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Xi'an Kingfar Property Services Co., Ltd. **西安經發物業股份有限公司**

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1354)

- (1) MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO THE ACQUISITION AND LEASE OF PROPERTIES AND CARPARK SPACES;**
- (2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING; AND**
- (3) CLOSURE OF REGISTER OF MEMBERS**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



Alliance Capital Partners Limited
同人融資有限公司

A notice convening the EGM of Xi'an Kingfar Property Services Co., Ltd. to be held on Friday, 30 January 2026 at 10:00 a.m. at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC is set out on pages EGM-1 to EGM-2 of this circular.

The form of proxy for use at the EGM are also enclosed herein. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.xajfwy.com).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meeting thereof if they so wish, and in such event, the relevant form of proxy shall be deemed to be revoked.

TABLE OF CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	6
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	33
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	35
APPENDIX I — FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX IIA — VALUATION REPORT ON THE TARGET ASSETS	IIA-1
APPENDIX IIB — PRC VALUATION REPORT ON THE TARGET ASSETS	IIB-1
APPENDIX III — UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP	III-1
APPENDIX IV — GENERAL INFORMATION	IV-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	EGM-1

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 5 December 2025 in relation to the Transactions
“Asset Acquisition”	the proposed purchase of the Property Units by the Company from Kingfar Real Estate pursuant to the Asset Acquisition Agreement
“Asset Acquisition Agreement”	the asset acquisition agreement dated 5 December 2025 entered into between the Company and Kingfar Real Estate in respect of the Asset Acquisition
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Civil Air Defense Car Park Lease Agreement”	the lease agreement dated 5 December 2025 entered into between the Company and Kingfar Real Estate in respect of the Lease
“Civil Air Defense Parking Spaces”	the 37 civil air defense project parking spaces at the Property totaling 2,038.64 sq.m. proposed to be leased by Kingfar Real Estate to the Company pursuant to the Civil Air Defense Car Park Lease Agreement
“Company”	Xi'an Kingfar Property Services Co., Ltd., a joint stock company incorporated in the People's Republic of China with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01354)
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Domestic Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Domestic Shareholder(s)”	the holder(s) of Domestic Share(s)

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held on Friday, 30 January 2026 at 10:00 a.m. at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC to consider and, if thought fit, to approve, among other things, the Transaction Documents and the transactions contemplated thereunder (namely, the Transactions)
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange
“H Shareholder(s)”	the holder(s) of H Share(s)
“HK Valuer”	Cushman & Wakefield Limited, an independent professional valuer appointed by the Group to conduct valuations of the Target Assets in compliance with Chapter 5 of the Listing Rules
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee comprising all independent non-executive Directors, namely Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang, established to advise the Independent Shareholders in respect of whether the Transactions are fair and reasonable and in the interests of the Company and Shareholders as a whole and as to voting
“Independent Financial Adviser”	Alliance Capital Partners Limited, a licensed corporation permitted to carry on Type 1 (dealing in securities) and 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 whether the Transactions are fair and reasonable and as to voting

DEFINITIONS

“Independent Shareholders”	the Shareholders other than those who are required to abstain from voting at the EGM pursuant to the Listing Rules
“Independent Third Party”	third party(ies) who is/are independent of the Company and its connected person(s)
“Kingfar Group”	西安經發集團有限責任公司 (Xi'an Kingfar Group Co., Ltd.*), a company established in the PRC with limited liability on 5 September 2001 and one of the controlling shareholders of the Company, which is owned as to approximately 96.29% by Kingfar Holdings, and approximately 3.71% by Shaanxi Financial Asset Management Co., Ltd. (陝西金融資產管理股份有限公司), an Independent Third Party
“Kingfar Holdings”	Xi'an Kingfar Holdings (Group) Co., Ltd. (西安經發控股(集團)有限責任公司), a company established in the PRC with limited liability on 4 May 2010 and one of the controlling shareholders of the Company, which is wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會), an administrative agency of Xi'an Municipal People's Government for the management of Xi'an Economic and Technology Development Zone
“Kingfar Real Estate”	西安經發地產有限公司 (Xi'an Kingfar Real Estate Co., Ltd.*), a company established in the PRC with limited liability on 15 March 1997 and a wholly-owned subsidiary of Kingfar Group
“Latest Practicable Date”	Monday, 12 January 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Lease”	the proposed lease of the Civil Air Defense Parking Spaces by the Company from the Civil Air Defense Car Park Lease Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Mechanical Parking Space Transfer Agreement”	the mechanical parking space usage rights transfer agreement dated 5 December 2025 entered into between Company and Kingfar Real Estate in respect of the Usage Rights Transfer
“Mechanical Parking Spaces”	the 60 mechanical parking spaces totaling 1,467.96 sq.m. at Floor B2 of the Property to be transferred pursuant to the Mechanical Parking Space Transfer Agreement
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers
“PRC”	the People’s Republic of China and solely for the purpose of this circular excluding Hong Kong, Macau Special Administrative Region and Taiwan
“PRC Appraised Value(s)”	the market value of the relevant asset as at 31 October 2025 as determined by the PRC Valuer
“PRC Valuer”	Newland Appraisals Limited, an independent professional valuer appointed by the Group to conduct valuations of the Target Assets based on PRC valuation standards
“Property”	the building known as Block A, Kingfar Building at No. 132 Weiyang Road, Xi'an, PRC
“Property Units”	<ul style="list-style-type: none">(i) 14 property units designated for commercial use at the Property, comprising Units F108, F109, F110, F111, F112, F114, F118, F120, F121, F122, F123, F124 and F126 and 202 of the Property with an aggregate GFA of 3,267.13 sq.m.; and(ii) 224 standard car park spaces on the underground levels at the Property with an aggregate GFA of 8,743.12 sq.m.,
	in each case subject to the Asset Acquisition Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time

DEFINITIONS

“Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Shinewing”	Shinewing (HK) CPA Limited
“sq.m.”	square meter(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Assets”	collectively, the Property Units, the Civil Air Defense Parking Spaces and the Mechanical Parking Spaces
“Transaction Document” or “Transaction Documents”	each of or collectively, the Asset Acquisition Agreement, the Civil Air Defense Car Park Lease Agreement and the Mechanical Parking Space Transfer Agreement (as the case may be)
“Transactions”	the Asset Acquisition, the Lease and the Usage Rights Transfer
“Usage Rights Transfer”	the proposed transfer of usage rights for the Mechanical Parking Spaces from Kingfar Real Estate to the Company pursuant to the Mechanical Parking Space Transfer Agreement
“%”	per cent

* *For identification purposes only*

In this circular, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1 to HK\$0.90906 respectively. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

LETTER FROM THE BOARD



Xi'an Kingfar Property Services Co., Ltd. **西安經發物業股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1354)*

Executive Directors:

Mr. Wu Suozheng (*Chairman*)
Mr. Sun Qi
Mr. Cheng Hongrang

Non-Executive Directors:

Mr. Zhao Junping
Mr. Yang Gang
Ms. Li Lingxiao

Independent Non-executive Directors:

Mr. Lam Siu Wing
Dr. Jiang Li
Mr. Cao Yang

*Headquarters and Registered Office
in the PRC:*

Room 10701, Unit 1, Building 3
Xi'an Financial Innovation Center
No. 51 Fengcheng Second Road
Economic and Technological
Development Zone
Xi'an, Shaanxi
PRC

*Principal Place of Business
in Hong Kong:*

31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

14 January 2026

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO THE ACQUISITION AND LEASE OF PROPERTIES AND CARPARK SPACES

INTRODUCTION

On 5 December 2025, the Company and Kingfar Real Estate entered into the Transaction Documents, pursuant to which: (i) the Company conditionally agreed to acquire the Property Units from Kingfar Real Estate; (ii) the Company conditionally agreed to lease the Civil Air Defense Parking Spaces from Kingfar Real Estate; and (iii) Kingfar Real Estate conditionally agreed to transfer the usage right of the Mechanical Parking Spaces to the Company, at the aggregated consideration of RMB63,007,500 (equivalent to approximately HK\$69,310,600).

LETTER FROM THE BOARD

The purpose of this circular are to provide you with, among other things, (i) further information on the Transactions; (ii) a letter of recommendations from the Independent Board Committee in relation to the Transactions; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Transactions; (iv) a valuation report in respect of the Target Assets; and (v) other information as required under the Listing Rules, together with a notice of the EGM and the form of proxy.

THE TRANSACTIONS

Details of the terms of the Transaction Documents and the Transactions are set out below:

The Asset Acquisition Agreement

Date: 5 December 2025

Parties: (i) the Company (as the purchaser of the Property Units)

(ii) Kingfar Real Estate (as the seller of the Property Units)

Subject Matter: Pursuant to the Asset Acquisition Agreement, the Company conditionally agree to acquire, and Kingfar Real Estate conditionally agree to sell, the Property Units, comprising 14 property units designated for commercial use with an aggregate GFA of 3,267.13 sq.m. and 224 standard car park spaces on the underground levels with an aggregate GFA of 8,743.12 sq.m., in each case at the Property known as Block A, Kingfar Building at No. 132 Weiyang Road, Xi'an, PRC.

Conditions Precedent: The Asset Acquisition Agreement shall be effective upon:

(i) the legal representatives or authorized signatories of both the Company and Kingfar Real Estate execute the agreement and affix their respective company seals on the agreement; and

(ii) the Company and Kingfar Real Estate having complied with requirements under applicable laws, rules, and statutory, governmental, and regulatory authorities (including but not limited to the Stock Exchange and the Securities and Futures Commission of Hong Kong) in relation to the agreement, and obtaining all necessary regulatory, statutory, and governmental consents and/or waivers, including but not limited to obtaining approval from Independent Shareholders in respect of the agreement.

LETTER FROM THE BOARD

Consideration: Consideration of the Asset Acquisition shall be RMB55,247,500 (equivalent to approximately HK\$60,774,300), pursuant to which the consideration shall be payable in the following tranches:

- (a) the first tranche of RMB11,049,500 (representing approximately HK\$12,154,900) becoming payable within 5 days of the Property Units passing inspection (being the closing date of the Asset Acquisition). The inspection shall take place within 5 days of the Asset Acquisition Agreement taking effect and shall confirm that there are no defects such as damage, loss or failure to normal usage requirements on the Property Units; and
- (b) the second tranche of RMB44,198,000 (representing approximately HK\$48,619,500) becoming payable within 15 days of the Asset Acquisition Agreement taking effect. Within 30 days after the receipt of the second tranche, Kingfar Real Estate shall procure the novation of existing lease agreements regarding the Property Units in favour of the Company.

The consideration of the Asset Acquisition was determined based on the PRC Appraised Value of the Property Units as at 31 October 2025, being approximately RMB55,247,500 (equivalent to approximately HK\$60,774,300), as determined by the PRC Valuer. The valuation was prepared based on market comparison method and income method. The valuation report of the Property Units prepared by the PRC Valuer is set out in Appendix IIB to this circular. **As such valuation report is prepared based on PRC valuation standards, Shareholders shall note that such valuation report does not comply with Chapter 5 of the Listing Rules and therefore shall be read with caution and in conjunction with the valuation report prepared by the HK Valuer as set out in Appendix IIA to this Circular.**

Closing: Closing of the Asset Acquisition shall take place on the date of Property Units passing inspection.

The Civil Air Defense Car Park Lease Agreement

Date: 5 December 2025

Parties:

- (i) the Company (as the lessee of the Civil Air Defense Parking Spaces)
- (ii) Kingfar Real Estate (as the lessor of the Civil Air Defense Parking Spaces)

LETTER FROM THE BOARD

Subject Matter: Pursuant to the Civil Air Defense Car Park Lease Agreement, the Company conditionally agrees to lease the Civil Air Defense Parking Spaces, comprising 37 civil air defense parking spaces at the Property with an aggregate GFA of 2,038.64 sq.m., from Kingfar Real Estate for a period of 20 years from the date of effectiveness of the Civil Air Defense Car Park Lease Agreement.

Upon the expiry of the 20-year period, Kingfar Real Estate undertakes to automatically renew the Lease free of charge until the expiry of land use right for the land parcel where the Civil Air Defense Parking Spaces are located.

As advise by the Company's PRC legal adviser, the Civil Air Defense Carpark Spaces cannot be sold under applicable PRC laws but can be leased out. Furthermore, pursuant to the PRC Civil Code, the maximum duration of a lease agreement for commercial properties cannot exceed 20 years, and any lease period exceeding 20 years will be void in respect of such period that exceeds the prescribed limit, although parties can renew the lease agreement to extend the lease period. Taking into account the above legal restrictions, the Company believes that the Lease arrangement to be in the interest of the Company and the Shareholders as a whole, noting in particular (i) the Lease arrangement allows the Group to enjoy the maximum lease term for the Civil Air Defense Carpark Spaces permitted under applicable PRC law; and (ii) Kingfar Real Estate has undertaken to automatically renew the Lease free of charge until the expiry of land use right for the land parcel.

Conditions Precedent: The Civil Air Defense Car Park Lease Agreement shall be effective upon:

- (i) the legal representatives or authorized signatories of both the Company and Kingfar Real Estate execute the agreement and affix their respective company seals on the agreement; and
- (ii) the Company and Kingfar Real Estate having complied with requirements under applicable laws, rules, and statutory, governmental, and regulatory authorities (including but not limited to the Stock Exchange and the Securities and Futures Commission of Hong Kong) in relation to the agreement, and obtaining all necessary regulatory, statutory, and governmental consents and/or waivers, including but not limited to obtaining approval from Independent Shareholders in respect of the agreement.

LETTER FROM THE BOARD

Consideration: Consideration of the Lease shall be RMB2,960,000 (equivalent to approximately HK\$3,256,100), inclusive of management and maintenance fee, pursuant to which the consideration shall be payable in the following tranches:

- (a) the first tranche of RMB592,000 (representing approximately HK\$651,200) becoming payable within 5 days of the Civil Air Defense Parking Spaces passing inspection. The inspection shall take place within 5 days of the Civil Air Defense Car Park Lease Agreement taking effect and shall confirm that there are no defects such as damage, loss or failure to normal usage requirements on the Civil Air Defense Parking Space; and
- (b) the second tranche of RMB2,368,000 (representing approximately HK\$2,604,900) becoming payable within 15 days of the Civil Air Defense Car Park Lease Agreement taking effect. Within 10 days after the receipt of the second tranche, Kingfar Real Estate shall procure the novation of existing lease agreements regarding the Civil Air Defense Parking Spaces in favour of the Company.

The consideration of the Lease was determined based on the PRC Appraised Value of the Civil Air Defense Parking Spaces as at 31 October 2025, being RMB2,960,000 (approximately HK\$3,256,100), as determined by the PRC Valuer. The valuation was prepared based on income method. The valuation report of the Civil Air Defense Parking Spaces prepared by the PRC valuer is set out in Appendix IIB to this circular. **As such valuation report is prepared based on PRC valuation standards, Shareholders shall note that such valuation report does not comply with Chapter 5 of the Listing Rules and therefore shall be read with caution and in conjunction with the valuation report prepared by the HK Valuer as set out in Appendix IIA to this Circular.**

Mechanical Parking Space Transfer Agreement

Date: 5 December 2025

Parties:

- (i) the Company (as the transferee of the transfer of usage rights for the Mechanical Parking Spaces)
- (ii) Kingfar Real Estate (as the transferor of the transfer of usage rights for the Mechanical Parking Spaces)

LETTER FROM THE BOARD

Subject Matter: Pursuant to the Mechanical Parking Space Transfer Agreement, Kingfar Real Estate conditionally agrees to transfer the usage right of Mechanical Parking Spaces, comprising 60 mechanical parking spaces at Floor B2 of the Property, for a period of 20 years from the date of effectiveness of the Mechanical Parking Space Transfer Agreement to the Company.

Upon the expiry of the 20-year period, Kingfar Real Estate undertakes to automatically extend the usage period free of charge until the expiry of land use right for the land parcel where the Mechanical Parking Spaces are located.

As advised by the Company's PRC legal adviser, the relevant PRC authorities do not grant real estate ownership certificate for Mechanical Parking Spaces, and therefore ownership in Mechanical Parking Spaces cannot be transferred like other forms of real estate properties. Instead, the usage right of Mechanical Parking Spaces may be transferred and transacted. Furthermore, as set out above, pursuant to the PRC Civil Code, the maximum duration of a lease agreement for commercial properties cannot exceed 20 years, and any lease period exceeding 20 years will be void in respect of such period that exceeds the prescribed limit, although parties can renew the lease agreement to extend the lease period. Given transfer of usage right is generally and practically recognized by the judicial system in the PRC as a lease, taking into account the above legal restrictions on the term of a lease, the Company believes that the Usage Rights Transfer arrangement to be in the interest of the Company and the Shareholders as a whole, noting in particular (i) the Usage Right Transfer arrangement allows the Group to enjoy the maximum usage term for the Mechanical Parking Spaces permitted under applicable PRC law; and (ii) Kingfar Real Estate has undertaken to automatically extend the usage period free of charge until the expiry of land use right for the land parcel.

Conditions Precedent: The Mechanical Parking Space Transfer Agreement shall be effective upon:

- (i) the legal representatives or authorized signatories of both the Company and Kingfar Real Estate execute the agreement and affix their respective company seals on the agreement; and

LETTER FROM THE BOARD

(ii) the Company and Kingfar Real Estate having complied with requirements under applicable laws, rules, and statutory, governmental, and regulatory authorities (including but not limited to the Stock Exchange and the Securities and Futures Commission of Hong Kong) in relation to the agreement, and obtaining all necessary regulatory, statutory, and governmental consents and/or waivers, including but not limited to obtaining approval from Independent Shareholders in respect of the agreement.

Consideration: Consideration of the Usage Right Transfer shall be RMB4,800,000 (equivalent to approximately HK\$5,280,200), inclusive of car space usage fees, management and equipment maintenance fee, pursuant to which the consideration shall be payable in the following tranches:

- (a) the first tranche of RMB960,000 (representing approximately HK\$1,056,000) becoming payable within 5 days of the Mechanical Parking Spaces passing inspection. The inspection shall take place within 5 days of the Mechanical Parking Space Transfer Agreement taking effect and shall confirm that there are no defects such as damage, loss or failure to normal usage requirements on the Mechanical Parking Spaces; and
- (b) the second tranche of RMB3,840,000 (approximately HK\$4,224,100) within 5 days of completion of the novation of existing lease agreements regarding the Mechanical Parking Spaces in favour of the Company.

The consideration of the Usage Right Transfer was determined based on the PRC Appraised Value of the Mechanical Parking Spaces as at 31 October 2025, being approximately RMB4,800,000 (equivalent to approximately HK\$5,280,200), as determined by the PRC Valuer. The valuation by the PRC Valuer was prepared based on income method. The valuation report of the Mechanical Parking Spaces prepared by the PRC Valuer is set out in Appendix IIB to this circular. **As such valuation report is prepared based on PRC valuation standards, Shareholders shall note that such valuation report does not comply with Chapter 5 of the Listing Rules and therefore shall be read with caution and in conjunction with the valuation report prepared by the HK Valuer as set out in Appendix IIA to this Circular.**

LETTER FROM THE BOARD

RIGHT-OF-USE ASSET

In accordance with IFRS 16 Leases, the Lease and the Usage Right Transfer will be recognized as right-of-use assets in the consolidated financial statement of the Group. Accordingly, the transactions contemplated under the Civil Air Defense Car Park Lease Agreement and Mechanical Parking Space Transfer Agreement will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

INFORMATION ON THE PROPERTY

The Property Units, the Civil Air Defense Parking Spaces and the Mechanical Parking Spaces are located in the Property which is located at No. 132 Weiyang Road, Weiyang District, Xi'an, PRC, within the Xi'an Economic and Technological Development Zone. The Property is designated as a mixed-use office and commercial development.

The initial development cost of the Target Assets by Kingfar Real Estate as the developer was RMB50,030,000 (representing approximately HK\$55,034,900).

INFORMATION OF THE PARTIES TO THE TRANSACTIONS

The Company

The Company, together with its subsidiaries, is principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC. The Company is owned as to approximately 67.5% by Kingfar Group, which in turn is owned as to approximately 96.29% by Kingfar Holdings.

Kingfar Real Estate

Kingfar Real Estate is a company incorporated in the PRC and is directly wholly owned by Kingfar Group, which in turn is owned as to approximately 96.29% by Kingfar Holdings. Kingfar Holdings is in turn wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會), an administrative agency of Xi'an Municipal People's Government for the management of Xi'an Economic and Technology Development Zone.

Kingfar Real Estate is principally engaged in property development, investment and management, and is the developer of the Property.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is principally engaged in the provision of city services and property management services. With the intention of diversifying its income portfolio, the Group has been identifying opportunities to invest in property portfolios with an intention to enjoy stable rental income and other property-related revenue.

LETTER FROM THE BOARD

The Group has been providing property management services to the Property, and has a good understanding of the Target Assets' current status and potential investment value. Taking into account (i) the Property's strategic location in Xi'an; and (ii) the stable rental income that the Target Assets could generate, the Company believes that the Transactions would be beneficial to the Group as it would allow for the Group to diversify its income portfolio and provide greater control over the operations and improvements of the Property which it currently manages.

Whilst the Group understand that there has been a notable decrease in the unaudited gross rental income from the Target Assets from approximately RMB2 million in 2023 to approximately RMB745,000 in 2024 and a slight improvement to RMB757,200 in 2025, which were mainly resulted from (i) the non-renewal of the lease of three property units which were previously rented out to a fitness centre tenant with the lease period ended in December 2023, coupled with (ii) weaker consumer market recovery in 2024 which has led to less demand for retail spaces and increased competition from other vacant consumer properties in the vicinity, the Group believes the historical gross rental income from the Target Assets, especially those in 2024 and 2025, does not fully reflect the potential investment value and return of the Target Assets for the following reasons:

- (a) The Target Assets were intended and treated as inventories intended for sale by Kingfar Real Estate, rather than investment properties, which shows that there is a substantive difference on the intention towards the Target Asset between Kingfar Real Estate and the Group, with Kingfar Real Estate having the primary intention to dispose of the Target Assets in the past and the Group currently having the intention to hold the Target Assets as investment properties with an aim to diversify the Group's income portfolio and enjoy stable rental income.

In particular, it is noted that (i) Kingfar Real Estate did not establish any dedicated team to manage the leasing activities specifically for the Target Assets; and (ii) the overall rental occupancy rate of the 14 commercial units under the Property Units was at approximately 8.7% and 14.3% for 2024 and 2025, respectively, when compared to an estimated 70–85% occupancy rate for retail properties in the vicinity of the Property in Xi'an during the same periods based on the Board's understanding upon making reasonable enquiries, which shows that there has been an anomalously low rental occupancy rate for the Target Assets. The Board is of the view that both observations demonstrated that Kingfar Real Estate has not fully developed or leveraged on the rental potential of the Target Asset, which the Board believe stems from Kingfar Real Estate's primary intention to identify suitable opportunity to dispose of the Target Assets (in its capacity as the developer of the Property) rather than leasing them out.

- (b) The Group, being a seasoned property manager and have a portfolio of 48 commercial property projects under management as at 30 June 2025, have developed close contact and connections with various commercial property tenants, including in Xi'an, and therefore is confident of its ability to identify suitable tenants to occupy the Target

LETTER FROM THE BOARD

Assets (and in particular, the commercial units). In this respect, the Board has already commenced preparation of a detailed proposal to identify and invite suitable potential tenants from other commercial property which the Group currently manages to expand into the Property and lease the Target Assets.

- (c) With raising household consumption rate as one of the key objectives for the 15 Five-Year Plan period since the Fourth Plenary Session of the 20th Central Committee, the Group is confident that there will be increasing government policy support for consumer spending, which in turn should improve the demand for commercial and retail spaces in 2026. Furthermore, the Group notes that the Xi'an Municipal Government has recently adopted a number of policies which benefits commercial property investment activities, including (i) the exemption of underground parking spaces from land premium apportionment and tax subsidies for acquisition of retail spaces as investment properties since June 2025; and (ii) policies which supports the renovation of commercial properties and community parking spaces, and believes such policies will allow the Group to further improve the Target Assets in due course with lower costs and enhance the rental return in the future.

In light of the above, the Group believes that by acquiring and/or leasing the Target Assets when the rental potential has not been fully utilized or utilized by its existing owner, the Group could benefit from a notable improvement in rental income in the near future as well as expected improvement in capital value of the Target Assets in the long run.

Taking into account the above information, the Board (including the independent non-executive Directors, who have considered the advice of the Independent Financial Adviser), having considered the independent valuation, the Property's strategic location, current market conditions in Xi'an, comparable transaction evidence, and the income-generating potential of the Property and expected positive outlook of the general economy, considers the terms of the Transactions to be on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE TRANSACTIONS

Upon the completion of the Transactions, (i) the Property Units will be held by the Group and classified as Investment Property in the consolidated financial statements of the Group; and (ii) the Civil Air Defense Parking Spaces and Mechanical Parking Space will be held by the Group and classified as Right-of-use assets in the consolidated financial statements of the Group.

