the Valuer, (i) it is registered as a firm regulated by Royal Institution of Chartered Surveyors (“**RICS**”); and (ii) the signatory of the Valuation Report, namely, Mr. Gilbert C. H. Chan, is a

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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chartered surveyor who has 32 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region. For due diligence purpose, we have conducted telephone discussion with the working team of the Valuer to understand its previous experiences on valuation projects, the methodologies, basis and assumptions they have adopted in the Valuation Report as well as the steps and measures taken by the Valuer in conducting the valuation. We also understand from the Valuer that it has carried out on-site inspections and made relevant enquiries and researches for preparing the Valuation Report. The Valuer confirmed that it is independent from the Group and their respective associates.

Based on the above, we consider that the Valuer is qualified and possesses relevant experience in conducting the valuations, and the terms and scope of the engagement between the Company and the Valuer are appropriate to the opinion the Valuer is required to give.

### *Valuation methodologies*

We have reviewed the Valuation Report and discussed with the Valuer on the methodologies of, and basis and assumptions adopted therein. We understand that the Valuer has considered three generally accepted valuation methods, namely the comparison approach, the cost approach and the income approach.

### *Offset Assets I (Property Nos. 5, 7, 12 and 17 to 19) – comparison approach*

The Valuer advises that the selection of comparison approach, instead of cost approach and income approach, to be the most appropriate methodology for the valuation of Property Nos. 5, 7, 12 and 17 to 19 (the “**Offset Assets I**”) which were valued at RMB49,000,000. Given the active and accessible property transaction data in the area, which supports the comparison approach, and the ability of this method to reflect fair market value, the comparison method was adopted. We understand from the Valuer that comparison approach is fully in line with the relevant valuation and market standards for appraising the properties being same type as the Offset Assets I in the PRC. Property No. 19 is still under development, given that Excellent Real Estate will complete the construction of the relevant property and handed it over to the Company after completion and inspection acceptance, the consideration is determined based on the value of such property in its completed state rather than its current value as a project under construction. Accordingly, the Valuer has provided the valuation of Property No. 19 on an “as-if-completed” basis, without considering the actual construction status. The Valuer deems the valuation basis to be fair and reasonable. Also, it is currently contemplated that the completion of transfer of property titles or the delivery of completion documents (if the transfer of property titles is not feasible) will be a condition precedent to the individual transfer agreements, therefore, we are of the view that the assumption of ‘as-if completed’ basis to value Property No. 19 is fair and reasonable.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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Based on our independent research, we note that the comparison approach is a standard and widely accepted methodology for property valuation when there is publicly available market pricing for comparable properties. Given that the Valuer identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the Offset Assets I, the Valuer considers that the comparison approach is a suitable approach for evaluating the Offset Assets I. In light of these considerations, we find the adoption of the comparison approach in the Valuation Report to be reasonable. Given that the Offset Assets I primarily comprise ancillary commercial and residential properties with readily available comparable sales data, we concur with the Valuer's application of the comparison approach. This methodology aligns with industry best practices and ensures a fair and reliable valuation.

As advised by the Valuer, it has selected market comparables (the “**Comparables**”) for the Valuation Report based on, (i) the transaction date of the Comparables should be within one year from the Valuation Date; (ii) the Comparables are similar in nature to the each of the Offset Assets I; and (iii) the Comparables are located in proximity of each of the Offset Assets I. We understand from the Valuer that the Comparables for the purpose of the Valuation are exhaustive and representative.

*Our analysis on the model being adopted under the comparison approach*

For our due diligence purpose, we have also obtained information of the Comparables, such as location, usage, time, site area, etc. We are of the view that the criteria of the Comparables are fair and reasonable as they ensure that they are similar to the Offset Assets I in terms of location and recent market activity. We understand that the Valuer has made relevant adjustments to the residential, apartment and retail units based on its judgement and experience, to the Comparables, taking into account, among other things, including degree of business prosperity, pedestrian flow, location, residual term of use of the land use rights and site area of the properties to take into account the differences between the Comparables and the Offset Assets I, and then use the average of the adjusted unit value of the Comparables as the unit value in calculation of the valuation of the Offset Assets I, which is within the range of the sales or asking price of such Comparables.

We have obtained and reviewed the list of comparable properties identified by the Valuer for the determination of the unit price. Based on the discussions with the Valuer, it is noted that the information is identified on the life service and classified information websites in the PRC, such as Ke Holdings Inc (貝殼找房) and 58.com (58 同城) within one year from the Valuation Date. The Valuer has first identified Comparables that are all located in respective cities and we understand from the Valuer that it has further eliminated certain Comparables which are different in nature, floor size, building quality, etc. The Valuer has made relevant adjustments, where necessary, including (i) market conditions; (ii) building quality; and (iii) nature of the reference properties. We have further conducted a search of properties on various online real estate agency platforms such as Ke Holdings Inc (貝殼找房) and 58.com (58 同城) in August 2025 based on the selection criteria to independently

## LETTER FROM INDEPENDENT FINANCIAL ADVISER

verify the information adopted by the Valuer for commercial real estates under residential buildings in close proximity to the Offset Assets I and located within the respective cities, being the area where the Offset Assets I are situated. Based on such selection criteria, on a best effort basis, we have identified an exhaustive list of properties for each of the Offset Assets I (the “**Reference Properties**”).

### ***Qingdao***

Reference Properties	Address	Property type	GFA (approximately sq.m.)	Asking Price (RMB)	Unit Price (exclude VAT) (RMB/sq.m)
Chengyang District G228 (城陽區G228輔路)	Qingdao	Retail Unit	51	330,000	6,470.59
Kanxiu City (覽秀城)	Qingdao	Retail Unit	140	1,100,000	7,857.14
Qingdao Country Garden Shop (青島碧桂園商舖)	Qingdao	Retail Unit	140	1,050,000	7,500.00
				<b>Average Unit Price</b>	<b>7,275.91</b>

#### **The Offset Assets**

Property No. 5 – Retail Unit	Qingdao	Retail Unit	1,011.49	7,000,000	6,920.48
Property No. 7	Qingdao	Retail Unit	225.71	1,500,000	6,645.70

Reference Properties	Address	Property type	GFA (approximately sq.m.)	Asking Price (RMB)	Unit Price (exclude VAT) (RMB/sq.m)
Heyue (和悦)	Qingdao	Residential Unit	88.59	680,000	7,675.81
Excellent Jiayue (卓越嘉悦)	Qingdao	Residential Unit	89.63	700,000	7,811.63
Haier Junxi (海爾珺璽)	Qingdao	Residential Unit	129.86	1,160,000	8,932.70
				<b>Average Unit Price</b>	<b>8,140.05</b>

#### **The Offset Assets**

Property No. 5 – Residential Unit	Qingdao	Residential Unit	966.48	7,600,000	7,863.59
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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

### *Kunming*

Reference Properties	Address	Property type	GFA (approximately sq.m.)	Asking Price (RMB)	Unit Price (exclude VAT) (RMB/sq.m)
Dianchi qingcui (滇池晴翠)	Kunming	Residential Unit	112	1,280,000	11,428.57
Ludi Hai Zhi Cheng (綠地海之城)	Kunming	Residential Unit	136.62	1,571,000	11,499.05
Dianchi Huatianguoji Dujiaqu (滇池花田國際 度假區)	Kunming	Residential Unit	129.28	1,426,000	11,030.32
				<b>Average Unit Price</b>	11,319.31
<b>The Offset Assets</b>					
Property No. 12	Kunming	Residential Unit	123.89	1,400,000	11,300.35

### *Chongqing*

Reference Properties	Address	Property type	GFA (approximately sq.m.)	Asking Price (RMB)	Unit Price (exclude VAT) (RMB/sq.m)
Shop in Zone C of Zhujiang Sun City (珠江太陽城C區商舖)	Chongqing	Retail Unit	83	960,000	11,566.27
Starlight 68 Plaza (星光68廣場)	Chongqing	Retail Unit	52.65	650,000	12,345.68
Wuhong Road Shop, Chang'an Huadu West District (長安華都(西 區)五紅路商舖)	Chongqing	Retail Unit	75.24	930,000	12,360.44
				<b>Average Unit Price</b>	12,090.80
<b>The Offset Assets</b>					
Property No. 17	Chongqing	Retail Unit	1,622.56	18,900,000	11,648.26

## LETTER FROM INDEPENDENT FINANCIAL ADVISER

### *Shenzhen*

Reference Properties	Address	Property type	GFA (approximately sq.m.)	Asking Price (RMB)	Unit Price (exclude VAT) (RMB/sq.m)
Shengshi Mingmen (盛世名門)	Shenzhen	Residential Unit	122	4,560,000	37,377.05
Hanlinmen (翰林門)	Shenzhen	Residential Unit	127	4,850,000	38,188.98
Zongluwan (棕櫚灣)	Shenzhen	Residential Unit	85	3,300,000	38,823.53
<b>Average Unit Price</b>					38,129.85
<b>The Offset Assets</b>					
Property No. 18	Shenzhen	Residential Unit	131.42	5,100,000	38,806.89

### *Changsha*

Reference Properties	Address	Property type	GFA (approximately sq.m.)	Asking Price (RMB)	Unit Price (exclude VAT) (RMB/sq.m)
China Overseas Yuejiang Mansion (中海閱江府)	Changsha	Apartment Unit	59.38	700,000	11,788.48
Yingke Longhu Jingcui Mansion (映客龍湖環 翠公館)	Changsha	Apartment Unit	41.63	450,000	10,809.51
Xiangshui County (湘熙水郡)	Changsha	Apartment Unit	38	450,000	11,842.11
<b>Average Unit Price</b>					11,480.03
<b>The Offset Assets</b>					
Property No. 19	Changsha	Apartment Units	682.38	7,600,000	11,137.48

*Source:*

1. <https://qd.58.com/>, the real estate agency platform of 58.com (58同城)
2. <https://qd.ke.com/>, the real estate agency platform of Ke Holdings Inc (貝殼找房)

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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Our analysis indicates that the average unit prices for the Offset Assets I located in different cities align with the market price and fall within the Comparables transaction ranges. We noted that the nature of our comparable analysis share resemblance to that of the Offset Assets I and after considering the background of the real estate agency platform as disclosed above, we are of the view that the information collected is accurate and representative. However, Independent Shareholders shall be aware that adjustments were not made to the Reference Properties as we do not possess relevant expertise or perform onsite inspection of the Reference Properties, and hence the asking price of the Reference Properties are for reference only. In light of the above, we are of the view that the valuation methodologies regarding to the comparison approach adopted, together with the bases and assumptions for appraising the Offset Assets I are reasonable and acceptable.

