
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of the Proposal, this Scheme Document or as to the actions to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your Shares in Beijing Properties (Holdings) Limited, you should at once hand this Scheme Document and the accompanying forms of proxy to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Scheme Document, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Scheme Document.

This Scheme Document appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of Brilliant Bright Holdings Limited or Beijing Properties (Holdings) Limited.



BRILLIANT BRIGHT HOLDINGS LIMITED

皓明控股有限公司

*(Incorporated as a business company limited by
shares under the laws of the British Virgin Islands)*

BEIJING PROPERTIES (HOLDINGS) LIMITED

北京建設（控股）有限公司

*(Incorporated in Bermuda with limited liability)
(Stock Code: 925)*

(1) PROPOSAL FOR THE PRIVATISATION OF BEIJING PROPERTIES (HOLDINGS) LIMITED BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 99 OF THE COMPANIES ACT (2) PROPOSED WITHDRAWAL OF LISTING

Financial Adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



RAINBOW CAPITAL (HK) LIMITED
雷博資本有限公司

Unless the context otherwise requires, capitalised terms used in this Scheme Document (including this cover page) are defined in the section headed “Definitions” in Part I of this Scheme Document.

A letter from the Board is set out in Part V of this Scheme Document. A letter from the Independent Board Committee containing its advice to the Disinterested Shareholders in respect of the Proposal and the Scheme is set out in Part VI of this Scheme Document. A letter from Rainbow Capital (HK) Limited, being the Independent Financial Adviser, containing its advice to the Independent Board Committee in connection with the Proposal and the Scheme is set out in Part VII of this Scheme Document. An Explanatory Statement regarding the Scheme is set out in Part VIII of this Scheme Document.

The actions to be taken by the Shareholders are set out in Part III of this Scheme Document.

Notices convening the Court Meeting to be held at 10:00 a.m. on 20 August 2025 and the SGM to be held at 10:30 a.m. (or immediately after the conclusion or adjournment of the Court Meeting) on 20 August 2025 are set out in Appendix V and Appendix VI to this Scheme Document respectively. Whether or not you are able to attend the Court Meeting and/or the SGM or any adjournment thereof in person, you are strongly urged to complete and sign the enclosed **pink** form of proxy in respect of the Court Meeting and the enclosed **white** form of proxy in respect of the SGM, in accordance with the instructions printed thereon and to lodge them at the office of the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event no later than the respective times and dates as stated under Part III – Actions to be taken of this Scheme Document. The **white** form of proxy in respect of the SGM will not be valid if it is not so lodged. In the case of the **pink** form of proxy in respect of the Court Meeting, if it is not so lodged, it may also be handed to the chairman of the Court Meeting (who shall have absolute discretion as to whether or not to accept it). Completion and return of the forms of proxy for Court Meeting and/or the SGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof, should you so wish. In the event that you attend and vote at the relevant meeting or any adjournment thereof after having lodged your forms of proxy, the returned forms of proxy will be revoked by operation of law.

This Scheme Document is issued jointly by the Offeror and the Company.

The English language text of this Scheme Document and the accompanying forms of proxy shall prevail over the Chinese version for the purpose of interpretation.

28 July 2025

NOTICE TO US INVESTORS

The Proposal is being made to cancel the securities of a company incorporated in Bermuda with limited liability by means of a scheme of arrangement provided for under the Companies Act and is subject to Bermuda and Hong Kong disclosure requirements, which are different from those of the United States. The financial information included in the relevant documentation, including this scheme document, has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the US Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in Bermuda and Hong Kong to schemes of arrangement, which differ from the disclosure requirements of the US tender offer rules. In addition, US holders of Scheme Shares should be aware that this scheme document has been prepared in accordance with Hong Kong format and style, which differs from US format and style.

The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation of its Scheme Shares pursuant to the Proposal may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of Scheme Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal applicable to him/her/it.

US holders of Scheme Shares may encounter difficulty enforcing their rights and any claims arising out of the US federal securities laws, as the Offeror and the Company are located in a country outside the United States and some or all of their officers and directors may be residents of a country other than the United States. US holders of Scheme Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, US holders of Scheme Shares may encounter difficulty compelling a non-US company and its affiliates to subject themselves to a US court's judgement.

CONTENTS

PART I	– DEFINITIONS	1
PART II	– QUESTIONS AND ANSWERS	8
PART III	– ACTIONS TO BE TAKEN	13
PART IV	– EXPECTED TIMETABLE	18
PART V	– LETTER FROM THE BOARD	22
PART VI	– LETTER FROM THE INDEPENDENT BOARD COMMITTEE ..	35
PART VII	– LETTER FROM THE INDEPENDENT FINANCIAL ADVISER ..	37
PART VIII	– EXPLANATORY STATEMENT	79
APPENDIX I	– FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II	– PROPERTY VALUATION REPORT	II-1
APPENDIX III	– INFORMATION ON THE OFFEROR, THE GROUP AND THE COMPANY	III-1
APPENDIX IV	– SCHEME OF ARRANGEMENT	IV-1
APPENDIX V	– NOTICE OF THE COURT MEETING	V-1
APPENDIX VI	– NOTICE OF THE SGM	VI-1

In this Scheme Document, the following expressions have the meanings set out below, unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to it in the Takeovers Code and “concert party” shall be construed accordingly
“Announcement”	the announcement dated 17 June 2025 issued jointly by the Offeror and the Company in relation to, among other things, the Proposal and the Scheme
“Announcement Date”	17 June 2025, being the date of the Announcement
“associate(s)”	has the meaning ascribed to it in the Takeovers Code
“BE City”	Beijing Enterprises City Development Group Limited, a limited liability company incorporated in the PRC and is wholly owned by BE Group
“BE Group”	Beijing Enterprises Group Company Limited* (北京控股集團有限公司), a state-owned enterprise established in the PRC and wholly owned by The State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality
“Beneficial Owner(s)”	beneficial owner(s) of the Shares registered in the name of a Registered Owner(s)
“BEREHK”	Beijing Enterprises Real Estate (HK) Limited, a limited liability company incorporated in the British Virgin Islands and is indirectly wholly owned by BE Group
“BHL”	Beijing Holdings Limited, a limited liability company incorporated in Hong Kong and is wholly owned by BE Group
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“Cancellation Price”	the cancellation price of HK\$0.140 per Scheme Share payable by the Offeror to the Scheme Shareholders pursuant to the Scheme

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a person admitted to participate in CCASS as a participant, including a CCASS Investor Participant
“CICC”	China International Capital Corporation Hong Kong Securities Limited, a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“Companies Act”	the Companies Act 1981 of Bermuda
“Company”	Beijing Properties (Holdings) Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 925)
“Conditions”	the conditions to the implementation of the Proposal and the Scheme as described in the section headed “4. Conditions to the Proposal and the Scheme” in the Explanatory Statement
“Controlling Shareholders”	collectively, the Offeror, BEREHK, BHL and Illumination
“Court”	the Supreme Court of Bermuda
“Court Meeting”	a meeting of the Scheme Shareholders convened at the direction of the Court to be held at 10:00 a.m. on 20 August 2025 at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong, at which the Scheme (with or without modification) will be voted upon, notice of which is set out in Appendix V to this Scheme Document, or any adjournment thereof
“Director(s)”	the director(s) of the Company

“Disinterested Share(s)”	Share(s) in issue, other than those beneficially owned by the Offeror Concert Parties. For the avoidance of doubt, Disinterested Shares include Shares in issue which are held by any member of the CICC group on a non-discretionary and non-proprietary basis for and on behalf of its clients who are not Offeror Concert Parties
“Disinterested Shareholder(s)”	the registered holder(s) of the Disinterested Shares. For the avoidance of doubt, the Disinterested Shareholders include any member of the CICC group acting in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code
“Effective Date”	the date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with the Companies Act and the Conditions, which is expected to be 27 August 2025 (Bermuda time)
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“exempt fund manager(s)”	has the meaning ascribed to it in the Takeovers Code
“exempt principal trader(s)”	has the meaning ascribed to it in the Takeovers Code
“Explanatory Statement”	the explanatory statement set out in Part VIII of this Scheme Document and issued in compliance with section 100 of the Companies Act
“Group”	the Company and its subsidiaries and the term “member of the Group” shall be construed accordingly
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Illumination”	Illumination Holdings Limited, a limited liability company incorporated in the British Virgin Islands and is indirectly wholly owned by BE Group

“Independent Board Committee”	an independent committee of the Board established pursuant to the Takeovers Code to give recommendations to the Disinterested Shareholders in respect of the Proposal and the Scheme
“Independent Financial Adviser” or “Rainbow Capital”	Rainbow Capital (HK) Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee in connection with the Proposal and the Scheme
“Irrevocable Undertakings”	the deed of irrevocable undertakings given by the IU Shareholders in respect of their Shares as described in the section headed by “ <i>Irrevocable Undertakings</i> ” in the Explanatory Statement
“IU Shareholders”	collectively, (i) Sallekey Capital Management Limited and Mr. Qi Wenyuan, (ii) Grand Mount Investment Limited and Mr. Niu Zhongjie, (iii) Mr. Ang Keng Lam, (iv) Ms. Cheng Peng and (v) Mr. Gu Shanchao, each of which, save as a Shareholder, (a) has no relationship with the Offeror and the Offeror Concert Parties; and (b) is independent of and not acting in concert with the Offeror and the Offeror Concert Parties
“Last Trading Day”	19 May 2025, being the last day on which the Shares were traded on the Stock Exchange prior to the publication of the Announcement
“Latest Practicable Date”	25 July 2025, being the latest practicable date for ascertaining certain information contained in this Scheme Document
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)

“Meeting Record Date”	20 August 2025, or such other date as shall have been announced to the Shareholders, being the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of Shareholders to attend and vote at the SGM
“Offeror”	Brilliant Bright Holdings Limited, a business company incorporated in the British Virgin Islands and is indirectly wholly owned by BE Group
“Offeror Concert Parties”	parties acting in concert or presumed to be acting in concert with the Offeror and/or BE City under the definition of “acting in concert” under the Takeovers Code (except in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code) in connection with the Proposal and the Scheme, including the Controlling Shareholders
“PRC”	the People’s Republic of China, which expression, solely for the purpose of construing this Scheme Document, does not include Hong Kong, Macau Special Administrative Region or Taiwan
“Proposal”	the proposal for the delisting of the Company by the Offeror by way of the Scheme and the maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares, and the withdrawal of the listing of the Shares from the Stock Exchange, on the terms and subject to the Conditions set out in this Scheme Document
“Registered Owner(s)”	holder(s) of Shares (including without limitation a nominee, trustee, depositary or any other authorised custodian or third party) whose name is entered in the register of members of the Company as a holder of Shares
“Relevant Period”	the period commencing on the date which is six months prior to the Announcement Date and ending on the Latest Practicable Date, both dates inclusive
“RMB”	Renminbi, the lawful currency of the PRC

“Sale Shares”	156,466,000 Shares held by the Sellers as at the Announcement Date
“Scheme”	a scheme of arrangement to be proposed under section 99 of the Companies Act and the maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares
“Scheme Document”	the composite scheme document, including each of the letters, statements, memorandum, appendices and notices in it
“Scheme Record Date”	27 August 2025, or such other date as shall have been announced to the Shareholders, being the record date for the purposes of determining entitlements of the Scheme Shareholders under the Scheme
“Scheme Share(s)”	the Shares in issue other than those held by the Controlling Shareholders
“Scheme Shareholder(s)”	the registered holder(s) of Scheme Shares
“Sellers”	collectively, (i) Mr. Ng Kin Nam, (ii) Jade Investment Limited and (iii) Ms. Jocelyn O. Angeleslao, each of which, save as a Shareholder and a party to the SPA, (a) had no relationship with the Offeror and the Offeror Concert Parties; and (b) was independent of and not acting in concert with the Offeror and the Offeror Concert Parties as at the Latest Practicable Date
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held at 10:30 a.m. (or immediately after the conclusion or adjournment of the Court Meeting) on 20 August 2025 at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong, notice of which is set out in Appendix VI to this Scheme Document, or any adjournment thereof
“Share Registrar”	Tricor Investor Services Limited

“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“SPA”	the share purchase agreement dated the Announcement Date in respect of the Sale Shares entered into between the Sellers and the Offeror, as amended by a letter agreement between the Sellers and the Offeror dated 9 July 2025
“SPA Completion”	the completion of the transfer of the Sale Shares to the Offeror in accordance with the SPA which took place on 18 July 2025
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“US” or “United States”	the United States of America
“%”	per cent.

* For identification purpose only

All references in this Scheme Document to times and dates are references to Hong Kong times and dates, except as otherwise specified and other than references to the expected date of the Court hearing of the petition to sanction the Scheme, which is the relevant date in Bermuda. For reference only, Bermuda time is 11 hours behind Hong Kong time as at the Latest Practicable Date.

The following are some of the questions that you, as a Scheme Shareholder or a Shareholder, may have and the answers to those questions.

This Scheme Document contains important information and you are encouraged to read this Scheme Document in full, including the appendices, carefully.

1. WHAT IS THE PURPOSE OF THIS SCHEME DOCUMENT?

The purpose of this Scheme Document is to provide you with further information regarding the Proposal and the Scheme and the expected timetable and to give you notice of the Court Meeting and the SGM (together with the proxy forms in relation thereto). Your attention is also drawn to (i) the letter from the Independent Board Committee set out in Part VI of this Scheme Document; (ii) the letter from the Independent Financial Adviser set out in Part VII of this Scheme Document; (iii) the Explanatory Statement set out in Part VIII of this Scheme Document; and (iv) the terms of the Scheme set out in Appendix IV to this Scheme Document.

2. WHAT ARE THE COURT MEETING AND, THE SGM AND THE COURT HEARING?

The Court Meeting is convened for the Scheme Shareholders to consider and, if thought fit, approve the Scheme.

The Court Meeting will be held at 10:00 a.m. on 20 August 2025 at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong.

The SGM is convened for the Shareholders to consider and, if thought fit, approve all resolutions necessary to implement the Proposal and the Scheme.

The SGM will be held at 10:30 a.m. (or immediately after the conclusion or adjournment of the Court Meeting) on 20 August 2025 at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong.

If the requisite approval is obtained at the Court Meeting and the resolutions are passed at the SGM, the Court hearing will be held for the Court to hear the petition to sanction the Scheme. The hearing to sanction the petition is listed to be heard on 22 August 2025 at 10:00 a.m. (Bermuda time). Any Scheme Shareholder who voted at the Court Meeting and any Beneficial Owner who gave voting instructions to a custodian or a clearing house who voted at the Court Meeting has the right to attend, or appear by counsel, and be heard on the hearing of the petition.

3. WHAT ARE THE PROPOSAL AND THE SCHEME?

The Proposal involves the delisting of the Company by the Offeror by way of the Scheme. Upon the fulfilment or waiver (as applicable) of the Conditions, the Proposal will be, and the Scheme will become, effective and binding on the Company and all of the Scheme Shareholders (irrespective of whether or not he, she or it attended or voted at the Court Meeting or the SGM). Upon the Scheme becoming effective, the Scheme Shares will be cancelled in exchange for the payment of the Cancellation Price of HK\$0.140 in cash for each Scheme Share.

Please see the section headed “2. Terms of the Proposal” in Part VIII – Explanatory Statement of this Scheme Document for a discussion of the Proposal and the section headed “4. Conditions to the Proposal and the Scheme” in Part VIII – Explanatory Statement of this Scheme Document for a discussion of the Conditions.

4. WHAT IS THE POSITION OF THE INDEPENDENT BOARD COMMITTEE WITH REGARD TO THE PROPOSAL?

The Independent Board Committee, having considered the terms of the Proposal and the Scheme and having taken into account the advice of the Independent Financial Adviser, and in particular the factors, reasons and recommendations set out in its letter, considers the Proposal and the Scheme to be fair and reasonable so far as the Disinterested Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Disinterested Shareholders to vote in favour of the resolution to approve the Scheme at the Court Meeting and the resolutions necessary to implement the Proposal and the Scheme at the SGM.

5. WHAT VOTE IS REQUIRED FROM THE SHAREHOLDERS AND THE SCHEME SHAREHOLDERS AT THE COURT MEETING AND THE SGM RESPECTIVELY?

At the Court Meeting, the Scheme must be approved in the following manner:

- (1) the approval of the Scheme (by way of a poll) by a majority in number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (a) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Disinterested Shares that are voted either in person or by proxy at the Court Meeting; and
 - (b) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Disinterested Shares.

At the SGM, the following resolutions must be passed in order to implement the Proposal and the Scheme:

- (2) the passing of:
 - (a) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the SGM to approve and give effect to any reduction of the share capital of the Company associated with cancelling and extinguishing the Scheme Shares; and

- (b) an ordinary resolution by the Shareholders at the SGM to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror.

6. WHAT DO I NEED TO DO IF I WANT TO VOTE AT THE COURT MEETING AND/OR THE SGM?

The actions you should take are summarised in Part III – Actions to be taken of this Scheme Document. You should read them carefully.

You are strongly encouraged to:

- (a) in the case of a Scheme Shareholder or a Shareholder – to exercise your right to vote at the Court Meeting and/or the SGM;
- (b) in the case of a Beneficial Owner whose Shares are held by a Registered Owner – to give instructions to the relevant Registered Owner to vote in person or by proxy at the Court Meeting and/or the SGM; or
- (c) in the case of a Beneficial Owner whose Shares are deposited in CCASS and registered under the name of HKSCC Nominees (who is not an CCASS Investor Participant) – you are strongly encouraged to take one or both of the following actions as soon as possible:
 - **Withdraw at least some or all of your Shares from CCASS:** This will allow you to vote directly (in person or by proxy) at the Court Meeting and/or the SGM. To do this, you must complete the withdrawal process and become a Registered Owner of such Shares prior to the Meeting Record Date. Only Scheme Shareholders whose Scheme Shares are registered in their own names in the register of members of the Company on the Meeting Record Date will be counted as members of the Company for the purposes of calculating whether or not a majority in number of members of the Company have approved the Scheme at the Court meeting under section 99 of the Companies Act; and

- **Submit your voting instructions through intermediaries:** For any Shares which remain in CCASS, to **immediately contact your broker, custodian, nominee or other relevant person who is, or has, in turn, deposited such Shares with, a CCASS Participant (the “Intermediary”). The Intermediary will guide you through the process to complete the applicable process to vote in person or by proxy at the Court Meeting and/or the SGM.** Depending on the Intermediary’s procedures, this may involve (1) using their online platforms or mobile applications to select and indicate voting instructions for the relevant resolutions of the Court Meeting and/or the SGM; or (2) completing and returning a voting instruction form, either physically or electronically.

If the Intermediary is uncertain about the process or is unresponsive, please contact the hotlines of MUFG and CICC listed in the answer to Question 8 below for assistance. It is essential that you act without delay to ensure your voting instructions are properly carried out.

7. WHEN WILL I RECEIVE THE PAYMENT OF THE CANCELLATION PRICE?

If the Scheme becomes effective, the cheques for payment of the Cancellation Price are expected to be despatched to the Scheme Shareholders on or before Friday, 5 September 2025.

8. WHO SHOULD I CALL IF I HAVE ADDITIONAL QUESTIONS?

If any Shareholder has any questions concerning administrative matters relating to the Court Meeting and/or the SGM, please contact as follows:

MUFG Corporate Markets IR Pty Limited (“MUFG”)

- Address: Suite 1601, 16/F, Central Tower, 28 Queen’s Road Central, Central, Hong Kong
- Tel: (852) 3953 7250
- Fax: (852) 3953 7299
- Email: Project_BK@mpms.mufg.com
- Website: mpms.mufg.com
- Office hours: 9:00 a.m. to 6:00 p.m. on Monday to Friday, excluding public holidays in Hong Kong

CICC

- Address: 29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong
- Tel: (86) 186 0082 8800, (86) 156 1837 1219, and (852) 6993 8968
- Email: ib_project_bk@cicc.com.cn
- Office hours: 9:00 a.m. to 6:00 p.m. on Monday to Friday, excluding public holidays in Hong Kong

For the avoidance of doubt, CICC and MUFG cannot and will not provide any advice on the merits or risks of the Proposal or the Scheme or give any financial or legal advice via the above designated hotlines. CICC and MUFG will not provide any additional information not available in the public domain. If you are in doubt as to any aspect of this Scheme Document or action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

ACTIONS TO BE TAKEN BY SHAREHOLDERS**Court Meeting and SGM**

For the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the SGM, the register of members of the Company will be closed from 15 August 2025 to 20 August 2025 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on 14 August 2025.

A **pink** form of proxy for use at the Court Meeting and a **white** form of proxy for use at the SGM are enclosed with this Scheme Document. Subsequent purchasers of Shares may obtain the relevant proxy form from the transferor or the website of the Stock Exchange if they wish to attend or vote at the Court Meeting and/or the SGM.

Whether or not you are able to attend the Court Meeting and/or the SGM or any adjournment thereof in person, if you are a Scheme Shareholder, we strongly urge you to complete and sign the enclosed **pink** form of proxy in respect of the Court Meeting, and if you are a Shareholder, we strongly urge you to complete and sign the enclosed **white** form of proxy in respect of the SGM, in accordance with the instructions printed thereon, and to lodge them at the office of the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. **The pink form of proxy for use at the Court Meeting should be lodged no later than 48 hours before the time appointed for holding the Court Meeting or any adjournment thereof although it may alternatively be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it). The white form of proxy for use at the SGM must be lodged no later than 48 hours before the time appointed for holding the SGM or any adjournment thereof, failing which it will not be valid.** The completion and return of a form of proxy for the Court Meeting and/or the SGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof. In such event, the returned form of proxy will be revoked by operation of law.

If you do not appoint a proxy and you do not attend and vote at the Court Meeting and/or the SGM, you will still be bound by the outcome of the Court Meeting and the SGM if, among other things, the resolutions are passed by the requisite majorities at the Court Meeting and the SGM. We therefore strongly urge you to attend and vote at the Court Meeting and the SGM in person or by proxy.

Voting at the Court Meeting and the SGM will be taken by poll as required under the Listing Rules and the Takeovers Code.

The Company and the Offeror will make an announcement in relation to the results of the Court Meeting and the SGM by no later than 7:00 p.m. on 20 August 2025. If all the resolutions are passed at those meetings, further announcements will be made in relation to, among other things, the results of the hearing of the petition to sanction the Scheme by the Court and, if the Scheme is sanctioned, the Scheme Record Date, the Effective Date and the date of withdrawal of the listing of the Shares on the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE HELD THROUGH TRUST OR DEPOSITED IN CCASS

Court Meeting and SGM

The Company will not recognise any person as holding any Shares through any trust. If you are a Beneficial Owner whose Shares are held upon trust by, and registered in the name of, a Registered Owner (other than HKSCC Nominees), you should contact the Registered Owner and provide the Registered Owner with instructions and/or make arrangements with the Registered Owner in relation to the manner in which the Shares beneficially owned by you should be voted at the Court Meeting and/or the SGM.

Such instructions and/or arrangements should be given or made in advance of the deadline in respect of the Court Meeting and the SGM set by the Registered Owner in order to provide the Registered Owner with sufficient time to accurately complete his, her or its proxy and to submit it by the deadline stated in Part IV – Expected Timetable of this Scheme Document. To the extent that any Registered Owner requires instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the aforementioned latest time for the lodgment of forms of proxy in respect of the Court Meeting and the SGM, any such Beneficial Owner should comply with the requirements of the Registered Owner.

If you are a Beneficial Owner who wishes to attend the Court Meeting and/or the SGM personally, you should:

- (a) contact the Registered Owner directly to make the appropriate arrangements with the Registered Owner to enable you to attend and vote at the Court Meeting and/or the SGM and, for such purpose, the Registered Owner may appoint you as his, her or its proxy; or
- (b) arrange for some or all of the Shares registered in the name of the Registered Owner to be transferred and registered in your own name, in which case, you should consult your financial intermediary (such as your broker, custodian or nominee) to determine whether any charges apply.

The appointment of a proxy by the Registered Owner at the Court Meeting and/or the SGM shall be in accordance with all relevant provisions in the bye-laws of the Company.

In the case of the appointment of a proxy by the Registered Owner, the relevant forms of proxy shall be completed and signed by the Registered Owner and shall be lodged in the manner and no later than the latest time for lodging the relevant forms of proxy as more particularly set out in this Scheme Document.