Based on (i) the consideration of RMB55,247,500 (equivalent to approximately HK\$60,774,300) of the Property Units; and (ii) the aggregated consideration of RMB7,760,000 (equivalent to approximately HK\$8,536,300) of the Civil Air Defense Parking Spaces and Mechanical Parking Space, the carrying amount of Investment Property and Right-of-use assets of the Group is expected to be recognized an increase by approximately RMB54,933,600 (equivalent to approximately HK\$60,429,000) and RMB2,819,000 (equivalent to approximately

LETTER FROM THE BOARD

HK\$3,101,100), representing the aggregate consideration less costs related to the Transactions. The Transactions will be financed by internal resources of the Group.

The total assets and net asset value of the Group are expected to remain substantially unchanged as a result of the Transactions, as the increase in property, plant and equipment under non-current assets will be offset by a corresponding decrease in bank balances and cash under current assets.

The Transactions are not expected to have an immediate material impact on the earnings of the Group. However, the Board anticipates that the Transactions will generate economic benefits to the Group in the form of stable rental income upon the novation of existing lease agreements of the Target Assets.

According to the accounting policies of the Group, (i) the Property Units, which will be recorded as Investment Property, and (ii) the Civil Air Defense Parking Spaces and Mechanical Parking Spaces, which will be recorded as Right-of-use Assets, will be initially measured at cost, including any directly attributable expenditure, at the end of the subsequent reporting period. Subsequent to initial recognition, the Target Assets will be stated at cost less accumulated depreciation and any accumulated impairment losses.

FINANCIAL INFORMATION OF THE TARGET ASSETS

Set out below is the unaudited profit and loss statements of identifiable net income stream attributable to the Target Assets for the three years ended 31 December 2025:

	For the year ended 31 December		
	2023 <i>RMB'000</i>	2024 <i>RMB'000</i>	2025 <i>RMB'000</i>
Revenue ^(Note)	2,008.1	745.0	757.2
Profit before income tax expenses ^(Note)	2,008.1	745.0	757.2
Profit after income tax expenses ^(Note)	2,008.1	745.0	757.2

Note: The revenue of the Target Assets represents the gross rental income of the Target Assets which were leased out for the three years ended 31 December 2025. As the Target Assets were treated as inventories intended for sale by Kingfar Real Estate, there were no dedicated team established to manage the leasing activities specifically concerning the Target Assets. As a result, no dedicated operating or administrative costs have been allocated by Kingfar Real Estate with respect to the Target Assets.

Whilst the Target Assets were treated as inventories intended for sale by Kingfar Real Estate, taking into account the rental income generated prior to the Transactions, the Target Assets were treated as revenue-generating assets with an identifiable income stream under Rule 14.67(6)(b)(i) of the Listing Rules. As such, the Company is required to include in this circular a profit and loss statement for the three preceding financial years on the identifiable net income stream of the Target Assets in strict compliance with the requirements of Rule 14.67(6)(b)(i) of the Listing Rules, and such profit and loss statement must be reviewed by the

LETTER FROM THE BOARD

auditor or reporting accountants. In the case of the Company, such period covers the three financial years ended 31 December 2023, 2024 and 2025 (the “**Relevant Period**”).

The Company has been in close communication with Kingfar Real Estate in respect of the financial information required under Rule 14.67(6)(b)(i) of the Listing Rules, and has encountered the following practical difficulties to gather and collate all required financial information for the preparation of the profit and loss statement of the Target Assets for the Relevant Period (the “**Profit and Loss Statement**”):

- a. based on the information provided by Kingfar Real Estate, the Target Assets only form a part of the assets of Kingfar Real Estate’s property portfolio in the PRC, and they were further classified as inventories intended for sale. Pursuant to applicable accounting standards, Kingfar Real Estate only prepares profit and loss statements based on individual legal entities, and there is no accounting requirement for independent reporting on the costs incurred, liabilities, debts, income or expenses in respect of an individual asset. As such, Kingfar Real Estate has treated the Property as a whole and did not single out, prepare financial information or arrange for costs allocation on each of the Target Assets on a standalone basis; and
- b. whilst Kingfar Real Estate has provided all available figures and records in connection with the Target Assets to the Group and its auditors, after having various discussions with Kingfar Real Estate, the Group understood, to which the Group’s auditors agreed that, the profit and loss statement of the Target Assets cannot be prepared in accordance with Rule 14.67(6)(b)(i) of the Listing Rules due to the practical difficulty to prepare and allocate the relevant administrative and operating costs for the Target Assets.

In this respect, the Group understands from Kingfar Real Estate that as the Target Assets were inventories intended for sale, Kingfar Real Estate (i) has not establish or arrange for any dedicated team to operate or manage the leasing activities of such Target Assets and (ii) has not allocated any dedicated operating costs with respect to the Target Assets. Instead, the sales teams of Kingfar Real Estate would handle and operate the leasing activities of the Target Assets on an incidental basis, and the costs of sales team have been allocated as costs of sales of Kingfar Real Estate in its property development activities. After reviewing the relevant records and information provided by Kingfar Real Estate and having discussed with Kingfar Real Estate, the Board understood, to which Group’s auditor agreed, that Kingfar Real Estate do not have sufficient record to apportion or allocate the administrative and operating costs for leasing activities of the Target Assets, and therefore the profit and loss statements of the Target Assets cannot be prepared based on Rule 14.67(6)(b)(i) of the Listing Rules accordingly.

As an alternative, Kingfar Real Estate advised that it is only feasible for it to provide the underlying gross rental income summary and tenancy agreements in relation to the Target Assets for purpose of Rule 14.67(6)(b)(i) of the Listing Rules.

LETTER FROM THE BOARD

As the Company would not be able to compile the Profit and Loss Statement for inclusion in this circular as required under Rule 14.67(6)(b)(i) of the Listing Rules, the Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 14.67(6)(b)(i) of the Listing Rules.

The Board is of the view that omission of the Profit and Loss Statement would not render the circular materially incomplete or misleading or deceptive, nor would it create undue risk for the Shareholders, on the following grounds:

- a. the rental income generated from the Target Assets during the Relevant Period was insignificant as compared to the Group's revenue. For the year ended 31 December 2024, the gross rental income for the Target Assets amounted to approximately RMB745,000, representing only approximately 0.08% of the revenue of the Group for the year ended 31 December 2024. As such, the rental income of the Target Assets should have an immediate material impact on the earnings or profitability of the Group;
- b. the inclusion of the historical profit and loss figures of the Target Assets would also not be useful or material to the Group in determining the consideration of the Acquisition given that the consideration for the Acquisition was determined after arm's length negotiations between the parties to the Transactions with reference to, among others, the valuation of the Target Assets undertaken by the PRC Valuer based on a valuation date of 31 October 2025, the report of which has been set out in Appendix IIB of the Circular; and
- c. taking into account the summary on the underlying gross rental income, key terms of tenancy agreements and estimate of costs and expenses in connection with the rental activities for the Target Assets set out below (the "**Alternative Disclosures**"), which, together with the valuation reports as set out in Appendices IIA and IIB of the Circular and the unaudited pro forma financial information of the Group to illustrate the effect of the Transactions on assets and liabilities of the Group as set out in Appendix III to the Circular, shall provide sufficient and meaningful information to the Shareholders in assessing the Transactions and the Target Assets.

In respect of the Alternative Disclosures, the Company has obtained from Kingfar Real Estate (i) copies of the tenancy agreements of the Target Assets entered into between Kingfar Real Estate and the tenants covering the Relevant Period (where applicable) (the "**Tenancy Agreement(s)**"); and (ii) a list of basic information on the existing tenancies in respect of the Target Assets, including, among other things, the identity of tenants, monthly rent and the terms of the tenancies (collectively with the Tenancy Agreements, the "**Tenancy Information**") which the Company had checked against the underlying Tenancy Agreements, a summary of which is set out below.

LETTER FROM THE BOARD

Summary of Tenancy Information and Gross Rental Income for Target Assets for the Relevant Period

Gross Rental Income Summary for Property Units for the Relevant Period

Type of property	Description and GFA	Tenants	Lease period	For the year ended 31 December			Monthly rent
				2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)	
Commercial properties	F118-1 of the Property (131 m ²)	Tenant 1	8 June 2021 to 7 July 2023	93.5	–	–	13.4
Commercial properties	F120 of the Property (180.84 m ²)	Tenant 2	31 December 2018 to 15 December 2023	1,225.0	–	–	102.1
Commercial properties	F121 of the Property (1,280.83 m ²)	Tenant 2	31 December 2018 to 15 December 2023	1,225.0	–	–	102.1
Commercial properties	F123 and F124 of the Property (380.72 m ²)	Tenant 2	31 December 2018 to 15 December 2023	1,225.0	–	–	102.1
Commercial properties	F126 of the Property (103.55 m ²)	Tenant 3	24 December 2018 to 26 February 2023	35.9	–	–	18.0
Commercial properties	F114 of the Property (88.18 m ²)	Tenant 4	18 October 2022 to 17 September 2023	97.5	–	–	10.8
Commercial properties	F118-2 of the Property (131.12 m ²)	Tenant 5	15 November 2022 to 15 June 2024	164.4	72.1	–	13.9
Commercial properties	F202 of the Property (85.46 m ²)	Tenant 6	15 May 2023 to 15 July 2031	29.1	83.3	79.6	6.9
Commercial properties	F118-1 of the Property (131 m ²)	Tenant 7	20 April 2024 to 31 October 2025	–	90.6	165.1	12.6
Commercial properties	F109 of the Property (447.48 m ²)	Tenant 8	1 March 2025 to 30 March 2030	–	–	142.3	13.8
Commercial properties	F126 of the Property (103.55 m ²)	Tenant 9	1 April 2025 to 31 March 2028	–	–	32.6	3.5
Commercial properties	F109-1 of the Property (95 m ²)	Tenant 9	20 May 2024 to 31 January 2025	–	51.2	5.8	6.0
				Total rental income	1,645.4	297.2	425.4
				Total rental income (excluding VAT)	1,567.0	283.0	405.1

LETTER FROM THE BOARD

Gross Rental Income Summary for Carpark Spaces for the Relevant Period

Type of Property	Tenants	Number of Carpark Spaces rented (Note 1)	Lease Period	For the year ended 31 December (Note 2)		
				2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenant 1	2	5 January 2023 to 4 May 2024	1.8	1.2	–
Carpark Space	Tenant 2	2	4 January 2023 to 3 July 2023	1.8	–	–
Carpark Space	Tenant 3	1	2 February 2023 to 1 August 2023	1.8	–	–
Carpark Space	Tenant 4	5	2 February 2023 to 30 September 2025	3.6	2.4	1.4
Carpark Space	Tenant 5	4	31 January 2023 to 31 January 2024	7.2	–	–
Carpark Space	Tenant 6	1	3 February 2023 to 2 August 2023	1.8	–	–
Carpark Space	Tenant 7	1	7 February 2023 to 6 August 2023	1.8	–	–
Carpark Space	Tenant 8	1	7 February 2023 to 6 May 2023	0.9	–	–
Carpark Space	Tenant 9	1	10 January 2023 to 9 July 2023	1.8	–	–
Carpark Space	Tenant 10	1	8 February 2023 to 7 August 2023	1.8	–	–
Carpark Space	Tenant 11	1	17 February 2023 to 16 August 2023	1.8	–	–
Carpark Space	Tenant 12	1	18 February 2023 to 17 August 2023	1.8	–	–
Carpark Space	Tenant 13	1	1 March 2023 to 31 May 2023	0.9	–	–
Carpark Space	Tenant 14	1	16 February 2023 to 15 August 2023	1.8	–	–
Carpark Space	Tenant 15	2	2 March 2023 to 5 September 2023	1.8	–	–
Carpark Space	Tenant 16	1	1 March 2023 to 31 August 2023	1.8	–	–
Carpark Space	Tenant 17	1	15 February 2023 to 14 August 2023	1.8	–	–
Carpark Space	Tenant 18	2	7 March 2023 to 7 March 2024	3.6	–	–
Carpark Space	Tenant 19	22	23 March 2023 to 31 December 2025	18.0	25.1	11.6
Carpark Space	Tenant 20	1	16 March 2023 to 15 September 2023	1.8	–	–
Carpark Space	Tenant 21	1	16 March 2023 to 15 September 2023	1.8	–	–
Carpark Space	Tenant 22	1	13 March 2023 to 12 September 2023	1.8	–	–
Carpark Space	Tenant 23	4	27 March 2023 to 30 November 2024	5.1	2.1	–
Carpark Space	Tenant 24	3	3 April 2023 to 30 November 2024	3.6	2.1	–
Carpark Space	Tenant 25	1	11 April 2023 to 10 October 2023	1.8	–	–
Carpark Space	Tenant 26	6	1 May 2023 to 30 April 2025	10.8	12.5	–
Carpark Space	Tenant 27	4	18 April 2023 to 30 November 2024	3.6	2.5	–
Carpark Space	Tenant 28	1	18 April 2023 to 17 September 2023	1.8	–	–
Carpark Space	Tenant 29	7	6 May 2023 to 31 December 2025	3.6	4.5	2.5
Carpark Space	Tenant 30	1	23 April 2023 to 22 October 2023	1.8	–	–
Carpark Space	Tenant 31	6	1 May 2023 to 30 November 2025	1.8	2.2	3.5
Carpark Space	Tenant 32	1	4 May 2023 to 3 November 2023	1.8	–	–
Carpark Space	Tenant 33	1	1 June 2023 to 31 May 2024	3.6	–	–
Carpark Space	Tenant 34	1	6 May 2023 to 5 November 2023	1.8	–	–

LETTER FROM THE BOARD

Type of Property	Tenants	Number of Carpark Spaces rented (Note 1)	Lease Period	For the year ended 31 December (Note 2)		
				2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenant 35	4	10 May 2023 to 30 November 2024	1.8	4.7	–
Carpark Space	Tenant 36	1	19 May 2023 to 18 November 2023	1.8	–	–
Carpark Space	Tenant 37	3	21 May 2023 to 31 December 2024	1.8	2.5	–
Carpark Space	Tenant 38	2	13 May 2023 to 30 April 2025	3.6	4.0	–
Carpark Space	Tenant 39	8	20 May 2023 to 19 May 2026	18.0	–	7.8
Carpark Space	Tenant 40	2	12 May 2023 to 31 December 2024	3.6	2.6	–
Carpark Space	Tenant 41	7	18 May 2023 to 30 September 2025	3.6	2.6	3.2
Carpark Space	Tenant 42	37	22 May 2023 to 31 December 2025	9.0	13.4	19.6
Carpark Space	Tenant 43	1	24 May 2023 to 23 August 2023	0.9	–	–
Carpark Space	Tenants 44	9	1 June 2023 to 31 December 2025	1.8	4.0	4.2
Carpark Space	Tenant 45	7	26 May 2023 to 31 May 2025	1.8	2.5	1.8
Carpark Space	Tenant 46	5	1 June 2023 to 31 December 2025	3.6	4.2	2.7
Carpark Space	Tenant 47	13	26 May 2023 to 31 December 2025	7.2	4.9	5.3
Carpark Space	Tenant 48	11	26 May 2023 to 31 December 2025	3.6	5.7	6.2
Carpark Space	Tenant 49	80	13 May 2023 to 12 May 2025	124.8	144.0	–
Carpark Space	Tenant 50	1	1 June 2023 to 30 November 2023	1.8	–	–
Carpark Space	Tenant 51	8	1 June 2023 to 31 December 2025	7.2	8.4	4.9
Carpark Space	Tenant 52	1	1 June 2023 to 31 May 2024	3.6	–	–
Carpark Space	Tenant 53	3	1 June 2023 to 31 May 2025	1.8	2.1	0.7
Carpark Space	Tenant 54	2	1 June 2023 to 31 December 2024	3.6	2.5	–
Carpark Space	Tenant 55	7	2 June 2023 to 30 September 2025	3.3	2.6	3.2
Carpark Space	Tenant 56	3	1 June 2023 to 30 November 2024	3.6	2.1	–
Carpark Space	Tenant 57	1	2 June 2023 to 1 December 2023	1.8	–	–
Carpark Space	Tenant 58	1	1 June 2023 to 30 November 2023	1.8	–	–
Carpark Space	Tenant 59	1	1 June 2023 to 30 November 2023	1.8	–	–
Carpark Space	Tenant 60	4	1 June 2023 to 31 December 2025	3.3	1.2	0.9
Carpark Space	Tenant 61	1	5 June 2023 to 4 December 2023	1.8	–	–
Carpark Space	Tenant 62	1	5 June 2023 to 4 December 2023	1.8	–	–
Carpark Space	Tenant 63	16	1 July 2023 to 31 December 2024	7.2	6.1	–
Carpark Space	Tenant 64	3	12 June 2023 to 30 November 2024	1.8	3.8	–
Carpark Space	Tenants 65	3	1 June 2023 to 13 January 2024	5.4	–	–
Carpark Space	Tenant 66	14	12 June 2023 to 31 December 2025	3.6	5.1	8.4
Carpark Space	Tenants 67	1	19 June 2023 to 18 December 2023	1.8	–	–
Carpark Space	Tenant 68	9	1 June 2023 to 31 May 2025	11.7	8.4	–
Carpark Space	Tenants 69	1	13 June 2023 to 12 December 2023	1.8	–	–
Carpark Space	Tenant 70	16	15 June 2023 to 31 July 2025	1.8	4.6	6.9

LETTER FROM THE BOARD

Type of Property	Tenants	(Note 1)	Lease Period	Number of	For the year ended 31 December		
				Carpark Spaces rented	(Note 2)		
					2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenant 71	1	15 June 2023 to 14 December 2023	1.8	–	–	–
Carpark Space	Tenant 72	1	19 June 2023 to 18 December 2023	1.8	–	–	–
Carpark Space	Tenant 73	5	25 June 2023 to 30 September 2025	3.3	8.4	1.4	–
Carpark Space	Tenant 74	1	26 June 2023 to 25 December 2023	1.8	–	–	–
Carpark Space	Tenants 75	2	28 June 2023 to 31 May 2025	3.6	3.9	–	–
Carpark Space	Tenant 76	3	1 July 2023 to 30 May 2024	5.1	–	–	–
Carpark Space	Tenant 77	2	29 June 2023 to 28 May 2024	3.6	–	–	–
Carpark Space	Tenant 78	5	1 July 2023 to 31 July 2025	3.3	2.5	1.5	–
Carpark Space	Tenant 79	1	3 July 2023 to 2 October 2023	0.9	–	–	–
Carpark Space	Tenants 80	1	3 July 2023 to 2 October 2023	0.9	–	–	–
Carpark Space	Tenant 81	2	3 July 2023 to 6 April 2024	2.7	–	–	–
Carpark Space	Tenants 82	1	5 July 2023 to 4 January 2024	1.8	–	–	–
Carpark Space	Tenant 83	2	10 July 2023 to 9 May 2024	1.8	1.2	–	–
Carpark Space	Tenant 84	22	5 July 2023 to 31 December 2025	3.6	10.9	12.6	–
Carpark Space	Tenant 85	4	14 July 2023 to 31 May 2024	1.8	1.4	–	–
Carpark Space	Tenant 86	1	4 August 2023 to 3 November 2023	0.9	–	–	–
Carpark Space	Tenants 87	1	18 July 2023 to 17 January 2024	1.8	–	–	–
Carpark Space	Tenant 88	1	25 July 2023 to 24 October 2023	0.9	–	–	–
Carpark Space	Tenants 89	3	15 August 2023 to 20 January 2025	1.8	3.8	–	–
Carpark Space	Tenant 90	3	15 August 2023 to 17 August 2024	0.9	1.9	–	–
Carpark Space	Tenant 91	1	16 August 2023 to 15 February 2024	1.8	–	–	–
Carpark Space	Tenants 92	1	15 August 2023 to 14 November 2023	0.9	–	–	–
Carpark Space	Tenant 93	1	4 September 2023 to 3 March 2024	1.8	–	–	–
Carpark Space	Tenant 94	3	16 September 2023 to 15 September 2024	9.0	–	–	–
Carpark Space	Tenants 95	2	18 September 2023 to 17 February 2024	1.5	–	–	–
Carpark Space	Tenants 96	1	13 September 2023 to 12 September 2024	2.4	–	–	–
Carpark Space	Tenants 97	1	20 June 2023 to 19 December 2023	1.8	–	–	–
Carpark Space	Tenants 98	1	8 September 2023 to 7 December 2023	0.9	–	–	–
Carpark Space	Tenants 99	1	20 September 2023 to 19 March 2024	1.8	–	–	–
Carpark Space	Tenants 100	7	11 September 2023 to 31 December 2025	1.8	2.5	4.2	–
Carpark Space	Tenant 101	1	6 September 2023 to 5 December 2023	0.9	–	–	–
Carpark Space	Tenant 102	3	31 October 2023 to 31 December 2025	1.8	0.6	0.6	–
Carpark Space	Tenant 103	3	6 November 2023 to 31 December 2024	1.8	2.7	–	–
Carpark Space	Tenant 104	1	9 November 2023 to 8 February 2024	0.9	–	–	–
Carpark Space	Tenant 105	1	15 November 2023 to 14 February 2024	0.9	–	–	–
Carpark Space	Tenant 106	2	1 December 2023 to 30 September 2025	1.8	–	1.4	–

LETTER FROM THE BOARD

Type of Property	Tenants	Number of Carpark Spaces rented (Note 1)	Lease Period	For the year ended 31 December (Note 2)		
				2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenant 107	1	29 November 2023 to 28 May 2024	1.8	–	–
Carpark Space	Tenant 108	1	3 December 2023 to 2 March 2024	0.9	–	–
Carpark Space	Tenant 109	1	1 December 2023 to 31 May 2024	1.8	–	–
Carpark Space	Tenant 110	2	4 December 2023 to 31 May 2024	1.5	0.3	–
Carpark Space	Tenant 111	1	24 November 2023 to 23 February 2024	0.9	–	–
Carpark Space	Tenant 112	1	11 December 2023 to 10 May 2024	1.5	–	–
Carpark Space	Tenant 113	1	8 December 2023 to 7 March 2024	0.9	–	–
Carpark Space	Tenant 114	2	12 December 2023 to 16 August 2024	0.9	1.0	–
Carpark Space	Tenant 115	2	18 December 2023 to 31 December 2024	1.5	2.6	–
Carpark Space	Tenant 116	7	1 January 2024 to 31 December 2025	1.5	3.5	3.2
Carpark Space	Tenant 117	4	20 December 2023 to 31 August 2025	0.9	1.0	1.3
Carpark Space	Tenant 118	1	19 December 2023 to 18 April 2024	1.2	–	–
Carpark Space	Tenant 119	1	18 December 2023 to 17 May 2024	1.5	–	–
Carpark Space	Tenant 120	1	23 February 2023 to 22 August 2023	1.8	–	–
Carpark Space	Tenant 121	1	22 December 2023 to 21 May 2024	1.5	–	–
Carpark Space	Tenant 122	1	25 December 2023 to 24 May 2024	1.5	–	–
Carpark Space	Tenant 123	1	27 December 2023 to 26 March 2024	0.9	–	–
Carpark Space	Tenant 124	15	27 December 2023 to 8 January 2026	1.5	3.2	10.4
Carpark Space	Tenant 125	1	11 December 2023 to 10 May 2024	–	1.5	–
Carpark Space	Tenant 126	9	29 January 2024 to 31 December 2025	–	3.7	3.5
Carpark Space	Tenant 127	2	18 February 2024 to 23 September 2024	–	2.0	–
Carpark Space	Tenant 128	2	18 February 2024 to 30 September 2025	–	0.9	1.5
Carpark Space	Tenant 129	1	19 February 2024 to 18 March 2024	–	0.3	–
Carpark Space	Tenant 130	4	19 February 2024 to 31 December 2024	–	7.0	–
Carpark Space	Tenant 131	3	1 March 2024 to 31 August 2025	–	5.1	1.1
Carpark Space	Tenant 132	1	26 February 2024 to 25 May 2024	–	0.9	–
Carpark Space	Tenant 133	1	26 February 2024 to 25 May 2024	–	0.9	–
Carpark Space	Tenant 134	1	26 February 2024 to 25 May 2024	–	0.9	–
Carpark Space	Tenant 135	1	28 February 2024 to 27 May 2024	–	0.9	–
Carpark Space	Tenant 136	4	21 February 2024 to 30 September 2025	–	3.5	2.5
Carpark Space	Tenant 137	1	7 March 2024 to 31 May 2024	–	0.8	–
Carpark Space	Tenant 138	1	12 March 2024 to 31 May 2024	–	0.8	–
Carpark Space	Tenant 139	1	1 March 2024 to 31 May 2024	–	0.9	–
Carpark Space	Tenant 140	3	29 February 2024 to 30 November 2024	–	5.1	–
Carpark Space	Tenant 141	1	28 February 2024 to 27 May 2024	–	0.9	–
Carpark Space	Tenant 142	2	20 March 2024 to 2 December 2024	–	2.8	–