### *Offset Assets II (Property Nos. 1 to 4, 6, 8 to 11 and 13 to 16) – income approach*

For property Nos. 1 to 4, 6, 8 to 11 and 13 to 16, the Valuer has advised that, due to the absence of recent sales transactions for similar property interests in the respective localities, the income approach was deemed the most appropriate valuation methodology, rather than the cost or comparison approach.

The Offset Assets II were valued using the income approach by considering the rental income generated from their existing leases and/or the rental income achievable in the current market. This assessment also factored in the reversionary income potential of the leases, with the income then capitalized at an appropriate capitalisation rate to determine the market value. This approach ensures a reliable and market-aligned valuation, particularly for properties with income-generating potential.

According to the Valuation Report and upon the discussion with the Valuer, we noted that given that the Offset Assets II comprising office units, residential units, car parking spaces and income approach is being adopted accordingly. Furthermore, as the Offset Assets II are revenue-generating assets and income approach is a commonly acceptable and adopted method for revenue generating properties when rental comparables transactions are available in the market. Therefore, the Valuer considers that it is more feasible to adopt income approach. The Valuer also advised that no allowance has been made in their valuations for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoing of any onerous nature which could affect their values.

The appraised values of the Offset assets II under the income approach is RMB329,660,000. We have reviewed and discussed with the Valuer in respect of the valuation model under the income approach. Details of the valuation model are set out in Appendix II to the Circular with detailed key assumptions and parameters. We noted that the Valuation under the income approach was made based on the information provided by the Company and Excellence Real Estate. The Valuer has made reference to the legal opinion by the Company's PRC legal advisers concerning

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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the ownership of properties with titles. Additionally, the Valuer has exercised due diligence by cross-referencing the property's title/planning documents against official records published on the websites of the competent authorities in the relevant jurisdictions.

*Our analysis on the model being adopted under the income approach*

To evaluate the appropriateness of the valuation model as a whole, we obtained and reviewed the calculation spreadsheet and engaged in discussions with the Valuer. We understand that the model was developed with reference to several key factors. These include (i) the revenue generated from the Offset Assets II, encompassing both fixed and temporary income, while considering (a) the income period based on the residual terms of the land use rights where the Offset Assets II are located, (b) the property type, (c) the number of Offset Assets II (being the size or number of the car parking spaces of those assets), and (d) the vacancy rate; and (ii) the maintenance management fee, which ranges from 5% to 20%. The estimated maintenance management fee was calculated based on the tax-inclusive income and the applicable maintenance management fee rate. As advised by the Valuer, for the revenue generated from the Offset Assets II, the Valuer has considered mark rent of similar developments which are located in the similar areas. The vacancy rate was assessed based on market demand for similar developments, the scarcity of this property type in the surrounding area, and the lifecycle stage of the development where the property is located. As discussed with the Valuer, we understand that when using the income approach to value a currently vacant property, it is reasonable to incorporate the market-level vacancy rate. The income approach estimates a property's value based on its ability to generate future operating income, discounted to present value. Even if the property is currently vacant, its value should reflect the typical performance of comparable properties under normal market conditions. This practice also aligns with international valuation standards, which assume "highest and best use." It is normal practice in property valuation to consider the vacancy rates of comparable properties in the local market. Therefore, we are of the view that the adoption of vacancy rate in assessing the valuation of Offset Assets II by the Valuer is fair and reasonable.

We noted that the Valuer primarily referred to relevant comparable rental evidence for properties with similar use types, making appropriate adjustments when applying the income approach. Following discussions with the Valuer, we understand that in conducting the market rent analysis, the Valuer considered the rental levels of the Offset Assets II alongside comparable properties in the surrounding area. The reasonableness of the assumptions and market rental levels was further validated by cross-checking them against historical rental data (when available). Therefore, for Property No. 4 which is in operation for parking fees, the Valuer has cross-checked the market rents adopted in the valuation against historical rental levels.

We noted that a stabilized market yield (with a range of 5.0% to 6.0% for office markets, range of 2.0% to 3.0% for the residential market, range of 4.5% to 7.0% for the car parking spaces markets) was applied in the Valuation with reference to the rates generally expected by the market for comparable properties of similar use types. It implicitly reflects various factors, including the type and quality of the property, expectations of potential future rental growth, prospects for capital appreciation, and associated risk factors.



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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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We have discussed with the Valuer regarding the adoption of the stabilized market yield and were given to understand that the Valuer has considered and analyzed the market yields of residential properties, office properties, and car parking spaces in nearby locations that are comparable to the respective portions of the Offset Assets II (the “**Comparable Properties**”) as of 31 July 2025. This analysis was conducted to determine the stabilized market yield for the residential, office, and car park portions of the Offset Assets II, based on their knowledge of the market expectations of property investors.

We have reviewed the Comparable Properties and the calculation method used to determine the stabilized market yields. Additionally, we have examined circulars issued by companies in similar industries listed on the Hong Kong Stock Exchange (HKEX). After a thorough analysis, we confirm that the methodology applied is consistent with prevailing market practices, and no irregularities or discrepancies were identified during our evaluation. Based on our evaluation, we consider the assumptions to be aligned with market norms.

In light of the foregoing, we are of the view that the assumptions adopted by the valuer in valuing the Offset Assets II are fair and reasonable.

Therefore, we consider the stabilized market yield adopted is reasonable and in line with the market norm, considering the analyzed market yield of transactions of the relevant use type. In view of the above, we considered the key assumptions adopted in the model to be fair and reasonable.

### *Our view in relation to the Settlement*

Having considered (i) the Valuer is independent from the Company and has relevant experience in conducting the valuation similar to that of the Offset Assets; (ii) the adoption of comparison approach and income approach for Offset Assets I and Offset Assets II respectively, is an appropriate valuation methodology; (iii) the reasonableness of the bases and assumptions adopted in the Valuation; (iv) the key assumptions adopted in the model are fair and reasonable and (v) the assumptions adopted in the Valuation has been reviewed and agreed by the Directors, we consider that the valuation methodologies adopted by the Valuer behind the Consideration is fair and reasonable. We consider that the Valuation as set out in the Valuation Report in Appendix II to the Circular is an appropriate reference point to assess the fair and reasonableness of the Consideration under the Settlement Agreement.

## POSSIBLE FINANCIAL EFFECTS OF THE SETTLEMENT AGREEMENT

Immediately upon completion of the Transactions, it is expected that the Offset Assets will be classified as inventories and right-of-use assets of the Group and the Group's total assets would increase by approximately RMB362.8 million. It should be noted that the aforementioned analyses are for illustrative purpose only and do not purport to represent how the financial performance and position of the Group will be upon completion of the Transactions.

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## LETTER FROM INDEPENDENT FINANCIAL ADVISER

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### RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the opinion that although the entering into of the Settlement Agreement and the transactions contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole and the terms of the Settlement Agreement are on normal commercial terms and are fair and reasonable. Accordingly, we advise the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed for approving the Settlement Agreement and the respective transactions contemplated thereunder.

Yours faithfully,  
For and on behalf of  
**First Global Corporate Finance Co., Limited**  
**Wendy Liu**  
*Managing Director*

*Ms. Liu is a licensed person registered with SFC and regarded as a responsible officer of Type 6 (advising on corporate finance) of First Global Corporate Finance Co., Limited. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activities under SFO since 2014.*

**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 Company. 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. EXPERT AND CONSENT**

The following is the qualification of the expert who has given its opinion, advice or report contained in this circular:

<b>Name</b>	<b>Qualification</b>
First Global Corporate Finance Co., Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	independent property valuer
Zhong Lun Law Firm	legal advisers as to the PRC laws

As at the Latest Practicable Date, each of the experts above:

- (a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or opinion and references to its name, in the form and context in which it appears;
- (b) 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 securities in any member of the Group; and
- (c) did not have any direct or indirect interest in any assets which had been since 31 December 2024 (the date to which the latest published audited consolidated financial statements of the Company were made up), acquired, 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.

**3. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirmed that there has not been any material adverse change in the financial or trading position of our Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made.

**4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which is not expiring or determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

**5. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been 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 since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at the date of this circular and which is significant in relation to the businesses of the Group.

**6. DIRECTOR'S INTERESTS IN COMPETING BUSINESS**

As at the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder.

**7. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://www.excepm.com>) from the date of this circular up to and including the date of the EGM:

- (a) the Settlement Agreement;
- (b) the property valuation report of the Offset Assets issued by the Valuer; and
- (c) the written consents referred to in the paragraph headed "Expert and Consent" in this Appendix.