The completion and return of a form of proxy for the Court Meeting and/or the SGM will not preclude the Registered Owner from attending and voting in person at the relevant meeting or any adjournment thereof. In the event that the Registered Owner attends and votes at the relevant meeting or any adjournment thereof after having lodged any forms of proxy, the returned form of proxy will be revoked by operation of law.

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered under the name of HKSCC Nominees, you must, unless you are a CCASS Investor Participant, contact your broker, custodian, nominee, or other relevant person who is, or has, in turn, deposited such Shares with, a CCASS Participant, regarding voting instructions to be given to such person if you wish to vote at the Court Meeting and/or at the SGM in respect of the Scheme. You should contact your broker, custodian, nominee or other relevant person in advance of the deadline in respect of the Court Meeting and the SGM set by them, in order to provide such person with sufficient time to provide HKSCC Nominees with instructions or make arrangements with HKSCC Nominees in relation to the manner in which the Shares of the Beneficial Owner should be voted at the Court Meeting and/or the SGM. The procedure for voting in respect of the Scheme by HKSCC Nominees with respect to the Shares registered under the name of HKSCC Nominees shall be in accordance with the “Operating Guide for Investor Participants”, “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

If you are a Beneficial Owner whose Shares are deposited in CCASS, you may also elect to become a Registered Owner prior to the Meeting Record Date, and thereby have the right to attend and vote at the Court Meeting in your own name (if you are a Scheme Shareholder) and the SGM (if you are a Shareholder). You can become a Registered Owner by withdrawing all or any of your Shares from CCASS and transferring and registering such Shares in your own name. For withdrawal of Shares from CCASS and registration thereof, you will be required to pay to CCASS a withdrawal fee per board lot withdrawn, a registration fee for each share certificate issued, stamp duty on each transfer instrument and, if your Shares are held through a financial intermediary, any other relevant fees charged by your financial intermediary. You should contact your broker, custodian, nominee or other relevant person in advance of the latest time for lodging transfers of the Shares to register the Shares in your name so as to qualify to attend and vote at the Court Meeting and the SGM, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to withdraw the Shares from CCASS and register them in your name.

In accordance with the direction from the Court, HKSCC Nominees will be counted as one person or member of the Company at the Court Meeting for the purposes of ascertaining whether or not the requirement that a “majority in number” of the Scheme Shareholders approving the Scheme under section 99(2) of the Companies Act has been satisfied. HKSCC Nominees will be entitled to be counted or to vote once either in favour of or against the Scheme according to whether the majority of instructions received from CCASS Participants are in favour or are against the Scheme. Each Registered Owner will be counted as one vote for the purposes of calculating the “majority in number” at the Court Meeting.

SHAREHOLDERS (INCLUDING ANY BENEFICIAL OWNERS OF SUCH SHARES THAT GAVE VOTING INSTRUCTIONS TO A CUSTODIAN OR CLEARING HOUSE THAT SUBSEQUENTLY VOTED AT THE COURT MEETING) SHOULD NOTE THAT THEY ARE ENTITLED TO APPEAR BEFORE OR BE REPRESENTED AT THE HEARING OF THE PETITION IN THE COURT WHICH IS EXPECTED TO BE ON 22 AUGUST 2025, AT WHICH THE COMPANY WILL SEEK THE SANCTION OF THE SCHEME.

EXERCISE YOUR RIGHT TO VOTE

IF YOU ARE A SHAREHOLDER OR A BENEFICIAL OWNER, THE OFFEROR AND THE COMPANY STRONGLY ENCOURAGE YOU TO EXERCISE YOUR RIGHT TO VOTE OR GIVE INSTRUCTIONS TO THE RELEVANT REGISTERED OWNER TO VOTE IN PERSON OR BY PROXY AT THE COURT MEETING AND AT THE SGM. IF YOU KEEP ANY SHARES IN A SHARE LENDING PROGRAMME OR A CUSTODIAN ACCOUNT, THE OFFEROR AND THE COMPANY URGE YOU TO RECALL ANY OUTSTANDING SHARES ON LOAN OR REQUIRE YOUR CUSTODIAN TO RECALL ANY SUCH SHARES ON LOAN TO AVOID MARKET PARTICIPANTS USING BORROWED STOCK TO VOTE.

IF YOU ARE A BENEFICIAL OWNER WHOSE SHARES ARE DEPOSITED IN CCASS, THE OFFEROR AND THE COMPANY ENCOURAGE YOU TO WITHDRAW AT LEAST SOME OR ALL OF YOUR SHARES FROM CCASS AND BECOME A REGISTERED OWNER OF SUCH SHARES PRIOR TO THE MEETING RECORD DATE AND EXERCISE YOUR RIGHT TO VOTE (IN PERSON OR BY PROXY). IN RESPECT OF ANY SHARES OF WHICH YOU ARE THE BENEFICIAL OWNER AND/OR WHICH REMAIN IN CCASS, YOU ARE ENCOURAGED TO PROVIDE HKSCC NOMINEES WITH INSTRUCTIONS OR MAKE ARRANGEMENTS WITH HKSCC NOMINEES IN RELATION TO THE MANNER IN WHICH THOSE SHARES SHOULD BE VOTED AT THE COURT MEETING AND/OR AT THE SGM WITHOUT DELAY (AS DETAILED IN THE SECTION “ACTIONS TO BE TAKEN – ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE HELD THROUGH TRUST OR DEPOSITED IN CCASS” ABOVE). ONLY SCHEME SHAREHOLDERS WHOSE SCHEME SHARES ARE REGISTERED IN THEIR OWN NAMES IN THE REGISTER OF MEMBERS OF THE COMPANY ON THE MEETING RECORD DATE WILL BE COUNTED AS MEMBERS OF THE COMPANY FOR THE PURPOSES OF CALCULATING WHETHER OR NOT A MAJORITY IN NUMBER OF MEMBERS OF THE COMPANY HAVE APPROVED THE SCHEME AT THE COURT MEETING UNDER SECTION 99 OF THE COMPANIES ACT.

IF YOU ARE A REGISTERED OWNER HOLDING SHARES ON BEHALF OF BENEFICIAL OWNERS, WE WOULD BE GRATEFUL IF YOU WOULD INFORM THE RELEVANT BENEFICIAL OWNERS ABOUT THE IMPORTANCE OF EXERCISING THEIR RIGHT TO VOTE.

IF YOU ARE IN ANY DOUBT AS TO THE ACTIONS TO BE TAKEN, YOU ARE ENCOURAGED TO CONSULT YOUR LICENSED SECURITIES DEALER OR REGISTERED INSTITUTION IN SECURITIES, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

PART IV

EXPECTED TIMETABLE

**Hong Kong Time unless
indicated otherwise**

Date of despatch of this Scheme Document 28 July 2025

Latest time for lodging transfers of Shares in order to
become entitled to attend and vote at the Court Meeting
and/or the SGM 4:30 p.m. on 14 August 2025

Register of members of the Company closed for determination of
entitlements of Scheme Shareholders to attend and
vote at the Court Meeting and of Shareholders to attend and
vote at the SGM (*Note 1*) From 15 August 2025 to
20 August 2025 (both days inclusive)

Latest time for lodging forms of proxy in respect of (*Note 2*)
Court Meeting 10:00 a.m. on 18 August 2025

SGM 10:30 a.m. on 18 August 2025

Meeting Record Date 20 August 2025

Court Meeting (*Note 3*) 10:00 a.m. on 20 August 2025

SGM (*Note 3*) 10:30 a.m. on 20 August 2025
(or immediately after the conclusion or
adjournment of the Court Meeting)

Announcement of the results of the Court Meeting and
the SGM posted on the website of the Stock Exchange
and the website of the Company No later than
7:00 p.m. on 20 August 2025

Expected latest time for trading in the Shares
on the Stock Exchange 4:10 p.m. on 21 August 2025

Court hearing of the petition to
sanction the Scheme 22 August 2025
(Bermuda time)

**Hong Kong Time unless
indicated otherwise**

Announcement of the results of the Court hearing of
the petition to sanction the Scheme, the expected
Effective Date and the expected date of withdrawal of
listing of Shares on the Stock Exchange 24 August 2025

Latest time for lodging transfer of Shares in order to qualify
for entitlements under the Scheme 4:30 p.m. on 26 August 2025

Register of members of the Company closed
for determining Scheme Shareholders qualified
for entitlements to the Cancellation Price under
the Scheme (*Note 4*) From 27 August 2025 onwards

Scheme Record Date 27 August 2025

Effective Date (*Note 5*) 27 August 2025
(Bermuda time)

Announcement of the Effective Date and the withdrawal of
listing of the Shares on the Stock Exchange At or before
8:30 a.m. on 28 August 2025

Expected withdrawal of the listing of Shares on
the Stock Exchange becoming effective 4:00 p.m. on 29 August 2025

Cheques for cash payment under the Scheme to be
despatched (*Note 6*) On or before
5 September 2025

Shareholders should note that the above timetable is subject to change. Further
announcement(s) will be made in the event that there is any change.

Notes:

1. The register of members of the Company will be closed during such period for the purpose of determining entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the SGM. For the avoidance of doubt, this period of closure is not for determining entitlements under the Scheme.
2. The **pink** form of proxy in respect of the Court Meeting and the **white** form of proxy in respect of the SGM should be completed and signed in accordance with the instructions respectively printed thereon and should be lodged at the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by the times and dates stated above. The **pink** form of proxy for use at the Court Meeting should be lodged no later than 48 hours before the time appointed for holding the Court Meeting or any adjournment hereof although it may alternatively be handed to the chairman of the Court Meeting for the Court Meeting. The **white** form of proxy for use at the SGM must be lodged no later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. In the case of the **pink** form of proxy in respect of the Court Meeting, if it is not so lodged, it may also be handed to the chairman of the Court Meeting (who shall have absolute discretion as to whether or not to accept it). The **white** form of proxy in respect of the SGM will not be valid if it is not so lodged. The completion and return of a form of proxy for the Court Meeting and/or the SGM will not preclude a Scheme Shareholder or Shareholder (as the case may be) from attending and voting in person at the relevant meeting or any adjournment thereof if he so wishes. In the event that the Scheme Shareholder or Shareholder (as the case may be) attends and votes at the relevant meeting or any adjournment thereof after having lodged his form of proxy, the returned form of proxy will be revoked by operation of law.
3. For further details relating to the Court Meeting and the SGM, please see the notice of Court Meeting set out in Appendix V to this Scheme Document and the notice of SGM set out in Appendix VI to this Scheme Document. In the event of extreme weather conditions in Hong Kong at any time after 9:00 a.m. on the date of the Court Meeting and the SGM, the Court Meeting and the SGM may be adjourned in accordance with the bye-laws of the Company. In such case, the Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the Shareholders of the date, time and venue of the rescheduled meetings.
4. The register of members of the Company will be closed during such period for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme.
5. The Scheme shall become effective upon all the Conditions set out in the section headed “4. Conditions to the Proposal and the Scheme” in Part VIII – Explanatory Statement of this Scheme Document having been fulfilled or (to the extent permitted) waived (as the case may be).
6. Cheques for the cash entitlement in respect of the Cancellation Price will be sent no later than seven Business Days after the Effective Date by ordinary post addressed to the persons entitled thereto at their respective registered addresses. All such cheques will be posted at the risk of the person(s) entitled thereto and none of the Offeror, the Company, CICC, the Independent Financial Adviser, the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal will be responsible for any loss or delay in despatch.

7. If any severe weather condition is in force in Hong Kong: (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the Effective Date or latest date to despatch cheques for the payment of the Cancellation Price under the Scheme, the Effective Date or the latest date to despatch cheques (as the case may be) will remain on the same Business Day; or (b) at any time at or after 12:00 noon on the Effective Date or the latest date to despatch cheques for the payment of the Cancellation Price under the Scheme, the Effective Date or latest date to despatch cheques (as the case may be) will be rescheduled to the following Business Day which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another Business Day thereafter that does not have any severe weather condition at 12:00 noon or thereafter).

For the purpose of this Scheme Document, “severe weather” refers to the scenario where a tropical cyclone warning signal number 8 or above is hoisted, a black rainstorm warning and/or the “Extreme Conditions” warning as announced by the Hong Kong Government is/are in force in Hong Kong. Further announcement(s) will be made if there is any change to the expected timetable as a result of any severe weather.

All references to times and dates in this Scheme Document are references to Hong Kong times and dates, unless otherwise stated and other than references to the expected date of the Court hearing of the petition to sanction the Scheme, which is the relevant date in Bermuda. For reference only, Bermuda time is 11 hours behind Hong Kong time as at the Latest Practicable Date.



BEIJING PROPERTIES (HOLDINGS) LIMITED

北京建設（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 925)

Executive Directors:

Mr. ZHU Yingying (*Chairman*)

Mr. SIU Kin Wai

Mr. FANG Bin

Mr. XU Zhigang

Mr. CHENG Ching Fu

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors:

Mr. GOH Gen Cheung

Mr. James CHAN

Dr. LI Huiqun

Principal Place of Business in Hong Kong:

66th Floor Central Plaza

18 Harbour Road

Wanchai, Hong Kong

28 July 2025

To the Shareholders

Dear Sir/Madam.

**(1) PROPOSAL FOR THE PRIVATISATION OF
BEIJING PROPERTIES (HOLDINGS) LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT
(2) PROPOSED WITHDRAWAL OF LISTING**

INTRODUCTION

Pursuant to the Announcement dated 17 June 2025, the Offeror and the Company jointly announced that the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under section 99 of the Companies Act.

If the Proposal is approved and implemented, under the Scheme, the Scheme Shares will, on the Effective Date, be cancelled, and upon such cancellation, the share capital of the Company will be maintained by the contemporaneous issuance at par to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

The purpose of this Scheme Document is to provide you with further information regarding the Proposal, the Scheme and the expected timetable and to give you notice of the Court Meeting and the SGM (together with proxy forms in relation thereto). Your attention is also drawn to (i) the letter from the Independent Board Committee set out in Part VI of this Scheme Document; (ii) the letter from the Independent Financial Adviser set out in Part VII of this Scheme Document; (iii) the Explanatory Statement set out in Part VIII of this Scheme Document; and (iv) the terms of the Scheme set out in Appendix IV to this Scheme Document.

TERMS OF THE PROPOSAL

Cancellation Price

The Proposal will be implemented by way of the Scheme. Under the Scheme, the Scheme Shares will be cancelled in exchange for the payment of the Cancellation Price of HK\$0.140 in cash for each Scheme Share.

The Offeror has advised that the Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

The Company does not intend to declare and/or pay any dividend before the Effective Date or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be). However, if, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror shall reduce the Cancellation Price by the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in the Announcement, this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

Comparison of value

The Cancellation Price of HK\$0.140 per Scheme Share represents:

- a premium of approximately 6.87% over the closing price of HK\$0.131 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- a premium of approximately 250.00% over the closing price of HK\$0.040 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 253.54% over the average closing price of approximately HK\$0.040 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 247.39% over the average closing price of approximately HK\$0.040 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 233.33% over the average closing price of approximately HK\$0.042 per Share based on the daily closing prices as quoted on the Stock Exchange for the 20 trading days up to and including the Last Trading Day;
- a premium of approximately 222.09% over the average closing price of approximately HK\$0.043 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 200.11% over the average closing price of approximately HK\$0.047 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 183.91% over the average closing price of approximately HK\$0.049 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- a premium of approximately 9.98% over the audited consolidated net asset value attributable to equity shareholders of the Company per Share of approximately RMB0.118 (equivalent to approximately HK\$0.127) as at 31 December 2024 based on RMB to HK\$ exchange rate of RMB0.92604 to HK\$1 being the exchange rate quoted by the People's Bank of China as at 31 December 2024; and
- a premium of approximately 17.43% over the reassessed net asset value per Share attributable to the Shareholders of approximately HK\$0.119, calculated based on the Group's audited net asset value as at 31 December 2024 and adjusted with reference to the valuation of properties interests held by the Group as set out in Appendix II to this Scheme Document.

The Offeror has advised the Company that the Cancellation Price has been determined on a commercial basis after taking into account, among others, the following:

- (1) the challenging external macroeconomic environment, including a deteriorating operating environment in the commercial real estate sector in the PRC which contributed to higher vacancy rates, prolonged leasing cycles and decline in investment appetite;
- (2) the increasingly competitive landscape, notably with intensified pricing pressure in the cold-chain logistics segment amid rising supply and evolving customer demand;
- (3) the recent financial underperformance of the Group, including delays in asset disposals, a decline in gross profit and recurring net losses;
- (4) the recent stock price underperformance resulting from prolonged downward pressure on the Company's stock price; and
- (5) the trading multiples (e.g. price-to-book) of comparable companies listed on the Stock Exchange, with the Cancellation Price reflecting not only a premium over the recent stock price but also a higher price-to-book multiple than those of comparable companies.

Conditions to the Proposal and the Scheme

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the following:

- (1) the approval of the Scheme (by way of a poll) by a majority in number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (a) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Disinterested Shares that are voted either in person or by proxy at the Court Meeting; and
 - (b) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Disinterested Shares;

- (2) the passing of:
 - (a) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the SGM to approve and give effect to any reduction of the share capital of the Company associated with cancelling and extinguishing the Scheme Shares; and
 - (b) an ordinary resolution by the Shareholders at the SGM to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror;
- (3) the Court's sanction of the Scheme (with or without modification) and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Court for registration;
- (4) all authorisations, approvals, permissions, waivers and consents and all registrations and filings (including without limitation any which are required under or in connection with any applicable laws or regulations or any licences, permits or contractual obligations of the Company) in connection with the Proposal or its implementation and the withdrawal of listing of the Shares from the Stock Exchange in accordance with its terms which are required to be obtained (or, as the case may be, completed) prior to the completion of the Proposal having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;
- (5) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme;
- (6) since the Announcement Date, there having been no adverse change in the business, assets, financial or trading position, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal or its implementation in accordance with its terms) whether or not as a result of the implementation of the Proposal; and

- (7) since the Announcement Date, save for the ongoing litigation between The Agriculture Bank of China Co., Ltd. South Sea Lishui Branch and a wholly-owned subsidiary of the Company as disclosed on pages 22 and 118 of the annual report of the Company for the year ended 31 December 2024, there not having been any instituted or remaining outstanding litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings will be threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member will be threatened in writing, announced, instituted or remain outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of the Group taken as a whole or in the context of the Proposal.

The Offeror reserves the right to waive Conditions (4) (save in the case of the approval of the Stock Exchange for the withdrawal of listing of the Shares upon the Scheme becoming effective) to (7) either in whole or in part, either generally or in respect of any particular matter to the extent that such waiver would not make the Proposal or the Scheme or its implementation in accordance with its terms illegal. Conditions (1) to (3) and Condition (4) (in respect of the approval of the Stock Exchange for the withdrawal of listing of the Shares upon the Scheme becoming effective only) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (being 30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)), failing which the Proposal and the Scheme will lapse. The Company has no right to waive any of the Conditions.

As at the Latest Practicable Date, none of the Conditions have been fulfilled or waived (as the case may be).

As at the Latest Practicable Date and based on the information available to the Offeror and the Company, other than those set out in Conditions (1) to (3) and the approval of the Stock Exchange for the withdrawal of listing of the Shares upon the Scheme becoming effective, the Offeror and the Company are not aware of any outstanding authorisations, approvals, permissions, waivers, consents, registrations or filings which are required as set out in Condition (4), and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions (5) to (7) (inclusive) not being satisfied.

If approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the SGM.

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented, the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

SPA

On the Announcement Date, the Offeror and the Sellers entered into the SPA, pursuant to which the Sellers agreed to sell, and the Offeror agreed to purchase, the Sale Shares, being 156,466,000 Shares and representing approximately 2.25% of the total issued Shares as at the Announcement Date, for a consideration of HK\$21,905,240.000 (or HK\$0.140 per Sale Share, being equal to the Cancellation Price).

SPA Completion took place on 18 July 2025. As at the Latest Practicable Date, the Offeror held in aggregate 1,714,258,500 Shares, representing approximately 24.60% of the total issued Shares.

Irrevocable Undertakings

On the Announcement Date, each of the IU Shareholders, comprising:

- (1) Sallekey Capital Management Limited and Mr. Qi Wenyuan, who collectively hold, directly or indirectly, 123,615,095 Shares (representing approximately 1.77% of the total issued Shares as at the Latest Practicable Date), of which 4,468,000 Shares are held by Mr. Qi Wenyuan and 119,147,095 Shares are held by Sallekey Capital Management Limited, which is controlled by Mr. Qi Wenyuan;
- (2) Grand Mount Investment Limited and Mr. Niu Zhongjie, who collectively hold, directly or indirectly, 86,012,736 Shares (representing approximately 1.23% of the total issued Shares as at the Latest Practicable Date), of which 86,012,736 Shares are held by Grand Mount Investment Limited, which is controlled by Mr. Niu Zhongjie;
- (3) Mr. Ang Keng Lam, who holds directly 40,000,000 Shares (representing approximately 0.57% of the total issued Shares as at the Latest Practicable Date);
- (4) Ms. Cheng Peng, who holds directly 65,378,000 Shares (representing approximately 0.94% of the total issued Shares as at the Latest Practicable Date); and
- (5) Mr. Gu Shanchao, who holds directly 29,014,000 Shares (representing approximately 0.42% of the total issued Shares as at the Latest Practicable Date),

who collectively hold, directly or indirectly, 344,019,831 Shares (representing approximately 4.94% of the total issued Shares as at the Latest Practicable Date), executed the Irrevocable Undertakings in favour of the Offeror and undertook:

- (a) to exercise or procure the exercise of all voting rights attaching to its Shares, (i) to vote in favour of all resolutions to approve the Scheme, the Proposal and any matters in connection with such at the Court Meeting and the SGM; and (ii) to vote against any resolution which (1) might reasonably be expected to restrict, impede or delay implementation of the Scheme and/or the Proposal; or (2) approves or gives effect to a proposal by a person other than the Offeror, to acquire (or have issued to it) any Shares or any assets of the Company or to privatise or delist the Company; and
- (b) not to: (i) directly or indirectly, sell, transfer, charge, encumber, grant any option over (or cause the same to be done) or otherwise dispose of any interest in its Shares (including accepting any other offer in respect of its Shares); and (ii) except with the prior written consent of the Offeror, acquire, directly or indirectly, any additional shares, securities or other interests of the Company.

The Irrevocable Undertakings will be terminated if the Proposal does not take effect, lapses, or is withdrawn.

FINANCIAL RESOURCES

On the assumption that no further Shares are issued before the Scheme Record Date, the maximum cash consideration payable for the Proposal is approximately HK\$301,500,237.

The payment of the total consideration under the Scheme will be financed by way of internal resources.

CICC, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for satisfying its payment obligations in respect of the cash consideration payable under the Proposal.

REASONS FOR AND BENEFITS OF THE PROPOSAL

You are urged to read carefully the sections headed “Reasons for and Benefits of the Proposal” in Part VIII – Explanatory Statement of this Scheme Document and “Principal Factors and Reasons Considered” in the letter from the Independent Financial Adviser in Part VII of this Scheme Document.

On the basis set out above, the Board considers that the terms of the Proposal and the Scheme are fair and reasonable and in the interests of the Shareholder as a whole.

Among the members of the Board, Mr. ZHU Yingying and Mr. FANG Bin, both executive Directors, are regarded as being interested in the Proposal as they are also directors of the Offeror, and therefore have abstained and will continue to abstain from voting in respect of the resolutions of the Board relating to the Proposal where required under the bye-laws of the Company and subject to the compliance with the Takeovers Code.

INFORMATION ON THE GROUP AND THE OFFEROR

The Group

The Company is an exempted company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange with the stock code 925. The Group is principally engaged in real estate including high-end and modern general warehouse, supply chain development, specialised wholesale market, industrial property, commercial property and primary land development.

Offeror

The Offeror is a company incorporated in the British Virgin Islands with limited liability. The entire issued share capital of the Offeror is wholly owned by BEREHK.

The Offeror has not carried on any business since incorporation other than investment activities and matters in connection with the Proposal and the Scheme.

BE Group is the ultimate controlling shareholder of the Offeror. It is a state-owned enterprise established in the PRC and wholly owned by The State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality.

INTENTIONS OF THE OFFEROR AND THE COMPANY

Your attention is drawn to the section headed "Reasons for and Benefits of the Proposal" in Part VIII – Explanatory Statement of this Scheme Document.

The Board is aware of and welcomes the Offeror's intentions as set out in the section headed "Reasons for and Benefits of the Proposal" in Part VIII – Explanatory Statement of this Scheme Document that, among others, the Group will continue to carry on its current business, and the Offeror will continue to consider how to develop the Company in a manner which best enhances value.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with the equivalent number of new Shares being issued as fully paid to the Offeror) and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules.