LETTER FROM THE BOARD

Type of Property	Tenants	(Note 1)	Lease Period	Number of Carpark Spaces rented	For the year ended 31 December		
				(Note 2)			
					2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenant 143	9	15 March 2024 to 31 December 2025	–	3.2	4.2	
Carpark Space	Tenant 144	4	20 March 2024 to 31 December 2025	–	0.7	2.2	
Carpark Space	Tenant 145	2	18 March 2024 to 2 December 2024	–	2.8	–	
Carpark Space	Tenant 146	1	29 March 2024 to 31 May 2024	–	0.6	–	
Carpark Space	Tenant 147	1	30 March 2024 to 31 May 2024	–	0.6	–	
Carpark Space	Tenant 148	1	9 April 2024 to 8 May 2024	–	0.3	–	
Carpark Space	Tenant 149	7	15 April 2024 to 31 December 2025	–	2.9	4.2	
Carpark Space	Tenant 150	4	22 April 2024 to 31 March 2025	–	2.5	0.5	
Carpark Space	Tenant 151	1	28 April 2024 to 31 July 2024	–	1.0	–	
Carpark Space	Tenant 152	2	7 May 2024 to 31 August 2024	–	1.3	–	
Carpark Space	Tenant 153	2	6 May 2024 to 31 December 2024	–	2.7	–	
Carpark Space	Tenant 154	2	10 May 2024 to 31 December 2024	–	2.7	–	
Carpark Space	Tenant 155	6	13 May 2024 to 31 December 2025	–	2.6	2.9	
Carpark Space	Tenant 156	5	20 May 2024 to 19 May 2025	–	20.9	–	
Carpark Space	Tenant 157	1	17 May 2024 to 30 November 2024	–	2.2	–	
Carpark Space	Tenant 158	1	20 May 2024 to 30 November 2024	–	2.2	–	
Carpark Space	Tenant 159	2	25 May 2024 to 31 December 2024	–	1.4	–	
Carpark Space	Tenant 160	2	29 May 2024 to 31 December 2024	–	2.5	–	
Carpark Space	Tenant 161	6	29 May 2024 to 31 December 2025	–	2.5	3.6	
Carpark Space	Tenant 162	1	3 June 2024 to 2 September 2024	–	1.1	–	
Carpark Space	Tenant 163	2	3 June 2024 to 31 December 2024	–	2.3	–	
Carpark Space	Tenant 164	1	4 June 2024 to 3 December 2024	–	2.1	–	
Carpark Space	Tenant 165	1	3 June 2024 to 2 December 2024	–	2.1	–	
Carpark Space	Tenant 166	1	11 June 2024 to 10 December 2024	–	2.1	–	
Carpark Space	Tenant 167	4	18 June 2024 to 31 May 2025	–	2.3	1.8	
Carpark Space	Tenant 168	2	24 June 2024 to 31 March 2025	–	2.1	0.5	
Carpark Space	Tenant 169	1	3 July 2024 to 2 January 2025	–	2.1	–	
Carpark Space	Tenants 170	1	8 July 2024 to 7 January 2025	–	2.1	–	
Carpark Space	Tenant 171	1	7 June 2024 to 8 July 2024	–	0.4	–	
Carpark Space	Tenants 172	7	5 July 2024 to 31 July 2025	–	2.0	2.5	
Carpark Space	Tenant 173	1	18 July 2024 to 17 January 2025	–	2.1	–	
Carpark Space	Tenant 174	2	1 August 2024 to 31 December 2024	–	1.8	–	
Carpark Space	Tenants 175	5	6 August 2024 to 30 September 2025	–	2.1	3.3	
Carpark Space	Tenant 176	2	16 September 2024 to 15 May 2025	–	5.6	–	
Carpark Space	Tenant 177	6	2 September 2024 to 31 December 2025	–	1.3	4.1	
Carpark Space	Tenant 178	1	1 September 2024 to 30 November 2024	–	1.1	–	

LETTER FROM THE BOARD

Type of Property	Tenants	(Note 1)	Lease Period	For the year ended 31 December		
				(Note 2)		
				2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenants 179	1	10 September 2024 to 9 December 2024	–	1.1	–
Carpark Space	Tenant 180	1	1 October 2024 to 31 December 2024	–	1.1	–
Carpark Space	Tenant 181	1	28 October 2024 to 30 November 2024	–	0.4	–
Carpark Space	Tenant 182	1	16 October 2024 to 31 December 2024	–	0.9	–
Carpark Space	Tenant 183	1	6 October 2024 to 31 December 2024	–	1.0	–
Carpark Space	Tenant 184	1	27 November 2024 to 31 December 2024	–	0.4	–
Carpark Space	Tenant 185	5	1 December 2024 to 31 December 2025	–	0.4	2.1
Carpark Space	Tenant 186	5	3 December 2024 to 30 September 2025	–	0.3	3.2
Carpark Space	Tenant 187	2	2 December 2024 to 31 March 2025	–	0.3	1.0
Carpark Space	Tenant 188	3	1 December 2024 to 31 December 2024	–	1.1	–
Carpark Space	Tenants 189	1	16 December 2024 to 28 February 2025	–	0.9	–
Carpark Space	Tenant 190	2	1 January 2025 to 31 December 2025	–	–	2.1
Carpark Space	Tenant 191	10	1 January 2025 to 31 December 2025	–	–	10.9
Carpark Space	Tenant 192	1	1 January 2025 to 31 March 2025	–	–	1.1
Carpark Space	Tenant 193	3	10 February 2025 to 30 September 2025	–	–	2.7
Carpark Space	Tenant 194	5	11 December 2024 to 31 December 2025	–	–	4.4
Carpark Space	Tenant 195	2	20 February 2025 to 31 March 2025	–	–	1.0
Carpark Space	Tenant 196	6	10 January 2025 to 31 December 2025	–	–	4.4
Carpark Space	Tenant 197	1	5 March 2025 to 31 May 2025	–	–	1.0
Carpark Space	Tenant 198	1	11 March 2025 to 31 May 2025	–	–	0.9
Carpark Space	Tenants 199	1	3 March 2025 to 31 March 2025	–	–	0.3
Carpark Space	Tenant 200	2	1 April 2025 to 31 May 2025	–	–	2.1
Carpark Space	Tenant 201	1	1 April 2025 to 31 May 2025	–	–	0.7
Carpark Space	Tenant 202	2	1 April 2025 to 30 September 2025	–	–	2.1
Carpark Space	Tenant 203	2	16 May 2025 to 15 May 2026	–	–	5.3
Carpark Space	Tenant 204	1	27 April 2025 to 31 July 2025	–	–	1.1
Carpark Space	Tenant 205	2	3 March 2025 to 31 December 2025	–	–	2.1
Carpark Space	Tenant 206	3	1 May 2025 to 30 April 2026	–	–	8.5
Carpark Space	Tenant 207	4	1 October 2025 to 31 December 2025	–	–	3.3
Carpark Space	Tenant 208	3	1 June 2025 to 31 October 2025	–	–	2.1
Carpark Space	Tenant 209	1	20 May 2025 to 19 November 2025	–	–	2.1
Carpark Space	Tenant 210	40	13 May 2025 to 12 May 2026	–	–	91.9
Carpark Space	Tenant 211	1	22 May 2025 to 30 September 2025	–	–	1.5
Carpark Space	Tenant 212	4	1 June 2025 to 30 September 2025	–	–	1.4
Carpark Space	Tenant 213	3	1 June 2025 to 31 December 2025	–	–	4.9
Carpark Space	Tenant 214	2	1 June 2025 to 31 August 2025	–	–	2.1

LETTER FROM THE BOARD

Type of Property	Tenants	(Note 1)	Lease Period	Number of	For the year ended 31 December		
				Carpark Spaces rented	(Note 2)		
					2023 (Approx. RMB'000)	2024 (Approx. RMB'000)	2025 (Approx. RMB'000)
Carpark Space	Tenant 215	2	16 June 2025 to 30 September 2025	–	–	–	2.5
Carpark Space	Tenants 216	1	17 June 2025 to 30 September 2025	–	–	–	1.2
Carpark Space	Tenant 217	2	23 June 2025 to 31 December 2025	–	–	–	1.4
Carpark Space	Tenant 218	2	8 July 2025 to 31 December 2025	–	–	–	1.8
Carpark Space	Tenant 219	1	1 July 2025 to 30 September 2025	–	–	–	1.1
Carpark Space	Tenant 220	1	1 August 2025 to 30 September 2025	–	–	–	0.7
Carpark Space	Tenant 221	1	1 August 2025 to 30 September 2025	–	–	–	0.7
Carpark Space	Tenant 222	8	1 August 2025 to 31 December 2025	–	–	–	4.9
Carpark Space	Tenant 223	1	1 August 2025 to 30 September 2025	–	–	–	0.7
Carpark Space	Tenant 224	2	19 August 2025 to 31 October 2025	–	–	–	1.5
Carpark Space	Tenant 225	2	11 August 2025 to 31 December 2025	–	–	–	1.6
Carpark Space	Tenants 226	2	19 August 2025 to 11 December 2025	–	–	–	0.8
Carpark Space	Tenant 227	1	7 August 2025 to 30 September 2025	–	–	–	0.6
Carpark Space	Tenant 228	1	10 September 2025 to 9 December 2025	–	–	–	1.1
Carpark Space	Tenant 229	1	10 September 2025 to 30 November 2025	–	–	–	0.9
Carpark Space	Tenant 230	1	26 August 2025 to 25 November 2025	–	–	–	1.1
Carpark Space	Tenant 231	1	9 October 2025 to 8 January 2026	–	–	–	1.0
Carpark Space	Tenant 232	1	9 October 2025 to 31 December 2025	–	–	–	1.0
Carpark Space	Tenant 233	1	7 October 2025 to 31 December 2025	–	–	–	1.0
Carpark Space	Tenant 234	1	19 September 2025 to 31 December 2025	–	–	–	1.2
Carpark Space	Tenant 235	1	24 September 2025 to 31 December 2025	–	–	–	1.1
Carpark Space	Tenant 236	1	9 October 2025 to 31 December 2025	–	–	–	1.0
Carpark Space	Tenant 237	1	9 October 2025 to 31 December 2025	–	–	–	1.0
Carpark Space	Tenant 238	1	9 October 2025 to 8 November 2025	–	–	–	0.4
Carpark Space	Tenant 239	1	11 October 2025 to 31 December 2025	–	–	–	0.9
Carpark Space	Tenants 240	1	20 October 2025 to 31 December 2025	–	–	–	0.8
Carpark Space	Tenant 241	1	1 December 2025 to 31 December 2025	–	–	–	0.4
Carpark Space	Tenant 242	1	24 November 2025 to 31 December 2025	–	–	–	0.4
Carpark Space	Tenant 243	1	16 December 2025 to 31 December 2025	–	–	–	0.2
Carpark Space	Tenant 244	1	11 December 2025 to 31 December 2025	–	–	–	0.2
Carpark Space	Tenant 245	1	9 December 2025 to 31 December 2025	–	–	–	0.3
Carpark Space	Tenant 246	1	22 December 2025 to 28 February 2026	–	–	–	0.1
				Total rental income	463.2	485.1	369.7
				Total rental income (excluding VAT)	441.1	462.0	352.1

LETTER FROM THE BOARD

Notes:

1. The above carpark space rental reflects the rental record for all of the carpark spaces being transferred and/or leased under the Transactions (including standard carpark spaces which forms part of the Property Units, the Civil Air Defence carpark spaces and the Mechanical Carpark Spaces) during the Track Record Period. Such carpark spaces are rented out pursuant to the Tenancy Agreements without specifying the unique carpark spot that the individual tenant may park at.
2. The rent for each individual parking space is (i) RMB300 for each month between 1 January 2023 and 31 May 2024; and (ii) RMB350 for each month between 1 June 2024 and 31 December 2025.

To the best of knowledge of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, each of the tenants under the Tenancy Agreements are Independent Third Parties.

Estimate of costs and expenses in connection with the Target Assets

Pursuant to the relevant Tenancy Agreements, during the term of the tenancy, the tenants for the commercial properties were responsible for all property management fees and utilities costs (including electricity and water tariffs) during the tenancy, and the tenants for the carpark spaces were responsible for all property management fees during the tenancy. Furthermore, the property manager of the carpark spaces (namely the Group) was responsible for the electricity tariffs for the carpark spaces.

For vacant commercial units and carpark spaces, the utilities costs (including electricity or water tariffs) should be negligible as they are unoccupied. Kingfar Real Estate, as the owner, is responsible for paying property management fee to the Group as the property manager for vacant commercial units, but property management fee are exempted for vacant carpark spaces.

LETTER FROM THE BOARD

Based on the Group's understanding upon making reasonable enquiries, the Group estimated that the costs and expenses for each of the three years ended 31 December 2025 attributable to Kingfar Real Estate in connection with its ownership of the Target Assets to be as follows:

	Estimated annual expenses for each of the year ended		
	31 December		
	2023	2024	2025
	<i>Approx. RMB'000</i>	<i>Approx. RMB'000</i>	<i>Approx. RMB'000</i>
Property Management Fee (inclusive of VAT)	(Note 1)	35.1	89.4
Administrative Fee	(Note 2)	26.4	26.4
Property Tax	(Note 3)	235.3	92.3
Urban Land Use Tax	(Note 4)	40.6	40.6
Total		337.4	248.7
		257.8	

Notes:

1. This represents that the Property Management Fees paid by Kingfar Real Estate to the Group (as the property manager) for each of the three years ended 31 December 2025 in connection with the vacant commercial units under the Target Assets as recorded by the Group. The property management fees are charged at RMB2.615/m² per month based on the construction area of the vacant commercial units. The net property management fee (excluding VAT) for each of the three years ended 31 December 2025 is at approximately RMB33,100, RMB84,300 and RMB77,900.
2. The estimated administrative fee of RMB26,400 per year for each of the three years ended 31 December 2025 is prepared based on the Group's estimation of the relevant administrative fee in connection with the leasing activities, comprising (i) an estimated mechanical carpark space maintenance fee of RMB1,200 per month in connection with the repair and maintenance of the mechanical carpark spaces and (ii) an estimated labour and other administrative costs of RMB1,000 per month in connection with apportionment of the relevant personnel costs and office administrative costs and expenses for the leasing of the Target Assets taking into account the number of executed Lease Agreements for commercial properties and carpark spaces in each of the three years ended 31 December 2025.
3. This represents the estimated property tax payable by Kingfar Real Estate for each of the three years ended 31 December 2025. In accordance with the Interim Regulations of the People's Republic of China on Property Tax, the property tax rate for properties not subject to lease arrangement is 1.2% of the costs of the properties, and property tax rate for properties subject to lease arrangement is 12% of the rental income. A tax reduction of 20% is also applicable to Kingfar Real Estate.
4. This represents the estimated urban land use tax payable by Kingfar Real Estate for each of the three years ended 31 December 2025. In accordance with the Interim Regulations of the People's Republic of China on Urban Land Use Tax, the applicable tax rate is RMB14/m² per year based on land used area of the Target Assets.

LETTER FROM THE BOARD

IMPLICATIONS UNDER LISTING RULES

As the Transactions relate to the acquisition and/or lease of various different units and/or carpark space within the Property, the Transactions should be aggregated and treated as if they were one transaction.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Transactions, on an aggregate basis, exceed 25% but are less than 100%, the Transactions constitute a major transaction of the Company and are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Kingfar Group is the controlling shareholder of the Company holding approximately 67.5% of the total issued capital of the Company. Kingfar Real Estate is in turn directly wholly owned by Kingfar Group, and is therefore a connected person of the Company. Accordingly, the Transactions constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Transactions exceeds 5%, the Transactions are also subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to the Listing Rules, any Shareholder who has a material interest in the Transactions and the transactions contemplated thereunder other than its interest as a Shareholder, together with such Shareholder's associates, shall abstain from voting on the resolution to approve the same to be proposed at the EGM.

As Kingfar Real Estate is wholly owned by Kingfar Group, which in turn is held as to approximately 96.29% by Kingfar Holdings, Kingfar Group and Kingfar Holdings, which in aggregate hold approximately 75% of the total issued capital of the Company, have a material interest in the Transactions and each of Kingfar Holdings, Kingfar Group and their respective associates will abstain from voting on the relevant resolution to approve the Transaction Documents and the transactions contemplated thereunder to be proposed at the EGM. Save as disclosed above, to the best of the Director's knowledge, information and belief having made all reasonable enquiries, no other Shareholder or any of its associates has a material interest in the Transactions, and therefore no other Shareholder is required to abstain from voting on the relevant resolution to approve the Transaction Documents and the transactions contemplated thereunder for the purpose of the Listing Rules.

Save for Mr. Zhao Junping who has abstained due to his position as a director and general manager of Kingfar Real Estate, no Director had a material interest in the Transactions or was required to abstain from voting on the relevant board resolution of the Company.

LETTER FROM THE BOARD

INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all of the independent non-executive Directors, namely Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang, has been established to advise the Independent Shareholders regarding the Transactions.

Alliance Capital Partners Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Transactions. Such appointment has been approved by the Independent Board Committee pursuant to the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 27 January 2026 to Friday, 30 January 2026 (both days inclusive), during which no transfer of Shares will be effected, to determine the eligibility of the Shareholders to participate in the EGM. In order for the H Shareholders to qualify for attending and voting at the EGM, all properly completed share transfer forms together with the relevant H Share certificates shall be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 26 January 2026.

Shareholders whose names appear on the register of members of the Company on Friday, 30 January 2026, being the record date for the EGM, are entitled to attend and vote at the EGM.

EGM AND CIRCULAR

The EGM will be held at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC on Friday, 30 January 2026 at 10:00 a.m. for the purpose of considering and, if thought fit, to approve, among other things, passing the resolution set out in the notice of the EGM, which is set out on pages EGM-1 to EGM-2 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon by personal delivery or by post not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof. H Shareholders are required to return the proxy form to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and the Domestic Shareholders are required to return the proxy form to the Company's principal place of business in the PRC at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM.

LETTER FROM THE BOARD

or at any adjourned meeting should you so wish, and in such event the form of proxy shall be deemed to be revoked.

You will find enclosed with this circular the notice of the EGM (please refer to pages EGM-1 to EGM-2 in this circular) and a form of proxy for use for the EGM.

VOTING

The resolution set out in the notice of the EGM would be decided by poll in accordance with the Listing Rules and the articles of association of the Company. On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy who is entitled to more than one vote need not use all of his/its votes or cast all of his/its votes in the same way. After the conclusion of the EGM, the poll results will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.xajfwy.com.

Pursuant to the Listing Rules, any Shareholder who has a material interest in any of the Transaction Documents and the transaction contemplated thereunder other than its interest as a Shareholder, and such Shareholder's associates shall abstain from voting on the resolution to approve the same to be proposed at the EGM. As at the Latest Practicable Date, Kingfar Holdings and its respective associates held approximately 75% of the issued share capital of the Company and hence will abstain from voting on the resolution to approve the Transaction Documents and the transactions contemplated thereunder to be proposed at the EGM.

Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder is required to abstain from voting on the relevant resolution to approve the Transaction Documents and the transactions contemplated thereunder for the purpose of the Listing Rules.

RECOMMENDATIONS

You are advised to read carefully the letter from the Independent Board Committee on pages 33 to 34 of this circular. The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, the text of which is set out on pages 35 to 55 of this circular, consider that the entering into of the Transactions by the Company is in the ordinary and usual course of business of the Group, the terms of the Transaction Documents and the transactions contemplated thereunder are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and the entering into of the Transactions is 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 approve the Transaction Documents and the transactions contemplated thereunder at the EGM.

LETTER FROM THE BOARD

The Board considers that the terms of the Transaction Documents and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole and recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

Shareholders and potential investors of the Company should be aware that the Transactions is subject to conditions precedent being satisfied, therefore the Transactions may or may not proceed. Accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

ADDITIONAL INFORMATION

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

Yours faithfully,

By order of the Board

Xi'an Kingfar Property Services Co., Ltd.

Mr. Wu Suozheng

Chairman of the Board and Executive Director

* *For identification purposes only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the Transaction Documents and the transactions contemplated thereunder.



Xi'an Kingfar Property Services Co., Ltd. 西安經發物業股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1354)*

14 January 2026

To the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO THE ACQUISITION AND LEASE OF PROPERTIES AND CARPARK SPACES

We refer to the circular of the Company dated 14 January 2026 (the “Circular”) of which this letter forms part. Unless the context specifies otherwise, capitalized terms used herein 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 (1) whether the terms and conditions of the Transaction Documents and the transactions contemplated thereunder (namely, the Transactions) are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole; and (2) how to vote in respect to the resolution to be proposed at the EGM to approve the Transaction Documents and the transactions contemplated thereunder after taking into account recommendation of the Independent Financial Adviser.

We wish to draw your attention to (i) the letter of advice from the Independent Financial Adviser. Details of the advice of the Independent Financial Adviser, together with the principal factors and reasons it has taken into consideration, are set out on pages 33 to 34 of the Circular; and (ii) the letter from the Board as set out on pages 35 to 55 of the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms of the Transaction Documents and the transactions contemplated thereunder and the principal factors and reasons considered by and the opinion of the Independent Financial Adviser as set out in its letter of advice, we consider that the entering into of the Transactions is in the ordinary and usual course of business of the Group, the terms of the Transaction Documents and the transactions contemplated thereunder are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and the entering into of the Transactions is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend that the Independent Shareholders vote in favour of the resolution to approve the Transaction Documents and the transactions contemplated thereunder at the EGM.

Yours faithfully,
For and on behalf of
the Independent Board Committee

Mr. Lam Siu Wing
Independent
Non-executive Director

Dr. Jiang Li
Independent
Non-executive Director

Mr. Cao Yang
Independent
Non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice from Alliance Capital to the Independent Board Committee and the Independent Shareholders in respect of the major and connected transactions for the Asset Acquisition Agreement, the Civil Air Defense Car Park Lease Agreement and the Mechanical Parking Space Transfer Agreement for the purpose of incorporation into this circular.



Alliance Capital Partners Limited
同人融資有限公司

Alliance Capital Partners Limited
Room 03, 7/F, Worldwide House
19 Des Voeux Road Central
Hong Kong

14 January 2026

To the Independent Board Committee and Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO THE ACQUISITION AND LEASE OF PROPERTIES AND CARPARK SPACES

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Transactions (namely, the Asset Acquisition, the Lease and the Usage Rights Transfer), 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 14 January 2026 (the “**Circular**”), of which this letter forms a part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined under the definitions section in the Circular.

As set out in the Letter from the Board, on 5 December 2025, the Company and Kingfar Real Estate entered into the Transaction Documents, pursuant to which: (i) the Company conditionally agreed to acquire Property Units from Kingfar Real Estate; (ii) the Company conditionally agreed to lease the Civil Air Defense Parking Spaces from Kingfar Real Estate; and (iii) Kingfar Real Estate conditionally agreed to transfer the usage right of the Mechanical Parking Spaces to the Company.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Transactions, on an aggregate basis, exceed 25% but are less than 100%, the Transactions constitute a major transaction of the Company and are subject to the reporting, announcement, circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Kingfar Holdings is the controlling shareholder of the Company holding approximately 75% of the total issued share capital of the Company. Kingfar Real Estate is wholly owned by Kingfar Group, which in turn is held as to approximately 96.29% by Kingfar Holdings. Kingfar Group and Kingfar Holdings are holding in aggregate 75%

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

of the total issued capital of the Company, and therefore, Kingfar Real Estate is a connected person of the Company. Accordingly, the Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Transactions exceeds 5%, the Transactions are also subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the Transactions (namely the Asset Acquisition, the Lease and the Usage Rights Transfer) are contained in the Letter from the Board as set out in the circular of the Company dated 14 January 2026 (the “**Circular**”). Capitalized terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

An Independent Board Committee comprising all of the independent non-executive Directors has been established to advise the Independent Shareholders on whether the Transactions (namely the Asset Acquisition, the Lease and the Usage Rights Transfer) with the connected persons are in the ordinary and usual course of business of the Company, on normal commercial terms, and on terms that are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and Shareholders as a whole.

An Independent Board Committee of the Company comprising all of the independent non-executive Directors, namely Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang, has been formed to advise the Independent Shareholders as to whether the Transactions (namely the Asset Acquisition, the Lease and the Usage Rights Transfer) has been made on normal commercial terms and in the ordinary and usual course of business of the Group; and that its terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and to give a recommendation to the Independent Shareholders in respect of the voting on the resolution to be proposed at the EGM.

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on statements, information and representations referred to in the Circular as well as information and representations provided to us by the Company. We have assumed that all such information and representations provided by the Company, for which the Directors are solely responsible, are true and accurate at the time when they were made. We have also assumed that all statements of belief, opinion, forecasts and intention made by the Company were reasonably made after due enquiry and careful consideration. At the time of writing, we have no reason to doubt the truth and accuracy of the information and representations provided to us and have been advised by the Company that no material facts have been withheld or omitted from the information provided and/or referred to in the Circular. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Group, Kingfar Real Estate and their respective associates, nor have we carried out any independent verification of the information supplied to us.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have reviewed sufficient information to reach an informed view and to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have not, however, for the purpose of this exercise conducted any independent verification of the information included in the Circular and/or those provided to us by the Company nor have we conducted any form of investigation into the businesses and affairs of the Group.