## 8. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short position of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified 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 were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

### (a) Interests of Directors and chief executives

#### *Interests in the Shares*

Name of Director	Capacity/Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(2)</sup>	Long/short position
Mr. Li Xiaoping (“ <b>Mr. Li</b> ”)	Interest of spouse	118,120,000 <sup>(1)</sup>	9.68%	Long position
	Beneficial owner	272,000 <sup>(2)</sup>	0.02%	Long position
Ms. Guo Ying (“ <b>Ms. Guo</b> ”)	Beneficial owner	75,000	0.01%	Long position

#### *Notes:*

- (1) Mr. Li is the spouse of Ms. Xiao Xingping (“**Ms. Xiao**”). By virtue of the SFO, Mr. Li is deemed to be interested in the same number of Shares in which Ms. Xiao is interested.
- (2) The percentage is calculated on the basis of 1,220,348,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified 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 were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**(b) Interests of substantial Shareholders**

As at the Latest Practicable Date, as far as the Directors are aware of, the following persons, (other than the Directors or chief executives of the Company whose interests are disclosed above), had interests or short positions in the Shares or underlying Shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, and were required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO:

***Interests in the Shares***

Name of Shareholder	Capacity/Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(5)</sup>	Long/short position
Mr. Li Wa <sup>(1)</sup>	Interest in a controlled corporation	722,440,000	59.20%	Long position
Oriental Rich Holdings Group Limited (“ <b>Oriental Rich</b> ”) <sup>(1)</sup>	Interest in a controlled corporation	722,440,000	59.20%	Long position
Urban Hero Investments Limited (“ <b>Urban Hero</b> ”) <sup>(1)</sup>	Beneficial owner	722,440,000	59.20%	Long position
Ms. Xiao <sup>(2), (3)</sup>	Interest in a controlled corporation	117,900,000	9.66%	Long position
	Beneficial owner	220,000	0.02%	Long position
	Interest of spouse	272,000	0.02%	Long position
Ever Rainbow Holdings Limited (“ <b>Ever Rainbow</b> ”) <sup>(2)</sup>	Beneficial owner	117,900,000	9.66%	Long position
Mr. Li Yuan <sup>(4)</sup>	Interest in a controlled corporation	63,000,000	5.16%	Long position
Autumn Riches Limited (“ <b>Autumn Riches</b> ”) <sup>(4)</sup>	Beneficial owner	63,000,000	5.16%	Long position

***Notes:***

- (1) Urban Hero is wholly owned by Oriental Rich, which is in turn wholly owned by Mr. Li Wa. By virtue of the SFO, each of Oriental Rich and Mr. Li Wa is deemed to be interested in the same number of Shares in which Urban Hero is interested.
- (2) Ever Rainbow is wholly owned by Ms. Xiao. By virtue of the SFO, Ms. Xiao is deemed to be interested in the same number of Shares in which Ever Rainbow is interested.
- (3) Ms. Xiao is the spouse of Mr. Li Xiaoping. By virtue of the SFO, Ms. Xiao is deemed to be interested in the same number of Shares in which Mr. Li Xiaoping is interested.
- (4) Autumn Riches is wholly owned by Mr. Li Yuan. By virtue of the SFO, Mr. Li Yuan is deemed to be interested in the same number of Shares in which Autumn Riches is interested.
- (5) The percentage is calculated on the basis of 1,220,348,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (who were not Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

## **9. MISCELLANEOUS**

This circular and the accompanying proxy form have been prepared in both English and Chinese. In the event of discrepancies, the English text of this circular shall prevail over the Chinese text.

*The following is the text of a letter, summary of values and valuation certificates prepared for the purpose of incorporation in this circular received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 31 October 2025 of the property interests in respect of the Settlement Agreement.*



**Jones Lang LaSalle Corporate Appraisal and Advisory Limited**  
7/F One Taikoo Place  
979 King's Road Hong Kong  
tel +852 2846 5000 fax +852 2169 6001  
License No.: C-030171

12 December 2025

The Board of Directors  
**Excellence Commercial Property & Facilities Management Group Limited**  
40th Floor, Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai  
Hong Kong

Dear Sirs,

In accordance with the instructions of Excellence Commercial Property & Facilities Management Group Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) to value the property interests to be acquired by the Group in respect of the Settlement Agreement in the People's Republic of China (the “**PRC**”), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the property interests as at 31 October 2025 (the “**valuation date**”).

Our valuation is carried out on a market value basis. Market value is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Pursuant to an Asset Transactions Framework Agreement (the “**Framework Agreement**”) entered into between Excellence Real Estate Group Co., Ltd. (卓越置業集團有限公司, “**Excellence Real Estate**”, a connected person of the Company) and Shenzhen Excellent Property Management Co., Ltd. (深圳市卓越物業管理有限責任公司, “**Excellence Property**”, a wholly-owned subsidiary of the Company), Excellence Property and its subsidiaries and branches propose to acquire the property interests from Excellence Real Estate and its controlled or affiliated companies (“**Party A Group**”), and Party A Group agrees to sell the property interests.

In valuing property Nos. 1 to 4, 6, 8 to 11 and 13 to 16, as there were no recent sales transaction of similar property interests in the locality where such properties are located, we have valued the property interests by the income approach by taking into account the rental income of a property derived from its existing leases and/or achievable in the existing market with due allowance for reversionary income potential of the leases, which then have been capitalized to determine the market value at an appropriate capitalization rate.



We have adopted the comparison approach in our valuation of property Nos. 5, 7, 12 and 17 to 19 by making reference to comparable market transactions in our assessment of the market value of a property interest. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with certain requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of Real Estate Title Certificates, Construction Work Planning Permit, Construction Work Commencement Permit and Construction Work Completion and Inspection Tables relating to the property interests and have made relevant enquiries. Where possible, we have not examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have made reference to the legal opinion by the Company's PRC Legal Advisers — Zhong Lun Law Firm, concerning the legal title validity of property interests in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the properties was carried out in August 2025 by Mr. Jimmy Gu, Ms. Mia Lei and Mr. Michael Mai. They have 4 to 13 years' experience in the valuation of properties in the PRC.

We confirm that no information was provided by the connected person of the Company. All data and information were provided directly to us by the Group. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive at an informed view, and we have no reason to suspect that any material information has been withheld.

Climate change, sustainability, resilience, and ESG are increasingly influencing investment approaches as they may affect prospects for rental and capital growth, and susceptibility to obsolescence. Properties that do not meet the sustainability characteristics expected in the market may represent a higher investment risk, particularly as occupiers become more conscious of ESG impacts on operational workspace, which could impact on vacancy and rental levels. This view is supported by RICS in their recently published guidance note "Sustainability and ESG in commercial property valuation and strategic advice (3rd Edition)".

While some of the sustainability and ESG initiatives are considered subjective and intangible, they cannot always be demonstrated with quantifiable evidence. Based on our research and local market knowledge, there is not yet any direct and tangible evidence of ESG being reflected in specific investment behaviours and/or pricing considerations for assets of a similar nature to the subject property, although it is acknowledged that ESG criteria is forming part of an increasing number of investment mandates. However more tangible benefits such as energy efficiency are realizable in operational costs. We have not undertaken full asset and market investigations in this regard. Whilst there is currently no direct and tangible evidence to suggest that the market is making pricing adjustments for ESG, we will continue to monitor market movements and sentiment.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuation is summarized below and the valuation certificates are attached.

Yours faithfully,  
For and on behalf of  
**Jones Lang LaSalle Corporate Appraisal and Advisory Limited**  
**Gilbert C. H. Chan**  
*MRICS MHKIS R.P.S. (GP)*  
*Senior Director*

*Notes:* Gilbert C. H. Chan is a Chartered Surveyor who has 32 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

**SUMMARY OF VALUES**

**Group I: Properties to be acquired by the Group in the PRC**

<b>No.</b>	<b>Property</b>	<b>Market value in existing state as at 31 October 2025 RMB</b>
1.	Various office units of Vanke-Excellence-Longafter Weilaizhiguang located at the southern side of Humen Avenue and the eastern side of Hubaidong Road Dongguan City Guangdong Province The PRC (東莞虎門萬科卓越瓏遠未來之光的數個辦公單元)	89,100,000
2.	The 20-year right of use in 9 residential units of Chengdu Excellence Yuncui No. 229 Hangzhou Road West Section Tianfu New Area Chengdu City Sichuan Province The PRC (成都卓越雲翠九個住宅單元的20年使用權)	No Commercial Value  (refer to Note 6 on page II-12)
3.	The right of use in various car parking spaces of Qingdao Excellence Blue Islands No. 18 Shuangyuan Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越蔚藍群島數個車位的使用權)	7,100,000
4.	The right of use in various car parking spaces of Qingdao Excellence Century Center No. 31 Longcheng Road Shibei District Qingdao City Shandong Province The PRC (青島卓越世紀中心數個車位的使用權)	61,900,000

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**APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS**

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No.	Property	Market value in existing state as at 31 October 2025 RMB
5.	Various residential and retail units of Qingdao Excellence Heyue located at the southern side of Huoju Road and the western side of Chongren Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越和悅的數個住宅和零售單元)	14,400,000
6.	The right of use in various car parking spaces of Qingdao Excellence Heyue located at the southern side of Huoju Road and the western side of Chongren Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越和悅數個車位的使用權)	29,300,000
7.	3 retail units of Qingdao Excellence Jiayue No. 117 Huoju Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越嘉悅的三個零售單元)	1,500,000
8.	The right of use in various car parking spaces of Qingdao Excellence Jiayue No. 117 Huoju Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越嘉悅數個車位的使用權)	21,700,000

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**APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS**

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No.	Property	Market value in existing state as at 31 October 2025 RMB
9.	The right of use in various car parking spaces of Qingdao Excellence Yuhai No. 795 Jinshatan Road Huangdao District Qingdao City Shandong Province The PRC (青島卓越嶼海數個車位的使用權)	1,000,000
10.	The right of use in various car parking spaces and ancillary units of Qingdao Excellence Tianyuan No. 789 Jinshatan Road Huangdao District Qingdao City Shandong Province The PRC (青島卓越天元數個車位和配套單元的使用權)	460,000
11.	The right of use in various car parking spaces of Wuhan Excellence City No. 88 Shangqi Tongyong Avenue Hongshan District Wuhan City Hubei Province The PRC (武漢卓越城數個車位的使用權)	13,200,000
12.	A residential unit of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road Chenggong District Kunming City Yunnan Province The PRC (昆明卓越滇池晴翠的一個住宅單元)	1,400,000

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**APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS**

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No.	Property	Market value in existing state as at 31 October 2025 RMB
13.	Various car parking spaces of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road Chenggong District Kunming City Yunnan Province The PRC (昆明卓越滇池晴翠的數個車位)	17,100,000
14.	The right of use in various car parking spaces of Tianjin Excellence Yunmen No. 1 Weihua Avenue Xiqing District Tianjin The PRC (天津卓越雲門數個車位的使用權)	5,500,000
15.	Various car parking spaces of Guangzhou Excellence Qingcuifu No. 28 Lianxing Road Panyu District Guangzhou City Guangdong Province The PRC (廣州卓越晴翠府的數個車位)	63,600,000
16.	The right of use in various car parking spaces of Jiaxing Xiuchen Huafu located at the northern side of Ao'xing Road and the eastern side of Chayuan Road Jiaxing City Zhejiang Province The PRC (嘉興秀宸華府數個車位的使用權)	14,300,000
17.	17 retail units of Chongqing Excellence Queensway located at the northern side of Chang'an Middle Road and the western side of Wuxing South Road Jiangbei District Chongqing The PRC (重慶卓越皇后道的十七個零售單元)	19,000,000

## APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

No.	Property	Market value in existing state as at 31 October 2025 RMB
18.	2 apartment units of Shenzhen Excellence Rongjin Hanhaiwan Mingting located at the southern side of Jinrong Road and the western side of Haitao Road Yantian District Shenzhen City Guangdong Province The PRC (深圳卓越榮津瀚海灣名庭的兩個公寓單元)	5,100,000
Sub-total:		365,660,000

### Group II: Property as if completed to be acquired by the Group in the PRC

No.	Property	Market value as if completed as at 31 October 2025 RMB
19.	Various commercial apartment units of Changsha Excellence Yanghuyuan Building No. 17 under construction located at the southern side of Yanghu Road and the western side of Tanzhou Avenue Yuelu District Changsha City Hunan Province The PRC (長沙卓越洋湖苑17號樓在建工程的數個商務公寓單元)	7,600,000
Sub-total:		7,600,000
Grand-total:		373,260,000

VALUATION CERTIFICATE

Group I: Properties to be acquired by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
1.	Various office units of Vanke-Excellence-Longafter Weilaizhiguang located at the southern side of Humen Avenue and the eastern side of Hubaidong Road Dongguan City Guangdong Province The PRC (東莞虎門萬科卓越瓏遠未來之光的數個辦公單元)	<p>Vanke-Excellence-Longafter Weilaizhiguang is located at the southern side of Humen Avenue and the eastern side of Hubaidong Road, Dongguan City. It is about 40 minutes' driving distance to Shenzhen Bao'an International Airport and about 10 minutes' driving distance to Humen East Railway Station. The locality of the property is a well-developed residential and commercial area with various residential buildings served by public facilities and transportation.</p> <p>Vanke-Excellence-Longafter Weilaizhiguang has been developed into a residential and commercial development in 2024.</p> <p>As advised by the Company, the property comprises various office units of Vanke-Excellence-Longafter Weilaizhiguang and has a total gross floor area of approximately 12,371.94 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 19 April 2061 for commercial use.</p>	As at the valuation date, the property was vacant.	89,100,000

Notes:

- Pursuant to 36 Real Estate Title Certificates, the property with a total gross floor area of approximately 12,371.94 sq.m. is owned by Dongguan Wanqing Real Estate Co., Ltd. (東莞市萬慶房地產有限公司, "Dongguan Wanqing", a 47%-owned associate of Excellence Real Estate). The relevant land use rights have been granted to Dongguan Wanqing for a term expiring on 19 April 2061 for commercial use.
- The shareholders of Dongguan Wanqing include Dongguan Humen Kehang Investment Management Co., Ltd. (holding a 48% stake, with its ultimate controller being China Vanke Co., Ltd., an A+H share listed company and a well-known real estate company), Dongguan Zhongtian Plaza Construction Co., Ltd. (holding a 47% stake, a wholly-owned subsidiary of Excellence Real Estate, a comprehensive real estate development and operation company), and Longyuan Cuilongwan Investment Co., Ltd. (holding a 5% stake, a local real estate development company in Dongguan). Dongguan Wanqing has obtained all necessary licences to operate in Dongguan City.
- Pursuant to a Resolution of the Shareholders Meeting in December 2022 of Dongguan Wanqing and the confirmation from the Company, Dongguan Wanqing made a distribution in specie to its existing shareholders such that Vanke-Excellence-Longafter Weilaizhiguang Building No. 25 (including the property) was distributed to Dongguan Zhongtian Plaza Construction Co., Ltd. (東莞市中天廣場建造有限公司).



4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the office units of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The unit rent of these comparable office units ranges from RMB1.2 to RMB1.5 per sq.m. per day; and
  - c. Based on our research on office markets in the surrounding area of the property, the stabilized market yield ranges from 5.0% to 6.0%. In our valuation, we have adopted 5.5% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. According to the title certificates issued on 26 April 2024, Dongguan Wanqing holds the ownership of the property;
  - b. According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - c. According to the confirmation of Dongguan Wanqing, there is no mortgage of the property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
2.	The 20-year right of use in 9 residential units of Chengdu Excellence Yuncui No. 229 Hangzhou Road West Section Tianfu New Area Chengdu City Sichuan Province The PRC (成都卓越雲翠九個住宅單元的20年使用權)	<p>Chengdu Excellence Yuncui is located at No. 229 Hangzhou Road West Section, Tianfu New Area, Chengdu City. It is about 50 minutes' driving distance to Chengdu Tianfu International Airport and about 45 minutes' driving distance to Chengdu South Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Chengdu Excellence Yuncui has been developed into a residential development in 2022.</p> <p>As advised by the Company, the property comprises 9 residential units of Chengdu Excellence Yuncui and has a total gross floor area of approximately 1,146.12 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 July 2091 for residential use. As advised by the Company, the right of use expires on 31 October 2045.</p>	As at the valuation date, the property was vacant.	No Commercial Value  (refer to Note 6)

Notes:

- Pursuant to a Real Estate Title Certificate, 8 residential units of Chengdu Excellence Yuncui with a total gross floor area of approximately 957.76 sq.m. are owned by Sichuan Yonglitai Real Estate Co., Ltd. (四川永利泰地產有限公司, "Sichuan Yonglitai", a wholly-owned subsidiary of Excellence Real Estate). The relevant land use rights have been granted to Sichuan Yonglitai for a term expiring on 29 July 2091 for residential use. According to the Note, these residential units are self-owned rental housing units with a mandatory holding period of 30 years. During this period, they cannot be piecemeal transferred or mortgaged. In cases of judicial disposal due to corporate bankruptcy or other reasons, such residential units shall be disposed of as a whole, and the post-disposal usage must remain as rental housing.
- Pursuant to a Real Estate Title Certificate, a residential unit of Chengdu Excellence Yuncui with a gross floor area of approximately 188.36 sq.m. is owned by Sichuan Yonglitai. The relevant land use rights have been granted to Sichuan Yonglitai for a term expiring on 29 July 2091 for residential use.
- According to the written confirmation from the Company, the right to use will be secured through the execution of a 20-year lease agreement with Sichuan Yonglitai. As advised by the Company, the right of use expires on 31 October 2045.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the residential units of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The unit rent of these comparable residential units ranges from RMB0.9 to RMB1.0 per sq.m. per day; and
  - c. Based on our research on residential markets in the surrounding area of the property, the stabilized market yield ranges from 2.0% to 3.0%. In our valuation, we have adopted 2.5% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. According to the title certificates issued, Sichuan Yonglilai holds the ownership of the 9 residential units of Chengdu Excellence Yuncui;
  - b. According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law;
  - c. According to the Note in the Real Estate Title Certificate, the recorded residential units are self-owned rental housing units with a mandatory holding period of 30 years. During this period, they cannot be piecemeal transferred or mortgaged. In cases of judicial disposal due to corporate bankruptcy or other reasons, such residential units shall be disposed of as a whole, and the post-disposal usage must remain as rental housing. Therefore, during the mandatory holding period, such residential units cannot be transferred through title deed transaction, but are not prohibited from being leased;
  - d. Under the lease relationship, the tenant has the right to use and benefit from the leased property. The current leased property involved is real estate, and it is consistent with industry practice for the Group to use and benefit from such property through leasing;
  - e. The Group has the right to dispose of the right of use in its leased property; and
  - f. There is no mortgage of the 9 residential units of Chengdu Excellence Yuncui.
6. As at the most practicable date, the lease agreement mentioned in Note 3 has not been executed. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the 20-year right to use of the property as at the valuation date would be RMB5,400,000, assuming that:
  - a. The lease agreement mentioned in Note 3 has been fully executed;
  - b. All 20-year rental payments have been fully paid in advance; and
  - c. The lease can be freely transferred.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
3.	The right of use in various car parking spaces of Qingdao Excellence Blue Islands No. 18 Shuangyuan Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越蔚藍群島數個車位的使用權)	<p>Qingdao Excellence Blue Islands is located at No. 18 Shuangyuan Road, Chengyang District, Qingdao City. It is about 40 minutes' driving distance to Qingdao Jiaodong International Airport and about 20 minutes' driving distance to Qingdao North Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Blue Islands has been developed into a residential development completed between 2009 and 2025.</p> <p>As advised by the Company, the property comprises 259 car parking spaces of Qingdao Excellence Blue Islands.</p> <p>The land use rights of the property have been granted for a term expiring on 2 November 2076 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	7,100,000

Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 261,024 sq.m. have been granted to Excellence Real Estate Group (Qingdao) Co., Ltd. (卓越置業集團(青島)有限公司, "Excellence Qingdao", a wholly-owned subsidiary of Excellence Real Estate) for a term expiring on 2 November 2076 for residential use.
- Pursuant to a Construction Work Completion and Inspection Table, the construction of Qingdao Excellence Blue Islands Zone Z (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a "Right of Use Transfer Agreement". With reference to the agreement template provided by the Company, Excellence Qingdao shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Excellence Qingdao to the Group, and Excellence Qingdao shall no longer bear the management fees for the subject car parking spaces.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB7.0 to RMB10.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificate of the land parcel on which the car parking spaces are located has been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificate of the property, the applicable laws do not prohibit Excellence Qingdao from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Qingdao Excellence Blue Islands.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
4.	The right of use in Various car parking spaces of Qingdao Excellence Century Center No. 31 Longcheng Road Shibe District Qingdao City Shandong Province The PRC (青島卓越世紀中心 數個車位的使用權)	<p>Qingdao Excellence Century Center is located at No. 31 Longcheng Road, Shibe District, Qingdao City. It is about 60 minutes' driving distance to Qingdao Jiaodong International Airport and about 30 minutes' driving distance to Qingdao Railway Station. The locality of the property is a well-developed residential and commercial area with various commercial buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Century Center has been developed into an office development in 2016.</p> <p>As advised by the Company, the property comprises 1,636 car parking spaces of Qingdao Excellence Century Center.</p> <p>The land use rights of the property have been granted for a term expiring on 29 January 2051 for commercial use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was in operation for parking fees.	61,900,000

Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 29,941.8 sq.m. have been granted to Excellence Group (Qingdao) Changye Real Estate Development Co., Ltd. (卓越集團(青島)昌業房地產開發有限公司, “**Excellence Qingdao Changye**”, a wholly-owned subsidiary of Excellence Real Estate) for a term expiring on 29 January 2051 for commercial use.
- Pursuant to 3 Construction Work Completion and Inspection Tables, the construction of Qingdao Excellence Century Center (including the property) has been completed and passed the inspection acceptance.
- Pursuant to a Company Spin-off Agreement No. 1 and information provided by the Company, Qingdao Excellence Qisheng Real Estate Development Co., Ltd. (青島卓越麒盛房地產開發有限公司, “**Qingdao Qisheng**”, a wholly-owned subsidiary of Excellence Real Estate) acquired certain assets (including the right of use in 527 car parking spaces of the property) of Qingdao Excellence Century Center through a spin-off arrangement.
- Pursuant to a Company Spin-off Agreement No. 2 and information provided by the Company, Qingdao Excellence Rongyi Real Estate Co., Ltd. (青島卓越融億置業有限公司, “**Qingdao Rongyi**”, a wholly-owned subsidiary of Excellence Real Estate) acquired certain assets (including the right of use in 480 car parking spaces of the property) of Qingdao Excellence Century Center through a spin-off arrangement.