The Scheme Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of Shares on the Stock Exchange will become effective. A detailed timetable of the Scheme is included in the Scheme Document, which will also contain, among other things, further details of the Scheme.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date (being 30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)). The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1(a) of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror, BE City nor any person who acted in concert with any of them in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for the Company, except with the consent of the Executive.

OVERSEAS SHAREHOLDERS

If you are an overseas Scheme Shareholder, your attention is drawn to the section headed “Overseas Shareholders” in Part VIII – Explanatory Statement of this Scheme Document.

SCHEME SHARES, MEETING OF SCHEME SHAREHOLDERS AND SGM OF THE COMPANY

As at the Latest Practicable Date, 4,815,758,560 Shares (representing approximately 69.10% of the total issued Shares as at the Latest Practicable Date) were held by the Controlling Shareholders, among which 1,714,258,500 Shares (representing approximately 24.60% of the total issued Shares as at the Latest Practicable Date) were held by the Offeror. As the Controlling Shareholders, including the Offeror, are not Scheme Shareholders, they will not vote on the Scheme at the Court Meeting.

All Shareholders will be entitled to attend the SGM and vote on (1) the special resolution to approve any reduction of the issued share capital of the Company associated with cancelling and extinguishing the Scheme Shares; and (2) the ordinary resolution to contemporaneously maintain

the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee, which comprises the following non-executive Directors who are not interested in the Proposal, namely, Mr. GOH Gen Cheung, Mr. James CHAN and Dr. LI Huiqun, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and whether to vote in favour of the Scheme at the Court Meeting and the SGM.

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee comprises all non-executive Directors who have no direct or indirect interest in the Proposal. Mr. GOH Gen Cheung (an independent non-executive Director), Mr. James CHAN (an independent non-executive Director) and Dr. LI Huiqun (an independent non-executive Director) have no direct or indirect interest in the Proposal and together form the Independent Board Committee.

The full text of the letter from the Independent Board Committee is set out in Part VI of this Scheme Document.

INDEPENDENT FINANCIAL ADVISER

Rainbow Capital (HK) Limited, the Independent Financial Adviser, has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in connection with the Proposal and the Scheme. The full text of the letter from the Independent Financial Adviser is set out in Part VII of this Scheme Document.

GENERAL

The Offeror has appointed CICC as its financial adviser in connection with the Proposal.

Save for the Irrevocable Undertakings, neither the Offeror nor any Offeror Concert Parties have received any irrevocable commitment to vote for or against the Proposal, as at the Latest Practicable Date.

Save for the Proposal, the Irrevocable Undertakings and the SPA, there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares between the Offeror or any of the Offeror Concert Parties and any other person which might be material to the Proposal.

There are no agreements or arrangements to which the Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition to the Proposal.

Save for the Cancellation Price under the Proposal, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or the Offeror Concert Parties to the Scheme Shareholders in connection with the Proposal.

ACTIONS TO BE TAKEN

The actions which you are required to take in relation to the Proposal are set out in Part III – Actions to be Taken of this Scheme Document and the section headed “Actions to be Taken” in Part VIII – Explanatory Statement of this Scheme Document.

REGISTRATION AND PAYMENT

Your attention is drawn to the section headed “Registration and Payment” in Part VIII – Explanatory Statement of this Scheme Document.

TAXATION AND INDEPENDENT ADVICE

Your attention is drawn to the section headed “Taxation” in Part VIII – Explanatory Statement of this Scheme Document.

It is emphasised that none of the Offeror, the Company, CICC and their agents or any of their respective directors, officers or associates or any other person involved in the Scheme and the Proposal accepts responsibility or has any liability for any taxation effects on, or liabilities of, any persons as a result of their approval or disapproval of the Scheme. All Scheme Shareholders are recommended to consult their professional advisers if in any doubt as to the taxation implications of the Proposal and they shall be solely responsible for their liabilities (including tax liabilities) in relation to the Scheme.

COURT MEETING AND SGM

For the purpose of exercising your right to vote at the Court Meeting and/or the SGM, you are requested to read carefully (i) the section headed “Court Meeting and SGM” in Part VIII – Explanatory Statement of this Scheme Document; (ii) the section headed “Actions to be Taken” in Part VIII – Explanatory Statement of this Scheme Document; and (iii) the notices of the Court Meeting and the SGM as set out in Appendix V and Appendix VI, respectively, of this Scheme Document.

RECOMMENDATION

Your attention is drawn to Part VI – Letter from the Independent Board Committee of this Scheme Document which sets out the advice from the Independent Board Committee to the Disinterested Shareholders in connection with the Proposal and the Scheme and Part VII – Letter from the Independent Financial Adviser of this Scheme Document which sets out the advice from

the Independent Financial Adviser to the Independent Board Committee in connection with the Proposal and the Scheme, and the principal factors taken into consideration in arriving at its recommendations.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that, as far as the Disinterested Shareholders are concerned, the terms of the Proposal and the Scheme are fair and reasonable, and accordingly, it advises the Independent Board Committee to recommend the Disinterested Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The Independent Board Committee, having been so advised, considers, as far as the Disinterested Shareholders are concerned, the Proposal and the Scheme to be fair and reasonable. Accordingly, the Independent Board Committee recommends the Disinterested Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

FURTHER INFORMATION

You are urged to read carefully the following documents:

- (1) the letter from the Independent Board Committee as set out in Part VI of this Scheme Document;
- (2) the letter from the Independent Financial Adviser as set out in Part VII of this Scheme Document;
- (3) the Explanatory Statement as set out in Part VIII of this Scheme Document;
- (4) the appendices to this Scheme Document;
- (5) the notice of the Court Meeting as set out in Appendix V of this Scheme Document;
and
- (6) the notice of the SGM as set out in Appendix VI of this Scheme Document.

In addition, a **pink** form of proxy in respect of the Court Meeting and a **white** form of proxy in respect of the SGM are enclosed with this Scheme Document.

Yours faithfully
By order of the Board
BEIJING PROPERTIES (HOLDINGS) LIMITED
北京建設(控股)有限公司
Mr. XU Zhigang
Director



BEIJING PROPERTIES (HOLDINGS) LIMITED
北京建設（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 925)

28 July 2025

To the Disinterested Shareholders

Dear Sir/Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF
BEIJING PROPERTIES (HOLDINGS) LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT
(2) PROPOSED WITHDRAWAL OF LISTING**

Reference is made to the joint announcement dated 17 June 2025 jointly issued by the Offeror and the Company in relation to the Proposal and the scheme document dated 28 July 2025 jointly issued by the Offeror and the Company in relation to the Proposal and the Scheme (the “**Scheme Document**”), the latter of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined in the Scheme Document.

We have been appointed by the Board as the Independent Board Committee to make a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and whether to vote in favour of the Scheme at the Court Meeting and the SGM. Details of the Proposal and the Scheme are set out in the letter from the Board and the Explanatory Statement set out in Part V and Part VIII of the Scheme Document, respectively.

Rainbow Capital (HK) Limited, the Independent Financial Adviser, has been appointed by the Company with our approval, to advise us on the Proposal and the Scheme. The details of its advice and the principal factors taken into consideration in arriving at its advice are set out in the letter from the Independent Financial Adviser in Part VII of the Scheme Document.

PART VI LETTER FROM THE INDEPENDENT BOARD COMMITTEE

In the letter from the Independent Financial Adviser as set out in Part VII of the Scheme Document, the Independent Financial Adviser states that it considers the terms of the Proposal and the Scheme are fair and reasonable as far as the Disinterested Shareholders are concerned, and advises the Independent Board Committee to recommend the Disinterested Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The Independent Board Committee, having considered the terms of the Proposal and the Scheme, and having taken into account the advice of the Independent Financial Adviser, and in particular the factors, reasons and recommendations set out in its letter, considers the Proposal and the Scheme to be fair and reasonable as far as the Disinterested Shareholders are concerned.

Accordingly, the Independent Board Committee recommends:

- (1) at the Court Meeting, the Disinterested Shareholders to vote in favour of the resolution to approve the Scheme; and
- (2) at the SGM, the Shareholders to vote in favour of:
 - (a) the special resolution to approve any reduction of the share capital of the Company associated with cancelling and extinguishing the Scheme Shares;
 - (b) the ordinary resolution to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror.

The Independent Board Committee draws the attention of the Disinterested Shareholders to (i) the letter from the Board as set out in Part V of the Scheme Document; (ii) the letter from the Independent Financial Adviser, which sets out the principal factors taken into consideration in arriving at its advice to the Independent Board Committee, as set out in Part VII of the Scheme Document; and (iii) the Explanatory Statement as set out in Part VIII of the Scheme Document.

Yours faithfully,
Independent Board Committee

Mr. GOH Gen Cheung
*Independent Non-Executive
Director*

Mr. James CHAN
*Independent Non-Executive
Director*

Dr. LI Huiqun
*Independent Non-Executive
Director*

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from Rainbow Capital (HK) Limited, the Independent Financial Adviser to the Independent Board Committee in respect of the Proposal and the Scheme, which has been prepared for the purpose of inclusion in this Scheme Document.



28 July 2025

To: the Independent Board Committee

Beijing Properties (Holdings) Limited
66th Floor Central Plaza
18 Harbour Road
Wanchai, Hong Kong

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF
BEIJING PROPERTIES (HOLDINGS) LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT
(2) PROPOSED WITHDRAWAL OF LISTING**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee in respect of the Proposal and the Scheme, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the scheme document dated 28 July 2025 jointly issued by the Company and the Offeror (the “**Scheme Document**”), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meaning as those defined in the Scheme Document.

On 17 June 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of the Company by way of a scheme of arrangement under Section 99 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Proposal will be implemented by way of the Scheme. Under the Scheme, the Scheme Shares will be cancelled in exchange for the payment of the Cancellation Price of HK\$0.140 in cash for each Scheme Share.

On the Announcement Date, the Offeror and the Sellers entered into the SPA, pursuant to which the Sellers agreed to sell, and the Offeror agreed to purchase, the Sale Shares, being 156,466,000 Shares and representing approximately 2.25% of the total issued Shares as at the Announcement Date, for a consideration of HK\$21,905,240.000 (or HK\$0.140 per Sale Share, being equal to the Cancellation Price). SPA Completion took place on 18 July 2025. As at the Latest Practicable Date, the Offeror held in aggregate 1,714,258,500 Shares, representing approximately 24.60% of the total issued Shares.

As at the Latest Practicable Date, 4,815,758,560 Shares (representing approximately 69.10% of the total issued Shares as at the Latest Practicable Date) were held by the Controlling Shareholders, among which 1,714,258,500 Shares (representing approximately 24.60% of the total issued Shares as at the Latest Practicable Date) were held by the Offeror. As the Controlling Shareholders, including the Offeror, are not Scheme Shareholders, they will not vote on the Scheme at the Court Meeting.

On the Announcement Date, each of the IU Shareholders, who collectively hold, directly or indirectly, 344,019,831 Shares (representing approximately 4.94% of the total issued Shares as at the Latest Practicable Date), executed the Irrevocable Undertakings in favour of the Offeror and undertook, among other things: (i) to exercise or procure the exercise of all voting rights attaching to its Shares, (a) to vote in favour of all resolutions to approve the Scheme, the Proposal and any matters in connection with such at the Court Meeting and the SGM; and (b) to vote against any resolution which (1) might reasonably be expected to restrict, impede or delay implementation of the Scheme and/or the Proposal; or (2) approves or gives effect to a proposal by a person other than the Offeror, to acquire (or have issued to it) any Shares or any assets of the Company or to privatise or delist the Company; and (ii) not to: (a) directly or indirectly, sell, transfer, charge, encumber, grant any option over (or cause the same to be done) or otherwise dispose of any interest in its Shares (including accepting any other offer in respect of its Shares); and (b) except with the prior written consent of the Offeror, acquire, directly or indirectly, any additional shares, securities or other interests of the Company. The Irrevocable Undertakings will be terminated if the Proposal does not take effect, lapses, or is withdrawn.

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee which comprises all of the non-executive Directors who have no direct or indirect interest in the Proposal, namely, Mr. Goh Gen Cheung, Mr. James Chan and Dr. Li Huiqun, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether the Proposal and the Scheme are, or are not, fair and reasonable and whether to vote in favour of the Scheme at the Court Meeting and the SGM. We, Rainbow Capital (HK) Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Disinterested Shareholders in connection with the Proposal and the Scheme and such appointment has been approved by the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We are not associated with the Company, the Offeror, the Offeror Concert Parties, or their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them. Save for our appointment as the Independent Financial Adviser to the Independent Board Committee in connection with the Proposal and the Scheme, there has been no engagement between the Group, the Offeror or the Offeror Concert Parties and us as at the Latest Practicable Date and in the last two years. Apart from normal professional fees paid or payable to us in connection with this engagement, no other arrangement exists whereby we will receive any fees or benefits from the Company, the Offeror, the Offeror Concert Parties, or their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice to the Independent Board Committee and the Disinterested Shareholders in respect of the Proposal and the Scheme.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Announcement and the Scheme Document; (ii) the annual reports of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”) and the year ended 31 December 2024 (the “**2024 Annual Report**”); (iii) the valuation report prepared by Vincorn Consulting and Appraisal Limited in relation to the value of the properties held by the Group as at 30 June 2025 (the “**Property Valuation Report**”); (iv) the information supplied by the Directors and the management of the Group; and (v) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Scheme Document were true and accurate in all material respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Scheme Document are true at the time they were made and continue to be true as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the management of the Group and those as set out or referred to in the Scheme document were reasonably made after due and careful enquiry. We have no reason to doubt the truth and accuracy of such information and representations provided to us by the Directors and the management of the Group. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Scheme Document and that all information or representations provided to us by the Directors and the management of the Group are true and accurate in all material respects and not misleading in any material respect at the time they were made and continue to be so until the Latest Practicable Date.

The Company will notify the Scheme Shareholders of any material changes to information contained or referred to in the Scheme Document as soon as possible in accordance with Rule 9.1 of the Takeovers Code. The Scheme Shareholders will also be informed as soon as practicable when there are any material changes to the information contained or referred to herein as well as changes to our opinion, if any, after the Latest Practicable Date.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Scheme Document so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the management of the Group, nor have we conducted any form of independent in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group, the Offeror, the Offeror Concert Parties or any of their respective subsidiaries and associates.

PRINCIPAL TERMS OF THE PROPOSAL

The Proposal will be implemented by way of the Scheme. Under the Scheme, the Scheme Shares will be cancelled in exchange for the payment of the Cancellation Price of HK\$0.140 in cash for each Scheme Share.

The Offeror has advised that the Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

The Company does not intend to declare and/or pay any dividend before the Effective Date or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be). However, if, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror shall reduce the Cancellation Price by the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in the Announcement, this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the following, among others:

- (i) the approval of the Scheme (by way of a poll) by a majority in number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that: (a) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Disinterested Shares that are voted either in person or by proxy at the Court Meeting; and (b) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Disinterested Shares; and

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (ii) the passing of: (a) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the SGM to approve and give effect to any reduction of the share capital of the Company associated with cancelling and extinguishing the Scheme Shares; and (b) an ordinary resolution by the Shareholders at the SGM to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (being 30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)), failing which the Proposal and the Scheme will lapse. The Company has no right to waive any of the Conditions. If approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the SGM.

For details of the Conditions, please refer to the section headed “Terms of the Proposal” in the Letter from the Board.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation with regard to the Proposal and the Scheme, we have taken into account the following principal factors and reasons:

1. Background information of the Group

The Group positioned itself as a professional property developer, focusing on logistics warehouses, cold storage, industrial factories and primary land development, while operating certain commercial projects. The Shares have been listed on the Main Board of the Stock Exchange since 1998.

However, the Group’s previous business in property development was an asset-heavy business with a large capital backlog and a long payback period, of which the huge expenditure on finance costs directly affected the Group’s profitability. Therefore, having cautiously assessed the sustainable development of the business in the future and with a view to achieving a reduction in liabilities and finance expenses while diversifying revenue to improve its profitability, the Group decided to carry out a business transformation since 2019. First, the Group has stopped making new investments in the pan-property development field and gradually withdrawn from it through the continued disposal of assets of mature projects. Secondly, the Group has leveraged on the cold chain business that has been developed since 2019 to penetrate upstream and downstream to carry out the food supply chain business in the PRC.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below are the brief descriptions of the principal activities of the Group for the three years ended 31 December 2024 (“FY2022”, “FY2023” and “FY2024”, respectively). The revenue of the Group for FY2022, FY2023 and FY2024 were substantially generated from (i) the property business; (ii) the logistics business; (iii) the industrial business; and (iv) the supply chain business.

(i) The property business

The Group’s property business involves the leasing of commercial properties and a health care property in the PRC and the provision of related management services, which contributed to approximately 6.1%, 5.1% and 8.5% of its total revenue for FY2022, FY2023 and FY2024, respectively.

The Group currently holds two commercial properties, being a metro mall in Guangzhou and a four-star business and leisure hotel in Beijing. The metro mall has a total gross floor area of approximately 61,967 sq.m., and is a commercial complex providing dining, entertainment, shopping and cultural experience to young customers aged between 16 and 28. The average occupancy rate of the owned area of the metro mall was approximately 88.15%, 86.48% and 83.19% for FY2022, FY2023 and FY2024, respectively. On the other hand, the hotel has entrusted its operations to an elderly care management company in 2019 and commenced operation in the second quarter of 2024.

(ii) The logistics business

The Group’s logistics business involves the leasing of general warehouses, cold chain logistics warehouses and a specialised wholesale market and the provision of related logistics and management services, which contributed to approximately 23.4%, 12.3% and 14.2% of its total revenue for FY2022, FY2023 and FY2024, respectively.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Details of the logistics properties held by the Group are as follows:

Location of properties	Planned and owned area/ storage capacity (sq.m./ton)	Operating leaseable area/ storage capacity (sq.m./ton)	Average occupancy rate for FY2022 (%)	Average occupancy rate for FY2023 (%)	Average occupancy rate for FY2024 (%)
High-end and modern general warehouses					
Pudong District, Shanghai	211,555	211,555	54.78	60.09	56.73
Tianjin (Tianjin Airport Zone of Tianjin Free Trade Zone)	57,670	57,670	95.12	37.43	34.95
Tianjin (Tianjin Port Zone of Tianjin Free Trade Zone)	16,083	16,083	100.00	100.00	73.36
Dongpo District, Meishan	97,809	97,809	60.27	62.33	57.34
Ke'erqin District, Tongliao	31,113	31,113	80.98	81.41	84.32
Jiaozhou, Qingdao	145,170	–	N/A	N/A	N/A
		(Note)			
Cold chain logistics warehouses					
Hangu District, Tianjin	75,000	45,000	88.41	59.90	30.08
Chengyang District, Qingdao	8,000	8,000	100.00	100.00	100.00
Specialised wholesale market					
Wholesale trading zone	Phase I:	162,004	84.97	82.54	79.78
Storage service zone	41,282	as at 31	79.52	79.00	75.00
Public ancillary market facility zone	Phase II: 153,856	December 2024	N/A	81.15	86.46

Note: The project started in March 2020 but has been suspended during the COVID-19 pandemic. The preparatory work for resumption is still underway and the project is expected to be completed by the first quarter of 2027.

High-end and modern general warehouses are the developed projects that the Group gives priority for disposal. The Group has completed the disposal of the Tongzhou District, Beijing project, the Tong'an District, Xiamen project and the Chengmai District, Hainan project in 2022 and 2023. The disposals of the Pudong District, Shanghai project, the Tianjin (Tianjin Airport Zone of Tianjin Free Trade Zone) project, the Tianjin (Tianjin Port Zone of Tianjin Free Trade Zone) project and the Jiaozhou City, Qingdao project with the total area of approximately 430,000 sq.m. are also under planning in an orderly manner.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In respect of the cold chain logistics warehouses, the Tianjin cold chain warehouse is positioned to serve as a cold chain logistics hub and a processing and distribution centre for aquatic products in northern China. Occupying an area of approximately 31,301 sq.m., Phase I of the project has both cold chain storage space and freezer with a total storage capacity of approximately 45,000 tons. With an estimated total investment of RMB100 million, Phase II of the project has obtained government approval and preliminary work is in progress. Furthermore, the Qingdao cold chain warehouse is mainly engaged in the operation of cold logistics storage facilities in Chengyang District of Qingdao. The Group has entered into a ten-year business cooperation arrangement with a logistics storage and transportation company since 2021, so that the occupancy rate of the cold storage reaching 100% in recent years.

The Group has been approved by Quzhou government authorities, to establish a modern agricultural wholesale market project in Quzhou, Zhejiang Province, the PRC, including an agricultural exchange zone and ancillary commercial facilities. This agricultural wholesale market project will be constructed and developed in two phases. Phase I has a gross floor area of approximately 41,282 sq.m. and was officially opened in August 2015. Phase II consists of three lots. Lots I and II have a gross floor area of approximately 153,856 sq.m. and were officially opened in November 2017. Lot III is at the stage of sketch design refinement. As of 31 December 2024, this project had a leaseable area of approximately 162,004 sq.m., including a wholesale trading zone, a comprehensive market trading zone, a storage service zone and a public ancillary market facility zone. The operation team is making continuous efforts to conduct internal regional adjustment of the existing assets in order to improve the overall occupancy rate and the rent unit price, so that the project can achieve profitability as soon as possible.

(iii) The industrial business

The Group's industrial business involves the leasing of industrial plants, provision of related management services and sale of properties, which contributed to approximately 13.5%, 5.5% and 4.9% of its total revenue for FY2022, FY2023 and FY2024, respectively.

In response to the demand for relocation of high-end manufacturing industries in Shanghai, the Group commenced the industrial business at the end of 2016. In 2022, the Group successfully disposed of its completed projects in Taicang, Changshu and Suzhou.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

At present, the only industrial plant held by the Group is located in Changzhou. This project is planned to have a gross floor area of approximately 476,403 sq.m and a planned and owned area of approximately 340,882 sq.m. With a total investment of approximately RMB2,000 million, it will be developed in two phases. Construction of Phase I has been completed and accepted on 30 June 2022 and is actively being leased and sold, with 11,187.62 sq.m. of sale area completed, and leasing area of 21,489 sq.m. Phase II of the project is currently in the process of completing the extension of the completion date, which is planned to be extended to 5 November 2026. The Group plans to negotiate with the local government to jointly find suitable project investors to complete the Phase II of the project construction in the future.

(iv) The supply chain business

The Group's supply chain business involves the trading of frozen products, which contributed to approximately 57.0%, 77.1% and 72.4% of its total revenue for FY2022, FY2023 and FY2024, respectively.

Relying on the existing online and offline cold chain and agricultural wholesale market infrastructure that has become mature, the Group has extended and focused on its nationwide supply chain business and further developed it through the self-developed online trading platform. The Group's supply chain business has rolled out international trade service, cold chain storage service and electronic business system development service for frozen products. Its strategic objective is to establish the best comprehensive supply chain industry service platform in the PRC to save costs and increase revenue for its customers by making full use of digital technologies while eliminating financial risk of financial institutions by realising full control over inventories, information and funds along the whole chain.