As at the Latest Practicable Date, we did not have any relationship or interest with the Group that could reasonably be regarded as relevant to our independence. In addition, we have no interest in the Company or any of its associates during the past two years immediately preceding the Latest Practicable Date that could reasonably be regarded as relevant to our independence. As such, we are of the opinion that we are independent in relation to our acting as independent financial adviser to the Company in this regard.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the Asset Acquisition, the Lease and the Usage Rights Transfer, we have considered the following principal factors and reasons:

Background of the Group

The Group is a state-owned comprehensive city service and property management service provider in Shaanxi Province with presence in Northwest China.

As at the Latest Practicable Date, the Group was contracted to provide public property management services, basic residential property management services and basic commercial property management services to 216 projects in China.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following table summarises the major information of the statement of profit or loss and other comprehensive income of the Group for the two years ended 31 December 2024 and the six months ended 30 June 2025, as extracted from the Company's annual report for the year ended 31 December 2024 (the “**2024 Annual Report**”) and interim report for the six months ended 30 June 2025 (the “**2025 Interim Report**”):

	Year ended		Six months ended	
	31 December		30 September	
	2023 <i>RMB'000</i> (audited)	2024 <i>RMB'000</i> (audited)	2024 <i>RMB'000</i> (unaudited)	2025 <i>RMB'000</i> (unaudited)
Revenue				
– City services	524,908	594,309	289,143	293,752
– Residential property				
management services	184,170	200,914	97,620	103,615
– Commercial property				
management services	149,844	153,056	74,740	72,416
– Gross rental income	3,325	3,248	1,827	1,690
Total	862,247	951,527	463,330	471,473
Profit after tax for the year/period	51,018	61,092	31,003	32,098

Source: 2024 Annual Report and 2025 Interim Report

For the year ended 31 December 2024

The Group derived its revenue primarily from the city services and property management and related services segment which accounted for approximately 99.7% of total revenue for the year ended 31 December 2024. It recorded a growth of revenue of approximately 10.4% as compared to the previous financial year. The profit after tax for the year ended 31 December 2024 was approximately RMB61.0 million, representing an increase of approximately 19.8% as compared to approximately RMB51.0 million for the year ended 31 December 2023. According to the 2024 Annual Report, such increase was mainly attributable to (i) the increase in revenue as the Group had a total contracted GFA of approximately 18.1 million sq.m. as at 31 December 2024, representing an increase of approximately 20.7% as compared with 31 December 2023; and (ii) the improved gross profit due to the effective cost control measures adopted by the Group.

For the six months ended 30 June 2025

The Group's revenue increased by approximately 1.8% from approximately RMB463.3 million for the six months ended 30 June 2024 to approximately RMB471.5 million for the six months ended 30 June 2025, mainly reflecting (i) an increase in city services income

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

from the Group's hospital projects and the increase in the GFA under management and the number of residential projects managed by the Group.

The profit for the six months ended 30 June 2025 was approximately RMB32.1 million, representing an increase of approximately 3.5% as compared to approximately RMB31.0 million for the same period of last year. According to the 2025 Interim Report, such improvement in the profitability was mainly attributable to the increase in revenue and gross profit during the period.

The following table summarises the major information of the statement of financial position of the Group as at 30 June 2025, extracted from the 2025 Interim Report:

	As at 30 June 2025 <i>RMB'000</i> (unaudited)
Cash and cash equivalent	360,631
Trade receivables and bills receivables	293,191
Others	<u>47,016</u>
Current assets	700,838
Non-current assets	<u>117,661</u>
Total assets	<u>818,499</u>
Current liabilities	520,903
Non-current liabilities	<u>3,408</u>
Total liabilities	<u>524,311</u>
Net assets	<u>294,188</u>

Source: 2025 Interim Report

As at 30 June 2025, the total assets of the Group mainly comprise of trade receivables and bills receivables, and cash and cash equivalents in aggregate amounted to approximately RMB653.2 million, which represented approximately 79.9% of the total assets. As at 30 June 2025, the total liabilities of the Group mainly comprise of trade and other payables of approximately RMB476.7 million, which represented approximately 90.8% of the total liabilities.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Background of Kingfar Real Estate

Kingfar Real Estate is a company incorporated in the PRC and is directly wholly owned by Xi'an Kingfar Group Co., Limited* (西安經發集團有限公司), which in turn is owned as to approximately 96.29% by Kingfar Holdings. Kingfar Holdings is in turn wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會), an administrative agency of Xi'an Municipal People's Government for the management of Xi'an Economic and Technology Development Zone.

Kingfar Real Estate is principally engaged in property development, investment and management, and is the developer of the Property (including the Assets, the Civil Air Defense Parking Spaces and the Mechanical Parking Spaces).

Background of the Property

The Property Units, the Civil Air Defense Parking Spaces and the Mechanical Parking Spaces (collectively “**the Target Assets**”) are located in the Block A, Kingfar Building (the “**Property**”), which is located at No. 132 Weiyang Road, Weiyang District, Xi'an, PRC, within the Xi'an Economic and Technological Development Zone. Situated on Weiyang Road, an 8.1-kilometer premier north-south arterial corridor that forms the northern section of Xi'an's central axis and serves as the primary commercial artery through the city's economic development zone, the location strategically places the Property in the nexus of Xi'an's administrative and economic activity.

Weiyang Road in Weiyang District, Xi'an, is a major thoroughfare in the city. Located within Weiyang District, it traverses the northern part of the city and serves as a vital transportation hub connecting the northern urban areas with the city center. It is also a key street within Weiyang District, supporting substantial traffic flow and commercial activity.

The Property is designated as a mixed-use office and commercial development.

The Target Assets comprises 14 commercial units and 321 car parking spaces (including the standard car park spaces, the Civil Air Defense Parking Spaces and the Mechanical Parking Spaces) with total gross floor area (“GFA”) of approximately 15,516.85 sq.m. situated on basement level 1 and level 2 (for commercial units) and underground (for parking spaces) in the Property. Part of the Target Assets were leased out while the remaining portion was vacant.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set forth below are the details of Target Assets:

	Property units	Standard car park spaces	Civil Air Defense Parking Spaces	Mechanical Parking Spaces
Number of units:	14 property units	224	37	60
Unit/location:	(Unit F108, F109, F110, F111, F112, F114, F118, F120, F121, F122, F123, F124, F126 and 202) at B1 and Floor 2	Floor B2 & B3	Floor B3	Floor B2
Usage:	Commercials	Car park	Car park	Car park
GFA (sq.m.):	3,267.13	8,743.12	2,038.64	1,467.96
Remarks:	The target assets under Asset Acquisition Agreement		The target assets under the Civil Air Defense Car Park Lease Agreement	The target assets under the Mechanical Parking Space Transfer Agreement

The Property was developed by Kingfar Real Estate and completed in 2018 and was leased for rental purpose. The initial development cost of the Target Assets situated in the Property by Kingfar Real Estate as the developer was RMB50,030,000.

Based on the independent valuation report conducted by HK Valuer, regarding the Property Units, among other things, (i) Kingfar Real Estate has the legal and valid ownership of the Property Units are not subject to any ownership dispute; and (ii) the Property Units are not pledged for mortgage purpose.

As at the valuation reference date, the Target Assets had not yet obtained the building ownership certificate, but the relevant documents including the State-owned Land Use Certificate, Construction Project Planning Permit and Real Estate Register List had been obtained. The ownership of the Target Assets is clear with no mortgage, seizure, litigation or other title defects.

As advise by the Company's PRC legal adviser, under applicable law in the PRC, the Civil Air Defense Parking Spaces and Mechanical Parking Spaces are stated owned and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

cannot be sold. Also, the rental for relevant parking spaces is not allowed to exceed 20 years and any lease period exceeding 20 years will be void in respect of such period that exceeds the prescribed limit, although parties can renew the lease agreement to extend the lease period. Taking into account the above legal restrictions, the Company believes that the lease arrangement to be in the interest of the Company and the Shareholders as a whole, noting in particular (i) the lease arrangement allows the Group to enjoy the maximum lease term for the Civil Air Defense Carpark Spaces permitted under applicable PRC law and (ii) Kingfar Real Estate has undertaken to automatically renew the Lease free of charge until the expiry of land use right for the land parcel.

Location and surrounding environment

The Property is located at No. 132 Weiyang Road, Weiyang District, Xi'an, within Weiyang District, one of the core urban districts in the northern part of Xi'an and the city's new administrative centre. Weiyang District accommodates a concentration of major municipal facilities, business clusters and large-scale residential communities, and has developed into a key sub-centre supporting the expansion of Xi'an's urban structure.

Weiyang Road is a major north-south arterial road connecting the traditional city centre with the rapidly developing northern districts. The corridor carries substantial daily traffic and accommodates a high concentration of commercial, office and residential developments. The alignment of Xi'an Metro Line 2, which largely follows Weiyang Road, further enhances the accessibility of the area by providing direct connections to core city locations including the Bell Tower CBD as well as Xi'an North High-speed Railway Station, one of the primary transportation hubs in the city.

The Target Assets form part of Kingfar Building, a commercial complex comprising office and retail components with supporting car park facilities. The building is situated along a well-established commercial corridor with several mid- to large-scale shopping centres and lifestyle destinations within the district, including Rongmin Times Plaza (榮民時代廣場) along Weiyang Road and Xi'an IMIXPARK in the Fengcheng area. These developments, together with high-density residential neighbourhoods and public facilities such as the Xi'an Municipal Government and City Sports Centre, contribute to a mature and stable business environment and provide a broad base of consumer and commuter traffic to the surrounding area.

Given the above, we consider that the Property benefits from a favourable location within a mature and well-serviced urban district, supported by comprehensive transportation infrastructure and established commercial activities.

Overview of Xi'an and PRC property market

Based on publicly available information, Xi'an's macroeconomic indicators have remained stable. According to city-level economic profiles, Xi'an's GDP recorded year-on-year growth of around 4.6%¹ in 2024, with services industry accounting for over 60% of the local economy, reflecting a gradual recovery of economic activity following the pandemic and a solid tertiary-industry base.

Xi'an also continues to rank among China's "new first-tier cities", supported by sustained population inflows and the expansion of technology and service industries. In the "Ranking of Cities' Business Attractiveness in China 2024" released by Yicai², Xi'an is listed as one of the 15 new first-tier cities, and is reported to rank sixth among them in terms of overall business attractiveness.

At the policy level, national directives under the "14th Five-Year Plan for Economic and Social Development and the Long-Range Objectives Through the Year 2035" emphasis the need to improve the housing system, build a new development model for the real estate sector and promote its stable and healthy development, forming an overall framework aimed at avoiding disorderly fluctuations in property markets.

Research by international real estate advisory firms indicates that Xi'an's commercial property market has remained broadly stable, with certain submarkets showing signs of gradual stabilisation after earlier adjustments. For example, Savills' Xi'an Q1 2024 Office Market Report³ notes that market activity remained stable with a gradual decline in vacant space and an increase in net take-up compared with Q1 2023, suggesting improving absorption in the Grade A office segment. Earlier retail market commentary for Xi'an shows that following a period of rental adjustment, the city continued to attract both domestic and international brands into major shopping centres, indicating that occupier demand in core locations has remained resilient.

Having considered the above and based on these publicly available data and research, we consider that the Xi'an property market has remained generally stable, with no indication of material deterioration in the fundamentals of core commercial assets. This forms a relevant backdrop for assessing the commercial rationale of the acquisition and/or lease of the Target Assets.

¹ HKTDC RESEARCH <https://research.hktdc.com/tc/data-and-profiles/mcpc/provinces/shaanxi/xian>

² <https://govt.chinadaily.com.cn/s/202405/31/WS66598e88498ed2d7b7eaefb/xian-ranks-6th-among-top-new-first-tier-cities-in-china.html>

³ <https://pdf.savills.asia/asia-pacific-research/china-research/xian-research/24q1-xa-office-en.pdf>

Reasons for and benefits of the Transactions

The Group is principally engaged in the provision of city services and property management services. With the intention of diversifying its income portfolio, the Group has been identifying opportunities to invest in property portfolios with an intention to enjoy stable rental income and other property-related revenue.

The Property is located at No. 132 Weiyang Road, Weiyang District, Xi'an, PRC, within the Xi'an Economic and Technological Development Zone. Situated on Weiyang Road, an 8.1-kilometer premier north-south arterial corridor that forms the northern section of Xi'an's central axis and serves as the primary commercial artery through the city's economic development zone. The Company believes that it will benefit from the location of the Property as the location strategically places the Property in the central district in Weiyang district and supported by well-established transportation.

Weiyang Road in Weiyang District, Xi'an, is a major thoroughfare in the city. Located within Weiyang District, it traverses the northern part of the city and serves as a vital transportation hub connecting the northern urban areas with the city center. It is also a key street within Weiyang District, supporting substantial traffic flow and commercial activity.

Xi'an is 6th among the 15 new first-tier cities in the "Ranking of Cities Business Attractiveness in China 2024", a list evaluating 337 major cities by commercial resources, transport, urban vitality, economic competitiveness, and future potential. According to official statistics from the National Bureau of Statistics of China⁴, Xi'an's Gross Domestic Product (GDP) in 2024 was approximately RMB1.33 trillion, reflecting an increase from about RMB1.20 trillion in 2023. This corresponds to a growth rate of around 5.2% year-on-year for Xi'an, indicating steady economic expansion in line with national trends. Xi'an enjoys superb traffic and location advantages. Located in the geographical center and the bordering area of Middle China and West China, Xi'an has been a portal and traffic hub that connects Northwest China with other regions.

The Directors believe that the further establishment of the business presence in Xi'an at a location with potential economic growth would enhance the Group's business development capability for the provision of property management and related value-added services in the future.

Whilst the Group understand that there has been a notable decrease in the unaudited gross rental income from the Target Assets from approximately RMB2 million in 2023 to approximately RMB745,000 in 2024 and a slight improvement to RMB757,200 in 2025, which were mainly resulted from (i) the non-renewal of the lease of three property units which were previously rented out to a fitness centre tenant with the lease period ended in December 2023, coupled with (ii) weaker consumer market recovery in 2024 which has led

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<https://data.stats.gov.cn/english/easyquery.htm?cn=E0102>
<https://research.hktdc.com/en/data-and-profiles/mcp/vinces/shaanxi/xian>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

to less demand for retail spaces and increased competition from other vacant consumer properties in the vicinity, the Group believes the historical gross rental income from the Target Assets, especially those in 2024 and 2025, does not fully reflect the potential investment value and return of the Target Assets for the following reasons:

However, the Group believes that these figures do not reflect the true potential of the Target Assets due to several reasons:

- *Different management intentions:* Kingfar Real Estate previously treated the Target Assets as inventories for sale rather than long-term investments, leading to minimal leasing management and very low occupancy rates (8.7% in 2024 and 14.3% in 2025), as compared to the nearby properties.
- *The Group's management capabilities:* As an experienced property manager overseeing 48 projects, the Group has strong connections with commercial tenants and has begun preparing a plan to attract suitable tenants to improve occupancy and rental yields.
- *Favorable 15 Five-Year Plan environment:* Government efforts to boost consumer spending under the 15th Five-Year Plan, along with Xi'an's new incentives (e.g., tax subsidies and cost reductions for property renovations), are expected to enhance the investment appeal of the Target Assets.

In summary, the Group expects that acquiring or leasing the underutilized Target Assets now will lead to significant improvements in rental income and long-term capital appreciation.

We consider that (i) the Transactions is in-line with the business strategy of the Group with the intention of diversifying its income portfolio and to enjoy stable rental income and at the same time to better use of their resources within the Group since it has been providing property management services to the Property; (ii) a stable rental income that it could generate; and (iii) the Group may benefit from the potential growth of the commercial real estate market in Xi'an in the long run. Therefore, we concur with the Directors that there is a commercial justification for the Company to enter into the Transactions.

Principal terms of the Asset Acquisition Agreement

The major terms of the Asset Acquisition Agreement are summarised as follows:

Date:

5 December 2025

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Parties: (i) the Company (as the purchaser of the Property Units)

(ii) Kingfar Real Estate (as the seller of the Property Units)

Subject Matter: Pursuant to the Asset Acquisition Agreement, the Company conditionally agree to acquire, and Kingfar Real Estate conditionally agree to sell, the Property Units, comprising 14 property units designated for commercial use with an aggregate GFA of 3,267.13 sq.m. and 224 standard car park spaces on the underground levels with an aggregate GFA of 8,743.12 sq.m., in each case at the Property known as Block A, Kingfar Building at No. 132 Weiyang Road, Xi'an, PRC.

Consideration: Consideration of the Asset Acquisition shall be RMB55,247,500, pursuant to which the consideration shall be payable in the following tranches:

(a) the first tranche of RMB11,049,500 (representing 20% of the consideration) becoming payable within 5 days of the Property Units passing inspection (being the closing date of the Asset Acquisition). The inspection shall take place within 5 days of the Asset Acquisition Agreement taking effect and shall confirm that there are no defects such as damage, loss or failure to normal usage requirements on the Property Units; and

(b) the second tranche of RMB44,198,000 (representing 80% of the consideration) becoming payable within 15 days of the Asset Acquisition Agreement taking effect. Within 30 days after the receipt of the second tranche, Kingfar Real Estate shall procure the novation of existing lease agreements regarding the Property Units in favour of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The consideration of the Asset Acquisition was determined based on the Appraised Value of the Property Units as at 31 October 2025, being approximately RMB55,247,500, as determined by the PRC Valuer. The valuation report of the Target Assets is set out in Appendix IIB to this circular.

Conditions Precedent:

The Asset Acquisition Agreement shall be effective upon:

- (i) the legal representatives or authorized signatories of both the Company and Kingfar Real Estate execute the agreement and affix their respective company seals on the agreement; and
- (ii) the Company and Kingfar Real Estate having complied with requirements under applicable laws, rules, and statutory, governmental, and regulatory authorities (including but not limited to The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong) in relation to the agreement, and obtaining all necessary regulatory, statutory, and governmental consents and/or waivers, including but not limited to obtaining approval from Independent Shareholders in respect of the agreement.

The Civil Air Defense Car Park Lease Agreement

Date:

5 December 2025

Parties:

- (i) the Company (as the lessee of the Civil Air Defense Parking Spaces)
- (ii) Kingfar Real Estate (as the lessor of the Civil Air Defense Parking Spaces)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Subject Matter:

Pursuant to the Civil Air Defense Car Park Lease Agreement, the Company conditionally agrees to lease the Civil Air Defense Parking Spaces, comprising 37 parking spaces with an aggregate GFA of 2,038.64 sq.m., from Kingfar Real Estate for a period of 20 years from the date of effectiveness of the Civil Air Defense Car Park Lease Agreement.

Upon the expiry of the 20-year period, Kingfar Real Estate undertakes to automatically renew the Lease free of charge until the expiry of land use right for the land parcel where the Civil Air Defense Parking Spaces are located.

Conditions Precedent:

The Civil Air Defense Car Park Lease Agreement shall be effective upon:

- (i) the legal representatives or authorized signatories of both the Company and Kingfar Real Estate execute the agreement and affix their respective company seals on the agreement; and
- (ii) the Company and Kingfar Real Estate having complied with requirements under applicable laws, rules, and statutory, governmental, and regulatory authorities (including but not limited to The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong) in relation to the agreement, and obtaining all necessary regulatory, statutory, and governmental consents and/or waivers, including but not limited to obtaining approval from Independent Shareholders in respect of the agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Consideration:

Consideration of the Lease shall be RMB2,960,000, inclusive of management and maintenance fees, pursuant to which the consideration shall be payable in the following tranches:

- (a) the first tranche of RMB592,000 (representing 20% of the consideration) becoming payable within 5 days of the Civil Air Defense Parking Spaces passing inspection. The inspection shall take place within 5 days of the Civil Air Defense Car Park Lease Agreement taking effect and shall confirm that there are no defects such as damage, loss or failure to normal usage requirements on the Civil Air Defense Parking Space; and
- (b) the second tranche of RMB2,368,000 (representing 80% of the consideration) becoming payable within 15 days of the Civil Air Defense Car Park Lease Agreement taking effect. Within 10 days after the receipt of the second tranche, Kingfar Real Estate shall procure the novation of existing lease agreements regarding the Civil Air Defense Parking Spaces in favour of the Company.

The consideration of the Lease was determined based on the Appraised Value of the Civil Air Defense Parking Spaces as at 31 October 2025, being approximately RMB2,960,000, as determined by the PRC Valuer. The valuation report of the Civil Air Defense Parking Spaces is set out in Appendix IIB to this circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Mechanical Parking Space Transfer Agreement

Date: 5 December 2025

Parties:

- (i) the Company (as the transferee of the transfer of usage rights for the Mechanical Parking Spaces)
- (ii) Kingfar Real Estate (as the transferor of the transfer of usage rights for the Mechanical Parking Spaces)

Subject Matter:

Pursuant to the Mechanical Parking Space Transfer Agreement, Kingfar Real Estate conditionally agrees to transfer the usage right of Mechanical Parking Spaces, comprising 60 mechanical parking spaces at Floor B2 of the Property, for a period of 20 years from the date of effectiveness of the Mechanical Parking Space Transfer Agreement to the Company.

Upon the expiry of the 20-year period, Kingfar Real Estate undertakes to automatically extend the usage period free of charge until the expiry of land use right for the land parcel where the Mechanical Parking Spaces are located.

Conditions Precedent

The Mechanical Parking Space Transfer Agreement shall be effective upon:

- (i) the legal representatives or authorized signatories of both the Company and Kingfar Real Estate execute the agreement and affix their respective company seals on the agreement; and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (ii) the Company and Kingfar Real Estate having complied with requirements under applicable laws, rules, and statutory, governmental, and regulatory authorities (including but not limited to The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong) in relation to the agreement, and obtaining all necessary regulatory, statutory, and governmental consents and/or waivers, including but not limited to obtaining approval from Independent Shareholders in respect of the agreement.

Consideration:

Consideration of the Usage Right Transfer shall be RMB4,800,000, inclusive of car space usage fees, management and equipment maintenance fee, pursuant to which the consideration shall be payable in the following tranches:

- (a) the first tranche of RMB960,000 (representing 20% of the consideration) becoming payable within 5 days of the Mechanical Parking Spaces passing inspection. The inspection shall take place within 5 days of the Mechanical Parking Space Transfer Agreement taking effect and shall confirm that there are no defects such as damage, loss or failure to normal usage requirements on the Mechanical Parking Spaces; and
- (b) the second tranche of RMB3,840,000 (representing 80% of the consideration) within 5 days of completion of the existing tripartite lease amendments.

The consideration of the Usage Right Transfer was determined based on the Appraised Value of the Mechanical Parking Spaces as at 31 October 2025, being approximately RMB4,800,000, as determined by the PRC Valuer. The valuation report of the Mechanical Parking Spaces is set out in Appendix IIB to this circular.

For further details of the terms of the above agreements, please refer to the Letter from the Board.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Consideration was determined after arm's length negotiation between the Company and Kingfar Real Estate after taking into consideration the valuation of the Target Assets by the PRC Valuer of approximately RMB63,007,500 as at 31 October 2025 and such valuation report was prepared based on the PRC valuation method.

The Company has engaged an independent property valuer (the “**HK Valuer**”) for valuation of Target Assets based on the valuation date of 30 November 2025. Such valuation report is complied with the requirements set out in Chapter 5 and Practice Note 12 of the Listing Rules and the HKIS Valuation Standards 2024 published by the Hong Kong Institute of Surveyors. The appraised valuer as at 30 November 2025 prepared by the HK Valuer was around RMB63,070,000.

The Consideration represents the market value as at 31 October 2025 appraised by the PRC valuer and such valuation has no material variance from the valuation prepared by HK Valuer as at 30 November 2025 as disclosed in the Appendix IIA to the Circular. The Consideration will be payable by the Company through two instalments for each of the Transactions.

Having considered that the Consideration is determined by the market value appraised by the independent valuer as at 30 November 2025, we are of the view that the Consideration and the payment arrangement are fairly determined.

Property valuation report

To assess the fairness and reasonableness of the Consideration, we have reviewed the valuation report issued by the HK Valuer and discussed with the independent valuer regarding the methodology adopted for and the basis and assumptions used in arriving at the valuation. We noted the independent valuer has adopted the Investment Method in valuing the Property Units by capitalizing the rental incomes derived from the existing tenancies, if any, with due provision for revisionary potential of each constituent part of these property units at appropriate capitalization rates. As part of the property units generate rental income from letting arrangements and such rental comparables are most readily available such that the HK Valuer consider Investment Method to be the best method to value the property units. We noted the HK Valuer adopted the market approach for the rental income for car park spaces.