5. According to the information provided by the Company, after the completion of the company spin-off, Excellence Qingdao Changye holds the right of use in 629 car parking spaces of the property.
6. As advised by the Company, the Group intends to acquire the property by entering into a “Right of Use Transfer Agreement”. With reference to the agreement template provided by the Company, Excellence Qingdao Changye, Qingdao Qisheng and Qingdao Rongyi shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Excellence Qingdao Changye, Qingdao Qisheng and Qingdao Rongyi to the Group, and Excellence Qingdao Changye, Qingdao Qisheng and Qingdao Rongyi shall no longer bear the management fees for the subject car parking spaces.
7. Our valuation has been made on the following basis and analysis:
  - a. We have considered the actual operating income as at the valuation date and also compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of the property;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within office developments. The unit rent of these comparable car parking spaces ranges from RMB20.0 to RMB25.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 6.5% to 7.0%. In our valuation, we have adopted 6.75% as the stabilized market yield.
8. We have been provided with a legal opinion regarding the property interest by the Company’s PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificate of the land parcel on which the car parking spaces are located has been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificate of the property, the applicable laws do not prohibit Excellence Qingdao Changye, Qingdao Rongyi and Qingdao Qisheng from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Qingdao Excellence Century Center.

## VALUATION CERTIFICATE

			Market value in existing state as at 31 October 2025 RMB								
No.	Property	Description and tenure	Particulars of occupancy								
5.	Various residential and retail units of Qingdao Excellence Heyue located at the southern side of Huoju Road and the western side of Chongren Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越和悅的數個住宅和零售單元)	<p>Qingdao Excellence Heyue is located at the southern side of Huoju Road and the western side of Chongren Road, Chengyang District, Qingdao City. It is about 30 minutes’ driving distance to Qingdao Jiaodong International Airport and about 25 minutes’ driving distance to Qingdao North Railway Station. The locality of the property is a well-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Heyue has been developed into a residential development between 2023 and 2024.</p> <p>As advised by the Company, the property comprises various residential and retail units of Qingdao Excellence Heyue and has a total gross floor area of approximately 1,977.97 sq.m. The details are set out as below:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Residential</td><td>966.48</td></tr><tr><td>Retail</td><td>1,011.49</td></tr><tr><td><b>Total:</b></td><td><b>1,977.97</b></td></tr></table>	Usage	Gross Floor Area (sq.m.)	Residential	966.48	Retail	1,011.49	<b>Total:</b>	<b>1,977.97</b>	As at the valuation date, the property was vacant.
Usage	Gross Floor Area (sq.m.)										
Residential	966.48										
Retail	1,011.49										
<b>Total:</b>	<b>1,977.97</b>										
			14,400,000								

The land use rights of the property have been granted for terms expiring on 22 March 2091 for residential use and 22 March 2061 for commercial use.



## APPENDIX II PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

### Notes:

1. Pursuant to 2 Real Estate Title Certificates, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 68,473.7 sq.m. have been granted to Qingdao Excellence Henghui Real Estate Co., Ltd. (青島卓越恒輝置業有限公司, “**Qingdao Henghui**”, a wholly-owned subsidiary of Excellence Real Estate) for terms expiring on 22 March 2091 for residential use and 22 March 2061 for commercial use.
2. Pursuant to 2 Construction Work Completion and Inspection Tables, the construction of Qingdao Excellence Heyue (including the property) has been completed and passed the inspection acceptance.
3. Our valuation has been made on the following basis and analysis:

We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential and retail units located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2025. The unit price of these comparable properties ranges from RMB7,500 to RMB8,700 per sq.m. for residential units and RMB6,500 to RMB7,900 per sq.m. for retail units on the first floor. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	A	B	C
Name	Excellence Heyue (和悦)	Excellence Jiayue (嘉悦)	Junxi (璿璽)
Location	Huoju Road, Qingdao City	Huoju Road, Qingdao City	Huoju Road, Qingdao City
Existing usage	Residential	Residential	Residential
Gross Floor Area (sq.m.)	88.59	119.43	132.53
Location and accessibility	Good	Normal	Good
Unit selling price (RMB/sq.m.)	7,541	7,536	8,678
<b>Adjustment factors:</b>			
Location and accessibility	Superior than the property	Inferior than the property	Superior than the property
Building quality	Superior than the property	Superior than the property	Superior than the property
Layout	Similar with the property	Inferior than the property	Inferior than the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	-5%	-2%	-2%
Adjusted unit price (RMB/sq.m.)	7,177	7,391	8,515

## APPENDIX II PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB7,690 per sq.m for residential units. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

Retail Comparable	A	B	C
Name	A retail unit at G228 of Chengyang District (城陽區G228輔路商舖)	Kanxiu City (覽秀城)	Qingdao Country Garden (青島碧桂園)
Location	G228 of Chengyang District, Qingdao City	Huoju Road, Qingdao City	Hongtong Road, Qingdao City
Existing usage	Retail	Retail	Retail
Gross Floor Area (sq.m.)	51	140	140
Location and accessibility	Normal	Good	Good
Unit selling price (RMB/sq.m.)	6,470	7,857	7,500
<b>Adjustment factors:</b>			
Location and accessibility	Similar with the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Inferior than the property	Inferior than the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	-1%	-7%	-5%
Adjusted unit price (RMB/sq.m.)	6,406	7,344	7,144

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB6,960 per sq.m for retail units on the first floor. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. According to the Real Estate Registration Information Inquiry Tables, Qingdao Henghui holds the ownership of the property;
  - b. According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - c. There is no mortgage of the property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
6.	The right of use in various car parking spaces of Qingdao Excellence Heyue located at the southern side of Huoju Road and the western side of Chongren Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越和悅數個車位的使用權)	<p>Qingdao Excellence Heyue is located at the southern side of Huoju Road and the western side of Chongren Road, Chengyang District, Qingdao City. It is about 30 minutes' driving distance to Qingdao Jiaodong International Airport and about 25 minutes' driving distance to Qingdao North Railway Station. The locality of the property is a well-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Heyue has been developed into a residential development between 2023 and 2024.</p> <p>As advised by the Company, the property comprises 935 car parking spaces of Qingdao Excellence Heyue.</p> <p>The land use rights of the property have been granted for a term expiring on 22 March 2091 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	29,300,000

Notes:

- Pursuant to 2 Real Estate Title Certificates, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 68,473.7 sq.m. have been granted to Qingdao Excellence Henghui Real Estate Co., Ltd. (青島卓越恒輝置業有限公司, “**Qingdao Henghui**”, a wholly-owned subsidiary of Excellence Real Estate) for terms expiring on 22 March 2091 for residential use and 22 March 2061 for commercial use.
- Pursuant to 2 Construction Work Completion and Inspection Tables, the construction of Qingdao Excellence Heyue (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a “Right of Use Transfer Agreement”. With reference to the agreement template provided by the Company, Qingdao Henghui shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Qingdao Henghui to the Group, and Qingdao Henghui shall no longer bear the management fees for the subject car parking spaces.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB8.0 to RMB10.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificates of the land parcel on which the car parking spaces are located have been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificates of the property, the applicable laws do not prohibit Qingdao Henghui from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Qingdao Excellence Heyue.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
7.	3 retail units of Qingdao Excellence Jiayue No. 117 Huoju Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越嘉悅的三個零售單元)	<p>Qingdao Excellence Jiayue is located at No. 117 Huoju Road, Chengyang District, Qingdao City. It is about 30 minutes' driving distance to Qingdao Jiaodong International Airport and about 25 minutes' driving distance to Qingdao North Railway Station. The locality of the property is a well-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Jiayue has been developed into a residential development in 2022.</p> <p>As advised by the Company, the property comprises 3 retail units of Qingdao Excellence Jiayue and has a total gross floor area of approximately 225.71 sq.m.</p> <p>The land use rights of the property have been granted for terms expiring on 28 March 2089 for residential use and 28 March 2059 for commercial use.</p>	As at the valuation date, the property was vacant.	1,500,000

Notes:

- Pursuant to 2 Real Estate Title Certificates, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 107,853.5 sq.m. have been granted to Qingdao High-tech Zone Pinshuo Real Estate Co., Ltd. (青島高新區品燦置業有限公司, "Qingdao Pinshuo", a 90%-owned subsidiary of Excellence Real Estate) for terms expiring on 28 March 2089 for residential use and 28 March 2059 for commercial use.
- Pursuant to 7 Construction Work Completion and Inspection Tables, the construction of Qingdao Excellence Jiayue (including the property) has been completed and passed the inspection acceptance.

## APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

3. Our valuation has been made on the following basis and analysis:

We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are retail units located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2025. The unit price of these comparable properties ranges from RMB6,500 to RMB7,900 per sq.m. for retail units on the first floor. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Comparable	A	B	C
Name	A retail unit at G228 of Chengyang District (城陽區G228輔路商舖)	Kanxiu City (覽秀城)	Qingdao Country Garden (青島碧桂園)
Location	G228 of Chengyang District, Qingdao City	Huoju Road, Qingdao City	Hongtong Road, Qingdao City
Existing usage	Retail	Retail	Retail
Gross Floor Area (sq.m.)	51	140	140
Location and accessibility	Normal	Good	Good
Unit selling price (RMB/sq.m.)	6,470	7,857	7,500
<b>Adjustment factors:</b>			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Inferior than the property	Inferior than the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	-4%	-9%	-8%
Adjusted unit price (RMB/sq.m.)	6,220	7,129	6,935

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB6,760 per sq.m. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
- According to the Real Estate Registration Information Inquiry Table, Qingdao Pinshuo holds the ownership of the property;
  - According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - There is no mortgage of the property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
8.	The right of use in various car parking spaces of Qingdao Excellence Jiayue No. 117 Huoju Road Chengyang District Qingdao City Shandong Province The PRC (青島卓越嘉悅數個車位的使用權)	<p>Qingdao Excellence Jiayue is located at No. 117 Huoju Road, Chengyang District, Qingdao City. It is about 30 minutes' driving distance to Qingdao Jiaodong International Airport and about 25 minutes' driving distance to Qingdao North Railway Station. The locality of the property is a well-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Jiayue has been developed into a residential development in 2022.</p> <p>As advised by the Company, the property comprises 543 car parking spaces of Qingdao Excellence Jiayue.</p> <p>The land use rights of the property have been granted for a term expiring on 28 March 2089 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	21,700,000

Notes:

- Pursuant to 2 Real Estate Title Certificates, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 107,853.5 sq.m. have been granted to Qingdao High-tech Zone Pinshuo Real Estate Co., Ltd. (青島高新區品燦置業有限公司, "Qingdao Pinshuo", a 90%-owned subsidiary of Excellence Real Estate) for terms expiring on 28 March 2089 for residential use and 28 March 2059 for commercial use.
- Pursuant to 7 Construction Work Completion and Inspection Tables, the construction of Qingdao Excellence Jiayue (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a "Right of Use Transfer Agreement". With reference to the agreement template provided by the Company, Qingdao Pinshuo shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Qingdao Pinshuo to the Group, and Qingdao Pinshuo shall no longer bear the management fees for the subject car parking spaces.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB8.0 to RMB10.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificates of the land parcel on which the car parking spaces are located have been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificates of the property, the applicable laws do not prohibit Qingdao Pinshuo from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Qingdao Excellence Jiayue.



VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
9.	The right of use in various car parking spaces of Qingdao Excellence Yuhai No. 795 Jinshatan Road Huangdao District Qingdao City Shandong Province The PRC (青島卓越嶼海數個車位的使用權)	<p>Qingdao Excellence Yuhai is located at No. 795 Jinshatan Road, Huangdao District, Qingdao City. It is about 70 minutes' driving distance to Qingdao Jiaodong International Airport and about 30 minutes' driving distance to Qingdao Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Yuhai has been developed into a commercial development in 2022.</p> <p>As advised by the Company, the property comprises 33 car parking spaces of Qingdao Excellence Yuhai.</p> <p>The land use rights of the property have been granted for a term expiring on 19 November 2049 for commercial use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	1,000,000

Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 36,042 sq.m. have been granted to Qingdao Zhuoyue Golden Coast Real Estate Co., Ltd. (青島卓越金海岸置業有限公司, “**Qingdao Gold Coast**”, a wholly-owned subsidiary of Excellence Real Estate) for a term expiring on 19 November 2049 for commercial use.
- Pursuant to a Construction Work Completion and Inspection Table, the construction of Qingdao Excellence Yuhai (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a “Right of Use Transfer Agreement”. With reference to the agreement template provided by the Company, Qingdao Gold Coast shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Qingdao Gold Coast to the Group, and Qingdao Gold Coast shall no longer bear the management fees for the subject car parking spaces.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB8.0 to RMB12.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificate of the land parcel on which the car parking spaces are located has been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificate of the property, the applicable laws do not prohibit Qingdao Gold Coast from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Qingdao Excellence Yuhai.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
10.	The right of use in various car parking spaces and ancillary units of Qingdao Excellence Tianyuan No. 789 Jinshatan Road Huangdao District Qingdao City Shandong Province The PRC (青島卓越天元數個車位和配套單元的使用權)	<p>Qingdao Excellence Tianyuan is located at No. 789 Jinshatan Road, Huangdao District, Qingdao City. It is about 70 minutes' driving distance to Qingdao Jiaodong International Airport and about 30 minutes' driving distance to Qingdao Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Qingdao Excellence Tianyuan has been developed into a residential and hotel development in 2020.</p> <p>As advised by the Company, the property comprises 13 car parking spaces and 2 basement units of Qingdao Excellence Tianyuan.</p> <p>The land use rights of the property have been granted for a term expiring on 25 February 2057 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	460,000

Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 55,540 sq.m. have been granted to Qingdao Excellence Yuhai Real Estate Co., Ltd. (青島卓越御海置業有限公司, “**Qingdao Yuhai**”, a wholly-owned subsidiary of Excellence Real Estate) for terms expiring on 25 February 2057 for residential use and 25 February 2047 for commercial use.
- Pursuant to 2 Construction Work Completion and Inspection Tables, the construction of Qingdao Excellence Tianyuan (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a “Right of Use Transfer Agreement”. With reference to the agreement template provided by the Company, Qingdao Yuhai shall transfer the right of use in certain car parking spaces and ancillary units (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Qingdao Yuhai to the Group, and Qingdao Yuhai shall no longer bear the management fees for the subject car parking spaces and ancillary units.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB8.0 to RMB12.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificate of the land parcel on which the car parking spaces and ancillary units are located has been obtained, but the title certificates of such car parking spaces and ancillary units have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificate of the property, the applicable laws do not prohibit Qingdao Yuhai from transferring the right of use in certain car parking spaces and ancillary units, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use in car parking spaces must first satisfy the needs of the owners of Qingdao Excellence Tianyuan.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
11.	The right of use in various car parking spaces of Wuhan Excellence City No. 88 Shangqi Tongyong Avenue Hongshan District Wuhan City Hubei Province The PRC (武漢卓越城數個車位的使用權)	<p>Wuhan Excellence City is located at No. 88 Shangqi Tongyong Avenue, Hongshan District, Wuhan City. It is about 60 minutes' driving distance to Wuhan Tianhe International Airport and about 40 minutes' driving distance to Wuhan East Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Wuhan Excellence City has been developed into a residential development in 2024.</p>	As at the valuation date, the property was vacant.	13,200,000
		As advised by the Company, the property comprises 656 car parking spaces of Wuhan Excellence City.		
		<p>The land use rights of the property have been granted for a term expiring on 6 July 2091 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>		

## Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 88,678.47 sq.m. have been granted to Wuhan Zhuoling Real Estate Co., Ltd. (武漢卓菱置業有限公司, “**Wuhan Zhuoling**”, a wholly-owned subsidiary of Excellence Real Estate) for terms expiring on 6 July 2091 for residential use and 6 July 2071 for park and green land use.
- Pursuant to various Construction Work Completion and Inspection Tables, the construction of Wuhan Excellence City (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a “Right of Use Transfer Agreement”. With reference to the agreement template provided by the Company, Wuhan Zhuoling shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Wuhan Zhuoling to the Group, and Wuhan Zhuoling shall no longer bear the management fees for the subject car parking spaces.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB8.0 to RMB12.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificate of the land parcel on which the car parking spaces are located has been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificate of the property, the applicable laws do not prohibit Wuhan Zhuoling from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Wuhan Excellence City.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
12.	A residential unit of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road Chenggong District Kunming City Yunnan Province The PRC (昆明卓越滇池晴翠的一個住宅單元)	<p>Kunming Excellence Dianchi Qingcui is located at the junction of Shilong Road and Gudian Road, Chenggong District, Kunming City. It is about 50 minutes' driving distance to Kunming Changshui International Airport and about 30 minutes' driving distance to Kunming South Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Land parcel A4 of Kunming Excellence Dianchi Qingcui (including the property) has been developed into a residential development in 2024.</p> <p>As advised by the Company, the property comprises a residential unit of Kunming Excellence Dianchi Qingcui and has a gross floor area of approximately 123.89 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 November 2090 for residential use.</p>	As at the valuation date, the property was vacant.	1,400,000

Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 25,838.41 sq.m. have been granted to Kunming Zhuoming Real Estate Co., Ltd. (昆明卓明置業有限公司, "**Kunming Zhuoming**", a wholly-owned subsidiary of Excellence Real Estate) for a term expiring on 29 November 2090 for residential use.
- Pursuant to a Construction Work Completion and Inspection Table, the construction of portion of Kunming Excellence Dianchi Qingcui (including the property) has been completed and passed the inspection acceptance.

## APPENDIX II PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

3. Our valuation has been made on the following basis and analysis:

We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential units located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2025. The unit price of these comparable properties ranges from RMB11,100 to RMB11,500 per sq.m. for residential units. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Comparable	A	B	C
Name	Dianchi Qingcui (滇池晴翠)	Ludi Hai Zhi Cheng (綠地海之城)	Dianchi Huatianguoji Dujiaqu (滇池花田國際 度假區)
Location	Gudian Road, Kunming City	Shilong Road, Kunming City	Hualin Road, Kunming City
Existing usage	Residential	Residential	Residential
Gross Floor Area (sq.m.)	112	136.62	129
Location and accessibility	Good	Normal	Normal
Unit selling price (RMB/sq.m.)	11,340	11,500	11,055
<b>Adjustment factors:</b>			
Location and accessibility	Superior than the property	Inferior than the property	Inferior than the property
Building quality	Similar with the property	Superior than the property	Superior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	-2%	-3%	-3%
Adjusted unit price (RMB/sq.m.)	11,117	11,167	10,734

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB11,010 per sq.m. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
- According to the Real Estate Registration Information Inquiry Table, Kunming Zhuoming holds the ownership of the property;
  - According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - There is no mortgage of the property.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
13.	Various car parking spaces of Kunming Excellence Dianchi Qingcui located at the junction of Shilong Road and Gudian Road Chenggong District Kunming City Yunnan Province The PRC (昆明卓越滇池晴翠的數個車位)	<p>Kunming Excellence Dianchi Qingcui is located at the junction of Shilong Road and Gudian Road, Chenggong District, Kunming City. It is about 50 minutes' driving distance to Kunming Changshui International Airport and about 30 minutes' driving distance to Kunming South Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Land parcel Nos. A4, A7, A8 and A9 of Kunming Excellence Dianchi Qingcui (including the property) has been developed into a residential development between 2023 and 2024.</p> <p>As advised by the Company, the property comprises 828 car parking spaces of Kunming Excellence Dianchi.</p> <p>The land use rights of the property have been granted for a term expiring on 29 November 2090 for residential use.</p>	As at the valuation date, the property was vacant.	17,100,000