Online services and trading platforms are the main drivers of the Group's supply chain business development. The Group has developed Coldeal (冻品e港)(www.cciinet.com) and gradually optimised and launched different versions of Coldeal with successful integration of online registration, trading and payment. The total number of registered users and certified enterprises of Coldeal have increased from 102,556 and 1,041 as at 31 December 2022, respectively, to 202,876 and 7,164 as at 31 December 2024, respectively. So far, Coldeal serves more than 400 counties and cities in about 31 provinces across the country by integrating over 3,173 logistics companies, over 16,947 logistics routes and over 7,000 cold storage across the country. Meanwhile, the Group has reached in-depth strategic cooperation with enterprises along the supply chain and industry chain, which covered, among others, Dalian Bonded Zone, Dalian Economic and Technological Development Zone, Yangshan Free Trade Zone in Shanghai, Pudong New Area in Shanghai, Tianjin Bonded Zone and Yantian District in Shenzhen.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. Financial information of the Group

Set out in the table below is a summary of the consolidated financial performance of the Group for the three years ended 31 December 2024, as extracted from the 2023 Annual Report and the 2024 Annual Report:

(i) Financial performance

	FY2022 <i>RMB'000</i> (audited) (restated)	FY2023 <i>RMB'000</i> (audited)	FY2024 <i>RMB'000</i> (audited)
Revenue	1,125,947	1,468,336	864,864
– Property business	68,994	74,883	73,763
– Logistics business	263,453	180,534	122,428
– Industrial business	151,626	80,724	42,200
– Supply chain business	641,874	1,132,195	626,473
Cost of sales and services	(726,126)	(1,234,240)	(732,361)
Gross profit	399,821	234,096	132,503
<i>Gross profit margin</i>	<i>35.5%</i>	<i>15.9%</i>	<i>15.3%</i>
Changes in fair value of investment properties, net	35,376	(280,487)	(154,155)
Gain on disposal of subsidiaries	545,995	465	55,767
Other income and gains, net	48,243	55,236	19,815
Selling and distribution expenses	(6,492)	(15,762)	(7,142)
Administrative expenses	(185,226)	(130,670)	(96,026)
Other expenses, net	(27,564)	(12,450)	(48,813)
Finance costs	(525,271)	(474,288)	(415,944)
Share of profits and losses of:			
– Joint ventures	15,602	(15,004)	1
– Associates	(40,478)	(285,783)	(120,077)
Profit/(Loss) before tax	260,006	(924,647)	(634,071)
Income tax (expense)/credit	(196,493)	14,764	82,389
Profit/(Loss) for the year	63,513	(909,883)	(551,682)
Loss attributable to the Shareholders	(70,973)	(901,406)	(536,847)

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

FY2023 as compared to FY2022

The total revenue of the Group amounted to approximately RMB1,468.3 million for FY2023, representing an increase of approximately 30.4% as compared to the total revenue of approximately RMB1,125.9 million for FY2022. Such increase was primarily attributable to the increase in revenue from supply chain business by approximately 76.4% from approximately RMB641.9 million for FY2022 to approximately RMB1,132.2 million for FY2023 as a result of the development of the Group's supply chain business which provides integrated logistics services for high-value imported meat and aquatic products and the expansion of the total number of registered users and certified enterprises of the Group's online services and trading platform Coldeal, which was partially offset by (a) the decrease in revenue from logistics business by approximately 31.5% from approximately RMB263.5 million for FY2022 to approximately RMB180.5 million for FY2023 which was mainly due to (1) the Group's disposal of three high-end and modern general warehouses in 2022 and 2023; (2) the cancellation of nucleic acid detection and disinfection operations which had a significant impact on revenue; and (3) the decrease in the average occupancy rate in the Tianjin cold chain warehouse; and (b) the decrease in revenue from industrial business by approximately 46.8% from approximately RMB151.6 million for FY2022 to approximately RMB80.7 million for FY2023 as a result of the Group's disposal of three projects in Jiangsu in 2022.

Despite the increase in revenue, the Group's gross profit decreased by approximately 41.4% from approximately RMB399.8 million for FY2022 to approximately RMB234.1 million for FY2023, primarily attributable to the decrease in gross profit margin from approximately 35.5% for FY2022 to approximately 15.9% for FY2023 as a result of (a) the gross loss margin recorded by the Group's supply chain business for FY2023; (b) the decrease in gross profit margin of the Group's industrial business from approximately 79.9% for FY2022 to approximately 56.4% for FY2023 mainly due to the increase in the portion of profit from disposal of properties; and (c) the decrease in gross profit margin of the Group's property business from approximately 96.6% for FY2022 to approximately 84.8% for FY2023 mainly due to a one-off compensation for the termination of employment contracts of hotel staff. The Group's supply chain business recorded a change from gross profit margin of approximately 2.2% for FY2022 to gross loss margin of approximately 1.3% for FY2023. Since the significant increase in revenue generated from supply chain business with gross loss margin, the Group's gross profit margin decreased in FY2023.

The Group recorded a change from net fair value gain of investment properties of approximately RMB35.4 million for FY2022 to net fair value loss of investment properties of approximately RMB280.5 million for FY2023, primarily attributable to the fair value changes of properties located in Guangzhou and Zhejiang.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Group's gain on disposal of subsidiaries decreased by approximately 99.9% from approximately RMB546.0 million for FY2022 to approximately RMB0.5 million for FY2023, primarily attributable to the decrease in the number of projects disposed by the Group in 2023.

The Group's administrative expenses decreased by approximately 29.5% from approximately RMB185.2 million for FY2022 to approximately RMB130.7 million for FY2023, primarily attributable to the decrease in legal and professional fee for the disposal of subsidiaries, the decrease in staff cost and the decrease in the property tax from industrial group.

The Group's net other expenses decreased by approximately 54.8% from approximately RMB27.6 million for FY2022 to approximately RMB12.5 million for FY2023, primarily attributable to the foreign exchange differences in 2022.

The Group's finance costs decreased by approximately 9.7% from approximately RMB525.3 million for FY2022 to approximately RMB474.3 million for FY2023, primarily attributable to the decrease in the Group's total borrowings during 2023.

The Group's share of losses of joint ventures and associates increased by approximately 1,109.1% from approximately RMB24.9 million for FY2022 to approximately RMB300.8 million for FY2023, primarily attributable to the poor financial results and impairment losses of joint venture and associates.

Owing to the factors as mentioned above, the Group recorded a significant increase in loss attributable to the Shareholders by approximately 1,170.1% from approximately RMB71.0 million for FY2022 to approximately RMB901.4 million for FY2023.

FY2024 as compared to FY2023

The total revenue of the Group amounted to approximately RMB864.9 million for FY2024, representing a decrease of approximately 41.1% as compared to the total revenue of approximately RMB1,468.3 million for FY2023. Such decrease was primarily attributable to (a) the decrease in revenue from supply chain business by approximately 44.7% from approximately RMB1,132.2 million for FY2023 to approximately RMB626.5 million for FY2024, as a result of the reorganisation of customer base to align with future business development. In FY2024, the Group ceased engagements with certain customers following an evaluation of their creditworthiness and purchasing behaviour, and the Group planned to optimise its customer structure and redeploy its limited resources on customers that have good credit and high stocks turnover rate that better align with the Group's strategic development objectives; (b) the decrease in revenue from logistics business by approximately 32.2% from approximately RMB180.5 million for FY2023 to approximately RMB122.4 million for

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

FY2024 which was mainly due to (1) the Group's disposal of two high-end and modern general warehouses in October 2023; and (2) the decrease in the average occupancy rate in high-end and modern general warehouses and cold chain warehouse in Tianjin; and (c) the decrease in revenue from industrial business by approximately 47.7% from approximately RMB80.7 million for FY2023 to approximately RMB42.2 million for FY2024 as a result of the disposal of a project in Zhejiang in January 2024.

In line with the decrease in revenue, the Group's gross profit decreased by approximately 43.4% from approximately RMB234.1 million for FY2023 to approximately RMB132.5 million for FY2024. The Group's gross profit margin remained relatively stable at approximately 15.9% and 15.3% for FY2023 and FY2024, respectively.

The Group's net fair value loss of investment properties decreased by approximately 45.0% from approximately RMB280.5 million for FY2023 to approximately RMB154.2 million for FY2024, primarily attributable to the fair value changes of properties located in Guangzhou and Shanghai.

The Group's gain on disposal of subsidiaries increased by approximately 11,892.9% from approximately RMB0.5 million for FY2023 to approximately RMB55.8 million for FY2024, primarily attributable to the higher value of the Jiaying project disposed by the Group in 2024. The Jiaying project was an industrial warehouse located in Jiaying, Zhejiang Province, the PRC and disposed by the Group in January 2024 for a total cash consideration of approximately RMB276.7 million.

The Group's administrative expenses decreased by approximately 26.5% from approximately RMB130.7 million for FY2023 to approximately RMB96.0 million for FY2024, primarily attributable to the decrease in legal and professional fee for the disposal of subsidiaries, the decrease in staff cost and the decrease in the property tax from industrial group.

The Group's net other expenses increased by approximately 292.1% from approximately RMB12.5 million for FY2023 to approximately RMB48.8 million for FY2024, primarily attributable to (a) the provision of contingent consideration payable of approximately RMB24.2 million; and (b) the foreign exchange differences in 2024.

The Group's finance costs decreased by approximately 12.3% from approximately RMB474.3 million for FY2023 to approximately RMB415.9 million for FY2024, primarily attributable to the decrease in the Group's total borrowings during 2024.

The Group's share of losses of joint ventures and associates decreased by approximately 60.1% from approximately RMB300.8 million for FY2023 to approximately RMB120.1 million for FY2024, primarily attributable to the improved financial results of joint venture and associates.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Owing to the factors as mentioned above, the Group recorded a decrease in loss attributable to the Shareholders by approximately 40.4% from approximately RMB901.4 million for FY2023 to approximately RMB536.9 million for FY2024.

(ii) Financial position

	As at 31 December		
	2022	2023	2024
	RMB'000	RMB'000	RMB'000
	(audited)	(audited)	(audited)
	(restated)		
Non-current assets	9,089,558	8,065,613	10,256,282
Property, plant and equipment	436,691	433,478	419,071
Investment properties	4,089,995	3,467,683	5,609,652
Right-of-use assets	60,368	57,782	55,197
Goodwill	89,549	91,953	152,425
Interests in joint ventures	204,736	70,936	70,937
Interests in associates	515,909	227,376	207,900
Equity instruments at fair value through other comprehensive income	18,702	11,254	9,427
Land held for development or sale	3,673,608	3,705,151	3,731,673
Current assets	6,587,703	5,537,469	2,718,713
Properties under development for sale	19,419	22,138	21,151
Properties held for sale	1,699,202	1,720,614	1,702,044
Inventories	374,921	316,911	112,156
Trade receivables	99,086	90,333	115,126
Prepayments, deposits and other receivables	548,300	250,236	80,343
Due from joint ventures	4,977	5,046	5,046
Financial asset at fair value through profit or loss	180,000	—	—
Pledged and restricted bank deposits	5,837	9,090	32,525
Cash and cash equivalents	647,403	366,010	650,322
Assets of disposal groups classified as held for sale	3,008,558	2,757,091	—
Total assets	15,677,261	13,603,082	12,974,995

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	As at 31 December		
	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(audited)
	(restated)		
Current liabilities	8,578,773	2,788,448	1,335,904
Trade payables	212,834	136,867	135,896
Other payables and accruals	595,541	494,036	519,603
Due to other related parties	233,930	503,623	17,739
Bank and other borrowings	1,509,028	898,317	399,483
Guaranteed bonds	4,926,286	—	—
Income tax payables	103,648	58,744	56,966
Provision for compensation	203,077	201,357	206,217
Liability directly associated with the assets of disposal groups classified as held for sale	794,429	495,504	—
Non-current liabilities	2,887,879	7,810,857	9,191,190
Due to a joint venture	176,809	176,809	176,809
Due to other related parties	54,278	—	—
Bank and other borrowings	1,412,165	6,533,100	6,199,297
Guaranteed bonds	—	—	1,490,277
Deferred income	70,759	19,946	17,926
Defined benefit obligations	11,559	7,810	8,950
Deferred tax liabilities	1,162,309	1,073,192	1,297,931
Total liabilities	11,466,652	10,599,305	10,527,094
Net current (liabilities)/assets	(1,991,070)	2,749,021	1,382,809
Total equity	4,210,609	3,003,777	2,447,901
Equity attributable to the Shareholders	2,420,145	1,375,657	821,534
Gearing ratio (<i>Note</i>)	170.9%	234.9%	302.6%

Note: Being sum of bank and other borrowings and guaranteed bonds, net of cash and cash equivalents and pledged and restricted bank deposits, divided by the total equity.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 31 December 2024, the total assets of the Group amounted to approximately RMB12,975.0 million, which primarily consisted of (a) investment properties of approximately RMB5,609.7 million, which mainly comprised eleven completed properties and three properties under construction. The completed investment properties are leased to third parties and related companies under operating leases; (b) land held for development or sale of approximately RMB3,731.7 million, which mainly represented a freehold land located in Cambodia with a total area of approximately 14.7 square kilometres for the primarily land development business; (c) properties held for sale of approximately RMB1,702.0 million, which mainly represented the development project in Changzhou and certain portion of the Group's shopping mall in Guangzhou which are held by the Group for ultimate transfer to certain indigenous properties owners as compensation and seized by the local government authority until such time when the compensation is settled; and (d) cash and cash equivalents of approximately RMB650.3 million.

For the purpose of Rule 11.1(f) of the Takeovers Code, Vincorn Consulting and Appraisal Limited (the “**Valuer**”), an independent valuer, has valued the property interests of the Group comprising (i) property interests held by the Group for investment in the PRC; (ii) property interests held by the Group for sale in the PRC and Cambodia; (iii) property interests held by the Group for development in the PRC; and (iv) property interests held by the Group for occupation in the PRC (the “**Property Interests**”). According to the Property Valuation Report prepared by the Valuer, the total market value and reference value of the Property Interests in existing state attributable to the Group as at 30 June 2025 was approximately RMB9,257.1 million. For details, please refer to the section headed “Valuation on property interests of the Group and the Reassessed NAV” below. The full text of the Property Valuation Report is set out in Appendix II to the Scheme Document, and the Disinterested Shareholders and the Scheme Shareholders are recommended to read them in full.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

With reference to the 2024 Annual Report, the table below sets out the Group's properties as at 31 December 2024, which mainly comprised investment properties and building, warehouses and land under development for sale or held for sale.

Location	Use	Tenure	Attributable interest of the Group
Completed investment properties			
Level 1 on No. 89 Shenfei Road, Levels 1 and 2 on Nos. 59, 119, 159, 199, 239 Shenfei Road, and Levels 1 and 2 on Nos. 60, 90, 120, 160, 200 and 240 Sheny Road, Shanghai Wai Gao Qiao Logistics Centre, Pudong New District, Shanghai City, the PRC	Logistics warehouse	Medium term lease	100%
No. 19, Third Avenue, Dongli District, Tianjin City, the PRC	Logistics warehouse	Medium term lease	100%
Metro mall (excluding Units 63 to 65, Basement I) No. 63 Xihu Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC <i>(Note)</i>	Shopping mall	Medium term lease	98.9%
Peng Jia Tai Community, Xiazhuang Street, Chengyang District, Qingdao City, Shandong Province, the PRC	Cold chain warehouse	Medium term lease	80%
No. 3 Bencao Avenue South Section, Dongpo District, Meishan City, Sichuan Province, the PRC	Logistics warehouse	Medium term lease	60%
No. 1 Yihao Road, Dongli District, Tianjin City, the PRC	Logistics warehouse	Medium term lease	100%
No. 168 Jin Bin Avenue, Binhai New District, Tianjin City, the PRC	Logistics warehouse	Medium term lease	100%
No. 1 Mojiahu Road, Kecheng District, Quzhou City, Zhejiang Province, the PRC	Logistics center	Medium term lease	100%
Horqin 2nd Wei and 7th Jiefang, Horqin District, Tongliao City, the PRC	Logistics warehouse	Medium term lease	100%
A healthcare property located in Holiday Inn Downtown Beijing, 98 Beilishi Road, Financial Street, Xicheng District, Beijing, the PRC	Healthcare property	Long-term lease	100%

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Location	Use	Tenure	Attributable interest of the Group
Investment properties under construction			
Developing warehouses in South of China Railway 19th Bureau, East of Tongliao Hexi Inner Mongolia Autonomous Region Food Reserve, Horqin District, Tongliao City, the PRC	Logistics warehouse	Medium term lease	100%
A warehouse and various building structures in Qinghe Town, Horqin District, Tongliao City, the PRC	Logistics warehouse	Medium term lease	100%
Developing warehouses in the West of Jiaoda Avenue and South of Taohe Road, Jiaozhou City, Qingdao, Shandong Province, the PRC	Logistics warehouse	Medium term lease	100%
Building, warehouses and land under development for sale or held for sale			
No. 95 Hairong Road, Binhai New District, Tianjin City, the PRC	Cold chain warehouse	Medium term lease	60%
No. 28 Chuangke Road, Tianning District, Changzhou City, Jiangsu Province, the PRC	Industrial park	Medium term lease	72.48%
256 land parcels located in Kampong Tralach District and Samaki Meanchey District, Kampong Chhnang Province, The Kingdom of Cambodia	Complex	Freehold	60%

Note: The 6th Floor of metro mall was classified as properties held for sale since 31 December 2017.

The Group's accounting policies stated that (a) investment properties, including both completed investment properties and investment properties under construction, are stated at fair value at the end of the reporting period; (b) land held for development or sale is stated at the lower of cost and net realisable value and comprises the land acquisition cost, property transfer tax and other costs directly attributable to such land during the development period; (c) properties under development for sale are stated at the lower of cost and net realisable value; and (d) properties held for sale are stated at the lower of cost and net realisable value.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 31 December 2024, the total liabilities of the Group amounted to approximately RMB10,527.1 million, which primarily consisted of (a) bank and other borrowings of approximately RMB6,598.8 million, among which (1) the bank loans bear interests at floating rates with interests at specified periods' LIBOR or HIBOR or the benchmark lending rate of the People's Bank of China plus a margin and at fixed rates ranging from 3.0% to 4.32%; and (2) the other borrowings have fixed investment return ranging from 4.06% to 4.32% or bear interest according to the benchmark lending rate of the People's Bank of China plus a margin; (b) guaranteed bonds of approximately RMB1,490.3 million with an interest rate of 5.40% per annum; and (c) deferred tax liabilities of approximately RMB1,297.9 million.

As at 31 December 2024, the Group had equity attributable to the Shareholders of approximately RMB821.5 million and net current assets of approximately RMB1,382.8 million. The Group was in a highly leveraged financial position with a gearing ratio of approximately 302.6% as at 31 December 2024.

(iii) Overall comments

Since 2019, the Group has promoted the disposal of heavy assets while continuously developing the supply chain business. Despite the strategic business transformations pursued by the Group and the expansion of its supply chain business, the Group has recorded consecutive losses attributable to the Shareholders during the three years ended 31 December 2024, primarily attributable to the gross loss position of the supply chain business and the relatively high finance costs. In light of the Group's disposal of heavy assets over the years and the decrease in the average occupancy rates in the Group's commercial, logistics and industrial properties, we expect the Group's revenue will continue to be derived mainly from its supply chain business in the near future. However, in view of the current gross loss position of the supply chain business, the Group's financial performance may still be impacted negatively.

For the three years ended 31 December 2024, the Group recorded finance costs of approximately RMB525.3 million, RMB474.3 million and RMB415.9 million, respectively, while its gross profit was only approximately RMB399.8 million, RMB234.1 million and RMB132.5 million, respectively. As at 31 December 2024, the Group was in a highly leveraged financial position, having total borrowings (including bank and other borrowings and guaranteed bonds) of approximately RMB8,089.1 million. On the other hand, the Group only had cash balance (including cash and cash equivalents and pledged and restricted bank deposits) of approximately RMB682.8 million as at 31 December 2024. The Group's gearing ratio has increased significantly from approximately 170.9% as at 31 December 2022 to approximately 302.6% as at 31 December 2024. Having considered the prevailing market condition and low level of cash on hand available to the Group, the Group is currently under pressure on liquidity.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Taking into account (a) that the Group had been loss-making for years; (b) the gross loss position of the Group's principal business, being the supply chain business; and (c) the financial pressure of the Group, we consider the Group's prospect to be uncertain.

3. Industry overview and outlook

(i) *Economic growth and retail sales*

Set out below are the growth in gross domestic product ("GDP") and consumer goods retail sales of the PRC during the period from 2019 to 2024:

Year on year growth rate	2019	2020	2021	2022	2023	2024
GDP	7.5%	2.9%	13.4%	5.1%	4.9%	4.2%
Consumer goods retail sales	7.8%	(4.1%)	12.2%	(0.4%)	7.0%	3.5%

Source: National Bureau of Statistics of China

As adversely affected by the COVID-19 outbreak since early 2020, the Chinese economic growth decelerated from approximately 7.5% in 2019 to approximately 2.9% in 2020. Due to the recovery of the economy from the low base in 2020, the Chinese GDP grew rapidly at approximately 13.4% in 2021. The Chinese economy then continued to recover at a slower rate of approximately 5.1%, 4.9% and 4.2% in 2022, 2023 and 2024, respectively.

In 2024, the Chinese consumer goods retail sales increased by approximately 3.5%, which represented a downturn in recovery as compared to the growth rate of approximately 7.0% in 2023 and an underperformance as compared to the growth rate of approximately 7.8% in 2019 prior to the COVID-19. Such slowdown in the recovery of consumer goods retail sales in the PRC may adversely impact the leasing demand on the Group's properties.

(ii) *Property market*

Set out below are the China retail rental index and China logistics rental index during the period from 2019 to 2024:

	2019	2020	2021	2022	2023	2024
China retail rental index	228.6	221.9	226.4	221.8	221.6	219.1
China logistics rental index	142.17	140.35	141.93	142.71	138.75	125.4

Source: CBRE

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

According to the “Chinese Real Estate Market Outlook” (source: <https://pdf.savills.asia/selected-international-research/2025-outlook-en.pdf>) issued by Savills, one of the world’s leading property agents, the average vacancy rate of retail properties across the top ten cities of the PRC was approximately 10.5% in the fourth quarter of 2024. In view of the difficulty for property owners to maintain a balanced tenant mix and attract high-quality new brand, vacancy rates across most cities in the PRC are expected to remain above long-term averages in the short term.

In addition, over the past five years, China’s logistics market has seen a significant increase in non-bonded Grade A warehouse supply. Annual supply across 31 major logistics hubs has exceeded 10 million sq.m. each year from 2020 to 2023, with a notable concentration in first-tier cities and surrounding satellite cities. This rapid influx of new supply has led to rising vacancy rates nationwide, forcing landlords to reduce rents to maintain occupancy levels. Cold storage development has also slowed significantly over the past year. The increased demand for fresh food and the decrease in imported food volumes have reduced the demand for cold storage.

Due to the challenging overall environment, weak consumer confidence, fierce competition in the retail market, pressure on retailers’ sales performance and the increased supply of logistics warehouses, the retail and logistics rents of the PRC declined over the past few years. As shown in the table above, both of the China retail rental index and the China logistics rental index have generally exhibited a downward trend from 2019 to 2024, indicating that the Chinese retail and logistics properties markets have failed to restore to its pre-pandemic level.

The outlook of the industrial properties is highly dependent on the Chinese manufacturing sector. Since 2023, factors such as geopolitical tensions and U.S. interest rate hikes have accelerated the localisation and shortening of supply chains. Rising labour and land costs, geopolitical risks, and the need for diversified supply chains have led some manufacturers to adopt a “China + N” strategy, reducing investments in China while expanding into other countries to enhance supply chain stability. Such global supply chain shifts shall continue to impose uncertainties and challenges on the Chinese manufacturing sector and thus the industrial properties market.

(iii) Supply chain market

In recent years, there was a structural upgrade in the consumption market in the PRC with catering consumption becoming the core driving force. According to the National Bureau of Statistics of China, the national catering income has increased from approximately RMB588.7 billion in 2019 to approximately RMB972.5 billion in 2023, representing a compound annual growth rate (“CAGR”) of approximately 13.4% during the period. In addition, the Chinese residents’ per capita disposal income has also increased from RMB30,733 in 2019 to RMB41,314 in 2024, representing a CAGR of approximately 6.1% during the period.

Driven by the growing demand from the catering businesses, the enhanced Chinese residents’ purchasing power, the increased household consumption due to increasing penetration among individual customers and the ongoing reinforcement of policies for livelihood security and consumption upgrading, the frozen products supply chain industry is expected to further grow in the following years.

(iv) Outlook

The Group is principally engaged in (a) property business, logistics business and industrial business which mainly involve the leasing of commercial properties, logistics properties and industrial properties and the provision of related management services; and (b) supply chain business which mainly involves the trading of frozen products. The slowdown in economic growth and retail sales growth, weak consumer confidence, increased supply of logistics warehouses and the global supply chain shifts have adversely affected the vacancy rates and rent levels of commercial, logistics and industrial properties in the PRC, which in turn affected the Group’s revenue derived from its property business, logistics business and industrial business. On the other hand, with the growing catering business and the Chinese residents’ purchasing power, the frozen products supply chain industry is expected to further grow in the following years. However, in view of the current gross loss position of the Group’s supply chain business, further development of the supply chain business may deteriorate the Group’s financial performance. As such, we consider the operating performance of the Group is still uncertain in the near term.

4. Information on the Offeror and the future intention of the Offeror

The Offeror is a company incorporated in the British Virgin Islands with limited liability. As at the Latest Practicable Date, the entire issued share capital of the Offeror is wholly owned by BEREHK. The Offeror has not carried on any business since incorporation other than investment activities and matters in connection with the Proposal and the Scheme.