Comparable properties of similar size, characteristic and location are analysed and carefully weighed against all respective advantages and disadvantages of each property in order to arrive at a fair comparison of the capital values. As further confirmed by the HK Valuer, the aforesaid approaches are commonly considered as an accepted valuation approach for valuing these types of commercial property for rental use and is consistent with normal market practice. We have reviewed similar property valuations conducted by other listed companies on the Stock Exchange and noted that such approaches are a common valuation methodology in valuing property. We concur with the Independent Valuer in adopting such comparison approaches for the purpose of the valuation.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have also reviewed the methodology and parameters applied by the HK Valuer in arriving at the valuation. As stated above, several comparable properties were selected by the independent valuer in order to appraise the market value of the Property Unit. We understand from the Independent Valuer that the comparable properties (i) are located in Weiyang District of Xi'an with simple conditions/interior renovation; (ii) are for commercial use; and (iii) are currently put on the market of rental (for property units) and for sale (for car parking spaces). We have reviewed the nature of comparable properties adopted by the HK Valuer and the calculation to arrive at the market value of the Property. We also discussed with the HK Valuer regarding the nature and rationale of adjustments adopted in the valuation and noted that these adjustments are made to the comparable properties to compensate the differences between the Property Units and the comparable properties in relation to their level, size, condition and other characters. Based on our review of the comparable properties as well as our discussion with the Independent Valuer to understand their selection criteria and calculation basis, we are of the view that the basis and assumptions in arriving the valuation are fair and reasonable.

For cross-checking purpose, we have reviewed the relevant rental evidences of similar commercial properties in Weiyang District of Xi'an as extracted from the public website in relation to rental of commercial real estates available and their unit prices were at average at approximately RMB60 per sq.m. depending on floor, view, size, renovation and internal conditions etc. The market value of the Property Units appraised by the HK Valuer are ranging from approximately RMB44 per sq.m. to RMB60 per sq.m. which are close to and within the range of the above-mentioned unit price identified by us.

In valuing the car parking spaces of the property, the HK Valuer has adopted Market Comparison Method assuming sale in their existing state with vacant possession having regard to the short term nature of letting or licensing of the car parking spaces, by making reference to comparable sales evidences as available in the relevant market subject to appropriate adjustments including but not limited to location, accessibility, size and other relevant factors. This method is in line with the market practice.

Based on publicly available listings of car parks in residential and mixed-use developments in the Weiyang District of Xi'an (such as the Daming Palace area, Taihua Road, Taiyuan Road and the Fengcheng Road corridor), underground car-parking spaces are generally offered for sale in the range of approximately RMB80,000 to RMB150,000 per space, depending on the age, accessibility and quality of the respective development. Recent publicly available listings show that certain lower-priced developments in the same district also offer parking spaces in the range of RMB80,000 to RMB85,000 per space, while more established projects transact at or above RMB100,000 per space. The market value of the car park spaces appraised by the HK Valuer are ranging from approximately RMB74,000–120,000 per lot are close to and within the range of the above-mentioned unit price identified by us.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As these examples all relate to developments situated within the same district as the Property, they represent directly comparable market evidence. On this basis, the appraised value of RMB74,000–120,000 per lot per standard car-parking space for the Property lies within the prevailing market range of RMB80,000 to RMB150,000, and does not suggest any overvaluation.

Civil Defence Parking Spaces only confer a statutory right of use and do not carry full proprietary ownership under PRC regulations. While they function similarly to ordinary parking spaces in normal daily use, the restricted nature of the underlying rights generally places their value at the lower end of the range relative to other types of parking spaces. The valuation adopted for the Civil Defence Parking Spaces is therefore considered reasonable in light of these characteristics. We consider that the selection of comparable properties and the car park spaces are justifiable.

In addition, we have enquired the HK Valuer as to its qualifications, expertise, independence and due diligence measures taken by the independent valuer to the preparation of the valuation report. We are not aware of any irregularities during our discussion with the independent valuer in view of their qualification, independence and works.

Having considered (i) the valuation methodologies adopted by the HK Valuer are commonly adopted for determining the value of similar properties; (ii) the assumptions and underlying basis for valuation of the Target Assets are appropriate; and (iii) the selection criteria of comparable properties are justifiable, we are of the view that the valuation methodologies behind the Consideration are fair and reasonable.

Further details of the bases and assumptions of the valuation are included in the property valuation report as contained in Appendix IIA to the Circular. Nevertheless, the Shareholders should note that the valuation of properties usually involves assumptions and therefore the valuation may or may not reflect the true market value of the Property accurately.

Possible financial effect of the Acquisition

Net assets

Since the Target Assets is acquired for rental use, the Target Assets will be recognised as the Group's investment properties (for the property units) and right of assets (for the lease of car park spaces and usage right of Mechanical Parking Spaces). Given that the Consideration in aggregated to approximately RMB63,007,500 equals to the market value of the Target Assets of as at 31 October 2025, it is expected that the additional of Target Assets would not have material impact on the Group's net asset value upon completion of the Transactions unless the value of the Target Assets significantly deviated from its appraised value as at 31 October 2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Cash and cash equivalents

As the Consideration of RMB63,007,500 will be settled by cash, the Group's current assets are expected to decrease by the same amount. According to 2025 Interim Report, the Group had cash and cash equivalents of approximately RMB360.6 million as at 30 June 2025 which is sufficient for the cash payment of the Consideration.

It should be noted that the above analyses are for illustrative purpose only and do not purport to represent how the financial position of the Group will be upon completion of the Transactions.

RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the opinion that (i) the entering into of the Transactions is in the ordinary and usual course of business of the Group; (ii) the terms of the Transactions are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) the entering into the Transactions is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, and we recommend the Independent Shareholders, to vote in favour of the resolution to be proposed at the EGM to approve the Asset Acquisition Agreement, the Civil Air Defense Car Park Lease Agreement and Mechanical Parking Space Transfer Agreement and the transactions contemplated thereunder.

Yours faithfully
For and on behalf of
Alliance Capital Partners Limited

Ms. Danielle Yau is a licensed type 1 and type 6 person registered with the Securities and Futures Commission and as a responsible officer of Alliance Capital Partners Limited to carry on type 6 (advising on corporate finance) regulated activities under the SFO and has about 10 years of experience in corporate finance industry, including initial public offerings and transactions involving companies listed in Hong Kong and the provision of independent financial advisory services.

Ms. Naomi Lai is a licensed type 1 and type 6 person registered with the Securities and Futures Commission and as a representative of Alliance Capital Partners Limited to carry on type 6 (advising on corporate finance) regulated activities under the SFO and has about 4 years of experience in corporate finance industry, including initial public offerings and transactions involving companies listed in Hong Kong and the provision of independent financial advisory services.

I. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three financial years ended 31 December 2022, 2023 and 2024 were disclosed in the following documents, which were published on both the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.xajfwy.com) with page references as follows:

- **the prospectus of the Company published on 24 June 2024 (pages I-5 to I-66):**
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0624/2024062400007.pdf>
- **annual report of the Company for the year ended 31 December 2024 published on 29 April 2025 (pages 103 to 153):**
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0429/2025042903225.pdf>
- **interim report of the Company for the six months ended 30 June 2025 published on 16 September 2025 (pages 19 to 30):**
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0916/2025091600463.pdf>

II. INDEBTEDNESS STATEMENT

As at the close of business on 30 November 2025, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had outstanding lease liabilities of approximately RMB647,000, which were unsecured and unguaranteed.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 30 November 2025, the Group did not have any other debt securities issued and outstanding, and authorised or otherwise created but unissued, or term loans or other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances or acceptances credits or hire purchase commitments, or outstanding mortgages and charges, or contingent liabilities or guarantees.

III. WORKING CAPITAL SUFFICIENCY

The Directors, after due and careful enquiry and consideration, are of the opinion that taking into account the effect of the Transactions, and taking into account the financial resources available to the Group, including the internally generated fund, the Group has sufficient working capital for its requirements for at least 12 months from the date of this circular.

IV. MATERIAL ADVERSE CHANGE

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

V. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Company, together with its subsidiaries, is principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC.

The first half of 2025 saw the Group build on the momentum established in previous years by consolidating its position as one of the leading property management and city services provider in Shaanxi Province and Northwest China. Revenue growth moderately with an approximately 1.8% growth when compared to the revenue in the first half of 2024, mainly reflecting a more mature business base of the Group. However, the Group's focus on cost control, operational efficiency, and expansion in higher-margin segments enabled it to achieve improved profitability and maintain a robust financial position.

In the second half of 2025, the Company has been aiming for higher requirements for scale expansion and continued to focus on “deepening property management and expanding urban services”, in particular in the Northwest China in order to strengthen its market position. In the second half of 2025, the Company has continued to analyze market demand in depth, explore blue ocean markets for diversified business operations, increase the bid winning rate, and expand the existing service scope. The Company has also explored other expansion methods in parallel, including the acquisition of the Target Assets through the Transactions, in order to expand and diversify its revenue base.

Going forward, the Group will continue to refine its standardized service system and optimize customer experience, as well as implementing its market-oriented mode of development on a deeper level through an accurate grasp of market trends and needs as well as a flexible adjustment of its business strategies, in order to tap into diverse business segments and revenue sources, explore new business models, and achieve coordinated development of business and optimal allocation of resources. The Group will also continue to build up brand reputation of the Company and leverage its brand image, in order to expand its property management services to other property projects.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this Circular received from Cushman & Wakefield Limited, an independent property valuer, in connection with its opinion of market value of the target property interest to be acquired by the Group in the PRC as at 30 November 2025.



27/F, One Island East
Taikoo Place
18 Westlands Road
Quarry Bay
Hong Kong

The Board of Directors
Xi'an Kingfar Property Services Co., Ltd.
Room 10701, Unit 1, Building 3
Xi'an Financial Innovation Center
No. 51 Fengcheng Second Road
Economic and Technological Development Zone
Xi'an, Shaanxi Province
The PRC

14 January 2026

Dear Sirs,

Instructions, Purpose & Valuation Date

In accordance with the instruction of Xi'an Kingfar Property Services Co., Ltd. (the “**Company**”) for Cushman & Wakefield Limited (“**C&W**”) to value certain property interest to be acquired by the Company and/or its subsidiaries (together referred to as the “**Group**”) in the People’s Republic of China (the “**PRC**”), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we considered necessary for the purpose of providing you with our opinion of the value of the property as at 30 November 2025 (the “**Valuation Date**”).

Valuation Basis

Our valuation of the property represents its market value which in accordance with the HKIS Valuation Standards 2024 published by the Hong Kong Institute of Surveyors 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”.

In valuing the property, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and The HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors.

Our valuation of the property is on an entirety interest basis.

Valuation Assumptions

Our valuation of the property excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

In the course of our valuation of the property, we have relied on the information and advice given by the Group and the Company's PRC legal adviser (the "**PRC Legal Adviser**"), Tahota Law Firm (泰和泰(西安)律師事務所), regarding the titles to the property. Unless otherwise stated in the legal opinion, in valuing the property, we have prepared our valuation on the basis that the owner has enforceable titles to the property and has free and uninterrupted rights to use, occupy or assign the property for the whole of the respective unexpired land use term as granted and that any premium payable has already been fully paid.

The status of titles and grant of major certificates, approvals and licences, in accordance with the information provided by the Company are set out in the notes of the valuation report. We have assumed that all consents, approvals, and licences from relevant government authorities for the developments have been obtained without onerous conditions or delays. We have also assumed that the design and construction of the property are in compliance with the local planning regulations and have been approved by the relevant authorities.

No allowance has been made in our valuation for any charges, pledges or amounts owing on the property nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is valued on the basis that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Valuation Methods

In forming our opinion of the market value of the commercial portions of the property, we have used Investment Method by capitalising the rental incomes derived from the existing tenancies, if any, with due provision for reversionary potential of each constituent part of these property portions at appropriate capitalisation rates. As these property portions generate rental income from letting arrangements and such rental comparables are most readily available, we consider Investment Method to be the best method to value these property portions, which is also commonly used in valuing property for investment purpose.

When using Investment Method, we have mainly made reference to lettings within these property portions as well as other relevant comparable rental evidence of property of similar use type subject to appropriate adjustments including but not limited to location, accessibility, age, quality, size, time and other relevant factors. The capitalisation rates adopted in our valuation are based on our analyses of the yields of property of similar use type after due adjustments. Such capitalisation rates are estimated with reference to the yields generally expected by the market for comparable property of similar use type, which implicitly reflect the type and quality of these property portions, the expectation of the potential future rental growth, capital appreciation and relevant risk factors. The capitalisation rates adopted are reasonable and in line with the market norm having regard to the analysed yields of transactions of the relevant use type.

In valuing the car parking spaces of the property, we have adopted Market Comparison Method assuming sale in their existing state with vacant possession having regard to the short term nature of letting or licensing of the car parking spaces, by making reference to comparable sales evidences as available in the relevant market subject to appropriate adjustments including but not limited to location, accessibility, size and other relevant factors. This method is in line with the market practice.

Source of Information

In the course of our valuation, we have relied to a very considerable extent on the information given by the Group and have accepted advice on such matters as planning approvals or statutory notices, easements, tenure, identification of the land and building, particulars of occupancy, tenancy details, completion date, site and floor areas to the Group and all other relevant matters.

Dimensions, measurements and areas included in the valuation report are based on the information provided to us and are therefore only approximations. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuation. We were also advised by the Group that no material facts have been omitted from the information provided to us. We consider that we have been provided with sufficient information to reach an informed view and we have no reason to suspect that any material information has been withheld.

Title Investigation

We have been provided by the Company with extracts of documents in relation to the current titles to the property, but no searches have been made. We are also unable to ascertain the title of the property and we have therefore relied on the advice given by the Company or the Company's PRC Legal Adviser regarding the nature of interest of the property. In the course of our valuation, we have relied to a considerable extent on the information given by the Company and its PRC Legal Adviser in respect of the title to the property.

However, we have not searched the original documents to verify ownership or to ascertain any amendments. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

Site Inspection

Our valuer, Cara Xue (Assistant Valuer, 4 years of experience in property valuation) of our Xi'an Office inspected the exterior, and where possible, the interior of the property on 24 December 2025. No structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are, however, not able to report that the property is free of rot, infestation or any other structural defects. No tests were carried out to any of the services.

Unless otherwise stated, we have not carried out on-site measurements to verify the site and floor areas of the property and we have assumed that the areas shown on the copies of the documents handed to us are correct.

Currency

Unless otherwise stated, all monetary amounts stated in our valuation are in Renminbi (“RMB”) which is the official currency of the PRC.

Other Disclosure

We hereby confirm that C&W and the valuers conducting the valuation have no pecuniary or other interests that could conflict with the proper valuation of the property or could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion. We confirm that we are an independent qualified valuer, as referred to Rule 5.08 of the Listing Rules.

We attach herewith the valuation report for your attention.

Yours faithfully,

For and on behalf of

Cushman & Wakefield Limited

Grace Lam

MHKIS, MRICS, R.P.S. (GP)

Senior Director

Valuation & Advisory Services, Greater China

Note: Ms. Grace Lam is a Member of the Royal Institution of Chartered Surveyors, a Member of the Hong Kong Institute of Surveyors and a Registered Professional Surveyor (General Practice). Ms. Lam has over 30 years of experience in the professional property valuation and advisory services in the Greater China region and various overseas countries. Ms. Lam has sufficient current national knowledge of the market, and the skills and understanding to undertake the valuation competently.

VALUATION REPORT

Property interest to be acquired and intended to be held for investment by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 November 2025																		
Various commercial units and conventional parking spaces, and the right of use of the alternative parking spaces in Xi'an Jingfa Building, 132 Weiyang Road, Weiyang District, Xi'an, Shaanxi Province, the PRC (中國陝西省西安市未央區未央路132號西安經發大廈多個商業單位及常規停車位, 及非常規停車位的使用權)	<p>Xi'an Jingfa Building, erected on 3 parcels of land of a total site area of approximately 26,011.30 sq.m., comprises 3 residential and commercial blocks completed in 2018.</p> <p>The property comprises 14 commercial units on Basement 1 and Level 2, 224 conventional park spaces, 60 mechanical parking spaces and 37 civil defence parking spaces with an aggregate gross floor area ("GFA") of approximately 15,516.85 sq.m. with detail as follow:</p> <table> <thead> <tr> <th>Use</th><th>GFA (sq.m.)</th><th></th></tr> </thead> <tbody> <tr> <td>Commercial</td><td>3,267.13</td><td></td></tr> <tr> <td>Conventional park spaces</td><td>8,743.12</td><td></td></tr> <tr> <td>Mechanical parking spaces</td><td>1,467.96</td><td></td></tr> <tr> <td>Civil defence parking spaces</td><td><u>2,038.64</u></td><td></td></tr> <tr> <td>Total</td><td><u>15,516.85</u></td><td></td></tr> </tbody> </table>	Use	GFA (sq.m.)		Commercial	3,267.13		Conventional park spaces	8,743.12		Mechanical parking spaces	1,467.96		Civil defence parking spaces	<u>2,038.64</u>		Total	<u>15,516.85</u>		<p>As at the Valuation Date, the commercial portions of the property with leasable area of 906.63 sq.m. were leased to various tenants with the latest expiry in July 2031, generating a total monthly rent of approximately RMB57,000, excluding value-added tax ("VAT") and building management fees, while the remaining portion were vacant.</p> <p>The parking spaces portions of the property were leased on short term monthly basis, while the remaining portion of the property were leased out on an hourly basis.</p>	RMB63,070,000 (RENMINBI SIXTY THREE MILLION SEVENTY THOUSAND)
Use	GFA (sq.m.)																				
Commercial	3,267.13																				
Conventional park spaces	8,743.12																				
Mechanical parking spaces	1,467.96																				
Civil defence parking spaces	<u>2,038.64</u>																				
Total	<u>15,516.85</u>																				

The property is located in the core area of Xi'an Economic and Technological Development Zone, approximately 3 km from the renowned historical site Daming Palace National Heritage Park. Nearby comprehensive commercial projects include CITYON Port, Wanda Plaza (Daming Palace Branch), and Xi'an IMIXPARK.

The land use rights of the property have been granted for a term due to expire on 1 May 2046 for commercial service and other uses.

Notes:

- (1) According to the Real Estate Registration Register issued by the Xi'an Real Estate Information Archives Management Center, the building ownership of the property has been vested in Xi'an Kingfar Real Estate Co., Ltd. (西安經發地產有限公司) with a total gross floor area of approximately 15,516.85 sq.m. for commercial, other and parking spaces uses.
- (2) According to State-owned Land Use Right Certificate No. 54 (2004) issued by the Xi'an Municipal People's Government on 30 November 2004, the land use rights of the property have been vested in Xi'an Kingfar Real Estate Co., Ltd. (西安經發地產有限公司), with a total site area of approximately 14,878.5 sq.m. for the land use term due to expire in May 2046 for mixed-use.

According to State-owned Land Use Right Certificate No. 53 (2004) issued by the Xi'an Municipal People's Government on 30 November 2004, the land use rights of the property have been vested in Xi'an Kingfar Real Estate Co., Ltd. (西安經發地產有限公司), with a total site area of approximately 4,287.2 sq.m. for the land use term due to expire in May 2066 for residential use.

According to State-owned Land Use Right Certificate No. 52 (2004) issued by the Xi'an Municipal People's Government on 30 November 2004, the land use rights of the property have been vested in Xi'an Kingfar Real Estate Co., Ltd. (西安經發地產有限公司), with a total site area of approximately 6,845.6 sq.m. for the land use term due to expire in May 2066 for residential use.

- (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:
 - a) According to Article 12 of the 'Interim Regulations of the People's Republic of China on the Granting and Transfer of the Right to Use State-owned Land in Urban and Towns', the maximum term of the land use rights is determined based on the following criteria: (1) residential land for seventy years; (2) comprehensive or other land for fifty years. The registered use of the property is 'commercial 'services.' Therefore, the term of land use for the aforementioned target assets is until May 2046.
 - b) Xi'an Kingfar Real Estate Co., Ltd. (西安經發地產有限公司) has legally acquired and lawfully possessed the land use rights for the aforementioned target assets. Within the period of validity recorded on the land use rights certificate, Xi'an Kingfar Real Estate Co., Ltd. (西安經發地產有限公司) is entitled by law to the rights of possession, use, sale, and lease of such land and the buildings thereon.
 - c) The aforementioned target assets under the real estate company do not have any encumbrances such as mortgages, are not subject to seizure by judicial authorities, and there are no circumstances where laws and regulations prohibit or restrict sale and purchase. The property does not violate the mandatory provisions of national laws and regulations.
 - d) According to Article 254 of the 'Civil Code of the People's Republic of China', national defence assets belong to the state. Since the civil defence parking spaces are used for national defence purposes, they should be owned by the state. Article 5, Paragraph 2 of 'the People's Republic of China Civil Air Defence Law' stipulates that "The state encourages and supports enterprises, institutions, social organisations, and individuals to invest in the construction of civil defence projects through various means; civil defence projects are used and managed by the investors during peacetime, and the benefits belong to the investors". Article 705 of the 'Civil Code of the People's Republic of China' states that "The term of a lease shall not exceed twenty years". Therefore, the Company's lease of civil air defence parking spaces does not violate the provisions of relevant laws and regulations, and the agreed lease term does not violate the mandatory provisions of the law.

(4) The key inputs we have adopted in carrying out the valuation are:

Portion	Capitalisation Rate	Adopted Unit Rate
Commercial	5.50%	RMB44–60 per sq.m. rental per month
Parking Spaces	n/a	RMB74,000–120,000 per lot

In respect of the capitalisation rate of the commercial portion of the property, we have referred to the sales and rental comparables of commercial properties in the Xi'an real estate market. By analysing the prices and net incomes of these commercial comparables, the capitalisation rate of the comparables ranges from 5.23% to 5.85%.

In valuing the parking spaces of the property, we have adopted Market Comparison Method. We have taken into account sales comparables in Xi'an. Comparable properties are selected based on the following criteria: (i) the transactions took place within 1 year from the Valuation Date; (ii) comparable properties are located in Weiyang District of Xi'an; and (iii) the nature of the comparable properties is similar to the property. The current market comparables identified by us are considered exhaustive based on the above criteria. The details are listed as follows:

The unit sale price of the comparables ranges from RMB120,000 per lot to RMB135,000 per lot, exclusive of VAT and building management fees.

Comparable	Comparable 1	Comparable 2	Comparable 3
Property	Parking space located at Weiyang Road	Parking space located at Xuanwu Road	Parking space located at Fangxin Road
District	Weiyang	Weiyang	Weiyang
Use	parking space	parking space	parking space
Floor	B1	B1	B3
Unit Rate (RMB/lot)	120,000	120,000	135,000
Transaction Status	Transaction	Transaction	Transaction
Adjustment			
Nature and Environment	Similar to the property	Superior to the property	Similar to the property
Property Type	Superior to the property	Superior to the property	Superior to the property
Floor Level	Superior to the property	Superior to the property	Inferior to the property
Parking Space Ratio	Inferior to the property	Inferior to the property	Similar to the property
Remaining Land Use Rights Term	Superior to the property	Superior to the property	Superior to the property

For those characteristics inferior to the property, upward adjustment has been made, while superior to the property, downward adjustment has been made. For those similar to the property, no adjustment is needed.

The major adjustments are listed as follows:

Adjustment	Range
Nature and Environment	-2%~0%
Property Type	-1%
Floor Level	-2%~2%
Parking Space Ratio	0%~5%
Remaining Land Use Rights Term	-2%~0%

Based on the above market comparables and adjustments, we have determined the market value of the benchmark unit of conventional parking spaces of the property. By further adjusting for the specific floor level and property type of parking spaces of the property, we have concluded that the market value for the parking spaces of the property ranges from RMB74,000 to RMB120,000 per lot.

The following is the text of the valuation report prepared from Newland Appraisals Limited, an independent property valuer, in connection with its opinion of values of the Target Assets as at 31 October 2025 based on PRC valuation standards. As this valuation report is prepared based on PRC valuation standards, Shareholders shall note that such valuation report does not comply with Chapter 5 of the Listing Rules and therefore shall be read with caution and in conjunction with the valuation report prepared by the HK Valuer as set out in Appendix IIA to this Circular.

STATEMENT OF THE ASSET VALUATION REPORT

- I. This asset valuation report is prepared in accordance with the Basic Standards for Asset Valuation issued by the Ministry of Finance and the Practicing Standards for Asset Valuation and the Code of Ethics for Asset Valuation issued by the China Appraisal Society.
- II. The principal or other users of the asset valuation report shall use the asset valuation report in accordance with the provisions of laws and administrative regulations as well as the scope of use indicated herein. Where the principal or other users of the asset valuation report use the asset valuation report in violation of the preceding provisions, the asset valuation agency and its asset valuation professionals shall bear no liability therefor.
- III. This asset valuation report shall be used only by the principal, other users of the asset valuation report as agreed in the asset valuation engagement contract and the users of the asset valuation report stipulated by laws and administrative regulations. Any other institutions or individuals shall not become the users of the asset valuation report.
- IV. The asset valuation agency and asset valuers advise that users of the asset valuation report should correctly interpret the valuation conclusion. The valuation conclusion is not equivalent to the realisable value of the appraised subject, and the valuation conclusion should not be considered as a guarantee for the realisable value of the appraised subject.
- V. The asset valuation agency and asset valuers have complied with the laws, administrative regulations and asset valuation standards, abided by the principles of independence, objectivity and fairness, and have assumed responsibilities for the published asset valuation report in accordance with laws.
- VI. The list of assets related to the appraised subject should be reported by the principal and the property owner and certified by signature, seal or other means permitted by laws. The principal and other relevant parties shall be responsible for the truthfulness, completeness and legality of the materials provided by them in accordance with laws.