## Notes:

1. Pursuant to 4 Real Estate Title Certificates, the land use rights of 4 parcels of land (including the land use rights of the property) with a total site area of approximately 96,723.75 sq.m. have been granted to Kunming Zhuoming Real Estate Co., Ltd. (昆明卓明置業有限公司, “**Kunming Zhuoming**”, a wholly-owned subsidiary of Excellence Real Estate) for a term expiring on 29 November 2090 for residential use.
2. Pursuant to 5 Construction Work Completion and Inspection Tables, the construction of portion of Kunming Excellence Dianchi Qingcui (including the property) has been completed and passed the inspection acceptance.
3. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB5.0 to RMB8.0 per space per day; and

- c.      Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.5%. In our valuation, we have adopted 6.0% as the stabilized market yield.
- 4.      We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a.      According to the Real Estate Registration Information Inquiry Table, Kunming Zhuoming holds the ownership of the property;
  - b.      According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - c.      There is no mortgage of the property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
14.	The right of use in various car parking spaces of Tianjin Excellence Yunmen No. 1 Weihua Avenue Xiqing District Tianjin The PRC (天津卓越雲門數個車位的使用權)	<p>Tianjin Excellence Yunmen is located at No. 1 Weihua Avenue, Xiqing District, Tianjin. It is about 50 minutes' driving distance to Tianjin Binhai International Airport and about 20 minutes' driving distance to Tianjin South Railway Station. The locality of the property is a well-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Tianjin Excellence Yunmen has been developed into a residential development in 2020.</p> <p>As advised by the Company, the property comprises 177 car parking spaces of Tianjin Excellence Yunmen.</p> <p>The land use rights of the property have been granted for a term expiring on 29 September 2088 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	5,500,000

Notes:

- Pursuant to 3 Real Estate Title Certificates, the basement of Tianjin Excellence Yunmen with a total gross floor area of approximately 22,704.77 sq.m. (including the property) is owned by Tianjin Zhuoxiu Real Estate Development Co., Ltd. (天津卓繡房地產開發有限公司, "Tianjin Zhuoxiu", a wholly-owned subsidiary of Excellence Real Estate). The relevant land use rights have been granted to for a term expiring on 29 September 2088 for residential use.
- As advised by the Company, the Group intends to acquire the property by entering into a "Right of Use Transfer Agreement". With reference to the agreement template provided by the Company, Tianjin Zhuoxiu shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Tianjin Zhuoxiu to the Group, and Tianjin Zhuoxiu shall no longer bear the management fees for the subject car parking spaces.

3. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB8.0 to RMB10.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 5.5% to 6.0%. In our valuation, we have adopted 5.75% as the stabilized market yield.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificates of the land parcel on which the car parking spaces are located have been obtained, but the individual title certificate of each car parking space has not been obtained; and
  - b. The applicable laws do not prohibit Tianjin Zhuoxiu from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Tianjin Excellence Yunmen.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
15.	Various car parking spaces of Guangzhou Excellence Qingcui fu No. 28 Lianxing Road Panyu District Guangzhou City Guangdong Province The PRC (廣州卓越晴翠府的數個車位)	<p>Guangzhou Excellence Qingcui fu is located at No. 28 Lianxing Road Panyu District, Guangzhou City. It is about 90 minutes' driving distance to Guangzhou Baiyun International Airport and about 40 minutes' driving distance to Guangzhou South Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Guangzhou Excellence Qingcui fu has been developed into a residential development in 2025.</p> <p>As advised by the Company, the property comprises 900 car parking spaces of Guangzhou Excellence Qingcui fu.</p> <p>The land use rights of the property have been granted for a term of 70 years commencing from 22 July 2021 for residential use.</p>	As at the valuation date, the property was vacant.	63,600,000

Notes:

1. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 49,584 sq.m. have been granted to Guangzhou Zhuozheng Real Estate Co., Ltd. (廣州市卓正房地產有限公司, “Guangzhou Zhuozheng”, a wholly-owned subsidiary of Excellence Real Estate) for a term of 70 years commencing from 22 July 2021 for residential use.
2. Pursuant to a Construction Work Completion and Inspection Table, the construction of portions of Guangzhou Excellence Qingcui fu (including the property) has been completed and passed the inspection acceptance.
3. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB12.0 to RMB15.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 4.5% to 5.5%. In our valuation, we have adopted 5.0% as the stabilized market yield.

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## APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

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4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. According to the Real Estate Registration Information Inquiry Table, Guangzhou Zhuozheng holds the ownership of the property;
  - b. According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - c. There is no mortgage of the property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
16.	The right of use in various car parking spaces of Jiaxing Xiuchen Huafu located at the northern side of Ao'xing Road and the eastern side of Chayuan Road Jiaxing City Zhejiang Province The PRC (嘉興秀宸華府數個車位的使用權)	<p>Jiaxing Xiuchen Huafu is located at the northern side of Ao'xing Road and the eastern side of Chayuan Road, Jiaxing City. It is about 100 minutes' driving distance to Hangzhou Xiaoshan International Airport and about 50 minutes' driving distance to Jiaxing South Railway Station. The locality of the property is a newly-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Jiaxing Xiuchen Huafu has been developed into a residential development in 2025.</p> <p>As advised by the Company, the property comprises 700 car parking spaces of Jiaxing Xiuchen Huafu.</p> <p>The land use rights of the property have been granted for a term expiring on 12 August 2091 for residential use. According to the information provided by the Company, the right of use expires on the same date.</p>	As at the valuation date, the property was vacant.	14,300,000

Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 86,598 sq.m. have been granted to Jiaxing Zhuohang Real Estate Development Co., Ltd. (嘉興卓航房地產開發有限公司, "**Jiaxing Zhuohang**", a wholly-owned subsidiary of Excellence Real Estate) for terms expiring 12 August 2091 for residential use and 12 August 2061 for commercial use.
- Pursuant to a Construction Work Completion and Inspection Table, the construction of Jiaxing Xiuchen Huafu (including the property) has been completed and passed the inspection acceptance.
- As advised by the Company, the Group intends to acquire the property by entering into a "Right of Use Transfer Agreement". With reference to the agreement template provided by the Company, Jiaxing Zhuohang shall transfer the right of use in certain car parking spaces (including but not limited to all rights and incidental interests such as occupy, use, transfer, lease, operate, manage, earning income and advertising revenue, etc.) to the Group. From the date of delivery completion, all benefits and risks associated with the property shall be transferred from Jiaxing Zhuohang to the Group, and Jiaxing Zhuohang shall no longer bear the management fees for the subject car parking spaces.

4. Our valuation has been made on the following basis and analysis:
  - a. We have compared with similar developments which are located in the similar areas as the car parking spaces of the subject property, for the calculation of market rent in considering the rental income of vacant area;
  - b. The selection of rental comparables is based on the following criteria: (1) leased within the three months prior to the valuation date; (2) located in the same district as the property; (3) similar in size to the property, with usable areas ranging from 10 to 15 sq.m. per space; and (4) serving as ancillary facilities within residential developments. The unit rent of these comparable car parking spaces ranges from RMB6.0 to RMB8.0 per space per day; and
  - c. Based on our research on car parking spaces markets in the surrounding area of the property, the stabilized market yield ranges from 6.0% to 6.5%. In our valuation, we have adopted 6.25% as the stabilized market yield.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. The land use rights certificate of the land parcel on which the car parking spaces are located has been obtained, but the title certificates of such car parking spaces have not been obtained; and
  - b. In light of the relevant laws, the terms of the Commodity Housing Sale Contract, and the land use rights certificate of the property, the applicable laws do not prohibit Jiaxing Zhuohang from transferring the right of use in certain car parking spaces, nor do they prohibit the transferee from further transferring the right of use after acquisition; provided, however, that any transferee of such right of use must first satisfy the needs of the owners of Jiaxing Xiuchen Huafu.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
17.	17 retail units of Chongqing Excellence Queensway located at the northern side of Chang'an Middle Road and the western side of Wuxing South Road Jiangbei District Chongqing The PRC (重慶卓越皇后道的十七個零售單元)	Chongqing Excellence Queensway is located at the northern side of Chang'an Middle Road and the western side of Wuxing South Road Jiangbei District, Chongqing. It is about 25 minutes' driving distance to Chongqing Jiangbei International Airport and about 20 minutes' driving distance to Chongqing North Railway Station. The locality of the property is a well-developed residential and commercial area with various residential buildings served by public facilities and transportation.	As at the valuation date, the property was vacant.	19,000,000
		Chongqing Excellence Queensway has been developed into a residential and commercial development in 2025.		
		As advised by the Company, the property comprises 17 retail units of Chongqing Excellence Queensway and has a total gross floor area of approximately 1,622.56 sq.m.		
		The land use rights of the property have been granted for terms expiring on 1 March 2061 for residential use and 1 March 2051 for commercial use.		

## Notes:

- Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 22,780.6 sq.m. have been granted to Chongqing Benli Jiusheng Real Estate Development Co., Ltd. (重慶奔力玖晟房地產開發有限公司, "Chongqing Benli Jiusheng", a wholly-owned subsidiary of Excellence Real Estate) for terms expiring on 1 March 2061 for residential use and 1 March 2051 for commercial use.
- Pursuant to 2 Construction Work Completion and Inspection Tables, the construction of portions of Chongqing Excellence Queensway (including the property) has been completed and passed the inspection acceptance.