BE Group is the ultimate controlling shareholder of the Offeror. It is a state-owned enterprise established in the PRC and wholly owned by The State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

It is the intention of the Offeror that, if the Scheme becomes effective, the Company will be delisted from the Stock Exchange and the Group will continue to carry on its current business, and the Offeror does not have specific plans to make any major changes to the business of the Group (including any disposal of assets of the Company, any redeployment of fixed assets of the Group and the continued employment of the employees of the Group) upon the successful delisting of the Company. After completion of the Proposal, the Offeror will continue to consider how to develop the Company in a manner which best enhances value and, in that regard, will consider growing its business as well as market opportunities which will be dependent on a number of factors including market conditions, legal and regulatory requirements and its business needs.

5. Reasons for and benefits of the Proposal

As disclosed in the section headed “2. Financial information of the Group” above, since 2019, the Group has promoted the disposal of heavy assets while continuously developing the supply chain business. Despite the strategic business transformations pursued by the Group and the expansion of its supply chain business, the Group has recorded consecutive losses attributable to the Shareholders during the three years ended 31 December 2024, primarily attributable to the gross loss position of the supply chain business and the relatively high finance costs. For the three years ended 31 December 2024, the Group recorded finance costs of approximately RMB525.3 million, RMB474.3 million and RMB415.9 million, respectively, while gross profit was only approximately RMB399.8 million, RMB234.1 million and RMB132.5 million, respectively. As at 31 December 2024, the Group was in a highly leveraged financial position, having total borrowings (including bank and other borrowings and guaranteed bonds) of approximately RMB8,089.1 million. On the other hand, the Group only had cash balance (including cash and cash equivalents and pledged and restricted bank deposits) of approximately RMB682.8 million as at 31 December 2024. The Group’s gearing ratio has increased significantly from approximately 170.9% as at 31 December 2022 to approximately 302.6% as at 31 December 2024. Having considered the prevailing market condition and low level of cash on hand available to the Group, the Group is currently under pressure on liquidity. Although there is no guarantee that the Group’s pressure on liquidity would be improved upon effective of the Proposal, taking into account (i) that the Group had been loss-making for years; (ii) the gross loss position of the Group’s principal business, being the supply chain business; and (iii) the financial pressure of the Group, we consider the Group’s prospect to be uncertain.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The trading liquidity of the Shares has been at a low level over a long period of time. As disclosed in the Scheme Document, the average daily trading volume of the Shares for the last 12 months up to and including the Last Trading Day was approximately 1.33 million, representing only approximately 0.06% of the number of the Disinterested Shares at the Announcement Date. Given the low trading liquidity of the Shares, we concur with the Directors that it is difficult for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. Further, due to the very low liquidity of the Shares, the price of the Shares may not fully reflect the intrinsic value of the Company and devalues the investment of the Scheme Shareholders. As such, the Proposal provides an attractive exit opportunity for the Scheme Shareholders to monetise their investments for cash without having to suffer from any illiquidity discount and redeploy the consideration received under the Scheme into other investment opportunities.

It is also noted in the last ten years, a combination of factors has weighed on the capital market in Hong Kong and the Company's share price, including global macroeconomic challenges such as geopolitical tensions, lack of investor confidence, as well as the Chinese property sector crisis, which have caused the Company's share price decrease from HK\$0.71 on 30 June 2015 to HK\$0.040 on the Last Trading Day. In light of the above, as set out in the Scheme Document, the Proposal allows an exit for the Scheme Shareholders at a compelling premium to the market price of the Shares and enables the Scheme Shareholders to realise their investment in the Company at an attractive premium over the current market price of the Shares. The Cancellation Price of HK\$0.140 per Scheme Share represents a significant premium of approximately 250.00% over the closing price of HK\$0.040 per Share on the Last Trading Day, approximately 247.39% and 222.09% over the average closing prices of approximately HK\$0.040 per Share and HK\$0.043 per Share for the last 10 and 30 consecutive trading days up to and including the Last Trading Day, respectively. In addition, the Cancellation Price represents a premium of approximately 9.98% over the audited consolidated net asset value attributable to the Shareholders per Share as at 31 December 2024. For our further analysis of the Cancellation Price, please refer to the section headed "7. Cancellation Price" below.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

On the other hand, from the Company's perspective, the Company will lose its listing platform and reduces its equity financing capabilities. Nevertheless, we have reviewed the announcements published by the Company and noted that the Company has not carried out any equity fundraising activities from the open market by issuing Shares since 27 September 2018. Due to (i) the long-term underperformance in the prices and trading liquidity of the Shares; (ii) the Group's loss-making position in the past years; and (iii) the challenging and complex external environment, the Company's listing status no longer provides adequate offshore funding support which is unlikely to experience any significant improvement in the foreseeable future. Following the implementation of the Proposal, the Company will be delisted from the Stock Exchange, which is expected to help the Company save the administrative costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements. This will facilitate the optimisation of the Company's organisational hierarchy and governance structure, and as a result, improving overall management efficiency. Given the Company has limited ability to raise funds through equity financing, which is one of the main benefits of being publicly listed, while having to continue to incur various costs associated with the maintenance of its listing status, we concur with the Directors that there are limited benefits for the Company to maintain its listing status.

Based on the aforesaid, we consider that the Proposal (i) provides an opportunity for the Scheme Shareholders to dispose of their Shares at a price above the market prices prior to the issue of the Announcement and up to the Latest Practicable Date, without having to suffer any illiquidity discount and settlement risk; (ii) upon its realisation, will allow the Group to focus its resources in formulating long-term growth strategies and executing its strategies more efficiently and effectively as a non-listed state-owned entity, without being subject to regulatory restrictions, compliance obligations, pressure of market expectations and share price fluctuations arising from being a publicly listed company; and (iii) will allow the Group to reduce the costs associated with maintaining a listing platform with limited equity financing capabilities.

6. Valuation on property interests of the Group and the Reassessed NAV

(i) Valuation on property interests of the Group

The Property Valuation Report prepared by the Valuer relating to the valuation of the Property Interests is set out in Appendix II to the Scheme Document. According to the Property Valuation Report, the total market value and reference value of the Property Interests in existing state attributable to the Group as at 30 June 2025 was approximately RMB9,257.1 million (the "**Valuation**").

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have reviewed the Valuer's qualification and experience in conducting valuation. We noted that (a) the Valuer is a one-stop appraisal and consulting service provider. It has provided property valuation services to listed companies including China General Education Group Limited (2175.HK), Wise Living Technology Co., Ltd (2481.HK), Emperor International Holdings Limited (163.HK), Million Cities Holdings Limited (2892.HK), etc.; (b) Mr. Vincent Cheung, who is responsible for the overall project management of the Valuation Report, has more than 28 years of extensive experience in the valuation of fixed and intangible assets; and (c) the Valuer is an independent third party to the Company, the Offeror and their respective associates. Based on the above, we are of the view that the Valuer is qualified to perform the valuation of the Property Interests.

We have reviewed the terms, including the scope of work, of engagement between the Company and the Valuer, which we consider to be appropriate. We noted that the Valuer carried out site inspections of the Property Interests between February and July 2025.

We have reviewed the Property Valuation Report and discussed with the Valuer methodologies of and bases and assumptions adopted for the Valuation and adjustments made to arrive at the Valuation.

The Valuation has been undertaken on the basis of market value, which 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.

The Valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests. No allowances have been made for any charges, mortgages or amounts owing on the property interests, nor for any expenses or taxations which may be incurred in effecting a sale. It is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the values of the property interests. As the property interests in the PRC are held under long term land use rights, the Valuer has assumed that the owner has free and uninterrupted rights to use the property interests for the whole of the unexpired term of the land use rights. As the property interests in Cambodia are held under freehold interests, the Valuer has assumed that the owner has free and uninterrupted rights to use the property interests.

Based on our review of other property valuation reports published by the companies listed on the Stock Exchange, we considered that similar bases and assumptions were commonly adopted in property valuations on the market and that these bases and assumptions were fair and reasonable.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We noted that when valuing the property interests held by the Group for investment in the PRC, for sale in the PRC and Cambodia and for occupation in the PRC, the Valuer has adopted market approach. As advised by the Valuer, market approach is universally considered as the most accepted valuation approach for valuing most forms of property, which involves the analysis of recent market evidence of similar properties to compare with the subject under the valuation. We have obtained and reviewed all comparable transactions identified by the Valuer. Given that there are sufficient comparable transactions and information available for analysis, we consider that the use of market approach is fair and reasonable and is in line with market practice.

We noted that when valuing the property interests held by the Group for development in the PRC, the Valuer has adopted cost approach. Given that (a) the Valuer has identified few comparable transactions for the property interests held by the Group for development in the PRC; (b) the property interests held by the Group for development in the PRC represent warehouses under construction, and there are uncertainties regarding the future development and operation of the properties; and (c) the cost approach generally provides the most reliable indication of value for a property in the absence of a known market based on comparable sales, we consider the use of cost approach to be fair and reasonable.

(ii) Reassessed NAV

In evaluating the Proposal, we have taken into account the Group's reassessed net asset value attributable to the Shareholders (the "**Reassessed NAV**"), which is calculated based on the Group's net asset value as at 31 December 2024 and adjusted with reference to the valuation of property interests held by the Group as set out in Appendix II to the Scheme Document.

With reference to the Scheme Document, details of the adjustments are set out in the table below:

	<i>RMB'000</i>
Net asset value of the Group attributable to the Shareholders as at 31 December 2024	821,534
Subtract: net revaluation deficit arising from the valuation of the property interests attributable to the Group as at 30 June 2025 (Note 1)	(69,508)
Add: net deferred tax on revaluation deficit attributable to the Group (Note 2)	17,377
Reassessed NAV	769,403
Reassessed NAV per Share (RMB) (Note 3)	0.110
Reassessed NAV per Share (HK\$) (Note 4)	0.119

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. Represents the net revaluation deficit arising from the difference of the total market value and reference value of the property interests held by the Group in existing state attributable to the Group as at 30 June 2025, as appraised by the Valuer, and their corresponding book values attributable to the Group as at 31 December 2024.
2. Based on the PRC and Cambodia corporate income tax rates of 25% and 20%, respectively.
3. Based on 6,969,331,680 Shares in issue as at the Latest Practicable Date.
4. Based on the exchange rate of HK\$1:RMB0.92604.

7. Cancellation Price

The Proposal will be implemented by way of the Scheme. Under the Scheme, the Scheme Shares will be cancelled in exchange for the payment of the Cancellation Price of HK\$0.140 in cash for each Scheme Share. In order to assess the fairness and reasonableness of the Cancellation Price, we have considered the following principal factors:

(i) Cancellation Price comparison

The Cancellation Price of HK\$0.140 per Scheme Share in cash represents:

- (a) a premium of approximately 6.87% over the closing price per Share of HK\$0.131 on the Stock Exchange as at the Latest Practicable Date;
- (b) a premium of approximately 250.00% over the closing price of HK\$0.040 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 253.54% over the average closing price of approximately HK\$0.040 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (d) a premium of approximately 247.39% over the average closing price of approximately HK\$0.040 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (e) a premium of approximately 233.33% over the average closing price of approximately HK\$0.042 per Share based on the daily closing prices as quoted on the Stock Exchange for the 20 trading days up to and including the Last Trading Day;

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

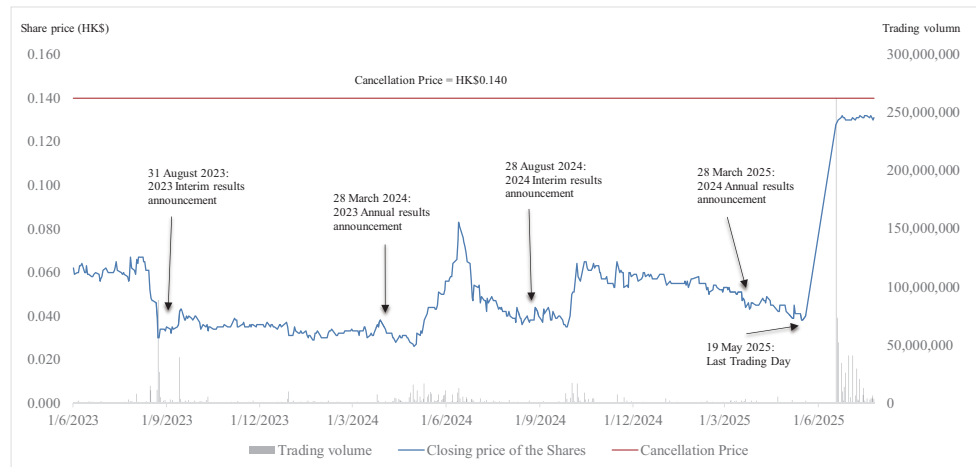
- (f) a premium of approximately 222.09% over the average closing price of approximately HK\$0.043 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (g) a premium of approximately 200.11% over the average closing price of approximately HK\$0.047 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (h) a premium of approximately 183.91% over the average closing price of approximately HK\$0.049 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (i) a premium of approximately 9.98% over the audited consolidated net asset value attributable to equity shareholders of the Company per Share of approximately RMB0.118 (equivalent to approximately HK\$0.127) as at 31 December 2024 based on RMB to HK\$ exchange rate of RMB0.92604 to HK\$1 being the exchange rate quoted by the People's Bank of China as at 31 December 2024; and
- (j) a premium of approximately 17.43% to the Reassessed NAV per Share of approximately HK\$0.119 as set out in Appendix I of the Scheme Document.

(ii) Historical price performance of the Shares

Set out below is the chart showing the movement of the daily closing prices of the Shares as quoted on the Stock Exchange during the period from 1 June 2023 up to the Last Trading Day (the “**Review Period**”), being approximately two years period prior to the Last Trading Day, and the period from the Last Trading Day up to the Latest Practicable Date (the “**Post-Announcement Period**”). We consider such Review Period to be fair, reasonable and representative as we consider it a sufficient period to illustrate the general trend and level of movement of the daily closing prices of the Shares for the purpose of this analysis, which reflects the prevailing market sentiment for conducting a comparison between the closing prices of the Shares and the Cancellation Price.

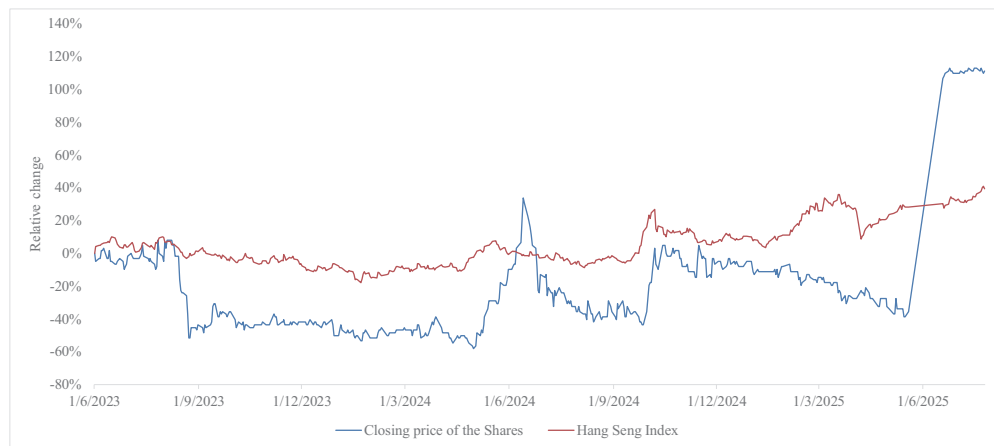
PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Chart 1: Historical price performance of the Shares during the Review Period and the Post-Announcement Period



Source: the website of the Stock Exchange

Chart 2: Comparison of performance of the Share price with the Hang Seng Index



Source: the website of the Stock Exchange and Bloomberg

As illustrated in the Chart 1 above, the Shares traded at an average of approximately HK\$0.046 per Share during the Review Period, with the highest of HK\$0.083 per Share on 13 June 2024 and the lowest of HK\$0.026 per Share on 30 April 2024. The Cancellation Price represents a premium of approximately 207.37% over the average closing price during the Review Period, and was higher than the closing prices of the Shares during the entire Review Period.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The closing prices of the Shares fluctuated between HK\$0.056 per Share and HK\$0.067 per Share during the period from 1 June 2023 and 11 August 2023, and then dropped to HK\$0.030 per Share on 23 August 2023. During the period from 24 August 2023 to 30 April 2024, the Share price remained stable, fluctuating between HK\$0.026 per Share and HK\$0.043 per Share. The Share price increased to HK\$0.083 per Share on 13 June 2024, but then fell rapidly to HK\$0.047 per Share on 27 June 2024. In line with the significant increase in the Hang Seng Index in October 2024, the Share price rose to HK\$0.065 on 14 October 2024. Since then, the Share price dropped and closed at HK\$0.040 per Share on the Last Trading Day, over which the Cancellation Price represents a premium of approximately 250.00%.

As shown in the Chart 2 above, the Share price generally underperformed the Hang Seng Index during the Review Period, which we consider was mainly due to (a) the Group's unsatisfactory financial performance; and (b) the Group's uncertain prospect amidst the industry downturn. During the Review Period, the Share price decreased by approximately 35.48% while the Hang Seng Index increased by approximately 28.08%.

Subsequent to the publication of the Announcement, the closing price of the Shares surged to HK\$0.128 per Share on 18 June 2025. The closing price of the Shares was HK\$0.131 per Share as at the Latest Practicable Date, over which the Cancellation Price represents a premium of approximately 6.87%.

The Cancellation Price is higher than the closing prices of the Shares during the entire Review Period, and represents a premium of approximately 207.37% over the average closing price during the Review Period. From the Scheme Shareholders' perspective, the Cancellation Price represents an immediate uplift in the Shareholders' value as compared to the recent Share price. We are of the view that the aforesaid surge in the Share price subsequent to the publication of the Announcement was driven by the announcement of the Proposal, in particular, the Cancellation Price of HK\$0.140 per Share. However, the Scheme Shareholders should note that the Shares were still traded below the Cancellation Price as at the Latest Practicable Date and the prevailing Share price may not be sustained if the Scheme is not approved or the Proposal lapses. Considering the Share price generally underperformed the Hang Seng Index during the Review Period, if the Scheme becomes effective and the Proposal is implemented, the Scheme Shareholders would have the opportunity to reinvest the proceeds in other companies to achieve higher returns.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(iii) *Historical trading liquidity of the Shares*

The following table sets out the average daily trading volume of the Shares for each month or period and the percentages of such average daily trading volume to the total number of the Shares in issue and held by the public during the period from 1 June 2023 to the Latest Practicable Date:

	Number of trading days	Approximate average daily trading volume of the Shares	Approximate percentage of average daily trading volume to the total number of the Shares in issue (Note 1)	Approximate percentage of average daily trading volume to the total number of the Shares held by the public (Note 2)
2023				
June	21	593,143	0.0085%	0.0276%
July	20	555,200	0.0080%	0.0258%
August	23	7,728,000	0.1109%	0.3588%
September	19	3,347,000	0.0480%	0.1554%
October	20	739,200	0.0106%	0.0343%
November	22	363,818	0.0052%	0.0169%
December	19	959,263	0.0138%	0.0445%
2024				
January	22	800,273	0.0115%	0.0372%
February	19	403,053	0.0058%	0.0187%
March	20	730,500	0.0105%	0.0339%
April	20	3,020,600	0.0433%	0.1403%
May	21	5,590,667	0.0802%	0.2596%
June	19	3,416,316	0.0490%	0.1586%
July	22	815,909	0.0117%	0.0379%
August	22	451,091	0.0065%	0.0209%
September	19	1,200,526	0.0172%	0.0557%
October	21	3,793,812	0.0544%	0.1762%
November	21	945,333	0.0136%	0.0439%
December	20	239,800	0.0034%	0.0111%
2025				
January	19	460,211	0.0066%	0.0214%
February	20	547,600	0.0079%	0.0254%
March	21	1,014,095	0.0146%	0.0471%
April	19	601,684	0.0086%	0.0279%
May	11	638,727	0.0092%	0.0297%
	(Note 1)			
June	9	57,374,883	0.8232%	2.6642%
	(Note 1)			
From 1 July to the Latest Practicable Date	18	8,678,500	0.1245%	0.4030%

* Less than 0.0001%

Source: the website of the Stock Exchange

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. Based on the total number of the Shares in issue at the end of each month or period as disclosed in the monthly return of the Company. The trading of the Shares suspended from 20 May 2025 to 17 June 2025.
2. Based on the number of the Shares held by the public Shareholders as calculated by deducting the number of Shares held by the Offeror and the Offeror Concert Parties as at the Latest Practicable Date.

As illustrated in the above table, the trading of the Shares was generally inactive during the Review Period. The maximum average daily trading volume of the Shares during the Review Period was approximately 7,728,000 Shares in August 2023, representing approximately 0.1109% of the total issued Shares and approximately 0.3588% of the issued Shares held by the public.

Given the historical thin liquidity of the Shares, it may be difficult for the Scheme Shareholders to dispose of a significant number of the Shares within a short period in the market without exerting downward pressure on the market prices of the Shares. In addition, the higher level of trading volume of the Shares after the publication of the Announcement may not be sustained if the Proposal lapses. As such, we consider that the Proposal represents an opportunity for the Scheme Shareholders, especially those with relatively sizeable shareholdings, to exit at the Cancellation Price which is above the prevailing trading price.

(iv) Comparable companies

The Group is principally engaged in real estate including high-end and modern general warehouse, supply chain development, specialised wholesale market, industrial property, commercial property and primary land development. Price-to-earnings (“**P/E(s)**”), price-to-book (“**P/B(s)**”) and price-to-sale (“**P/S(s)**”) multiples are the three most commonly used benchmarks in valuing a company. Given that (a) the Group was loss making for FY2024; (b) the Group recorded net assets position as at 31 December 2024 and investment properties and properties held for sale accounted for approximately 56.35% of the Group’s total assets as at 31 December 2024; and (c) the Group recorded volatile revenue for the two years ended 31 December 2024, we consider the valuation methodology using P/B is more appropriate in valuing the Group. Based on (a) the Cancellation Price of HK\$0.140 per Share; and (b) the Reassessed NAV per Share of approximately HK\$0.119, the P/B implied by the Cancellation Price is approximately 1.17 time (the “**Implied P/B**”).

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In assessing the fairness and reasonableness of the Cancellation Price, we consider that it is relevant to assess the Cancellation Price by making reference to the market valuation of companies listed in Hong Kong which are principally engaged in business similar to that of the Group. We have, based on our exhaustive search on Bloomberg and the website of the Stock Exchange, identified only one comparable company (the “**Supply Chain Comparable Company**”) which (a) is principally engaged in the supply chain and trading business in the PRC; (b) has its shares listed and traded on the Main Board of the Stock Exchange; (c) has a market capitalisation below HK\$600 million on the Last Trading Day, which is approximately twice the Company’s market capitalisation of approximately HK\$279 million on the Last Trading Day, in order to strike a balance between identifying sufficient sample size and ensuring comparability; and (d) has a net assets position.

Although only one Supply Chain Comparable Company was identified based on the aforesaid criteria, we consider not relaxing our selection criteria to avoid including companies which are not comparable to the Company in terms of revenue source or market capitalisation. We consider that the Supply Chain Comparable Company is fair and representative for comparison purpose as (a) it generated more than 50% of total revenue from the supply chain and trading business in the PRC, as did the Group; (b) its market capitalisation is generally comparable to that of the Group on the Last Trading Day; and (c) its net assets value is comparable to the Reassessed NAV.

The following table set out the details of the Supply Chain Comparable Company:

Company name (stock code)	Principal business	Market capitalisation	Net assets	P/B
		on the Last Trading Day (HK\$ million)	value (HK\$ million)	(Note 1) (times)
Heng Tai Consumables Group Limited (197.HK)	(i) The trading of packaged foods, beverages and household consumable products; (ii) the trading of agri-products and the upstream farming business; and (iii) other business arising from the securities brokerage and margin financing business.	30.0	752.5	0.04
	The Company	278.8	769.4 (Note 2)	1.17 (Note 2)

Source: the website of the Stock Exchange and Bloomberg

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. The Supply Chain Comparable Company's P/B is calculated based on (a) its market capitalisation on the Last Trading Day; and (b) its net asset value attributable to the shareholders as at the end of the latest financial period; and
2. Being the Reassessed NAV and the Implied P/B.

As shown in the table above, the Implied P/B of approximately 1.17 time is higher than that of the Supply Chain Comparable Company.