VII. The asset valuation agency and asset valuers have no existing or expected relationship of interests with the appraised subject as set out in the asset valuation report; no existing or expected relationship of interests with the relevant parties, and have no prejudice against the relevant parties.

VIII. The asset valuers have conducted on-site inspection on the appraised subject as set out in the asset valuation report and the assets involved, and given necessary consideration to the legal ownership status of the appraised subject and the assets involved, verified the information regarding the legal ownership of the appraised subject and the assets involved, made proper disclosure in respect of the issues identified, and requested the principal and other relevant parties to consummate the titles in order to fulfil the requirements for the issuance of the asset valuation report.

IX. The analyses, judgements and conclusion in the asset valuation report issued by the asset valuation agency are subject to the assumptions and limitations contained therein. Users of the asset valuation report shall fully consider the assumptions, limitations and notes on specific matters set out in the asset valuation report and their impact on the valuation conclusion.

SUMMARY OF THE ASSET VALUATION REPORT ON THE VALUE OF THE PROPERTY AND PARKING SPACES HELD BY XI'AN KINGFAR REAL ESTATE CO., LTD. INVOLVED IN THE PROPOSED ASSET ACQUISITION BY XI'AN KINGFAR PROPERTY SERVICES CO., LTD.

Newland Ping Bao Zi [2025] No. 663

Newland Appraisals Limited has accepted the engagement by Xi'an Kingfar Property Services Co., Ltd. to conduct a valuation on the the value of the property and parking spaces reported by Xi'an Kingfar Real Estate Co., Ltd. The key information of the asset valuation and the valuation conclusion are summarized as follows:

Economic Behaviour: proposed asset acquisition by Xi'an Kingfar Property Services Co., Ltd.

Purpose of Valuation: proposed asset acquisition by Xi'an Jinfeng Property Co., Ltd. The purpose of this valuation is to assess the property and parking spaces reported by Xi'an Kingfar Real Estate Co., Ltd. in connection with the Economic Behaviour, and to conclude their market value as of the Valuation Benchmark Date, so as to provide a value reference for the Asset Acquisition.

Appraised subject: The asset appraised subject is the property and parking spaces held by Xi'an Kingfar Real Estate Co., Ltd. designated by the principal for this Economic Behaviour.

Scope of Valuation: The scope of valuation covers the property and parking spaces located at No. 132 Weiyang Road, Weiyang District, Xi'an City, held by Xi'an Kingfar Real Estate Co., Ltd. related to the appraised subject. The property is designated for commercial purposes, with a gross floor area of 15,516.85 square meters. Details are subject to the Assets Valuation Breakdown.

Type of Value: market value.

Valuation Benchmark Date: 31 October 2025.

Valuation Method: market approach, income approach

Valuation conclusion: The appraised value of the properties and parking spaces declared by Xi'an Kingfar Real Estate Co., Ltd. is RMB 63,007,500.00 (inclusive of VAT).

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

The detailed valuation are set out in the table below:

No.	Building Name	Usage	Gross Floor Area (m ²)	Appraised Value (RMB)
1	Kingfar Building Block A	Commercial Property	3,267.13	36,067,500.00
2	Standard Parking Spaces	Parking	8,743.12	19,180,000.00
3	Civil Air Defence Parking Spaces	Parking	2,038.64	2,960,000.00
4	Mechanical Parking Spaces	Parking	1,467.96	4,800,000.00
Total			15,516.85	63,007,500.00

Validity Period of the Valuation Conclusion: The valuation conclusion shall be valid for a period of one year, commencing from the Valuation Benchmark Date to the date on which the relevant economic activity takes place, i.e., from 31 October 2025 to 30 October 2026. Where such period exceeds one year, a new asset valuation will be required.

Special Matters Affecting the Valuation Conclusion: Users of this valuation report should pay attention to the special matters set out in the text of this report and the impact of such matters on the valuation conclusion.

Special Explanation:

1. The properties and parking spaces included in this valuation have not obtained property ownership certificates. The property owner has provided a Real Estate Registration Inventory issued by the Xi'an Municipal Real Estate Information Archive Management Centre (西安市不動產信息檔案管理中心), and no property rights dispute has been identified. This valuation has been prepared on the assumption that the aforementioned properties are free from any property rights dispute, and do not take into account any fees that may be incurred for obtaining property ownership certificates in the future. For properties without ownership certificates, the gross floor area has been determined primarily based on the ownership confirmation documents

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

provided by the enterprise, supplemented by on-site inspection. The final determination of the gross floor area and property ownership shall be subject to the property ownership certificates issued by the local real estate authority upon surveying. Details are set out in the table below.

No.	Property Name	Usage	Year of Completion	Floor Level/ No. of Storeys	Gross Floor Area (m ²)
1	Kingfar Building Block A – Basement Commercial Unit – F108	Commercial	September 2018	-1/-1	139.14
2	Kingfar Building Block A – Basement Commercial Unit – F109	Commercial	September 2018	-1/-1	447.48
3	Kingfar Building Block A – Basement Commercial Unit – F114	Commercial	September 2018	-1/-1	88.18
4	Kingfar Building Block A – Basement Commercial Unit – F118	Commercial	September 2018	-1/-1	262.12
5	Kingfar Building Block A – Basement Commercial Unit – F120	Commercial	September 2018	-1/-1	180.84
6	Kingfar Building Block A – Basement Commercial Unit – F121	Commercial	September 2018	-1/-1	1,280.83
7	Kingfar Building Block A – Basement Commercial Unit – F122	Commercial	September 2018	-1/-1	112.77
8	Kingfar Building Block A – Basement Commercial Unit – F123	Commercial	September 2018	-1/-1	184.13
9	Kingfar Building Block A – Basement Commercial Unit – F124	Commercial	September 2018	-1/-1	196.59
10	Kingfar Building Block A – Basement Commercial Unit – F126	Commercial	September 2018	-1/-1	103.55
11	Kingfar Building Block A – Unit 202	Commercial	September 2018	2/16	85.46
12	Kingfar Building Block A – Basement Other Area – F110	Other	September 2018	-1/-1	48.32

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

No.	Property Name	Usage	Year of Completion	Floor Level/ No. of Storeys	Gross Floor Area (m ²)
13	Kingfar Building Block A – Basement Other Area – F111	Other	September 2018	-1/-1	89.40
14	Kingfar Building Block A – Basement Other Area – F112	Other	September 2018	-1/-1	48.32
15	Kingfar Building – Basement Standard Parking Spaces	Parking	September 2018	-2--3/16	8,743.12
16	Kingfar Building – Civil Air Defense Parking Spaces	Parking	September 2018	-3/16	2,038.64
17	Kingfar Building – Mechanical Parking Spaces	Parking	September 2018	-2/16	1,467.96
Total					<u>15,516.85</u>

2. The 37 civil air defense parking spaces included in this valuation fall under Article 254 of the Civil Code of the PRC, which provides that “national defence assets shall be owned by the State. Civil air defense parking spaces, being used for national defence purposes, shall be State-owned”. Article 705 of the Civil Code of the PRC further provides that “the term of a lease shall not exceed twenty years. Any term exceeding twenty years shall be invalid for the excess. Upon expiry of the lease term, the parties may renew the lease; however, the renewed term shall not exceed twenty years from the date of renewal”. In addition, Article 5(2) of the Law of the PRC on Civil Air Defense provides that “the State encourages and supports enterprises, public institutions, social organisations and individuals to invest in the construction of civil air defense works through various means; such works may be used and managed by investors in peacetime, and revenues generated therefrom shall belong to the investors”. On the basis of the foregoing legal provisions, the valuation of these civil air defense parking spaces covers only the value of the user rights, and the ownership thereof rests with the State. Users of this valuation report are specifically reminded of this matter.

The above is an excerpt from the body of the valuation report. To understand the valuation in detail and to properly interpret the valuation conclusion, the full valuation report should be read.

ASSET VALUATION REPORT ON THE VALUE OF THE PROPERTY AND PARKING SPACES HELD BY XI'AN KINGFAR REAL ESTATE CO., LTD. INVOLVED IN THE PROPOSED ASSET ACQUISITION BY XI'AN KINGFAR PROPERTY SERVICES CO., LTD.

Newland Ping Bao Zi [2025] No. 663

Xi'an Kingfar Property Services Co., Ltd.:

Under the Company's commission and in accordance with laws, administrative regulations and asset valuation standards, Sichuan Newland Appraisals Limited has conducted a valuation on the market value of the properties and parking spaces declared by Xi'an Kingfar Real Estate Co., Ltd. in connection with the proposed asset acquisition by Xi'an Kingfar Property Services Co., Ltd. as at 31 October 2025 by adopting the market approach and the income approach and necessary valuation process. The report on the asset valuation is as follows:

I. PRINCIPAL, PROPERTY OWNER AND OTHER USERS OF THE ASSET VALUATION REPORT

The principal of this valuation is Xi'an Kingfar Property Services Co., Ltd., and the property owner is Xi'an Kingfar Real Estate Co., Ltd. Other users of this valuation report comprise those specified in the asset valuation engagement contract and those prescribed under applicable laws and administrative regulations.

(I) Principal

Name: Xi'an Kingfar Property Services Co., Ltd.

Legal Domicile: Room 10701, Unit 1, Building 3 Xi'an Financial Innovation Center No. 51 Fengcheng Second Road Economic and Technological Development Zone Xi'an, Shaanxi, PRC

Place of Business: Room 10701, Unit 1, Building 3 Xi'an Financial Innovation Center No. 51 Fengcheng Second Road Economic and Technological Development Zone Xi'an, Shaanxi, PRC

Legal Representative: Wu Suozheng

Registered Capital: RMB66.6668 million

Paid-up Capital: RMB66.6668 million

Date of Establishment: 5 December 2000

Scope of Business: General items: production, sales, processing, transportation and storage of agricultural products and other related services; construction of landscaping

projects; sales of food (pre-packaged food only); sales of general merchandise; sales of household appliances; sales of charging piles; domestic trade agency; sales of health food (pre-packaged); sales of household supplies; centralized fast charging station; retail of edible agricultural products; sales of knitwear and textile; retail of cosmetics; sales of gifts and flowers; sales of maternal and infant supplies; retail of stationery supplies; retail of automobile spare parts; sales of motorcycle charging; retail of hardware products; sales of furniture; sales of building decoration materials; used car brokerage; sales of automotive decorative supplies; sales of distribution switching control equipment; sales of electronic products; sales of audio equipment; sales of sanitary wares; sales of special ceramic products; import and export of goods; parking lot services; software development; information system integration services; data processing and storage support services; property management; real estate appraisal; real estate brokerage; real estate consulting; nonresidential real estate leasing; machinery and equipment leasing; minibus leasing operation services; construction machinery and equipment leasing; computer and communication equipment leasing; transportation equipment leasing services; office equipment leasing services; cultural supplies and equipment leasing; warehousing equipment leasing services; charging control equipment leasing; information consulting services (excluding licensed information consulting services); health consulting services (excluding diagnosis and treatment services); advertising design and agency; advertisement release; human resources services (excluding occupational intermediary activities and labor dispatch services); conference and exhibition services; commercial agency services; advertisement production; labor services (excluding labor dispatch); operation of electric vehicle charging infrastructure; planning and design management; real estate registration agency services; household services; washing and dyeing services; etiquette services; chauffeur services; residential water and electricity installation and maintenance services; household appliances installation services; electrical appliances repair; professional cleaning, washing and disinfection services; business training (excluding education training, vocational skill training and other trainings that require permits); nursing institution services (excluding medical services); elderly care services; rehabilitation assistant device adaptation services; maternal and infant life care (excluding medical services); takeaway delivery services; catering management; fresh fruit wholesale; fresh fruit retail; edible agricultural products wholesale; fresh vegetable wholesale; fresh vegetable retail; fresh meat wholesale; fresh meat retail; internet sales of food products (sales of pre-packaged food products only); aquatic products wholesale; aquatic products retail; cryogenic storage (excluding hazardous chemicals and other items which subject to permit approval); general cargo storage services (excluding hazardous chemicals and other items which subject to permit approval); import and export of food products . (Except for items that are subject to approval according to the laws, business activities shall be conducted independently by laws by virtue of the business license) Licensed items: food production; special equipment installation, renovation and repair; power supply business; building construction works; interior decoration and fitment of residence; sales of food; liquor operation; road passenger transportation operation; catering services; occupational intermediary activities; labor dispatch services; tourism business; urban distribution and transportation services (excluding dangerous goods); internet sales of food. (For items that are subject to approval

according to the laws, operating activities shall only be conducted upon approval from relevant authorities, and specific items shall be subject to the results of approval)

(II) Holder of Certificates of Title

Name: Xi'an Kingfar Real Estate Co., Ltd.

Legal Domicile: Kingfar Building, 132 Weiyang Road, Xi'an City

Place of Business: Kingfar Building, 132 Weiyang Road, Xi'an City

Legal Representative: Zhao Junping

Registered Capital: RMB4,000 million

Paid-up Capital: RMB2,500 million

Date of Establishment: 15 March 1997

Scope of Business: General items: parking lot services; real estate consulting; information consulting services (excluding licensed information consulting services); non-residential real estate leasing; leasing services (excluding licensed leasing services); real estate brokerage; marketing planning; conference and exhibition services; ceremonial services; landscaping construction; advertising design and agency; graphic design and production; advertising production; advertisement placement; micro and small passenger vehicle rental services; building materials sales; card and board game room services; daily necessities sales; sports venue facility operation (excluding high-risk sports activities); sports goods and equipment retail; enterprise management; project management services. (Except for items that are subject to approval according to the laws, business activities shall be conducted independently by laws by virtue of the business license) Licensed Items: real estate development and operation; residential interior decoration and renovation; catering services; publication retail; bathing services. (For items that are subject to approval according to the laws, operating activities shall only be conducted upon approval from relevant authorities, and specific items shall be subject to the results of approval)

(III) Other Users of the Asset Valuation Report

The asset valuation report is intended for use only by the principal, other users as agreed in the asset valuation engagement contract and users as stipulated in the laws and administrative regulations. Other than that, no other organization or individual can be the user of the asset valuation report.

II. PURPOSE OF VALUATION

Xi'an Kingfar Property Services Co., Ltd. proposes to conduct an asset acquisition. The purpose of this valuation is to appraise the market value of the properties and parking spaces declared by Xi'an Kingfar Property Services Co., Ltd. involved in this economic behavior as at the Valuation Benchmark Date, with an aim to provide value reference for the asset acquisition.

This economic behavior has been approved, details of which please refer to the document titled Minutes of Xi'an Kingfar Real Estate Co., Ltd. – Minutes of the General Branch Committee (37) (《西安經發物業股份有限公司會議紀要—總支委員會紀要(三十七)》) dated 12 November 2025.

III. APPRAISED SUBJECT AND SCOPE OF VALUATION

According to the purpose of this valuation, the valuation subject is the properties and parking spaces held by Xi'an Kingfar Property Services Co., Ltd. involved in this economic behavior as designated by the principal.

The scope of valuation covers the valuation subject related properties and parking spaces held by Xi'an Kingfar Property Services Co., Ltd. located at No. 132 Weiyang Road, Weiyang District, Xi'an City. The properties are designated for commercial use, with a total floor area of 15,516.85 square meters, subject to the valuation declaration list.

The properties consist of 14 items, being the commercial space with a floor area of 3,267.13 square meters in Tower A of Kingfar Building at No. 132 Weiyang Road, Weiyang District, Xi'an City, completed in September 2018 with reinforced concrete structure and simple interior decoration. There are 321 parking spaces in total, including 224 standard spaces, 37 civil air defense spaces, and 60 mechanical spaces. As of the Valuation Benchmark Date, the properties under valuation have not obtained property ownership certificates but have obtained documents such as the state-owned land use certificate, construction project planning permit, and real estate registration inventory. Some of the assets under valuation are in a leased state, while others are vacant.

(I) Assets under Valuation

1. Properties

The assets under valuation include properties and parking spaces. The properties consist of 14 items, being the commercial space with a floor area of 3,267.13 square meters in Tower A of Kingfar Building at No. 132 Weiyang Road, Weiyang District, Xi'an City, completed in September 2018 with reinforced concrete structure and simple interior decoration. Among these, 13 items are underground commercial spaces in the sunken plaza, and 1 item is a 2-story commercial space. As of the Valuation Benchmark Date, the properties under valuation have not obtained property ownership certificates but have obtained documents such as the state-owned land use certificate,

construction project planning permit, and real estate registration inventory. The ownership is clear, with no ownership defects such as mortgages, seizures, or litigation. Some of the properties under valuation are in a leased state, while others are vacant.

2. *Parking Spaces*

There are 321 parking spaces in total, located in the underground parking lot of Tower A of Kingfar Building at No. 132 Weiyang Road, Weiyang District, Xi'an City. These include 224 standard spaces, 37 civil air defense spaces, and 60 mechanical spaces, all located in the underground parking lot of Kingfar Building and completed in September 2018. As of the Valuation Benchmark Date, the parking spaces under valuation have not obtained property ownership certificates but have obtained documents such as the state-owned land use certificate, construction project planning permit, and real estate registration inventory. The ownership is clear, with no ownership defects such as mortgages, seizures, or litigation. Some of the parking spaces under valuation are in a leased state, while others are vacant.

(II) The subject and scope of the valuation are consistent with those involved in the economic behavior that the principal intends to implement.

(III) Types, Quantity and Amount (or Value) of Assets Involved in Making Reference to the Conclusions of Reports Issued by Other Institutions

This valuation has made no reference to the conclusions of reports issued by other institutions.

IV. TYPE OF VALUE

Based on factors such as the purpose of the valuation, market conditions and the conditions of valuation subject, the type of value for the valuation subject is determined as market value.

Market value refers to the estimated amount of the value that can be realized by the valuation subject under normal and fair transaction as at the Valuation Benchmark Date when the voluntary buyer and the voluntary seller act rationally without any coercion.

V. VALUATION BENCHMARK DATE

The Valuation Benchmark Date for this project is 31 October 2025, which is determined by the principal based on economic behavior and other factors.

VI. BASES FOR VALUATION

Laws and regulations, criteria standards, ownership basis, and pricing basis of the state, local governments and relevant departments we followed during this valuation, as well as documents and materials we referred to in the valuation mainly included:

(I) Basis for Valuation

The Minutes of Xi'an Kingfar Real Estate Co., Ltd.. – Minutes of the General Branch Committee (37) (《西安經發物業股份有限公司會議紀要—總支委員會紀要(三十七)》) dated 12 November 2025.

(II) Basis for Laws and Regulations

1. The Asset Valuation Law of the People's Republic of China (《中華人民共和國資產評估法》) (passed at the 21st session of the 12th Standing Committee of the National People's Congress on 2 July 2016);
2. The Law on State-owned Assets of Enterprises of the People's Republic of China (《中華人民共和國企業國有資產法》) (passed at the 5th session of the 11th Standing Committee of the National People's Congress on 28 October 2008);
3. Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (amended at the 7th session of the 13th Standing Committee of the National People's Congress on 29 December 2018);
4. Urban Real Estate Administration Law of the People's Republic of China (《中華人民共和國城市房地產管理法》) (amended at the 12th session of the 13th Standing Committee of the National People's Congress on 26 August 2019);
5. Civil Law of the People's Republic of China (as passed at the 3rd session of the Standing Committee of the 13rd National People's Congress on 28 May 2020);
6. Measures for the Administration of Appraisal of State-owned Assets (Order No. 91 of the State Council, as amended by Order No. 732 of the State Council on 29 November 2020);
7. Detailed Rules for the Implementation of Measures for the Administration of Appraisal of State-owned Assets (Guo Zi Ban Fa [1992] No. 36);
8. Interim Regulations on the Supervision and Administration of State-owned Assets of Enterprises (Order No. 378 of the State Council, amended in 2019);
9. Interim Measures for the Administration of Appraisal of State-owned Assets of Enterprises (Guo Zi Wei No. 12, 2005);

10. Cai Zheng Bu Ling No. 14, Regulations on Several Issues Concerning the Administration of State-owned Asset Valuation;
11. Notice on Relevant Issues Concerning the Strengthening of the Management of Enterprise State-owned Assets Valuation (Guo Zi Wei Chan Quan [2006] No. 274);
12. Guidelines on the Filing of State-owned Assets valuation Projects for Enterprises (Guo Zi Fa Chan Quan [2013] No. 64);
13. Other laws and regulations relating to asset valuation.

(III) Basis for Valuation

1. Basic Standards for Asset Valuation (Cai Zi [2017] No. 43);
2. Professional Code of Ethics for the Valuation of Assets (Zhong Ping Xie [2017] No. 30);
3. Practicing Standards for the Valuation of Assets – Appraisal Approaches (Zhong Ping Xie [2019] No. 35);
4. Practicing Standards for the Valuation of Assets – Asset Valuation Files (Zhong Ping Xie [2018] No. 37);
5. Practicing Standards for the Valuation of Assets – Valuation Report (Zhong Ping Xie [2018] No. 36);
6. Practicing Standards for the Valuation of Assets – Valuation Report (Zhong Ping Xie [2018] No. 35);
7. Practicing Standards for the Valuation of Assets – Asset Valuation Entrustment Contract (Zhong Ping Xie [2017] No. 33);
8. Practicing Standards for the Valuation of Assets – Real Estate (Zhong Ping Xie [2017] No. 38);
9. Guidelines on Valuation Report of Business State-owned Assets (Zhong Ping Xie [2017] No. 42);
10. Guidelines on Business Quality Guarantee of Assets valuation Institutions (Zhong Ping Xie [2017] No. 46);
11. Guidelines on Type of Value for Assets Valuation (Zhong Ping Xie [2017] No. 47);

12. Guidelines for Legal Ownership of Asset Appraised subjects (Zhong Ping Xie [2017] No. 48).

(IV) Basis of Asset Ownership

1. State-Owned Land Use Right Certificate, Building Planning Permit, Construction Permit;
2. The Real Estate Registration Record issued by the Real Estate Registration Center;
3. Other ownership certification documents.

(V) Pricing Basis

1. Notice on Issues Related to the Value-Added Tax Transformation Reform (Cai Shui [2008] No. 170);
2. Notice of the State Administration of Taxation on the Comprehensive Implementation of the Pilot Program for Replacing Business Tax with Value-Added Tax (Cai Shui [2016] No. 36);
3. Notice from the Ministry of Finance and the State Administration of Taxation on Adjusting Value-added Tax Rates jointly issued by the State Administration of Taxation and the Ministry of Finance, (Cai Shui [2018] No. 32);
4. Announcement on Policies Related to Deepening Value-Added Tax Reform (Announcement No. 39 of 2019 by the Ministry of Finance, State Administration of Taxation, and General Administration of Customs);
5. Loan Prime Rate (LPR) published by the National Interbank Funding Center;
6. Basic Construction Financial Regulations (Ministry of Finance Order No. [2016] 81);
7. Regulations on Construction Cost Management for Capital Construction Projects (Cai Jian [2016] No. 504);
8. National Unified Quota of Construction and Installation Period (Ministry of Construction, Jian Biao [2000] No. 38);
9. Standard for Assessment of Housing Damage Grade issued by the Ministry of Construction;
10. Real estate market transaction case data;

11. Glodon website (<https://www.gldzb.com>);
12. Other reference materials.

(VI) Other Reference Bases

1. The asset assessment declaration details provided by the owner of the property rights;
2. The on-site survey questionnaires completed by the asset assessment professionals and other data collected and organized by them;
3. Handbook of Common Asset Assessment Methods and Parameters, Mechanical Industry Press, November 2011;
4. Other relevant reference materials.

VII. VALUATION METHOD

(I) Introduction of Valuation Method

The basic valuation methods stipulated by the Basic Standards for Asset Valuation, Practicing Standards for the Valuation of Assets – Asset Appraisal Methodology include the market approach, income approach, and cost approach.

The market approach, also known as the comparative method, refers to the collective assessment techniques that utilize recent transaction prices of identical or similar assets in the market, and apply direct comparison or analogous analysis to estimate the value of an asset. The market approach requires the full utilization of transaction price information from comparable assets as a basis for judging and estimating the value of the subject asset. The basic calculation formula is:

Value of subject asset = Transaction price of reference asset × correction factor 1 × correction factor 2 × ... × correction factor N.

The income approach refers to the collective assessment methods used to determine an asset's value by capitalizing or discounting its expected future income. This approach employs capitalization or discounting methods and pathways to judge and estimate asset value. It can be expressed mathematically as:

In which:

P – Value of the subject asset;

R_i – Expected income from the asset in the i-th year in the future;

r – Discount rate;

i – Expected income period;

n – Forecast period.

The cost approach refers to the valuation methodology that determines the value of the appraised subject based on the concept of reconstruction or replacement of the appraised subject. It establishes the value of the appraised subject by using the reconstruction or replacement cost as the foundation, deducting relevant depreciation. The basic formula of the asset-based approach is as follows:

Appraised valuation of assets = Replacement cost of the asset – physical depreciation of the asset – functional depreciation of the asset – economic depreciation of the asset.