## APPENDIX II PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

3. Our valuation has been made on the following basis and analysis:

We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are retail units located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2025. The unit price of these comparable properties ranges from RMB11,600 to RMB12,500 per sq.m. for retail units on the first floor. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Comparable	A	B	C
Name	Zone C of Zhujiang Sun City (珠江太陽城C區)	Starlight 68 Plaza (星光68廣場)	A retail unit at Wuhong Road, Chang'an Huadu West District (長安華都西區五紅路商舖)
Location	Beicheng Road, Chongqing	Yanghe First Road, Chongqing	Wuhong Road, Chongqing
Existing usage	Retail	Retail	Retail
Gross Floor Area (sq.m.)	83	80	75.24
Location and accessibility	Good	Good	Good
Unit selling price (RMB/sq.m.)	11,600	12,500	12,400
<b>Adjustment factors:</b>			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	-1%	-1%	-1%
Adjusted unit price (RMB/sq.m.)	11,485	12,376	12,277

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB12,050 per sq.m. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
- According to the title certificate issued, Chongqing Benli Jiusheng holds the land use rights of the land parcel of the property;
  - In the capacity of seller of Chongqing Excellence Queensway, Chongqing Benli Jiusheng has obtained the Pre-sale Permits; and
  - Chongqing Benli Jiusheng has obtained the Completion and Inspection Opinion Letter but has not yet obtained the title certificates for the retail units of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2025 RMB
18.	2 apartment units of Shenzhen Excellence Rongjin Hanhaiwan Mingting located at the southern side of Jinrong Road and the western side of Haitao Road Yantian District Shenzhen City Guangdong Province The PRC (深圳卓越榮津瀚海灣名庭的兩個公寓單元)	<p>Excellence Rongjin Hanhaiwan Mingting is located at the southern side of Jinrong Road and the western side of Haitao Road, Yantian District, Shenzhen City. It is about 100 minutes' driving distance to Shenzhen Bao'an International Airport and about 40 minutes' driving distance to Shenzhen Railway Station. The locality of the property is a well-developed residential area with various residential buildings served by public facilities and transportation.</p> <p>Excellence Rongjin Hanhaiwan Mingting has been developed into a residential development in 2023.</p> <p>As advised by the Company, the property comprises 2 apartment units of Excellence Rongjin Hanhaiwan Mingting and has a total gross floor area of approximately 131.42 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 12 December 2088 for residential use.</p>	As at the valuation date, the property was vacant.	5,100,000

## Notes:

- Pursuant to 2 Real Estate Title Certificates, the property with a total gross floor area of approximately 131.42 sq.m. is owned by Shenzhen Rongjin Real Estate Development Co., Ltd. (深圳榮津房地產開發有限公司, “**Shenzhen Rongjin**”, a 57%-owned subsidiary of Excellence Real Estate). The relevant land use rights have been granted to a term expiring on 12 December 2088 for residential use.

## APPENDIX II      PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

2. Our valuation has been made on the following basis and analysis:

We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are apartment units located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2025. The unit price of these comparable properties ranges from RMB36,900 to RMB43,800 per sq.m. for residential units. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Comparable	A	B	C
Name	Shengshi Mingmen (盛世名門)	Hanlinmen (翰林門)	Rongjin Hanhaiwan Mingting (榮津瀚海灣名庭)
Location	Shashen Road, Shenzhen City	Guanshang Road, Shenzhen City	Jinrong Road, Shenzhen City
Existing usage	Residential	Residential	Residential
Gross Floor Area (sq.m.)	122	89	110
Location and accessibility	Good	Good	Good
Unit selling price (RMB/sq.m.)	36,900	43,800	39,400
<b>Adjustment factors:</b>			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Superior than the property	Similar with the property
Layout	Inferior than the property	Inferior than the property	Inferior than the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	-2%	-8%	0%
Adjusted unit price (RMB/sq.m.)	36,228	40,130	39,435

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB38,600 per sq.m. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

3. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
- According to the title certificates issued, Shenzhen Rongjin holds the ownership of the property;
  - According to the provisions of The Civil Code of the People's Republic of China, an owner is entitled to possess, use, benefit from, and dispose of his own immovable or movable property in accordance with law; and
  - According to the confirmation of Shenzhen Rongjin, there is no mortgage of the property.

VALUATION CERTIFICATE

Group II: Property as if completed to be acquired by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value as if completed as at 31 October 2025 RMB
19.	Various commercial apartment units of Changsha Excellence Yanghuyuan Building No. 17 under construction located at the southern side of Yanghu Road and the western side of Tanzhou Avenue Yuelu District Changsha City Hunan Province The PRC (長沙卓越洋湖苑17號樓在建工程的數個商務公寓單元)	<p>Changsha Excellence Yanghuyuan is located at the southern side of Yanghu Road and the western side of Tanzhou Avenue, Yuelu District, Changsha City. It is about 50 minutes' driving distance to Changsha Huanghua International Airport and about 30 minutes' driving distance to Changsha East Railway Station. The locality of the property is a newly-developed residential area with various residential and commercial buildings served by public facilities and transportation.</p> <p>Changsha Excellence Yanghuyuan occupies a parcel of land with a site area of approximately 31,995.02 sq.m., which is being developed into a commercial development.</p> <p>As advised by the Company, the property comprises 20 commercial apartment units on Level 18 of Changsha Excellence Yanghuyuan Building No. 17 and has a total planned gross floor area of approximately 682.38 sq.m.</p> <p>Changsha Excellence Yanghuyuan Building No. 17 is scheduled to be completed in February 2026. As advised by the Company, the construction cost (excluding the land cost) of the property is estimated to be approximately RMB8,200,000, of which approximately RMB5,980,000 had been incurred up to the valuation date.</p> <p>The land use rights of the property have been granted for a term expiring on 9 October 2060 for commercial use.</p>	As at the valuation date, the construction work of Changsha Excellence Yanghuyuan Building No. 17 was in progress.	7,600,000

## APPENDIX II PROPERTY VALUATION REPORT OF THE OFFSET ASSETS

### Notes:

1. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land (including the land use rights of the property) with a site area of approximately 31,995.02 sq.m. have been granted to Excellence JD (Changsha) Industrial Development Co., Ltd. (卓越京東(長沙)產業發展有限公司, “**Excellence JD (Changsha)**”, a wholly-owned subsidiary of Excellence Real Estate) for a term expiring on 9 October 2060 for commercial use.
2. Pursuant to a Construction Work Planning Permit, Changsha Excellence Yanghuyuan with a total gross floor area of approximately 96,738.94 sq.m. (including the property) have been approved for construction.
3. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Changsha Excellence Yanghuyuan with a total gross floor area of approximately 96,738.94 sq.m. (including the property).
4. Pursuant to a Pre-sale Permit, Excellence JD (Changsha) is entitled to sell portions of Changsha Excellence Yanghuyuan (including the property) to purchasers.
5. Our valuation has been made on the following basis and analysis:

We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are apartment units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2025. The unit price of these comparable properties ranges from RMB10,600 to RMB11,600 per sq.m. for commercial apartment units. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property as if completed. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Comparable	A	B	C
Name	China Overseas Yuejiang Mansion (中海閩江府)	Yingke Longhu Jingcui Mansion (映客龍湖璟翠公館)	Longhu Xinyicheng (龍湖新壹城)
Location	Xiandao Road, Changsha City	Yanghu Road, Changsha City	Miaowan Road, Changsha City
Existing usage	Apartment	Apartment	Apartment
Gross Floor Area (sq.m.)	55.74	41.63	35.35
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	11,622	10,570	10,750
<b>Adjustment factors:</b>			
Location and accessibility	Inferior than the property	Inferior than the property	Inferior than the property
Building quality	Superior than the property	Superior than the property	Superior than the property
Layout	Inferior than the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	+1%	+1%
Adjusted unit price (RMB/sq.m.)	11,634	10,696	10,878

Based on the analysis of the three comparable properties, the adjusted average unit rate for the market value of the property is RMB11,070 per sq.m. We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Adviser, which contains, *inter alia*, the following:
  - a. According to the title certificate issued, Excellence JD (Changsha) holds the land use rights of the land parcel of the property;
  - b. In the capacity of seller of Changsha Excellence Yanghuyuan, Excellence JD (Changsha) has obtained the Pre-sale Permits for Building No. 17 and Building No. 17A.
7. As at the most practicable date, the construction work of property No. 19 was in progress. As advised by the Company, the property will be completed by Excellence JD (Changsha) and handed over in bare shell condition. The Group will not bear the remaining construction cost of the property. Therefore, the Company instructed us to provide our opinion on the market value of this property on an "as-if-completed" basis.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED

卓越商企服務集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6989)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**EGM**”) of Excellence Commercial Property & Facilities Management Group Limited (the “**Company**”) will be convened and held at the Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province, PRC on 31 December 2025 at 10:00 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution of the Company:

#### **ORDINARY RESOLUTION**

“**THAT** the settlement agreement entered into between Shenzhen Excellent Property Management Co., Ltd.\* (深圳市卓越物業管理有限責任公司) and Excellence Real Estate Group Co., Ltd.\* (卓越置業集團有限公司) dated 24 August 2025 (the “**Settlement Agreement**”), copy of which are tabled at the meeting and marked “A” and initialed by the chairman of the meeting for identification purpose, the terms thereof, the individual operation agreements contemplated under the Settlement Agreement and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed; any one director of the Company be and is hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Settlement Agreement.”

By order of the Board  
**Excellence Commercial Property &  
Facilities Management Group Limited**  
**Li Xiaoping**  
*Chairman*

Hong Kong, 12 December 2025



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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*Notes:*

1. For the purpose of determining the identity of the shareholders of the Company entitled to attend and vote at the meeting, the register of members of the Company will be closed from 24 December 2025 to 31 December 2025 both dates inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 23 December 2025. The record date for determining the shareholders' entitlement to attend and vote at the EGM is 31 December 2025.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time of the meeting (i.e. not later than 10:00 a.m. on 29 December 2025).
5. Pursuant to Rule 13.39(4) of the Listing Rules, voting for the resolution set out in this notice will be taken by poll at the EGM.
6. If a tropical cyclone warning signal no. 8 or above or a black rainstorm warning is in force at or after 8 a.m. on the date of the EGM, the EGM will be postponed or adjourned to such date, time and place as the Board may decide and announce by issuing further announcement.

*As at the date of this notice, the executive Directors are Mr. Li Xiaoping and Mr. Yang Zhidong; the non-executive Directors are Ms. Guo Ying and Mr. Wang Yinhu; and the independent non-executive Directors are Professor Cui Haitao, Mr. Kam Chi Sing and Ms. Liu Xiaolan.*