Although only 22.04% of the Group's total revenue for FY2024 was generated from investment property operating leases, the Group's significant property interests are considered to be similar to and comparable with investment property companies, whose assets also substantially consist of investment properties. We have, based on our search on Bloomberg and the website of the Stock Exchange, identified an exhaustive list of companies (the "**Investment Properties Comparable Companies**") which (a) generated more than 50% of total revenue from investment properties business in the PRC; (b) have their shares listed on the Main Board of the Stock Exchange and trading has not been suspended; (c) have a market capitalisation below HK\$600 million on the Last Trading Day; and (d) have a net asset position. Based on the aforesaid criteria, we have identified seven Investment Properties Comparable Companies, which represents an exhaustive list.

The following table set out the details of the Investment Properties Comparable Companies:

Company name (stock code)	Principal business	Market capitalisation on the Last Trading Day (HK\$ million)	Net assets value (HK\$ million)	P/B (Note 1) (times)
Zhong Hua International Holdings Limited (1064.HK)	Principally engaged in property investment and management businesses in the PRC.	26.9	320.4	0.08
Chinlink International Holdings Limited (997.HK)	Property investment, provision of financial guarantee services and factoring services in the PRC and Hong Kong.	31.6	640.5	0.05

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (stock code)	Principal business	Market capitalisation on the Last Trading Day (HK\$ million)	Net assets value (HK\$ million)	P/B (Note 1) (times)
Xinji Shaxi Group Co., Ltd. (3603.HK)	Principally engaged in the operation of shopping malls for hospitality supplies and home furnishings which generate rental revenue in the PRC.	61.2	1,268.9	0.05
Silver Grant International Holdings Group Limited (171.HK)	Principally engaged in property leasing and investments.	170.6	2,323.6	0.07
Everbright Grand China Assets Limited (3699.HK)	Principally engaged in the businesses of property leasing and the provision of property management services.	176.6	1,071.1	0.16
Chinney Investments, Limited (216.HK)	Mainly engaged in property investment.	336.3	7,765.9	0.04
China Asia Valley Group Limited (63.HK)	Property investment, horticultural services and sale of plants, property management and other related services and construction services.	355.8	490.8	0.72
			Maximum	0.72
			Minimum	0.04
			Average	0.17
			Median	0.07
The Company		278.8	769.4 (Note 2)	1.17 (Note 2)

Source: the website of the Stock Exchange and Bloomberg

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

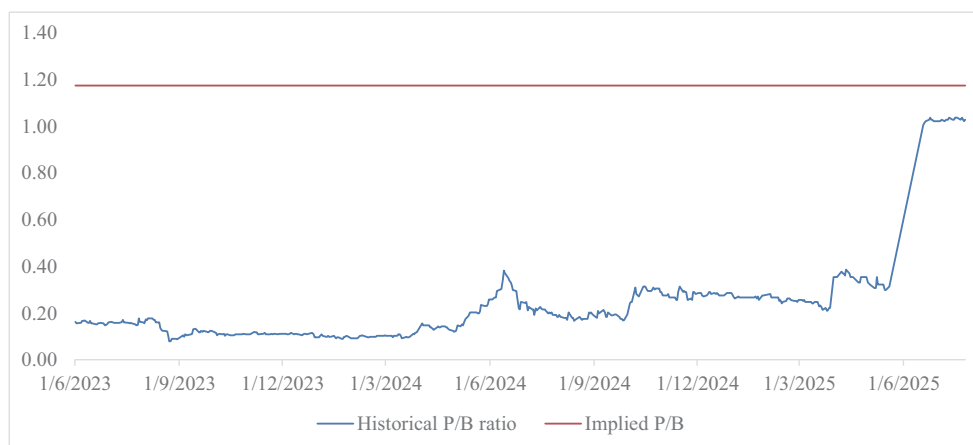
1. For each of the Investment Properties Comparable Companies, its P/B is calculated based on (a) the market capitalisation on the Last Trading Day; and (b) the net asset value attributable to its shareholders as at the end of the latest financial year or period; and
2. Being the Reassessed NAV and the Implied P/B.

As shown in the table above, the Investment Properties Comparable Companies had a range of P/B from approximately 0.04 time to 0.72 time, with an average and a median of approximately 0.17 time and 0.07 time, respectively, on the Last Trading Day. The Implied P/B of approximately 1.17 time is higher than those of the Investment Properties Comparable Companies.

Given that the Implied P/B is higher than those of the Supply Chain Comparable Company and the Investment Properties Comparable Companies (collectively, the “Comparable Companies”), which indicates that the valuation of the Company implied by the Cancellation Price is more favourable to the Scheme Shareholders as compared to those of the Comparable Companies, we consider the Cancellation Price to be fair and reasonable as far as the Scheme Shareholders are concerned.

(v) Comparison of the closing prices of the Shares with the NAV per Share

Historical P/B ratio of the Shares



Note: The historical P/B of the Shares were calculated based on the then latest net asset value of the Group as disclosed in the annual reports or interim reports of the Company, and the number of Shares in issue.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The P/B ratio measures the market's valuation of a company relative to its net asset value. As shown in the chart above, the Shares were traded at discounts to the NAV per Share throughout the Review Period. During the Review period, the P/B ratio of the Shares ranged approximately 0.08 time on 23 August 2023 to approximately 0.38 time on 13 June 2024, indicating that the Scheme Shareholders could not realise their investment in the Shares at the entire underlying NAV per Share in the market. Subsequent to the publication of the Announcement, the P/B ratio of the Shares increased to approximately 1.09 times on 18 June 2025 and approximately 1.03 times as at the Latest Practicable Date, which may not be sustained if the Scheme is not approved or the Proposal lapses.

The Implied P/B of approximately 1.17 time is higher than the historical P/B of the Shares during the entire Review Period. Based on the above, we consider that the premium of approximately 17.43% as represented by the Cancellation Price to the Reassessed NAV per Share is fair and reasonable.

(vi) Privatisation precedents

In order to further assess the fairness and reasonableness of the Cancellation Price, we have reviewed successful privatisation precedents of companies listed on the Main Board of the Stock Exchange, which were announced and completed during the Review Period. We have excluded those privatisation precedents that were voted down by the disinterested shareholders. Based on the aforesaid criteria, we have identified an exhaustive list of 29 privatisation precedents (the “**Privatisation Precedents**”). We consider that the Review Period is adequate and appropriate to (a) capture the successful market practice involving privatisation with cash consideration under the prevailing market conditions; and (b) provide a sufficient and reasonable sample for comparison with the Proposal.

Although the issuers involved in the Privatisation Precedents have different market capitalisations as compared to that of the Company, taking into account that (a) the Privatisation Precedents would provide us with the relevant information to demonstrate the pricing of successful privatisation of the Main Board listed companies in Hong Kong; and (b) the Review Period is adequate and appropriate as discussed above, we consider the Privatisation Precedents to be a fair and representative sample which can serve as a useful reference to the market pricings of privatisation proposals in the Hong Kong capital market, so as to determine whether the Cancellation Price is in line with market practices. We consider that the Privatisation Precedents are fair, representative and exhaustive samples for our assessment of the Cancellation Price for illustrative purpose.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The table below illustrates the premiums/discounts of the cancellation/offer prices offered by the Privatisation Precedents over/to the prevailing share prices prior to the last trading day of the Privatisation Precedents as well as the premiums/discounts represented by the cancellation/offer prices over/to the respective reassessed NAV per share:

Date of initial announcement	Company (stock code)	Premium of the cancellation/offer price over the average closing price					Premium/ (discount) of the cancellation/ offer price over/to the reassessed NAV per share
		Premium of the cancellation/ offer price over the closing price on the last trading day (Notes 1&2)	for the last 10 trading days up to and including the last trading day (Notes 1&2)	for the last 30 trading days up to and including the last trading day (Notes 1&2)	for the last 60 trading days up to and including the last trading day (Notes 1&2)	for the last 90 trading days up to and including the last trading day (Notes 1&2)	
27 December 2024	Vesync Co., Ltd (2148.HK)	33.3%	37.3%	44.4%	36.1%	36.4%	122.3%
19 December 2024	Pentamaster International Limited (1665.HK)	25.0%	53.6%	52.7%	50.2%	51.0%	32.6%
10 December 2024	Fosun Tourism Group (1992.HK)	95.0%	112.7%	111.2%	110.3%	112.5%	(27.4)%
22 November 2024	Ronshine Service Holding Co., Ltd (2207.HK)	15.4%	1.7%	6.3%	1.9%	(6.5)%	(53.5)%
28 October 2024	Beijing Capital Grand Limited (1329.HK)	46.6%	55.1%	41.8%	47.9%	65.4%	(53.8)%
14 October 2024	CM Hi-Tech Cleanroom Limited (2115.HK)	25.0%	26.9%	30.2%	39.7%	41.7%	(3.2)%
2 September 2024	Doyen International Holdings Limited (668.HK)	78.6%	82.3%	81.4%	86.2%	112.9%	(39.3)%
16 July 2024	Samson Holding Ltd. (531.HK)	77.8%	105.4%	150.1%	186.7%	184.5%	(47.1)%
19 June 2024	Asia Standard Hotel Group (292.HK)	52.8%	41.0%	57.1%	71.9%	71.9%	(98.6)%
12 June 2024	A8 New Media Group Limited (800.HK)	162.8%	168.7%	185.7%	185.7%	174.8%	(48.1)%
7 July 2024	Canvest Environmental Protection Group Company Limited (1381.HK)	20.7%	16.9%	20.8%	21.8%	21.8%	21.6%
27 May 2024	Huafa Property Services Group Company Limited (982.HK)	30.6%	40.1%	70.6%	82.4%	88.3%	970.1%
29 April 2024	L'Occitane International S.A. (973.HK)	30.8%	40.6%	49.9%	60.8%	60.5%	598.5%
18 April 2024	Kin Yat Holdings Limited (638.HK)	33.3%	47.3%	51.5%	53.6%	55.9%	(57.4)%
28 March 2024	SciClone Pharmaceuticals (Holdings) Limited (6600.HK)	33.9%	36.2%	47.5%	47.9%	48.7%	228.4%
9 February 2024	Intellicentrics Global Holdings Ltd. (6819.HK)	20.5%	19.3%	13.6%	11.4%	10.7%	Net liabilities
26 January 2024	Bank of Jinzhou Co., Ltd. (416.HK)	0.0%	(1.0)%	0.3%	15.4%	34.8%	(71.9)%
14 December 2023	Sinsoft Technology Group Limited (1297.HK)	29.4%	31.2%	31.1%	22.5%	15.0%	(78.9)%
4 December 2023	Weiqiao Textile Company Limited (2698.HK)	104.7%	102.7%	111.1%	142.9%	147.5%	(78.3)%
28 November 2023	CIMC Vehicles (Group) Co., Ltd. (1839.HK)	16.5%	21.0%	25.4%	19.1%	15.9%	(6.3)%
20 November 2023	Vinda International Holdings Limited (3331.HK)	20.1%	21.4%	21.3%	25.7%	29.2%	145.2%
6 October 2023	Haitong International Securities Group Limited (665.HK)	114.1%	108.2%	126.5%	122.2%	124.5%	(39.3)%
6 October 2023	Pine Care Group Limited (1989.HK)	(1.1)%	0.9%	1.5%	8.9%	22.9%	(7.9)%
15 September 2023	Lansen Pharmaceutical Holdings Limited (503.HK)	26.8%	22.5%	20.0%	15.4%	20.8%	22.1%
1 September 2023	CST Group Limited (985.HK)	61.3%	21.4%	36.6%	(1.4)%	(14.9)%	(60.7)%
27 June 2023	Dali Foods Group Company Limited (3799.HK)	37.9%	39.4%	30.2%	21.8%	18.7%	151.7%
27 June 2023	Poly Culture Group Corporation Limited (3636.HK)	77.6%	125.2%	133.1%	129.8%	129.0%	(30.9)%
23 June 2023	Yongsheng Advanced Materials Company Limited (3608.HK)	58.7%	61.0%	52.9%	38.5%	34.4%	(46.5)%

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of initial announcement	Company (stock code)	Premium of the cancellation/offer price over the average closing price					Premium/ (discount) of the cancellation/ offer price over/to the reassessed NAV per share
		Premium of the cancellation/ offer price over the closing price on the last trading day (Notes 1&2)	for the last 10 trading days up to and including the last trading day (Notes 1&2)	for the last 30 trading days up to and including the last trading day (Notes 1&2)	for the last 60 trading days up to and including the last trading day (Notes 1&2)	for the last 90 trading days up to and including the last trading day (Notes 1&2)	
11 June 2023	Mason Group Holdings Limited (273.HK)	20.7%	19.4%	19.0%	16.2%	12.7%	(60.1)%
	Maximum	162.8%	168.7%	185.7%	186.7%	184.5%	970.1%
	Minimum	(1.1)%	(1.0)%	0.3%	(1.4)%	(14.9)%	(98.6)%
	Average	46.5%	50.3%	56.0%	57.6%	59.3%	49.4%
	Median	33.3%	39.4%	44.4%	39.7%	41.7%	(35.1)%
19 May 2025	The Company (925.HK)	250.0%	247.4%	222.1%	200.1%	183.9%	17.43%

Source: the website of the Stock Exchange

Notes:

1. Subject to rounding differences.
2. Up to and including the last trading day/unaffected price date of the shares prior to the publication of the first announcement pursuant to Rule 3.5 or Rule 3.7 of the Takeovers Code (where applicable).

The comparison of the cancellation price to market prices and NAV per share, in our view, serves to demonstrate the premium over market prices and the NAV per share in successful privatisations in Hong Kong in the past, i.e. how much the shareholders are being offered and the level of premium/discount that is acceptable to shareholders in terms of historical share price ranges and NAV per share.

As shown in the table above, the premiums represented by the Cancellation Price over the closing price on the Last Trading Day, and over the average closing prices for the last 10, 30 and 60 trading days (“**LTD Premium**”, “**10 Days Premium**”, “**30 Days Premium**” and “**60 Days Premium**”, respectively) are higher than the premiums of the Privatisation Precedents. The premium represented by the Cancellation Price over the average closing prices for the last 90 trading days (“**90 Days Premium**”) is close to the high end of the range of premiums of the Privatisation Precedents.

The offer/cancellation prices offered by the Privatisation Precedents ranged from a discount of approximately 98.6% to a premium of approximately 970.1% over the then reassessed NAV per share of the respective companies with a median discount of approximately 35.1%. The premium represented by the Cancellation Price over the Reassessed NAV per share of approximately 17.43% is higher than the median of the Privatisation Precedents. Therefore, we consider that the Cancellation Price is in line with the market practice, and is fair and reasonable.

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION AND OPINION

In arriving at our recommendation in respect of the Proposal and the Scheme, we have considered the principal factors and reasons as discussed above and in particular the following (which should be read in conjunction with and interpreted in the full context of this letter):

- *The Proposal provides an opportunity for the Scheme Shareholders to dispose of their Shares for cash at premiums over the closing prices of the Shares prior to the issue of the Announcement and up to the Latest Practicable Date without having to suffer any illiquidity discount*

The premiums as represented by the Cancellation Price were approximately 250.00%, 247.39%, 222.09%, 200.11% and 183.91% over the closing price on the Last Trading Day, and the average closing prices for the periods of 10, 30, 60 and 90 trading days up to and including the Last Trading Day, respectively.

Subsequent to the publication of the Announcement, the closing price of the Shares surged to HK\$0.128 per Share on 18 June 2025. The Share price closed at HK\$0.131 as at the Latest Practicable Date. We consider such price hike is due to the announcement of the Proposal and there is no assurance that the prevailing Share price will remain at the current level if the Proposal lapses.

The monthly average daily trading volume of the Shares during the Review Period has been thin.

From the Scheme Shareholders' perspective, in particular those holding large blocks of the Shares, the Proposal will provide a good opportunity for the Scheme Shareholders to realise their holdings at a premium over the prevailing market price, which would not normally be available through the market.

- *The prospects of the Group's business and financial performance*

Taking into account (i) that the Group had been loss-making for years; (ii) the gross loss position of the Group's principal business, being the supply chain business; and (iii) the financial pressure of the Group with a gearing ratio of approximately 302.6% as at 31 December 2024, we consider the Group's prospect to be uncertain.

- *The Cancellation Price is fair and reasonable*

For the evaluation of the Cancellation Price, we have taken into consideration of the following:

- (i) the Cancellation Price is higher than the closing prices of the Shares during the entire Review Period;

PART VII LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (ii) the Implied P/B is higher than the P/Bs of the Comparable Companies on the Last Trading Date;
- (iii) the Shares were traded at discounts to the underlying NAV per Share during the Review Period. The Implied P/B is higher than the historical P/B of the Shares during the entire Review Period;
- (iv) the LTD Premium, 10 Days Premium, 30 Days Premium and 60 Days Premium are higher than the premiums of the Privatisation Precedents. The 90 Days Premium is close to the high end of the range of the premiums of the Privatisation Precedents;
- (v) the premium represented by the Cancellation Price to the Reassessed NAV per Share is within the range of the premiums of the Privatisation Precedents, and is higher than the median of the Privatisation Precedents.

Based on the above, we consider that the Proposal and the Scheme (including the Cancellation Price) are fair and reasonable so far as the Disinterested Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Disinterested Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

Yours faithfully,
For and on behalf of
Rainbow Capital (HK) Limited
Larry Choi
Managing Director

Mr. Larry Choi is a licensed person and a responsible officer of Rainbow Capital (HK) Limited registered with the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO. He has over ten years of experience in the corporate finance industry.

This Explanatory Statement constitutes the statement required section 100 of the Companies Act.

1. INTRODUCTION

On 17 June 2025, the Offeror and the Company jointly announced that on 17 June 2025, the Offeror had requested the Board to put forward the Proposal to the Scheme Shareholders for the delisting of the Company by way of the Scheme.

If the Proposal is approved and implemented, under the Scheme, the Scheme Shares will, on the Effective Date of the Scheme, be cancelled, and upon such cancellation, the share capital of the Company will be maintained by the contemporaneous issuance at par to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

The purpose of this Explanatory Statement is to explain the terms and effects of the Proposal and to provide Scheme Shareholders with additional information in relation to the Proposal.

2. TERMS OF THE PROPOSAL

Cancellation Price

The Proposal will be implemented by way of the Scheme. Under the Scheme, the Scheme Shares will be cancelled in exchange for the payment of the Cancellation Price of HK\$0.140 in cash for each Scheme Share.

Therefore, in consideration of the cancellation and extinguishment of the Scheme Shares, the Scheme Shareholders will be entitled to receive from the Offeror the Cancellation Price of HK\$0.140 for each Scheme Share cancelled and extinguished under the Scheme as at the Effective Date.

The implementation of the Proposal is conditional upon, and the Scheme will become effective and binding on the Company and all Scheme Shareholders subject to, the fulfilment or waiver, as applicable of the Conditions as described in the section headed "4. Conditions to the Proposal and the Scheme" below.

The Offeror has advised that the Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

The Company does not intend to declare and/or pay any dividend before the Effective Date or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be). However, if, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror shall reduce the Cancellation Price by the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in the Announcement, this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

Comparison of value

The cash consideration of HK\$0.140 per Scheme Share represents:

- a premium of approximately 6.87% over the closing price of HK\$0.131 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- a premium of approximately 250.00% over the closing price of HK\$0.040 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 253.54% over the average closing price of approximately HK\$0.040 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 247.39% over the average closing price of approximately HK\$0.040 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 233.33% over the average closing price of approximately HK\$0.042 per Share based on the daily closing prices as quoted on the Stock Exchange for the 20 trading days up to and including the Last Trading Day;
- a premium of approximately 222.09% over the average closing price of approximately HK\$0.043 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 200.11% over the average closing price of approximately HK\$0.047 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;

- a premium of approximately 183.91% over the average closing price of approximately HK\$0.049 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- a premium of approximately 9.98% over the audited consolidated net asset value attributable to equity shareholders of the Company per Share of approximately RMB0.118 (equivalent to approximately HK\$0.127) as at 31 December 2024 based on RMB to HK\$ exchange rate of RMB0.92604 to HK\$1 being the exchange rate quoted by the People's Bank of China as at 31 December 2024; and
- a premium of approximately 17.43% over the reassessed net asset value per Share attributable to the Shareholders of approximately HK\$0.119, calculated based on the Group's audited net asset value as at 31 December 2024 and adjusted with reference to the valuation of properties interests held by the Group as set out in Appendix II to this Scheme Document.

The Offeror has advised the Company that the Cancellation Price has been determined on a commercial basis after taking into account, among others, the following:

- (1) the challenging external macroeconomic environment, including a deteriorating operating environment in the commercial real estate sector in the PRC which contributed to higher vacancy rates, prolonged leasing cycles and decline in investment appetite;
- (2) the increasingly competitive landscape, notably with intensified pricing pressure in the cold-chain logistics segment amid rising supply and evolving customer demand;
- (3) the recent financial underperformance of the Group, including delays in asset disposals, a decline in gross profit and recurring net losses;
- (4) the recent stock price underperformance resulting from prolonged downward pressure on the Company's stock price; and
- (5) the trading multiples (e.g. price-to-book) of comparable companies listed on the Stock Exchange, with the Cancellation Price reflecting not only a premium over the recent stock price but also a higher price-to-book multiple than those of comparable companies.

3. TOTAL CONSIDERATION AND FINANCIAL RESOURCES CONFIRMATION

On the assumption that no further Shares are issued before the Scheme Record Date, the maximum cash consideration payable for the Proposal is approximately HK\$301,500,237.

The payment of the total consideration under the Scheme will be financed by way of internal resources.

CICC, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for satisfying its payment obligations in respect of the cash consideration payable under the Proposal.

4. CONDITIONS TO THE PROPOSAL AND THE SCHEME

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the following:

- (1) the approval of the Scheme (by way of a poll) by a majority number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (a) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Disinterested Shares that are voted either in person or by proxy at the Court Meeting; and
 - (b) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Disinterested Shares;
- (2) the passing of:
 - (a) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the SGM to approve and give effect to any reduction of the share capital of the Company associated with cancelling and extinguishing the Scheme Shares; and
 - (b) an ordinary resolution by the Shareholders at the SGM to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror;

- (3) the Court's sanction of the Scheme (with or without modification) and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Court for registration;
- (4) all authorisations, approvals, permissions, waivers and consents and all registrations and filings (including without limitation any which are required under or in connection with any applicable laws or regulations or any licences, permits or contractual obligations of the Company) in connection with the Proposal or its implementation and the withdrawal of listing of the Shares from the Stock Exchange in accordance with its terms which are required to be obtained (or, as the case may be, completed) prior to the completion of the Proposal having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;
- (5) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme;
- (6) since the Announcement Date, there having been no adverse change in the business, assets, financial or trading position, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal or its implementation in accordance with its terms) whether or not as a result of the implementation of the Proposal; and
- (7) since the Announcement Date, save for the ongoing litigation between The Agriculture Bank of China Co., Ltd. South Sea Lishui Branch and a wholly-owned subsidiary of the Company as disclosed on pages 22 and 118 of the annual report of the Company for the year ended 31 December 2024, there not having been any instituted or remaining outstanding litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings will be threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member will be threatened in writing, announced, instituted or remain outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of the Group taken as a whole or in the context of the Proposal.

The Offeror reserves the right to waive Conditions (4) (save in the case of the approval of the Stock Exchange for the withdrawal of listing of the Shares upon the Scheme becoming effective) to (7) either in whole or in part, either generally or in respect of any particular matter to the extent that such waiver would not make the Proposal or the Scheme or its implementation in accordance with its terms illegal. Conditions (1) to (3) and Condition (4) (in respect of the approval of the Stock Exchange for the withdrawal of listing of the Shares upon the Scheme becoming effective only) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (being 30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)), failing which the Proposal and the Scheme will lapse. The Company has no right to waive any of the Conditions.

As at the Latest Practicable Date, none of the Conditions have been fulfilled or waived (as the case may be).

As at the Latest Practicable Date and based on the information available to the Offeror and the Company, other than those set out in Conditions (1) to (3) and the approval of the Stock Exchange for the withdrawal of listing of the Shares upon the Scheme becoming effective, the Offeror and the Company are not aware of any outstanding authorisations, approvals, permissions, waivers, consents, registrations or filings which are required as set out in Condition (4), and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions (5) to (7) (inclusive) not being satisfied.

If approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the SGM. If the Scheme is not approved or the Proposal otherwise lapses, an announcement will be made by the Offeror and the Company.

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented, the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

As at the Latest Practicable Date, the Conditions were subject to fulfilment (unless otherwise waived, where applicable) and none of the Conditions had been waived.