(II) Selection of Valuation Methods

In accordance with the provisions of the Basic Standards for Asset Valuation, Standards for Practice of Asset Valuation – Valuation Methods, and Standards for Practice of Asset Valuation – Valuation Reports, professional asset valuers shall be familiar with, understand, and appropriately select valuation methods. When selecting a valuation method, professional asset valuers shall fully consider factors affecting the selection of valuation methods, such as the purpose of valuation, value type, valuation object, applicable conditions, and data availability, analyze the applicability of the above three basic methods, and select the valuation method in accordance with the law.

When the conditions for adopting different valuation methods are met, professional asset valuers shall select two or more valuation methods and form a reasonable valuation conclusion through comprehensive analysis. When circumstances specified in the standards exist, professional asset valuers may adopt one valuation method. The valuation report shall disclose the selection of the valuation method and the reasons therefor.

1. Income approach

Prerequisites for the application of the income approach: (1) The future income of the valuation object can be reasonably expected and measured in monetary terms; (2) The risks corresponding to the expected income can be measured; (3) The income period can be determined or reasonably expected.

The main objects of this valuation include parking spaces. The future income of the parking spaces can be reasonably expected and measured in monetary terms, the risks associated with the expected income can be measured, and the income period can be reasonably determined. Therefore, the income approach is adopted for this valuation.

2. *Market approach*

Prerequisites for the application of the market approach: (1) There is an open market and active transactions for comparable reference objects of the valuation object; (2) Necessary information about relevant transactions can be obtained.

Since there are numerous transaction cases of similar real estate to the commercial real estate to be valued and relevant market information is easily accessible, the market approach is appropriately selected for valuation.

3. *Cost approach*

Prerequisites for the application of the cost approach: (1) The valuation object is in normal use or in service; (2) The valuation object can be obtained through replacement; (3) The replacement cost and related depreciation of the valuation object can be reasonably estimated.

The main objects of this valuation are real estate for commercial purposes. The cost approach is difficult to reflect their true value, so the cost approach is not adopted for this valuation.

(III) Specific Application of Valuation Methods

Based on the collected real estate data and market price information obtained through market research, combined with the actual status and characteristics of the assets, and in accordance with the asset valuation standards, appropriate valuation methods are adopted for valuation.

For real estate suitable for valuation using the Market Approach, the valuation result shall be determined based on the combined value of real estate and land (including tax).

For parking spaces suitable for valuation using the income approach, the valuation result shall be determined based on the value including tax.

Valuation and estimation based on the market approach

In light of the purpose of this valuation and the specific circumstances of the assets to be valued, the market approach is appropriately adopted for the valuation of the real estate to be valued to determine the combined value of real estate and land. All valuation results shall be determined based on the price including tax. The floor area shall be determined based on the registered area and the results of the inventory declaration data.

The market approach involves selecting recently sold real estate in the same region that is similar to the real estate to be valued as reference objects. Using the

transaction prices of the reference objects, comparisons are made between the valuation object and the reference objects in terms of transaction conditions, transaction time, location conditions, physical conditions, and equity conditions to obtain the correction coefficients or differences of basic characteristics between the two parties. The valuation result is determined by adjusting the transaction prices of the reference objects based on such corrections.

Valuation Result = Transaction Price of Reference Object × Transaction Condition Correction Coefficient × Market Condition Adjustment Coefficient × Location Condition Adjustment Coefficient × Physical Condition Adjustment Coefficient × Equity Condition Adjustment Coefficient

Valuation and Estimation Based on the income approach

1. Principle of the income approach. A method of determining the objective and reasonable price or value of the valuation object by forecasting the future expected net income of the parking spaces to be valued, selecting an appropriate capitalization rate to discount such income to the Valuation Benchmark Date, and then summing up the discounted amounts.
2. Technical route of the income approach. Based on the publicly disclosed charging standards of the parking lot, the normal and reasonable market rental level of the underground parking spaces as of the Valuation Benchmark Date is derived. After deducting the taxes and fees that should be withheld during the leasing process, the normal net income is obtained. An appropriate discount rate is then selected to discount such net income to the Valuation Benchmark Date, and the sum of the discounted amounts is used to determine the value of the valuation object as of the Valuation Benchmark Date.
3. Income approach valuation model formula.

The valuation model under the full remaining life mode is as follows:

$$P = \sum_{i=1}^n \frac{a_i}{(1+r)^i} + A$$

Where: a: Annual net income

r: Discount rate

n: Income period

A: Residual value of the real estate

p: Value of the real estate

(1) Annual Net Income = [Monthly Rental Unit Price (excluding tax) \times (1 – Vacancy Rate) + Monthly Deposit Interest Income – Real Estate Tax – Land Use Tax – Urban Maintenance and Construction Tax – Stamp Duty – Education Surcharge – Leasing Management Fee – Maintenance Fee – Insurance Fee] \times 12

Where:

1. Monthly Rental Unit Price: For parking spaces under lease agreements, the monthly rental unit price shall be determined based on the lease amount; for parking spaces not under lease agreements, the monthly rental unit price shall be determined based on the objective rental rate determined by the market approach.
2. Vacancy Rate: For parking spaces under lease agreements, the vacancy rate shall be 100%; for parking spaces not under lease agreements, the vacancy rate shall be determined based on market research and the market vacancy rate of similar real estate rentals in the region.
3. Monthly Deposit Interest Income: Since the assets to be valued are parking spaces without deposits required, the monthly deposit interest income is not considered.
4. Property tax. Since the appraised asset is a parking space, property tax is not applicable.
5. Land use tax. Since the appraised asset is a parking space, land use tax is not considered.
6. City maintenance and construction tax. This tax is levied on entities and individuals paying value-added tax (VAT) and consumption tax to fund urban maintenance and construction. The tax base is the actual amount of VAT and consumption tax paid. It is calculated and paid at 7% of the VAT amount already paid.
7. Stamp tax. According to the Stamp Tax Law of the People's Republic of China, property lease contracts shall be subject to stamp duty calculated at 0.1% of the total rental amount specified in the lease agreement.
8. Education surcharge. The education surcharge is calculated and paid at 3% of the VAT paid, in accordance with State Council Order No. 448, "Decision of the State Council on Amending the Provisional Regulations on the Collection of Education Surcharge". The local education surcharge is calculated and paid at 2% of the VAT paid.

9. Lease management fees and maintenance costs. Managing leased real estate incurs management expenses such as personnel wages and office costs, typically a percentage of annual rent. This valuation sets the fee at 1.0% of rental income (excluding tax). Maintenance costs cover routine repairs and upkeep, calculated as a percentage of replacement cost or rent. Based on the building's current condition, this valuation sets the fee at 2% of the building's replacement cost.
10. Insurance premiums. Based on China's actual conditions, insurance rates generally range from 0.1% to 0.2% of replacement cost. For this valuation, the insurance rate is set at 0.20% based on the property's condition.

(2) *Discount Rate*

Discount rate = Risk-free rate of return + Risk adjustment value

Risk-free rate of return shall be determined based on the corresponding interest rate of treasury bond for the projected income period; risk adjustment value shall be comprehensively determined according to the risks associated with the market, policies, industry, and region where the appraised subject is located.

(3) *Income Period*

Income period shall be determined based on parameters such as the remaining economic life of the building and the remaining term of the land use right, as well as the provisions under laws and administrative regulations.

(4) *Residual Value of Property*

Since the remaining economic life of the property in this project exceeds the remaining term of the land use right, and there are no covenants in documents including the transfer contract stating that the land use right and the property comprising of above-ground structures will be reclaimed without compensation upon expiration of the term of the land use right, the future income value of the property shall add the value of the property at the end of its income period and then be discounted to the value as of the Valuation Benchmark Date.

VIII. PROCESS AND IMPLEMENTATION OF THE VALUATION PROCEDURES

The overall valuation work is conducted in four phases:

(I) Preparation

Before accepting an asset valuation engagement, the valuers shall discuss with the principal and review relevant information to clarify the basics of the valuation, such as purpose of valuation, appraised subject, scope of valuation, and Valuation Benchmark Date. The valuers shall also conduct a comprehensive analysis and evaluation of their professional competence, independence and business risks before deciding to accept the engagement and signing an asset valuation engagement contract. Based on the particulars of the project, the valuers shall determine the project leader, form a valuation project team, and develop a valuation plan, and then assign the asset valuation work, guide the property owner in completing the asset valuation application form, and prepare the materials necessary for valuation.

(II) Onsite Work

Based on the details of this valuation engagement, and in accordance with the requirements of the Practicing Standards for the Valuation of Assets – Asset Valuation Procedure and other relevant regulations, the valuers shall conduct necessary verification and validation of all assets through methods such as inquiry, reconciliation, supervision of counting, and inspection, obtain historical valuation data, understand the economic, technical, usage status and legal ownership of major assets, determine the existence, truthfulness, and completeness of assets, verify the consistency between the valuation data reported and the data provided, pay attention to the legal ownership of assets and, based on the onsite inspection findings, collect policy documents, quota standards, and market information relevant to the asset valuation.

(III) Valuation and Estimation

In accordance with relevant laws and guidelines governing valuation, the valuers shall collect market price data and conduct necessary analysis, summarization, and organization of the valuation data collected to establish the basis for valuation and estimation. Based on appraised subject, type of value, and availability of valuation data, the valuers shall select appropriate valuation methods, choose corresponding formulas and parameters for analysis, calculation, and judgment, perform valuation and estimation, and form preliminary valuation results.

(IV) Submission of Report

The valuers shall compile the valuation results for various asset categories, conduct analysis on the valuation conclusions formed, determine the final valuation conclusions, prepare the asset valuation report, and formulate the initial valuation report. An internal

review of the preliminary asset valuation report shall be performed in accordance with laws, administrative regulations, asset valuation standards, and the internal quality control system of the asset valuation agency. Prior to issuing the asset valuation report, the valuers shall communicate with the principal or other relevant parties approved by the principal regarding the contents of the report on the premise that such communication does not compromise our independent judgment of the valuation conclusions. After completing the asset valuation procedures aforementioned, the valuers shall issue and submit a formal asset valuation report.

IX. VALUATION ASSUMPTIONS

The valuation conclusions of this project are based on the following assumptions and limitations. The conclusions reached in this report may generally change to varying degrees if these assumptions or conditions cannot be reasonably satisfied. In this valuation, the valuers has adhered to the following valuation assumptions:

(I) Precedent Assumptions

1. Transaction assumption: Transaction assumption assumes that all appraised assets are already in the course of transaction and the valuer carries out the valuation based on a simulated market which involves the transaction conditions of assets to be valued. The transaction assumption is one of the most fundamental assumptions for the performance of asset valuation.
2. Open market assumption: The open market assumption assumes that the parties to the assets transaction or the proposed assets transaction in the market have equal bargaining power and have the opportunities and time to obtain sufficient market information in order to make a rational judgment on the assets, including their functions, uses and transaction prices. The basis of open market assumption is that the assets can be traded openly in the market.
3. Asset going-concern assumption: It is assumed that the appraised assets will continue to be used legally and effectively in accordance with the planned use and subject to the conditions of use, such as those on the manner, scale, frequency and environment, and will not undergo significant changes during the foreseeable period of use.

(II) General Assumptions

1. There will be no material changes in the relevant prevailing laws, regulations and policies or macro-economic situations of the PRC; there will be no material changes in the political, economic and social environment of the regions where the parties to this transaction are located.

2. There is no material change in the interest rate, basis and rate of taxation and government charges.
3. Unless otherwise specified, it is assumed that the Company fully complies with all relevant laws and regulations.
4. There will be no material adverse effect caused by force majeure and unforeseeable factors to the property right owner.

(III) Specific Assumptions

1. It is assumed that the use of assets of the property right owner after the Valuation Benchmark Date will be unchanged and remain in use as scheduled by the enterprise.
2. The property right owner will not cause losses to or create significant contingent liabilities for the enterprise due to external pledge, guarantee, legal disputes and others.
3. It is assumed that acquisition, purchase and construction processes of the assets involved in the appraised subject comply with relevant PRC laws and regulations.

According to the requirement of the assets valuation, the valuer considers that these assumptions are justified on the Valuation Benchmark Date. The valuer assumes no responsibility for any different appraisal results arising from the changes in assumptions as and when there are material changes in economic environment in the future.

X. VALUATION CONCLUSION

In accordance with the national laws, administrative regulations and valuation standards on asset valuation, and in line with the principles of independence, impartiality and objectivity, we carried out the statutory and necessary procedures for asset valuation by adopting the market approach and income approach to conduct a valuation on the market value of the real estate and parking spaces of Xi'an Kingfar Real Estate Co., Ltd as at the Valuation Benchmark Date (i.e. 31 October 2025). The valuation conclusion is as follows.

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

The appraised value of the real estate and parking spaces declared by Xi'an Kingfar Real Estate Co., Ltd is RMB63,007,500.00 (value-added tax inclusive). Specific valuation results are set out in the table below:

No.	Name of buildings	Usage	GFA (m^2)	Appraised value
1	Kingfar Tower A Property	Commerce	3,267.13	36,067,500.00
2	Standard parking space	Parking space	8,743.12	19,180,000.00
3	Civil air defense parking space	Parking space	2,038.64	2,960,000.00
4	Mechanical parking space	Parking space	1,467.96	4,800,000.00
Total			15,516.85	63,007,500.00

Details of the valuation results please refer to the Summary Table of Asset Valuation Results and the respective Assets Valuation Breakdown.

The valid period of the valuation conclusion: less than one year from the Valuation Benchmark Date to the date of economic activities realize, i.e., the period from 31 October 2025 to 30 October 2026. Should the period exceed one year, a new asset valuation shall be conducted.

The valuation conclusions were drawn based on the purposes, assumptions and limitations, bases, approaches and procedures set out in this asset valuation report, and such valuation conclusions are only valid under the condition that the above purposes, bases, assumptions and premises are established, which serve the purpose of this valuation only.

XI. INSTRUCTIONS ON SPECIAL MATTERS

The special matters in this valuation report refer to relevant matters found by the valuer, after the valuation conclusion has been determined, that would affect the valuation conclusion and beyond the valuer' professional proficiency and ability to conduct the valuation estimation.

(I) Note on Reference to the Conclusions of the Report Issued by Other Institution

There is no reference to the conclusions of the report issued by other institution in this valuation.

(II) Existence of Incomplete or Defective Information In Respect of Ownership of Properties

According to the Guiding Opinions on Legal Ownership of the Asset Appraised subject, the principal and other relevant parties shall provide the information of legal ownership of the asset valuation subject in accordance with laws and be responsible for the truthfulness, completeness and legality of the materials provided by them. The purpose of assets valuation is to estimate the value of the subject of assets valuation and thereby express professional opinions, and it is beyond the working scope of the valuer to confirm or express an opinion on the legal ownership of the subject of assets valuation. The valuer of our firm shall not provide guarantees for the legal ownership of the subject of assets valuation and assume any liabilities of legal dispute arising from property right.

Necessary verification on information in relation to the valuation subject's legal ownership provided by the principal and property right owner, and its source is conducted by the valuer and the results thereof are hereby disclosed. Upon verification, except for the matters below, the valuation subject's legal ownership information provided by the principal and property right owner clearly identifies the property owner as the holder of rights to relevant assets.

The exceptions are as follows:

No property ownership certificates have been obtained for the properties and parking spaces included in the scope of this valuation. The property rights owner has provided the "Real Property Registration List" issued by Xi'an Real Estate Information and Archives Management Center, and there are no property rights disputes. This valuation was based on the assumption that there were no property rights disputes regarding the above-mentioned properties, and did not take into account the costs that will be incurred when applying for property ownership certificates in the future. For properties that have not yet obtained property ownership certificates, the floor area was mainly determined based on the certificate of confirmation of rights and other materials provided by the enterprise, combined with on-site investigations. The final floor area and property rights of the buildings shall be determined according to the property rights certificates issued by the local real estate administrative department through surveying and mapping. For details, please refer to the table below:

No.	Name of building	Purpose	Date of completion	Floor/Storey of structure	Floor area (m ²)
1	Block A of Kingfar Building – Underground Commercial Area – F108	Commercial	September 2018	-1/-1	139.14
2	Block A of Kingfar Building – Underground Commercial Area – F109	Commercial	September 2018	-1/-1	447.48

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

No.	Name of building	Purpose	Date of completion	Floor/Storey of structure	Floor area (m ²)
3	Block A of Kingfar Building – Underground Commercial Area – F114	Commercial	September 2018	-1/-1	88.18
4	Block A of Kingfar Building – Underground Commercial Area – F118	Commercial	September 2018	-1/-1	262.12
5	Block A of Kingfar Building – Underground Commercial Area – F120	Commercial	September 2018	-1/-1	180.84
6	Block A of Kingfar Building – Underground Commercial Area – F121	Commercial	September 2018	-1/-1	1,280.83
7	Block A of Kingfar Building – Underground Commercial Area – F122	Commercial	September 2018	-1/-1	112.77
8	Block A of Kingfar Building – Underground Commercial Area – F123	Commercial	September 2018	-1/-1	184.13
9	Block A of Kingfar Building – Underground Commercial Area – F124	Commercial	September 2018	-1/-1	196.59
10	Block A of Kingfar Building – Underground Commercial Area – F126	Commercial	September 2018	-1/-1	103.55
11	Block A of Kingfar Building – 202	Commercial	September 2018	2/16	85.46
12	Block A of Kingfar Building – Underground (others) – F110	Others	September 2018	-1/-1	48.32
13	Block A of Kingfar Building – Underground (others) – F111	Others	September 2018	-1/-1	89.40
14	Block A of Kingfar Building – Underground (others) – F112	Others	September 2018	-1/-1	48.32
15	Underground Standard Parking Space of Kingfar Building	Parking space	September 2018	-2--3/16	8,743.12
16	Air-raid Shelter Parking Space of Kingfar Building	Parking space	September 2018	-3/16	2,038.64
17	Mechanical Parking Space of Kingfar Building	Parking space	September 2018	-2/16	1,467.96
Total					15,516.85

(III) Unresolved Legal, Economic and Other Matters on the Valuation Benchmark Date

No unresolved legal, economic and other matters of the property rights owner were identified on the Valuation Benchmark Date in this valuation.

(IV) Guarantee, lease and contingent liabilities (contingent assets) and other matters

No guarantee, lease and contingent liabilities (contingent assets) and other matters of the property rights owner were identified on the Valuation Benchmark Date in this valuation.

(V) Major subsequent events

Major subsequent events refer to the matters that may have an impact on the valuation conclusion between the Valuation Benchmark Date and the asset valuation report date.

During the period from the Valuation Benchmark Date to the valuation report date, the principal and the property rights owner had not reported any subsequent events that had a significant impact, and the asset valuation professionals had not identified any subsequent events that had a significant impact.

(VI) Defects in the economic behaviour corresponding to the assets valuation that may have a significant impact on the valuation conclusion

No defects in the economic behaviour corresponding to the assets valuation that may have a significant impact on the valuation conclusion were identified in this valuation.

(VII) Other Matters Required to be Explained

1. The prerequisite and assumption for the establishment of the valuation report: This valuation conclusion is based on the assumptions set in this report and determines the market value of the assets being valued at the Valuation Benchmark Date, without considering the impact on the appraised value due to the possible pledge and guarantee to be undertaken in the future and the incremental consideration might be paid for special transactions, nor the impact of changes in national macroeconomic policies and the impact of natural forces and other force majeure on the value of the appraised subject. If the aforesaid conditions and other circumstances such as the going concern principle followed in the valuation change, the valuation conclusion would generally be invalidated. The appraisal agency is not liable for the invalidity of the valuation conclusion due to changes of such conditions.

2. The appraisal agency and valuer shall not be liable for any defective matters of the enterprise that may affect the valuation in the absence of any special explanation by the enterprise and which the valuer cannot generally be informed of based on their professional experience.
3. In this valuation, the technical evaluation of physical assets was mainly conducted through visual inspection. No instruments were used for testing and examination, and no technical inspection was carried out on the internal structure (parts that cannot be observed by the naked eye). The appraisers made judgments through on-site investigation without the assistance of any testing instruments, on the premise that the relevant valuation materials provided by the property rights owner are true and valid.
4. For the concealed works included in the valuation and assets that do not meet the conditions for on-site investigation, due to the limitations of objective conditions, the valuation professionals were unable to conduct on-site investigations and measurements. Instead, they made judgments based on the data and materials provided by the property rights owners and the information obtained from on-site investigations.
5. The list of assets involved in the appraised subject are provided by the principal and the property rights owner and confirmed by their signature, seal or other legally permitted means. The principal and other relevant parties are legally responsible for the authenticity, completeness and legality of the information provided.
6. The valuation conclusions have not taken into account the tax liabilities arising from the increase or decrease in value of the valuation subject, and the final tax liabilities to be undertaken shall be based on the amount of tax liabilities approved by the local tax authorities.
7. If there is a material change in the number of assets between the valuation report date and the validity of the valuation report, the amount of assets should be adjusted accordingly; if there is a change in the asset price criteria which has a significant impact on the valuation conclusions, a revaluation should be carried out.
8. The 37 civil air defence parking spaces included in this valuation scope shall be governed by Article 254 of the Civil Code of the People's Republic of China, which stipulates: "National defense assets are owned by the State. Civil air defense parking spaces serving national defense purposes shall belong to the State". Article 705 of the Civil Code of the People's Republic of China provides: "The lease term may not exceed twenty years. Any portion of a lease term exceeding twenty years shall be void. Upon expiry of the lease term, the parties may renew the lease contract; provided, however, that the renewed lease term

shall not exceed twenty years from the date of renewal". Furthermore, Article 5(2) of the Civil Air Defense Law of the People's Republic of China provides: "The State encourages and supports enterprises, institutions, social organizations, and individuals to invest in the construction of civil air defense projects through various channels. During peacetime, the investors shall have the right to use and manage such civil air defense projects, and the income derived therefrom shall belong to the investors". Therefore, in accordance with the above legal provisions, this valuation only assesses the right to use these civil air defense parking spaces, while ownership remains vested in the State. Users of this report are specifically advised to note this distinction.

9. This valuation does not consider the impact of existing lease agreements on the subject property. For the treatment of the above special issues and the possible impact of these special issues on the valuation conclusions, the users of the valuation report are advised to pay attention to the impact on the economic behavior.

XII. LIMITATIONS ON THE USE OF THE ASSET VALUATION REPORT

- (1) The asset valuation report may only be used according to the objectives and purposes as stated herein, and shall not be used for any other objectives or purposes.
- (2) The asset valuation agency and its asset valuers shall not bear responsibilities if the principal or other users of the asset valuation report fail(s) to use the asset valuation report in accordance with the provisions of laws and administrative regulations and within scope of use specified in the asset valuation report.
- (3) Except for the principal, other users of the asset valuation report designed in the asset valuation engagement contract and users of the asset valuation report stipulated by laws and administrative regulations, any other institutions or individuals shall not become the users of the asset valuation report.
- (4) The users of the asset valuation report should correctly interpret the valuation conclusion, which is not equivalent to the realisable value of the appraised subject and should not be regarded as a guarantee for the realisable value of the appraised subject.
- (5) Unless otherwise provided by the laws and administrative regulations and agreed by relevant parties, the contents of the asset valuation report shall not be extracted, referenced to or disclosed to public media without the consent from the asset valuation agency.

- (6) The valuation conclusion in the asset valuation report are valid for a period not exceeding one year from the Valuation Benchmark Date to the realization date of the economic transaction. Specifically, the validity period is from 31 October 2025 to 30 October 2026. Should this period be exceeded, a new asset valuation shall be conducted.
- (7) The analysis on the value of assets concerned in the valuation report is solely applicable to specific use stated in the valuation report. Individual value of any part of the assets concerned is not applicable to any other purposes and may not be applicable to other valuation report.
- (8) The valuation report includes several inspection documents and detailed valuation schedules, which constitute integral parts of the report. Together with the main body of the report, they form a complete whole. The inspection documents and detailed valuation schedules are not valid for independent use and shall only be effective when used in conjunction with the main body of the valuation report.

XIII. DATE OF THE ASSET VALUATION REPORT

The date of the asset valuation report is 21 November 2025.

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XIV. SIGNATURE AND SEAL

Newland Real Estate Asset Valuation Co., Ltd.*
(新蘭特房地產資產評估有限公司)

Asset valuer:

Asset valuer:

21 November 2025

(This report shall become effective only when both the valuation conclusion page and this signature page are duly stamped with the official seal)

* *For identification purpose only*

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

FIXED ASSETS VALUATION BREAKDOWN

Name of the Evaluated Entity:
Xi'an Kingfar Real Estate Co., Ltd.