Assuming that the above Conditions are fulfilled (or, as applicable, waived in whole or in part), it is expected that the Scheme will become effective on or about 27 August 2025 (Bermuda time). Further announcements will be made including in particular in relation to (i) the results of the Court Meeting and the SGM and, if all the resolutions are passed at those meetings, (ii) the result of the hearing of the petition for the sanction of the Scheme and, to the extent necessary, confirmation of any reduction of the share capital of the Company associated with the Scheme by the Court, (iii) the Scheme Record Date, (iv) the Effective Date and (v) the date of withdrawal of the listing of the Shares on the Stock Exchange as further set out in Part IV – Expected Timetable of this Scheme Document.

5. SPA

On the Announcement Date, the Offeror and the Sellers entered into the SPA, pursuant to which the Sellers agreed to sell, and the Offeror agreed to purchase, the Sale Shares, being 156,466,000 Shares and representing approximately 2.25% of the total issued Shares as at the Announcement Date, for a consideration of HK\$21,905,240.000 (or HK\$0.140 per Sale Share, being equal to the Cancellation Price).

SPA Completion took place on 18 July 2025. As at the Latest Practicable Date, the Offeror held in aggregate 1,714,258,500 Shares, representing approximately 24.60% of the total issued Shares.

6. IRREVOCABLE UNDERTAKINGS

On the Announcement Date, each of the IU Shareholders, comprising:

- (1) Sallekey Capital Management Limited and Mr. Qi Wenyuan, who collectively hold, directly or indirectly, 123,615,095 Shares (representing approximately 1.77% of the total issued Shares as at the Latest Practicable Date), of which 4,468,000 Shares are held by Mr. Qi Wenyuan and 119,147,095 Shares are held by Sallekey Capital Management Limited, which is controlled by Mr. Qi Wenyuan;
- (2) Grand Mount Investment Limited and Mr. Niu Zhongjie, who collectively hold, directly or indirectly, 86,012,736 Shares (representing approximately 1.23% of the total issued Shares as at the Latest Practicable Date), of which 86,012,736 Shares are held by Grand Mount Investment Limited, which is controlled by Mr. Niu Zhongjie;
- (3) Mr. Ang Keng Lam, who holds directly 40,000,000 Shares (representing approximately 0.57% of the total issued Shares as at the Latest Practicable Date);
- (4) Ms. Cheng Peng, who holds directly 65,378,000 Shares (representing approximately 0.94% of the total issued Shares as at the Latest Practicable Date); and
- (5) Mr. Gu Shanchao, who holds directly 29,014,000 Shares (representing approximately 0.42% of the total issued Shares as at the Latest Practicable Date);

who collectively hold, directly or indirectly, 344,019,831 Shares (representing approximately 4.94% of the total issued Shares as at the Latest Practicable Date), executed the Irrevocable Undertakings in favour of the Offeror and undertook:

- (a) to exercise or procure the exercise of all voting rights attaching to its Shares, (i) to vote in favour of all resolutions to approve the Scheme, the Proposal and any matters in connection with such at the Court Meeting and the SGM; and (ii) to vote against any resolution which (1) might reasonably be expected to restrict, impede or delay implementation of the Scheme and/or the Proposal; or (2) approves or gives effect to a proposal by a person other than the Offeror, to acquire (or have issued to it) any Shares or any assets of the Company or to privatise or delist the Company; and
- (b) not to: (i) directly or indirectly, sell, transfer, charge, encumber, grant any option over (or cause the same to be done) or otherwise dispose of any interest in its Shares (including accepting any other offer in respect of its Shares); and (ii) except with the prior written consent of the Offeror, acquire, directly or indirectly, any additional shares, securities or other interests of the Company.

The Irrevocable Undertakings will be terminated if the Proposal does not take effect, lapses, or is withdrawn.

7. SCHEME OF ARRANGEMENT UNDER SECTION 99 OF THE COMPANIES ACT AND THE COURT MEETING

Pursuant to section 99 of the Companies Act, where an arrangement is proposed between a company and its members or any class of them, the Court may, on the application of the company or any member of the company, order a meeting of the members of the company or class of members, as the case may be, to be summoned in such manner as the Court directs to consider and if thought fit approve such an arrangement.

It is expressly provided in section 99 of the Companies Act that if a majority number of the members representing not less than 75% in value of the members or class of members, as the case may be, present and voting either in person or by proxy at the meeting held as directed by the Court as aforesaid, agree to any arrangement, the arrangement shall, if sanctioned by the Court, be binding on all members or class of members, as the case may be, and also on the company.

8. ADDITIONAL REQUIREMENTS AS IMPOSED BY RULE 2.10 OF THE TAKEOVERS CODE

In addition to satisfying any requirements under the Companies Act as summarised above, under Rule 2.10 of the Takeovers Code, except with the consent of the Executive, the Scheme may only be implemented if:

- (a) the Scheme is approved (by way of poll) by Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders that are cast either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast (by way of poll) by Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Scheme Shares held by all Disinterested Shareholders.

For the purpose of counting the votes for (a) and (b) above, Disinterested Shareholders comprise all Shareholders as at the Meeting Record Date other than the Offeror Concert Parties. CICC is the financial adviser to the Offeror in connection with the Proposal. Accordingly, CICC and relevant members of the CICC group which hold Shares on an own account or discretionary managed basis are presumed to be acting in concert with the Offeror in relation to the Company in respect of shareholdings of the CICC group in the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of the Shares held by members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as CICC are not presumed to be acting in concert with the Offeror. However: (a) Shares held by any member of the CICC group acting in the capacity of an exempt principal trader will not be voted at the Court Meeting in accordance with the requirements under Rule 35.4 of the Takeovers Code unless otherwise confirmed with the Executive; and (b) Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting if: (i) such member of the CICC group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the CICC group and such non-discretionary client that strictly prohibit such member of the CICC group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for such Shares held by such member of the CICC group); and (iv) such non-discretionary client is entitled to vote at the Court Meeting.

As at the Latest Practicable Date, the Disinterested Shareholders held in aggregate 2,153,573,120 Scheme Shares. On that basis, and assuming there are no other changes in shareholding of the Company on or before the Meeting Record Date, 10% of the votes attached to all the Scheme Shares held by all Disinterested Shareholders referred to in (b) above would represent approximately 215,357,312 Shares.

9. BINDING EFFECT OF THE SCHEME

Upon the Scheme becoming effective, it will be binding on the Company and all Scheme Shareholders whose names appear in the register of members of the Company as at the Scheme Record Date, regardless of how they voted (or whether they voted) at the Court Meeting and the SGM.

10. SHAREHOLDING STRUCTURE OF THE COMPANY AND SCHEME SHARES

As at the Latest Practicable Date, the Company had 6,969,331,680 Shares in issue. As at the Latest Practicable Date, 2,153,573,120 Shares (representing approximately 30.90% of the total issued Shares as at the Latest Practicable Date) were held by the Disinterested Shareholders.

As at the Latest Practicable Date, 4,815,758,560 Shares (representing approximately 69.10% of the total issued Shares as at the Latest Practicable Date) were held by the Controlling Shareholders, among which 1,714,258,500 Shares (representing approximately 24.60% of the total issued Shares as at the Latest Practicable Date) were held by the Offeror.

PART VIII

EXPLANATORY STATEMENT

Assuming there are no other changes in shareholding of the Company on or after the Latest Practicable Date, the table below sets out the shareholding structure of the Company as at the Announcement Date and before SPA Completion, as at the Latest Practicable Date and immediately upon completion of the Proposal:

Shareholders	As at the Announcement Date and before SPA Completion		As at the Latest Practicable Date		Immediately upon completion of the Proposal	
	Number of Shares directly held	Approximate % of the total issued Shares ⁽¹⁰⁾	Number of Shares directly held	Approximate % of the total issued Shares ⁽¹⁰⁾	Number of Shares directly held	Approximate % of the total issued Shares ⁽¹⁰⁾
Offeror and Offeror Concert Parties						
– Offeror ⁽¹⁾	1,557,792,500	22.35	1,714,258,500	24.60	3,867,831,620	55.50
– BEREHK ⁽²⁾	2,526,882,407	36.26	2,526,882,407	36.26	2,526,882,407	36.26
– BHL ⁽³⁾	487,166,195	6.99	487,166,195	6.99	487,166,195	6.99
– Illumination ⁽⁴⁾	87,451,458	1.25	87,451,458	1.25	87,451,458	1.25
Sub-total of Offeror and Offeror Concert Parties	4,659,292,560	66.85	4,815,758,560	69.10	6,969,331,680	100.00
Disinterested Shareholders						
<i>Sellers</i>						
Mr. Ng Kin Nam ⁽⁵⁾	100,173,200	1.44	–	–	–	–
Jade Investment Limited ⁽⁵⁾	50,291,800	0.72	–	–	–	–
Jocelyn O. Angeleslao ⁽⁵⁾	6,001,000	0.09	–	–	–	–
Sub-total of Sellers	156,466,000	2.25	–	–	–	–
<i>IU Shareholders</i>						
(i) Sallekey Capital Management Limited and Mr. Qi Wenyuan						
– Sallekey Capital Management Limited ⁽⁶⁾	119,147,095	1.71	119,147,095	1.71	–	–
– Mr. Qi Wenyuan	4,468,000	0.06	4,468,000	0.06	–	–
(ii) Grand Mount Investment Limited and Mr. Niu Zhongjie						
– Grand Mount Investment Limited ⁽⁷⁾	86,012,736	1.23	86,012,736	1.23	–	–
– Mr. Niu Zhongjie	–	–	–	–	–	–
(iii) Mr. Ang Keng Lam						
– Mr. Ang Keng Lam	40,000,000	0.57	40,000,000	0.57	–	–
(iv) Ms. Cheng Peng						
– Ms. Cheng Peng	65,378,000	0.94	65,378,000	0.94	–	–
(v) Mr. Gu Shanchao						
– Mr. Gu Shanchao	29,014,000	0.42	29,014,000	0.42	–	–
Sub-total of IU Shareholders	344,019,831	4.94	344,019,831	4.94	–	–
<i>Other Disinterested Shareholders</i>	1,809,553,289	25.96	1,809,553,289	25.96	–	–
Sub-total of Disinterested Shareholders	2,310,039,951	33.15	2,153,573,120	30.90	–	–
Total	6,969,331,680	100.00	6,969,331,680	100.00	6,969,331,680	100.00

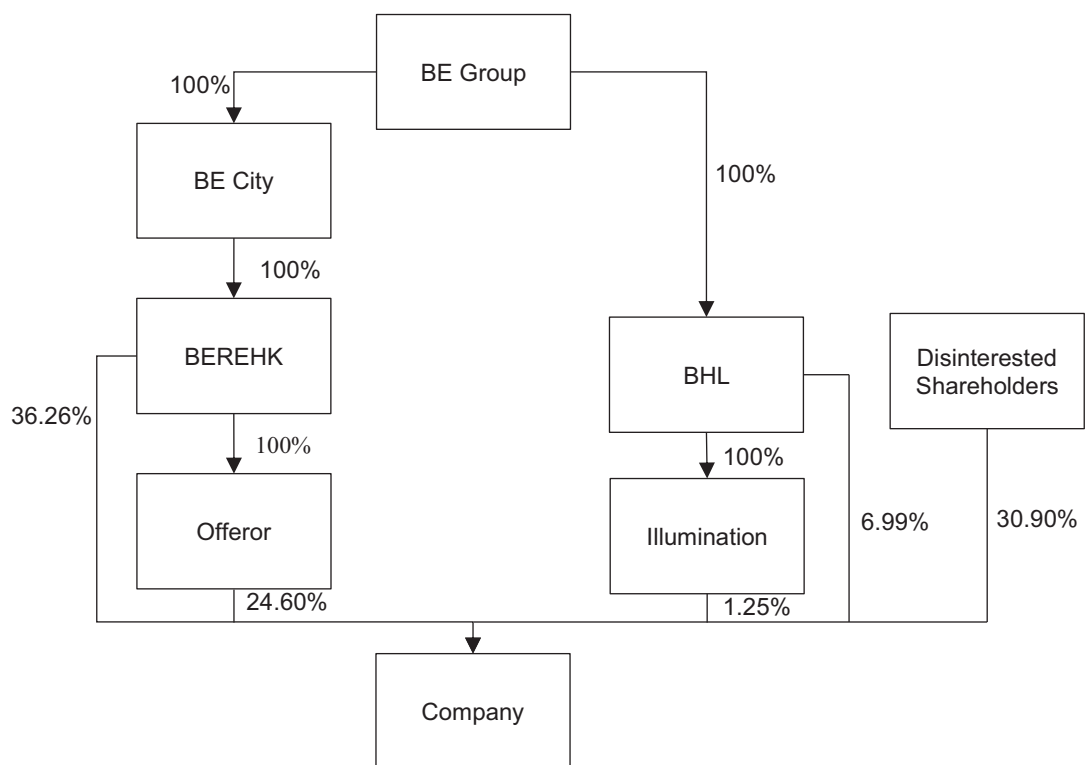
Notes:

- 1 The Offeror is directly wholly-owned by BEREHK and indirectly wholly owned by BE Group.
- 2 BEREHK is indirectly wholly-owned by BE Group.
- 3 BHL is directly wholly-owned by BE Group.
- 4 Illumination is directly wholly-owned by BHL and indirectly wholly-owned by BE Group.

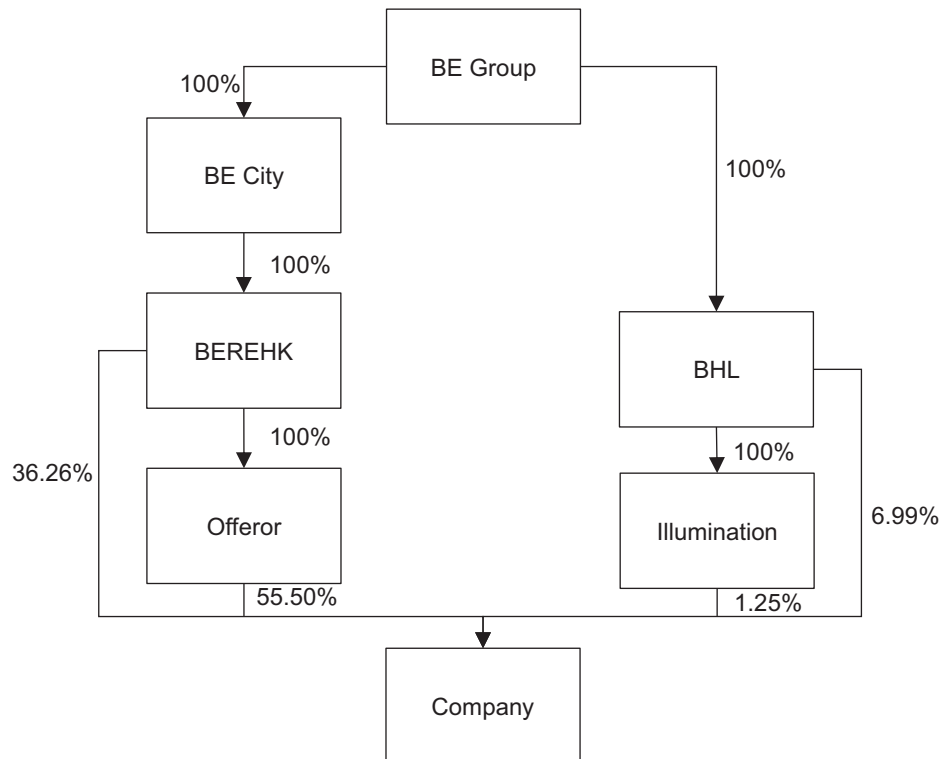
- 5 Prior to SPA Completion, Mr. Ng Kin Nam was interested (within the meaning of Part XV of the SFO) in 2.25% of the Shares, of which approximately 1.44% was held by Mr. Ng Kin Nam personally, approximately 0.09% was held by his spouse, Jocelyn O. Angeleslao, and approximately 0.72% was held by Jade Investment Limited, which is controlled by Mr. Ng Kin Nam.
- 6 Sallekey Capital Management Limited is controlled by Mr. Qi Wenyan.
- 7 Grand Mount Investment Limited is controlled by Mr. Niu Zhongjie.
- 8 CICC is the financial adviser to the Offeror in connection with the Proposal. Accordingly, CICC and relevant members of the CICC group which hold Shares on an own account or discretionary managed basis are presumed to be acting in concert with the Offeror in relation to the Company in respect of shareholdings of the CICC group in the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of the Shares held by members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as CICC are not presumed to be acting in concert with the Offeror.
- As at the Latest Practicable Date, except for Shares held by members of the CICC group acting in the capacity of exempt principal traders or exempt fund managers or Shares held on behalf of non-discretionary investment clients, members of CICC group did not own or control any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, nor were there any Shares (or convertible securities, warrants, options or derivatives in respect thereof) borrowed or lent, or dealt for value in, by any member of the CICC group during the Relevant Period.
- Any Shares held by members of the CICC group acting in the capacity of exempt principal traders shall not be voted at the Court Meeting and the SGM unless the Executive allows such Shares to be so voted.
- Any Shares held by members of the CICC group acting in the capacity of exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the SGM if: (i) such member of the CICC group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the CICC group and such non-discretionary client that strictly prohibit such member of the CICC group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for such Shares held by such member of the CICC group); and (iv) such non-discretionary client is entitled to vote at the Court Meeting and the SGM.
- 9 None of the Directors holds any Shares as at the Latest Practicable Date.
- 10 All percentages in the above table are approximations and rounded to the nearest 2 decimal places.

Following the Effective Date and the withdrawal of listing of the Shares on the Stock Exchange, the Company will be wholly owned by the Controlling Shareholders and the listing of the Shares will be withdrawn from the Stock Exchange.

The chart below sets out the illustrative shareholding structure of the Company as at the Latest Practicable Date:



The chart below sets out the illustrative shareholding structure of the Company upon completion of the Proposal:



As at the Latest Practicable Date:

- (a) save as disclosed in the above shareholding table, the Offeror and the Offeror Concert Parties did not legally and beneficially own, control or have direction over any Shares;
- (b) there were no convertible securities, warrants or options in respect of the Shares held, controlled or directed by the Offeror or the Offeror Concert Parties;
- (c) none of the Offeror and the Offeror Concert Parties had entered into any outstanding derivative in respect of the securities in the Company; and
- (d) none of the Offeror and the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

There were no other outstanding Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities as at the Latest Practicable Date.

As at the Latest Practicable Date, the Company had no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) other than its issued share capital of 6,969,331,680 Shares.

11. REASONS FOR AND BENEFITS OF THE PROPOSAL

The Offeror is of the view that the Proposal is beneficial to the Company and the terms of the Proposal are attractive to the Scheme Shareholders in a number of ways as detailed below.

Benefits of the Proposal to the Company:

The Company's performance is under pressure due to the challenging market environment, and the Proposal will facilitate the Company to implement its long-term strategies

Given the unclear short and medium-term outlook of the industry in which the Company operates in, including, but not limited to, the property industry in the PRC, it is essential for the Company to align and refine its strategy to sustain its core competitiveness, which may suppress the Company's revenue, profitability or cash flow and thus have a negative impact on the Company's short- and medium-term financial performance, potentially resulting in losses for the Shareholders. Moreover, as a listed company, the Company is subject to (i) compliance with regulatory requirements which take up management resources and attract high administrative costs, (ii) market expectations to maintain short-term profitability and (iii) stock price volatility risks. Following the implementation of the Proposal, the Company will have greater flexibility in its daily operations and strategic planning, enabling it to focus more effectively on long-term objectives and sustainable growth.

The Company has lost its advantage as a listed platform and has limited equity financing capabilities

The Company's share price has been trading at a discount to its net assets per share and its overall liquidity is notably low over the last eight years. As a state-controlled enterprise, the Company is subject to PRC regulatory requirements which require share issuances to not be at a price below its net asset value. This restricts the Company's ability to raise capital from the capital market. Since 27 September 2018, the Company has not raised any funds from the open market by issuing Shares. Given the challenging and complex external environment, the Company's listing status no longer provides adequate offshore funding support and is unlikely to experience any significant improvement in the foreseeable future.

The Proposal will help streamline the Company's governance, corporate and shareholding structures, enhance management efficiency and achieve cost savings

Following the implementation of the Proposal, the Company will be delisted from the Stock Exchange, which is expected to significantly reduce the administrative and managerial resources required to maintain the listing status. This will facilitate the optimisation of the Company's organizational hierarchy and governance structure, and as a result, improving overall management efficiency. Additionally, the Company is expected to save costs associated with the maintenance of listing status.

Benefits of the Proposal to the Scheme Shareholders:

The Proposal provides Scheme Shareholders with an exit opportunity given the low trading liquidity

The liquidity of the Shares has been low for a long period of time, with an average daily trading volume of approximately 1.33 million for the last 12 months up to and including the Last Trading Day, which represents approximately 0.06% of the number of Disinterested Shares at the Announcement Date only. Due to the low trading liquidity of the Shares, it is difficult for investors to execute substantial on-market disposals at an ideal price and may result in a discounted exit price due to the illiquidity of the trading of the Company's shares. The Proposal provides an attractive exit opportunity for Scheme Shareholders without having to suffer from any illiquidity discount.

The Proposal provides Scheme Shareholders with an opportunity to monetise their investment in the Company at a premium

The proposed Cancellation Price sets an attractive premium over the market price of the Shares and enables the Scheme Shareholders to realise their investment in the Company at an attractive premium over the current market price of the Shares. The Cancellation Price of HK\$0.140 per Scheme Share represents a premium of approximately 250.00% over the closing price of HK\$0.040 per Share on the Last Trading Day, represents a premium of approximately 247.39% and 222.09% over the average of the closing prices of approximately HK\$0.040 per Share and HK\$0.043 per Share as quoted on the Stock Exchange for the last 10 and 30 consecutive trading days up to and including the Last Trading Day, respectively, and also represents a premium of approximately 9.98% over the audited consolidated net asset value attributable to equity shareholders of the Company per Share as at 31 December 2024.

Offeror's intention regarding the Company

It is the intention of the Offeror that, if the Scheme becomes effective, the Company will be delisted from the Stock Exchange and the Group will continue to carry on its current business, and the Offeror does not have specific plans to make any major changes to the business of the Group (including any disposal of assets of the Company, any redeployment of fixed assets of the Group and the continued employment of the employees of the Group) upon the successful delisting of the Company. After completion of the Proposal, the Offeror will continue to consider how to develop the Company in a manner which best enhances value and, in that regard, will consider growing its business as well as market opportunities which will be dependent on a number of factors including market conditions, legal and regulatory requirements and its business needs.

12. INFORMATION ON THE GROUP

The Company is a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange with the stock code 925. The Group is principally engaged in real estate including high-end and modern general warehouse, supply chain development, specialised wholesale market, industrial property, commercial property and primary land development.

13. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability. The entire issued share capital of the Offeror is wholly owned by BEREHK.

The Offeror has not carried on any business since incorporation other than investment activities and matters in connection with the Proposal and the Scheme

BE Group is the ultimate controlling shareholder of the Offeror. It is a state-owned enterprise established in the PRC and wholly owned by The State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality.

14. WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with the equivalent number of new Shares being issued as fully paid to the Offeror) and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules.

The Scheme Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of Shares on the Stock Exchange will become effective. An expected timetable of the Proposal is included in Part III of this Scheme Document.

15. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date (being 30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)). The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1(a) of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror, BE City nor any person who acted in concert with any of them in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for the Company, except with the consent of the Executive.

16. COSTS OF THE SCHEME

If the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code. Given that the Proposal is recommended by the Independent Board Committee and is recommended as fair and reasonable by the Independent Financial Adviser, Rule 2.3 of the Takeovers Code is not applicable.

All costs, charges and expenses incurred by the Company and/or its advisers and counsels, including the Independent Financial Adviser, will be borne by the Company, whereas all costs, charges and expenses incurred by the Offeror and/or their advisers and counsels will be borne by the Offeror, and other costs, charges and expenses of the Scheme and the Proposal will be shared between the Offeror and the Company equally.

17. REGISTRATION AND PAYMENT

Assuming that the Scheme Record Date falls on 27 August 2025, it is proposed that the register of members of the Company will be closed from 27 August 2025 (or such other date as Shareholders may be notified by announcement) onwards in order to determine entitlements under the Scheme. In order to qualify for entitlements under the Scheme, Scheme Shareholders should ensure that the transfers of Shares to them are lodged with the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration in their names or in the names of their nominees before 4:30 p.m. on 26 August 2025.