Valuation Benchmark Date: 31 October 2025

Table 4-10-1
Unit: RMB

Building Ownership Certificate No.	Land Ownership Certificate No.	Detailed Address	Name of the Building	Structure	Completion Date	Floor Area (m^2)	Amount Usage	Number of Structural Layers	Floor Height (m)	Decoration Situation of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m^2)	Remark	
1	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Reinforced concrete	September 2018	139.14	/ Commercial	-1/-1	4.5 Simple Decoration	1,740,600.00	1,740,600.00	12,510.00		
2	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Commercial Unit - F108	Reinforced concrete	September 2018	447.48	/ Commercial	-1/-1	4.5 Simple Decoration	5,430,000.00	5,430,000.00	12,135.00	
3	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Commercial Unit - F109	Reinforced concrete	September 2018	88.18	/ Commercial	-1/-1	4.5 Simple Decoration	992,800.00	992,800.00	11,259.00	
4	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Commercial Unit - F114	Reinforced concrete	September 2018	262.12	/ Commercial	-1/-1	4.5 Simple Decoration	3,246,300.00	3,246,300.00	12,385.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building No.	Land Ownership Certificate No.	Detailed Address	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Decoration of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark		
5	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Reinforced concrete	September 2018	180.84	/ Commercial	-1/-1	4.5 Simple Decoration	2,239,700.00	2,239,700.00	12,385.00			
6	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Reinforced concrete	September 2018	1,280.83	/ Commercial	-1/-1	4.5 Simple Decoration	12,567,300.00	12,567,300.00	9,812.00			
7	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Commercial	Unit - F121	Reinforced concrete	September 2018	112.77	/ Commercial	-1/-1	4.5 Simple Decoration	1,269,700.00	1,269,700.00	11,259.00	
8	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Commercial	Unit - F122	Reinforced concrete	September 2018	184.13	/ Commercial	-1/-1	4.5 Simple Decoration	2,188,300.00	2,188,300.00	11,885.00	
9	Nil	Xi Jing Guo Yong (2004 Chu) (S2, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Commercial	Unit - F123	Reinforced concrete	September 2018	196.59	/ Commercial	-1/-1	4.5 Simple Decoration	2,242,900.00	2,242,900.00	11,409.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building No.	Land Ownership Certificate No.	Detailed Address	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Decoration of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
10	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Reinforced concrete	September 2018	103.55	/ Commercial	-1/-1	4.5 Simple Decoration	1,181,400.00	1,181,400.00	11,409.00	
11	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Commercial Unit - F1/26	Reinforced concrete	September 2018	85.46	/ Commercial	2/16	3.5 Simple Decoration	934,400.00	934,400.00	10,934.00	
12	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement	Reinforced concrete	September 2018	48.32	/ Other	-1/-1	4.5 Simple Decoration	528,300.00	528,300.00	10,933.00	
13	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Other Area - F1/10	Reinforced concrete	September 2018	89.40	/ Other	-1/-1	4.5 Simple Decoration	977,500.00	977,500.00	10,934.00	
14	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053	No.132 Weiyang Road, Weiyang District, Xi'an	Kingfar Building Block A - Basement Other Area - F1/11	Reinforced concrete	September 2018	48.32	/ Other	-1/-1	4.5 Simple Decoration	528,300.00	528,300.00	10,933.00	
15	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-01	Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height of the Building (m)	Decoration Situation of the Building (m)	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
16 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-02 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
17 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-03 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
18 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-04 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
19 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-05 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
20 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-06 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
21 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-07 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
22 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-08 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
23 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-09 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Decoration	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
24	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-10 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
25	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-11 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
26	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-12 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
27	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-13 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
28	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-14 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
29	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-15 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
30	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-16 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
31	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-17 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Decoration	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
32 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-18 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
33 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-19 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
34 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-20 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
35 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-21 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
36 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-22 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
37 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-23 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
38 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-24 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
39 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-25 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
40 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-26 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
41 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-27 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
42 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-28 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
43 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-29 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
44 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-30 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
45 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-31 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
46 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-32 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
47 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-33 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
48 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-34 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
49 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-35 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
50 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-36 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
51 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-37 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
52 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-38 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
53 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-39 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
54 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-40 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	
55 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-41 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
56 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-42 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
57 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-43 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
58 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-44 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
59 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-52 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
60 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-53 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
61 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-54 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
62 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-73 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
63 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-74 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Detailed Address	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Decoration	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
64	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-75 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
65	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-80 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
66	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-81 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
67	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-83 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
68	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-86 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
69	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 1-F197 Reinforced concrete	September 2018	44.08	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
70	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-05 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	
71	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-06 Reinforced concrete	September 2018	38.94	1	Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00	100,000.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height of the Building (m)	Decoration Situation of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
72 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-07 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
73 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-38 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
74 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-39 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
75 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-40 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
76 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-44 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
77 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2-45 Reinforced concrete	September 2018	38.94	1 Parking	-2/16	/ /	100,000.00	100,000.00	100,000.00		
78 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B3-Zone 11-80 Reinforced concrete	September 2018	3,125.48	80 Parking	-3/16	/ /	6,400,000.00	6,400,000.00	80,000.00		
79 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B3-Zone 21-81 Reinforced concrete	September 2018	3,159.28	81 Parking	-3/16	/ /	6,480,000.00	6,480,000.00	80,000.00		

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height (m)	Situation of the Building	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
80 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B3-Zone 3 1-37 (CAD)	Reinforced concrete	September 2018	2,038.64	37	Parking	-3/16 / /	2,960,000.00	2,960,000.00	80,000.00	
81 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 49 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	
82 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 51 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	
83 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 52 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	
84 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 53 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	
85 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 54 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	
86 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 55 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	
87 Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 61 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16 / /	400,000.00	400,000.00	80,000.00	

APPENDIX IIB PRC VALUATION REPORT ON THE TARGET ASSETS

Building Ownership Certificate No.	Land Ownership Certificate No.	Detailed Address	Name of the Building	Structure	Completion Date	Floor Area (m ²)	Amount Usage	Structural Layers	Floor Height of the Building (m)	Decoration	Appraised Value Original	Net	Valued Unit Price (RMB/m ²)	Remark
88	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 67 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16	/ /	400,000.00	400,000.00	80,000.00
89	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 68 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16	/ /	400,000.00	400,000.00	80,000.00
90	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 69 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16	/ /	400,000.00	400,000.00	80,000.00
91	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 70 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16	/ /	400,000.00	400,000.00	80,000.00
92	Nil	Xi Jing Guo Yong (2004 Chu) 052, 053, 054	No.132 Weiyang Road, Weiyang District, Xi'an	B2-Zone 2 72 (Mechanical)	Steel structure	September 2018	122.33	5	Parking	-2/16	/ /	400,000.00	400,000.00	80,000.00
										Total Buildings and Structures	15,516.85		63,007,500.00	63,007,500.00
										Less:				
										Impairment				
										Provisions				
										Net Buildings and Structures				

Valuer: Liu Yuan, Gao Mengyun, Han Yiyang
Completed by: Qiao Jiao
Completed on: 11 November 2025

Newland Appraisals Limited

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**Introduction**

The following is an illustrative unaudited pro forma condensed consolidated statement of assets and liabilities (“Unaudited Pro Forma Financial Information”) of the Company and its subsidiaries (collectively referred to as the “Group”) as at 30 June 2025 in connection with (i) the acquisition of 14 property units designated for commercial use at the building of Block A, Kingfar Building at No. 132 Weiyang Road, Xi'an, PRC (“Property”) with an aggregate GFA of 3,267.13 sq.m. and 224 standard car park spaces on the underground levels at the Property with an aggregate GFA of 8,743.12 sq.m. from Xi'an Kingfar Real Estate Co., Ltd. (“Kingfar Real Estate”); (ii) the lease of the 37 civil air defense project parking spaces at the Property totaling 2,038.64 sq.m. from Kingfar Real Estate; and (iii) the transfer of the usage right of the 60 mechanical parking spaces totaling 1,467.96 sq.m. at Floor B2 of the Property from Kingfar Real Estate (collectively referred to as the “Acquisition”).

The Unaudited Pro Forma Financial Information presented below is prepared to illustrate the effect of the Acquisition on assets and liabilities of the Group as if the Acquisition had been completed on 30 June 2025. The Unaudited Pro Forma Financial Information is prepared based on the unaudited condensed consolidated statement of financial position as at 30 June 2025 extracted from the Group’s unaudited condensed consolidated financial information for the six months ended 30 June 2025, after making the pro forma adjustments relating to the Acquisition that are directly attributable to the Acquisition and not related to future events or decisions; and factually supportable.

The Unaudited Pro Forma Financial Information has been prepared by Directors in accordance with Rule 4.29 of the Listing Rules, for illustrative purpose only and is based on a number of assumptions, estimates, uncertainties and currently available information. Accordingly, the Unaudited Pro Forma Financial Information does not purport to describe the actual assets and liabilities of the Group that would have been attained had the Acquisition been completed on 30 June 2025 nor purport to predict the Group’s future assets and liabilities. The Unaudited Pro Forma Financial Information should be read in conjunction with the historical financial information of the Group as set out in the interim report published by the Group for the six months ended 30 June 2025, and other financial information included elsewhere in this Circular.

B. UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2025

	The Group as at 30 June 2025 <i>RMB'000</i> (unaudited) (<i>Note 1</i>)	Pro Forma Adjustment <i>RMB'000</i>	Pro Forma of the Group after Transactions as at 30 June 2025 <i>RMB'000</i> (unaudited) (<i>Note 2</i>)
Non-current assets			
Investment property and other plant and equipment	94,518	57,753	152,271
Intangible assets	7,560	–	7,560
Goodwill	1,769	–	1,769
Deferred tax assets	13,814	–	13,814
	<hr/>	<hr/>	<hr/>
	117,662	57,753	175,414
Current assets			
Inventories	192	–	192
Trade and other receivables	328,632	5,255	333,887
Prepayments	11,383	–	11,383
Cash at bank and on hand	360,631	(63,008)	297,623
	<hr/>	<hr/>	<hr/>
	700,838	(57,753)	643,085
Current liabilities			
Trade and other payables	476,757	–	476,757
Contract liabilities	43,413	–	43,413
Lease liabilities	604	–	604
Current taxation	129	–	129
	<hr/>	<hr/>	<hr/>
	520,903	–	520,903
Net current assets	179,935	57,753	122,182
Total assets less current liabilities	297,596	–	297,596
Non-current liabilities			
Long-term payables	2,556	–	2,556
Deferred income	823	–	823
Lease liabilities	29	–	29
	<hr/>	<hr/>	<hr/>
	3,408	–	3,408
NET ASSETS	294,188	–	294,188
	<hr/>	<hr/>	<hr/>

Notes:

1. The unaudited pro forma consolidated statement of assets and liabilities of the Group as at 30 June 2025 is extracted, without adjustments, from the consolidated statement of financial position of the Group as of 30 June 2025 as set out in the published interim report of the Company for the six months ended 30 June 2025.
2. The adjustments are to reflect the consideration of the Acquisition of RMB63,007,500 (inclusive of value-added tax attributable to the Acquisition of RMB5,255,000). The related transaction costs of the Acquisition are minimal.

Pursuant to the Asset Acquisition Agreement (as defined in this Circular), the consideration will be satisfied by cash. The Directors expect that the cash consideration will be solely funded by the Group's internal resources.

The properties acquired will be classified as investment properties as they will be held by the Group to earn rentals or for capital appreciation or both. The investment properties are initially measured at cost (inclusive of transaction costs) and subsequently stated at cost less subsequent accumulated depreciation and any accumulated impairment losses (if any).

3. No adjustments have been made to reflect any trading or other transactions of the Group entered into subsequent to 30 June 2025.

C. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Directors

Xi'an Kingfar Property Services Co., Ltd.
Room 10701, Unit 1, Building 3
Xi'an Financial Innovation Center
No. 51 Fengcheng Second Road
Economic and Technological Development Zone
Xi'an, Shaanxi, PRC

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Xi'an Kingfar Property Services Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 30 June 2025 and related notes as set out on in Appendix III of the circular dated 14 January 2026 (the "Circular") in connection with (i) the acquisition of 14 property units designated for commercial use at the building of Block A, Kingfar Building at No. 132 Weiyang Road, Xi'an, PRC ("Property") with an aggregate GFA of 3,267.13 sq.m. and 224 standard car park spaces on the underground levels at the Property with an aggregate GFA of 8,743.12 sq.m. from Xi'an Kingfar Real Estate Co., Ltd. ("Kingfar Real Estate"); (ii) the lease of the 37 civil air defense project parking spaces at the Property totaling 2,038.64 sq.m. from Kingfar Real Estate; and (iii) the transfer of the usage right of the 60 mechanical parking spaces totaling 1,467.96 sq.m. at Floor B2 of the Property from Kingfar Real Estate (collectively referred to as the "Acquisition"). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on page III-1 of the Circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Acquisition on the Group's financial position as 30 June 2025 as if the Acquisition had taken place at 30 June 2025. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the Company's interim results announcement for the six months period ended 30 June 2025, which was published on 27 August 2025.

Directors' Responsibility for the Unaudited pro forma Financial Information

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management (“HKSQM”) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in the Circular is solely to illustrate the impact of the Acquisition on unadjusted financial information of the Group as if the Acquisition had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Acquisition at 30 June 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Lau Kai Wong

Practising Certificate Number: P06623

Hong Kong

14 January 2026

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 DISCLOSURE OF INTERESTS**(a) Directors' and chief executive's interests and short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations**

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had or was deemed to have any interests and short positions in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which are required to be (i) 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 the Directors and chief executive were taken or deemed to have under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, save that (i) Ms. Li Lingxiao, a non-executive Director, is a deputy director of the strategic investment department of Kingfar Group and (ii) Mr. Yang Gang, a non-executive Director, is a deputy director of the finance department of Kingfar Group, none of the Directors was a director or employee of a company which had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Substantial Shareholders' interests and short positions in Shares and underlying Shares

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, the following persons/entities have interests and/or short positions in the Shares or the underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO, or are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Name of Shareholder	Nature of interest	Description of Shares ⁽²⁾	Number of Shares ⁽¹⁾	Shares/ H Shares	Approximate percentage of shareholding in the unlisted Domestic	Approximate percentage in the total issued capital of the Company ⁽³⁾
Xi'an Kingfar Holdings (Group) Co., Ltd.* (西安經發控股(集團)有限公司)	Beneficial owner	Unlisted Domestic Shares	5,000,000 (L)	10.00%	7.50%	
	Interest in a controlled corporation ⁽⁴⁾	Unlisted Domestic Shares	45,000,000 (L)	90.00%	67.50%	
Xi'an Kingfar Group Co., Ltd.* (西安經發集團有限公司)	Beneficial owner	Unlisted Domestic Shares	45,000,000 (L)	90.00%	67.50%	
Xi'an Tianbo Diagnostic Technology Co., Ltd.* (西安天博診斷技術有限公司)	Beneficial owner	H Shares	4,391,100 (L)	26.35%	6.59%	
Meng Wujun (蒙武軍)	Interest in a controlled corporation ⁽⁵⁾	H Shares	4,391,100 (L)	26.35%	6.59%	
Xi'an Dingzhun Education Technology Co., Ltd.* (西安盯準教育科技有限公司)	Beneficial owner	H Shares	1,463,700 (L)	8.78%	2.20%	
Ding Huaming (丁華明)	Interest in a controlled corporation ⁽⁶⁾	H Shares	1,463,700 (L)	8.78%	2.20%	
Jue Trading Group (Hong Kong) Co., Limited (聚鷗貿易集團(香港)有限公司)	Beneficial owner	H Shares	3,564,000 (L)	21.38%	5.35%	
Pan Zhixiong (潘智雄)	Interest in a controlled corporation ⁽⁷⁾	H Shares	3,564,000 (L)	21.38%	5.35%	

Name of Shareholder	Nature of interest	Description of Shares ⁽²⁾	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in the unlisted Domestic Shares		Approximate percentage in the total issued capital of the Company ⁽³⁾
				H Shares	Shares/ H Shares	
Kaufmann & Company Pan-Asia Limited	Beneficial owner	H Shares	1,320,000 (L)	7.92%	7.92%	1.98%
The Reynold Lemkins Group (Asia) Limited	Beneficial owner	H Shares	1,320,000 (L)	7.92%	7.92%	1.98%

Notes:

1. (L) denotes the person's long position in the Shares.
2. For the avoidance of doubt, both unlisted Domestic Shares and H Shares are ordinary Shares in the share capital of the Company, and are considered as one class of Shares.
3. The calculation is based on a total of 66,666,800 Shares in issue as of 30 June 2025, which consists of 50,000,000 unlisted Domestic Shares and 16,666,800 H Shares.
4. As at the Latest Practicable Date, Xi'an Kingfar Group Co., Ltd.* (西安經發集團有限責任公司) was owned as to approximately 94.07% by Xi'an Kingfar Holdings (Group) Co., Ltd.* (西安經發控股(集團)有限責任公司). By virtue of the SFO, Kingfar Holdings (Group) Co., Ltd.* (西安經發控股(集團)有限責任公司) was deemed to be interested in the Shares held by Xi'an Kingfar Group Co., Ltd.* (西安經發集團有限責任公司).
5. As at the Latest Practicable Date, Xi'an Tianbo Diagnostic Technology Co., Ltd.* (西安天博診斷技術有限公司) was owned as to 64.10% by Meng Wujun. By virtue of the SFO, Meng Wujun was deemed to be interested in the Shares held by Xi'an Tianbo Diagnostic Technology Co., Ltd.* (西安天博診斷技術有限公司).
6. As at the Latest Practicable Date, Xi'an Dingzhun Education Technology Co., Ltd.* (西安盯準教育科技有限公司) was owned as to 66.00% by Ding Huaming. By virtue of the SFO, Ding Huaming was deemed to be interested in the Shares held by Xi'an Dingzhun Education Technology Co., Ltd.* (西安盯準教育科技有限公司).
7. As at the Latest Practicable Date, Jue Trading Group (Hong Kong) Co., Limited (聚鷗貿易集團(香港)有限公司) was wholly owned by Pan Zhixiong. By virtue of the SFO, Pan Zhixiong was deemed to be interested in the Shares held by Jue Trading Group (Hong Kong) Co., Limited (聚鷗貿易集團(香港)有限公司).

Save as disclosed above, as at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other persons/entities who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

3 DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service agreement with any member of the Group nor were there any other service agreements proposed which would not expire or to be determinable by the member of the Group within one year without payment of compensation (other than statutory compensation).

4 DIRECTORS' INTEREST IN ASSETS/CONTRACTS AND OTHER INTERESTS**Interests in assets**

As at the Latest Practicable Date, save that Mr. Zhao Junping is a director and general manager of Kingfar Real Estate which in turn is the existing owner of the Target Assets, none of the Directors had any direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, or which 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.

Interests in contracts

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 which was subsisting and which was significant in relation to the business of the Group.

5 DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

6 MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) were entered into by members of the Group within the two years immediately preceding the date of this circular which are or may be material:

- (a) a deed of non-competition dated 13 June 2024 and executed by Kingfar Group, Kingfar Holdings and the Company in respect of the non-competition undertaking given by Kingfar Group and Kingfar Holdings in favour of the Company;
- (b) a deed of indemnity dated 13 June 2024 and executed by Kingfar Group, Kingfar Holdings and the Company;
- (c) a cornerstone investment agreement (基石投資協議) dated 20 June 2024 entered into among the Company, Xi'an Tianbo Diagnostics Co., Ltd. (西安天博診斷技術有限公司) and CEB International Capital Corporation Limited (光銀國際資本有限公司), pursuant to which Xi'an Tianbo Diagnostics Co., Ltd. (西安天博診斷技術有限公司) agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 300 H Shares) that may be purchased for an amount of Hong Kong dollar equivalent of RMB30,000,000;
- (d) a cornerstone investment agreement (基石投資協議) dated 20 June 2024 entered into among the Company, Xi'an Dingzhen Education and Technology Co., Ltd. (西安盯準教育科技有限公司) and CEB International Capital Corporation Limited (光銀國際資本有限公司), pursuant to which Xi'an Dingzhen Education and Technology Co., Ltd. (西安盯準教育科技有限公司) agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 300 H Shares) that may be purchased for an amount of Hong Kong dollar equivalent of RMB10,000,000;
- (e) a cornerstone investment agreement (基石投資協議) dated 20 June 2024 entered into among the Company, The Reynold Lemkins Group (Asia) Limited and CEB International Capital Corporation Limited (光銀國際資本有限公司), pursuant to which The Reynold Lemkins Group (Asia) Limited agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 300 H Shares) that may be purchased for an amount of HK\$9,900,000;
- (f) the Hong Kong underwriting agreement dated 21 June 2024 relating to the Hong Kong Public Offering and entered into by the Company, Kingfar Group, Kingfar Holdings, CEB International Capital Corporation Limited, CMB International Capital Limited, CCB International Capital Limited, ABCI Capital Limited, ICBC International Securities Limited, CMBC Securities Company Limited, Shanxi Securities International Limited, China Everbright Securities (HK) Limited, Zhongtai International Securities Limited, China Galaxy International Securities (Hong Kong) Co., Limited, Cinda International Capital Limited, Tiger Brokers (HK) Global Limited, FUTU Securities International (Hong Kong) Limited, Livermore Holdings

Limited, Aristo Securities Limited, Patrons Securities Limited, Sunhigh Financial Holdings Limited and Ruibang Securities Limited relating to the offer for subscription of the H Shares by the public in Hong Kong on and subject to the terms and conditions set out in the prospectus of the Company dated 24 June 2024; and

(g) the Transaction Documents.

7 EXPERTS' QUALIFICATIONS AND CONSENTS

The following are qualifications of the expert who has given its opinion or advice which is included in this circular:

Name	Qualification
Alliance Capital Partners Limited	licensed corporation permitted to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Newland Appraisals Limited	Independent professional valuer
Cushman & Wakefield Limited	Independent professional valuer
Shinewing (HK) CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, neither the Independent Financial Adviser, HK Valuer, PRC Valuer or Shinewing had any shareholding, directly or indirectly in any member of the Group, nor did any of them have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did any of them have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired to disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

Each of the Independent Financial Adviser, HK Valuer, PRC Valuer and Shinewing has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letters and/or reports and/or references to its name in the form and context in which they respectively appear.

8 MATERIAL LITIGATION

As at the Latest Practicable Date, none of the Company and its subsidiaries was engaged in any material litigation or arbitration and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company and its subsidiaries.

9 DOCUMENTS ON DISPLAY

Electronic copies of each of the following documents will be published on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.xajfwy.com>) for a period of 14 days from the date of this circular:

- (a) the Transaction Documents;
- (b) the property valuation report on the Target Assets from the HK Valuer, the text of which is set out in Appendix IIA to this circular;
- (c) the property valuation report on the Target Assets from the PRC Valuer, the text of which is set out in Appendix IIB to this circular; and
- (d) the report on the unaudited pro forma financial information of the Group from Shinewing, the text of which is set out in Appendix III to this circular.

10 MISCELLANEOUS

- (a) The H share registrar of the Company is Computershare Hong Kong Investor Services Limited, which is located at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (b) The authorized representatives of the Company are Mr. Wu Suozheng, Chairman and Executive Director and Ms. Leung Shui Bing, joint company secretary.
- (c) Ms. Leung Shui Bing and Mr. Li Xiuyuan are joint company secretaries of the Company. Ms. Leung is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (d) The English texts of this circular shall prevail over the Chinese texts.

* *For identification purposes only*

NOTICE OF EXTRAORDINARY GENERAL MEETING



Xi'an Kingfar Property Services Co., Ltd. **西安經發物業股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1354)*

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Xi'an Kingfar Property Services Co., Ltd (the “**Company**”) will be held at Friday, 30 January 2026 at 10:00 a.m. at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC for the purpose of considering, if thought fit, passing, with or without modification, the following resolution. Words and expressions that are not expressly defined in this notice of extraordinary general meeting shall bear the same meaning as that defined in the circular of the Company dated 14 January 2026 (the “**Circular**”).

ORDINARY RESOLUTION

“THAT:

- (a) each of the Transaction Documents and the consummation of transactions contemplated thereunder (namely, the Transactions) as more particularly described in the Circular and on the terms and conditions set out in the Transaction Documents be hereby approved, ratified and confirmed; and
- (b) any one Director be and is hereby authorized, for and on behalf of the Company, to complete and do all such acts or things (including signing and executing all such documents, instruments and agreements as may be required, including under seal where applicable) as the Company, such Director or, as the case may be, the Board may consider necessary, desirable or expedient or in the interest of the Company to give effect to the terms of the matters contemplated under the Transaction Documents and all transactions contemplated thereunder and all other matters incidental thereto or in connection therewith.”

By order of the Board
Xi'an Kingfar Property Services Co., Ltd.
Mr. Wu Suozheng
Chairman of the Board and Executive Director

Hong Kong, 14 January 2026

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered Office:

Room 10701, Unit 1, Building 3
Xi'an Financial Innovation Center
No. 51 Fengcheng Second Road
Economic and Technological Development Zone
Xi'an, Shaanxi
PRC

Notes:

- (1) Any member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorized to sign the same.
- (3) In order to be valid, the completed proxy form together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof (as the case may be).
- (4) Completion and return of the form of proxy will not preclude members from attending and voting in person at the Meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (5) Where there are joint registered holders of any share, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the share(s) shall be accepted to the exclusion of the votes of the other joint registered holders.
- (6) The register of members of the Company will be closed from Tuesday, 27 January 2026 to Friday, 30 January 2026, both days inclusive, during which period no transfer of shares will be registered. For the purpose of ascertaining the shareholders' eligibility to participate in the extraordinary general meeting of the Company to be held on Friday, 30 January 2026 at 10:00 a.m., all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 26 January 2026. Shareholders whose names appear on the register of members of the Company on Friday, 30 January 2026, being the record date for the EGM, are entitled to attend and vote at the EGM.