Payment of Cancellation Price to Scheme Shareholders

Upon the Scheme becoming effective, payment of the Cancellation Price for the Scheme Shares will be made to the Scheme Shareholders whose names appear in the register of members of the Company as at the Scheme Record Date as soon as possible but in any event no later than seven Business Days after the Effective Date. Assuming that the Scheme becomes effective on 27 August 2025, cheques for the payment of the Cancellation Price will be despatched on or before 5 September 2025.

In the absence of any specific instructions to the contrary received in writing by the Share Registrar, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, cheques will be sent by posting the same addressed to the persons entitled thereto at their respective registered addresses. All such cheques will be sent at the risk of the person(s) entitled thereto and none of the Offeror, the Company, CICC, the Independent Financial Adviser or any of them will be responsible for any loss or delay in despatch.

Shareholders are recommended to consult their professional advisors if they are in doubt as to the above procedures. On or after the day being six calendar months after the posting of such cheques, the Offeror (or its nominee) shall have the right to cancel or countermand payment of any such cheque which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the name of the Offeror (or its nominee) with a licensed bank in Hong Kong selected by the Offeror (or its nominee).

The Offeror (or its nominee) shall hold such monies until the expiry of six years from the Effective Date and shall prior to such date, make payments therefrom of the sums to persons who satisfy the Offeror (or its nominee) that they are respectively entitled thereto. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme. On the expiry of six years from the Effective Date, the Offeror (and, if applicable, its nominee) shall be released from any further obligation to make any payments under the Scheme.

Assuming that the Scheme becomes effective, the register of members of the Company will be updated accordingly to reflect the cancellation of all the Scheme Shares and all existing certificates representing the Scheme Shares will cease to have effect as documents or evidence of title as from the Effective Date, which is expected to be on or about 27 August 2025.

Settlement of the Cancellation Price to which the Scheme Shareholders are entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against any such Scheme Shareholder.

18. OVERSEAS SHAREHOLDERS

General

The making of the Proposal to the Scheme Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders are located.

Such Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas Scheme Shareholders, wishing to take an action in relation to the Proposal, respectively, to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes in such jurisdiction.

Any acceptance by such Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Company, the Offeror and their respective advisers (including CICC), that those laws and regulatory requirements have been complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees will give or be subject to the above warranty and representation. If you are in doubt as to your position, you should consult your professional advisers.

As at the Latest Practicable Date, there was no overseas Shareholder whose address as shown in the register of members of the Company was in the United States.

As at the Latest Practicable Date, two Scheme Shareholders registered in the register of members of the Company had addresses in Australia (the “**Australian Excluded Shareholders**”) and in aggregate held 56,000 Shares (representing approximately 0.0008% of the total issued Shares and approximately 0.0026% of the total number of Scheme Shares). Based on the legal advice obtained in relation to the laws of Australia and having considered the circumstances, the directors of the Offeror and the Directors consider that it may be unduly onerous and burdensome to despatch this Scheme Document and other

relevant documents in relation to the Proposal to the Australian Excluded Shareholders, due to the time and costs involved in complying with the local legal and/or regulatory requirements in Australia in relation to the Proposal. Accordingly, the Company and the Offeror have applied for, and the Executive is minded to grant, a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code for the exclusion of the Australian Excluded Shareholders from receiving this Scheme Document and other relevant documents in relation to the Proposal.

Notice to US investors

The Proposal is being made to cancel the securities of a company incorporated in Bermuda with limited liability by means of a scheme of arrangement provided for under the Companies Act and is subject to Bermuda and Hong Kong disclosure requirements, which are different from those of the United States. The financial information included in the relevant documentation, including this Scheme Document, has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the US Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in Bermuda and Hong Kong to schemes of arrangement, which differ from the disclosure requirements of the US tender offer rules. In addition, US Holders of Scheme Shares should be aware that this Scheme Document has been prepared in accordance with Hong Kong format and style, which differs from US format and style.

The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation of its Scheme Shares pursuant to the Proposal may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of Scheme Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal applicable to him/her/it.

US holders of Scheme Shares may encounter difficulty enforcing their rights and any claims arising out of the US federal securities laws, as the Offeror and the Company are located in a country outside the United States and some or all of their officers and directors may be residents of a country other than the United States. US holders of Scheme Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, US holders of Scheme Shares may encounter difficulty compelling a non-US company and its affiliates to subject themselves to a US court's judgement.

19. TAXATION

As the Scheme does not involve the sale and purchase of Hong Kong stock, no Hong Kong stamp duty will be payable pursuant to the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) on the cancellation of the Scheme Shares upon the Scheme becoming effective.

Scheme Shareholders, whether in Hong Kong or in other jurisdictions, are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of approving or disapproving the Proposal and, in particular, whether the receipt of the Cancellation Price would make such Scheme Shareholder liable to taxation in Hong Kong or in other jurisdiction.

It is emphasised that none of the Offeror, the Company, CICC and their agents or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility or has any liability for any taxation effects on, or liabilities of, any persons as a result of their approval or disapproval of the Proposal. All Scheme Shareholders and/or Beneficial Owners are recommended to consult their professional advisers if in any doubt as to the taxation implications of the Proposal and they shall be solely responsible for their liabilities (including tax liabilities) in relation to the Scheme.

20. COURT MEETING AND THE SGM

In accordance with the directions of the Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modification). Scheme Shareholders whose names appear in the register of members of the Company as at the Meeting Record Date will be entitled to attend and vote, in person or by proxy, at the Court Meeting, provided that only votes of Disinterested Shareholders will be counted for the purposes of determining whether the requirements set out in the section headed “8. Additional requirements as imposed by Rule 2.10 of the Takeovers Code” above in this Explanatory Statement are satisfied in accordance with the Takeovers Code. The Scheme will be subject to the approval by the Scheme Shareholders at the Court Meeting in the manner referred to in the subsection headed “Court Meeting” below.

The SGM will be held immediately following the Court Meeting for the purpose of considering and, if thought fit, passing, among other things, (i) the special resolution to approve any reduction of the issued share capital of the Company associated with cancelling and extinguishing the Scheme Shares, and (ii) the ordinary resolution to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror.

Court Meeting

The Scheme is conditional upon, among other things, approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:

- (a) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Disinterested Shares that are voted either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Disinterested Shares.

Scheme Shareholders whose names appear in the register of members of the Company as at the Meeting Record Date shall be entitled to attend and vote their Scheme Shares in person or by proxy, at the Court Meeting for the purposes of section 99 of the Companies Act, in favour of the Scheme or against the Scheme. For the purpose of satisfying the voting requirements described in (a) and (b) above (which are contained in and imposed by the Takeovers Code), only the votes in respect of the Scheme Shares of Disinterested Shareholders present and voting either in person or by proxy, will be counted.

Notice of the Court Meeting is set out in Appendix V to this Scheme Document. The Court Meeting will be held at 10:00 a.m. (Hong Kong time) on 20 August 2025 at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong. Any Scheme Shareholder who voted at the Court Meeting and any Beneficial Owner who gave voting instructions to a custodian or a clearing house who voted at the Court Meeting have the right to attend, or appear by counsel, and be heard on the hearing of the petition.

SGM

All Shareholders whose names appear in the register of members of the Company as at the Meeting Record Date shall be entitled to attend and vote, in person or by proxy, at the SGM with respect to, among other things, (i) the special resolution to approve any reduction of the issued share capital of the Company associated with cancelling and extinguishing the Scheme Shares, and (ii) the ordinary resolution to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares issued to the Offeror.

The special resolution described in the paragraph above will be passed if not less than 75% of the votes cast by the Shareholders, present and voting in person or by proxy at the SGM, are in favour of the special resolution. The ordinary resolution described in the paragraph above will be passed if a majority of the votes cast by the Shareholders, present and voting in person or by proxy at the SGM, are in favour of the ordinary resolution.

At the SGM, the resolutions will be put to the vote by way of poll as required under bye-law 73 of the Company's bye-laws and Rule 13.39(4) of the Listing Rules. Each Shareholder present and voting, either in person or by proxy, will be entitled to vote all of such Shareholder's Shares in favour of (or against) the resolutions. Alternatively, such Shareholder may vote some of their Shares in favour of the resolutions and any of the balance of their Shares against the resolutions (and vice versa).

Notice of the SGM is set out in Appendix VI to this Scheme Document. The SGM will be held at 10:30 a.m. (Hong Kong time) (or immediately after the conclusion or adjournment of the Court Meeting) on 20 August 2025 at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong.

Assuming that the Conditions are fulfilled (or, as applicable, waived in whole or in part), it is expected that the Scheme will become effective on or about 27 August 2025 (Bermuda time). Further announcements will be made giving details of the results of the Court Meeting and the SGM and, if all the resolutions are passed at those meetings, the result of the hearing of the petition for, among other things, the sanction of the Scheme and, to the extent necessary, confirmation of any reduction of the share capital of the Company associated with the Scheme by the Court, the Scheme Record Date, the Effective Date, and the date of withdrawal of the listing of Shares on the Stock Exchange.

21. ACTIONS TO BE TAKEN

Action to be taken by Shareholders

Court Meeting and SGM

For the purpose of determining the entitlements of Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the SGM, the register of members of the Company will be closed from 15 August 2025 to 20 August 2025 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on 14 August 2025.

A **pink** form of proxy for use at the Court Meeting and a **white** form of proxy for use at the SGM are enclosed with this Scheme Document. Subsequent purchasers of Shares may obtain the relevant proxy form from the transferor or the website of the Stock Exchange if they wish to attend or vote at the Court Meeting and/or the SGM.

Whether or not you are able to attend the Court Meeting and/or the SGM or any adjournment thereof in person, if you are a Scheme Shareholder, we strongly urge you to complete and sign the enclosed **pink** form of proxy in respect of the Court Meeting, and if you are a Shareholder, we strongly urge you to complete and sign the enclosed **white** form of proxy in respect of the SGM, in accordance with the instructions printed thereon, and to lodge them at the office of the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. **The pink form of proxy for use at the Court Meeting should be lodged no later than 48 hours before the time appointed for holding the Court Meeting or any adjournment thereof although it may alternatively be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it). The white form of proxy for use at the SGM must be lodged no later than 48 hours before the time appointed for holding the SGM or any adjournment thereof, failing which it will not be valid.** The completion and return of a form of proxy for the Court Meeting and/or the SGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof. In such event, the returned form of proxy will be revoked by operation of law.

If you do not appoint a proxy and you do not attend and vote at the Court Meeting and/or the SGM, you will still be bound by the outcome of the Court Meeting and the SGM if, among other things, the resolutions are passed by the requisite majorities at the Court Meeting and the SGM. We therefore strongly urge you to attend and vote at the Court Meeting and the SGM in person or by proxy.

Voting at the Court Meeting and the SGM will be taken by poll as required under the Listing Rules and the Takeovers Code.

The Company and the Offeror will make an announcement in relation to the results of the Court Meeting and the SGM by no later than 7:00 p.m. on 20 August 2025. If all the resolutions are passed at those meetings, further announcements will be made in relation to, among other things, the results of the hearing of the petition to sanction the Scheme by the Court and, if the Scheme is sanctioned, the Scheme Record Date, the Effective Date and the date of withdrawal of the listing of the Shares on the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

Actions to be taken by Beneficial Owners whose Shares are held through Trust or deposited in CCASS

Court Meeting and SGM

The Company will not recognise any person as holding any Shares through any trust. If you are a Beneficial Owner whose Shares are held upon trust by, and registered in the name of, a Registered Owner (other than HKSCC Nominees), you should contact the Registered Owner and provide the Registered Owner with instructions and/or make arrangements with the Registered Owner in relation to the manner in which the Shares beneficially owned by you should be voted at the Court Meeting and/or the SGM.

Such instructions and/or arrangements should be given or made in advance of the deadline in respect of the Court Meeting and the SGM set by the Registered Owner in order to provide the Registered Owner with sufficient time to accurately complete his, her or its proxy and to submit it by the deadline stated in Part IV – Expected Timetable of this Scheme Document. To the extent that any Registered Owner requires instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the aforementioned latest time for the lodgment of forms of proxy in respect of the Court Meeting and the SGM, any such Beneficial Owner should comply with the requirements of the Registered Owner.

If you are a Beneficial Owner who wishes to attend the Court Meeting and/or the SGM personally, you should:

- (a) contact the Registered Owner directly to make the appropriate arrangements with the Registered Owner to enable you to attend and vote at the Court Meeting and/or the SGM and, for such purpose, the Registered Owner may appoint you as his, her or its proxy; or
- (b) arrange for some or all of the Shares registered in the name of the Registered Owner to be transferred into your own name, in which case, you should consult your financial intermediary (such as your broker, custodian or nominee) to determine whether any charges apply.

The appointment of a proxy by the Registered Owner at the Court Meeting and/or the SGM shall be in accordance with all relevant provisions in the bye-laws of the Company.

In the case of the appointment of a proxy by the Registered Owner, the relevant forms of proxy shall be completed and signed by the Registered Owner and shall be lodged in the manner and no later than the latest time for lodging the relevant forms of proxy as more particularly set out in this Scheme Document.

The completion and return of a form of proxy for the Court Meeting and/or the SGM will not preclude the Registered Owner from attending and voting in person at the relevant meeting or any adjournment thereof. In the event that the Registered Owner attends and votes at the relevant meeting or any adjournment thereof after having lodged his forms of proxy, the returned form of proxy will be revoked by operation of law.

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered under the name of HKSCC Nominees, you must, unless you are a CCASS Investor Participant, contact your broker, custodian, nominee, or other relevant person who is, or has, in turn, deposited such Shares with, a CCASS Participant, regarding voting instructions to be given to such person if you wish to vote at the Court Meeting and/or at the SGM in respect of the Scheme. You should contact your broker, custodian, nominee or other relevant person in advance of the deadline in respect of the Court Meeting and the SGM set by them, in order to provide such person with sufficient time to provide HKSCC Nominees with instructions or make arrangements with HKSCC Nominees in relation to the manner in which the Shares of the Beneficial Owner should be voted at the Court Meeting and/or the SGM. The procedure for voting in respect of the Scheme by HKSCC Nominees with respect to the Shares registered under the name of HKSCC Nominees shall be in accordance with the “Operating Guide for Investor Participants”, “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

If you are a Beneficial Owner whose Shares are deposited in CCASS, you may also elect to become a Registered Owner prior to the Meeting Record Date, and thereby have the right to attend and vote at the Court Meeting (if you are a Scheme Shareholder) and the SGM (as a Shareholder). You can become a Registered Owner by withdrawing all or any of your Shares from CCASS and transferring and registering such Shares in your own name. For withdrawal of Shares from CCASS and registration thereof, you will be required to pay to CCASS a withdrawal fee per board lot withdrawn, a registration fee for each share certificate issued, stamp duty on each transfer instrument and, if your Shares are held through a financial intermediary, any other relevant fees charged by your financial intermediary. You should contact your broker, custodian, nominee or other relevant person in advance of the latest time for lodging transfers of the Shares into your name so as to qualify to attend and vote at the Court Meeting and the SGM, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to withdraw the Shares from CCASS and register them in your name.

HKSCC Nominees will be counted as one person or member of the Company at the Court Meeting for the purposes of ascertaining whether or not the requirement that a “majority in number” of the Scheme Shareholders approving the Scheme under section 99(2) of the Companies Act has been satisfied. For the purposes of calculating the “majority in number” of the Scheme Shareholders, HKSCC Nominees will be entitled to be counted or to vote in favour of or against the Scheme in accordance with the majority of instructions received from CCASS Participants. In accordance with the direction from the Court, for the

purposes of calculating the “majority in number” at the Court Meeting, HKSCC Nominees will be counted as one vote which will be exercised for or against the Scheme according to the majority of voting instructions received. Each Registered Owner will be counted as one vote for the purposes of calculating the “majority in number” at the Court Meeting.

SHAREHOLDERS (INCLUDING ANY BENEFICIAL OWNERS OF SUCH SHARES THAT GAVE VOTING INSTRUCTIONS TO A CUSTODIAN OR CLEARING HOUSE THAT SUBSEQUENTLY VOTED AT THE COURT MEETING) SHOULD NOTE THAT THEY ARE ENTITLED TO APPEAR BEFORE OR BE REPRESENTED AT THE HEARING OF THE PETITION IN THE COURT WHICH IS EXPECTED TO BE ON 22 AUGUST 2025, AT WHICH THE COMPANY WILL SEEK THE SANCTION OF THE SCHEME.

EXERCISE YOUR RIGHT TO VOTE

IF YOU ARE A SHAREHOLDER OR A BENEFICIAL OWNER, THE OFFEROR AND THE COMPANY STRONGLY ENCOURAGE YOU TO EXERCISE YOUR RIGHT TO VOTE OR GIVE INSTRUCTIONS TO THE RELEVANT REGISTERED OWNER TO VOTE IN PERSON OR BY PROXY AT THE COURT MEETING AND AT THE SGM. IF YOU KEEP ANY SHARES IN A SHARE LENDING PROGRAMME OR A CUSTODIAN ACCOUNT, THE OFFEROR AND THE COMPANY URGE YOU TO RECALL ANY OUTSTANDING SHARES ON LOAN OR REQUIRE YOUR CUSTODIAN TO RECALL ANY SUCH SHARES ON LOAN TO AVOID MARKET PARTICIPANTS USING BORROWED STOCK TO VOTE.

IF YOU ARE A BENEFICIAL OWNER WHOSE SHARES ARE DEPOSITED IN CCASS, THE OFFEROR AND THE COMPANY ENCOURAGE YOU TO WITHDRAW AT LEAST SOME OR ALL OF YOUR SHARES FROM CCASS AND BECOME A REGISTERED OWNER OF SUCH SHARES PRIOR TO THE MEETING RECORD DATE AND EXERCISE YOUR RIGHT TO VOTE (IN PERSON OR BY PROXY). IN RESPECT OF ANY SHARES OF WHICH YOU ARE THE BENEFICIAL OWNER AND/OR WHICH REMAIN IN CCASS, YOU ARE ENCOURAGED TO PROVIDE HKSCC NOMINEES WITH INSTRUCTIONS OR MAKE ARRANGEMENTS WITH HKSCC NOMINEES IN RELATION TO THE MANNER IN WHICH THOSE SHARES SHOULD BE VOTED AT THE COURT MEETING AND/OR AT THE SGM WITHOUT DELAY (AS DETAILED IN THE SECTION “ACTIONS TO BE TAKEN – ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE HELD THROUGH TRUST OR DEPOSITED IN CCASS” ABOVE). ONLY SCHEME SHAREHOLDERS WHOSE SCHEME SHARES ARE REGISTERED IN THEIR OWN NAMES IN THE REGISTER OF MEMBERS OF THE COMPANY ON THE MEETING RECORD DATE WILL BE COUNTED AS MEMBERS OF THE COMPANY FOR THE PURPOSES OF CALCULATING WHETHER OR NOT A MAJORITY IN NUMBER OF MEMBERS OF THE COMPANY HAVE APPROVED THE SCHEME AT THE COURT MEETING UNDER SECTION 99 OF THE COMPANIES ACT.

IF YOU ARE A REGISTERED OWNER HOLDING SHARES ON BEHALF OF BENEFICIAL OWNERS, WE SHOULD BE GRATEFUL IF YOU WOULD INFORM THE RELEVANT BENEFICIAL OWNERS ABOUT THE IMPORTANCE OF EXERCISING THEIR RIGHT TO VOTE.

IF YOU ARE IN ANY DOUBT AS TO THE ACTIONS TO BE TAKEN, YOU ARE ENCOURAGED TO CONSULT YOUR LICENSED SECURITIES DEALER OR REGISTERED INSTITUTION IN SECURITIES, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISOR.

22. RECOMMENDATION

Your attention is drawn to the following:

- (i) the section headed “Recommendation” in Part V – Letter from the Board of this Scheme Document;
- (ii) the letter from the Independent Board Committee in Part VI of this Scheme Document;
and
- (iii) the letter from the Independent Financial Adviser in Part VII of this Scheme Document.

23. FURTHER INFORMATION

Further information is set out in the Appendices to, and elsewhere in, this Scheme Document, all of which form part of this Explanatory Statement.

Shareholders and Scheme Shareholders should rely only on the information contained in this Scheme Document. None of the Company, the Offeror, CICC, the Independent Financial Adviser, the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal has authorised anyone to provide you with information that is different from what is contained in this Scheme Document.

1. FINANCIAL SUMMARY

Set out below is a summary of the audited consolidated financial information of the Group for each of the three years ended 31 December 2022, 31 December 2023 and 31 December 2024. The figures for the years ended 31 December 2022, 31 December 2023 and 31 December 2024 are extracted from the annual reports of the Company for the respective years.

The auditor's reports issued by the auditors of the Company, Ernst & Young in respect of the audited consolidated financial statements of the Group for the years ended 31 December 2022 and 31 December 2023, and Deloitte Touche Tohmatsu in respect of the audited consolidated financial statements of the Group for the year ended 31 December 2024 did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

There was no item which was exceptional because of its size, nature or incidence that was recorded in the audited consolidated financial statements of the Group for each of the financial years ended 31 December 2022, 2023 and 2024.

Save as disclosed below, there are no other items of income or expenses which are material to the Group for each of the years ended 31 December 2022, 31 December 2023 and 31 December 2024.

Summary of Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Year ended 31 December		
	2022	2023	2024
	(audited)	(audited)	(audited)
	RMB'000	RMB'000	RMB'000
REVENUE	1,125,947	1,468,336	864,864
Cost of sales and services	(726,126)	(1,234,240)	(732,361)
Gross profit	399,821	234,096	132,503
Changes in fair value of investment properties, net	35,376	(280,487)	(154,155)
Finance costs	(525,271)	(474,288)	(415,944)
(LOSS)/PROFIT BEFORE TAX	260,006	(924,647)	(634,071)
Income tax credit/(expense)	(196,493)	14,764	82,389
(LOSS)/PROFIT FOR THE YEAR	<u>63,513</u>	<u>(909,883)</u>	<u>(551,682)</u>
Attributable to:			
Shareholders of the Company	<u>(70,973)</u>	<u>(901,406)</u>	<u>(536,847)</u>
Non-controlling interests	<u>134,486</u>	<u>(8,477)</u>	<u>(14,835)</u>
(LOSS)/PROFIT FOR THE YEAR	<u>63,513</u>	<u>(909,883)</u>	<u>(551,682)</u>

	Year ended 31 December		
	2022	2023	2024
	(audited)	(audited)	(audited)
	RMB'000	RMB'000	RMB'000
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR			
Total comprehensive expense attributable to:			
Shareholders of the Company	(359,808)	(1,044,689)	(551,705)
Non-controlling interests	<u>177,776</u>	<u>10,680</u>	<u>18,438</u>
	<u>(182,032)</u>	<u>(1,034,009)</u>	<u>(533,267)</u>
LOSS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY			
Basic			
– For loss for the period	<u>(RMB1.02 cents)</u>	<u>(RMB12.93 cents)</u>	<u>(RMB7.70 cents)</u>
Diluted			
– For loss for the period	<u>(RMB1.02 cents)</u>	<u>(RMB12.93 cents)</u>	<u>(RMB7.70 cents)</u>
DIVIDEND	<u>–</u>	<u>–</u>	<u>–</u>

2. CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Group for the year ended 31 December 2022 (the “**2022 Financial Statements**”) are set out on pages 58 to 168 of the annual report of the Company for the year ended 31 December 2022 (the “**2022 Annual Report**”). The 2022 Annual Report is posted on the websites of the Company (www.bphl.com.hk) and the Stock Exchange (www.hkexnews.hk). Please also see below a direct link to the 2022 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042701535.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2023 (the “**2023 Financial Statements**”) are set out on pages 56 to 162 of the annual report of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”). The 2023 Annual Report is posted on the websites of the Company (www.bphl.com.hk) and the Stock Exchange (www.hkexnews.hk). Please also see below a direct link to the 2023 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042901055.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2024 (the “**2024 Financial Statements**”) are set out on pages 55 to 150 of the annual report of the Company for the year ended 31 December 2024 (the “**2024 Annual Report**”). The 2024 Annual Report is posted on the websites of the Company (www.bphl.com.hk) and the Stock Exchange (www.hkexnews.hk). Please also see below a direct link to the 2024 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042500499.pdf>

The 2022 Financial Statements, the 2023 Financial Statements and the 2024 Financial Statements (but not any other part of the 2022 Annual Report, the 2023 Annual Report and the 2024 Annual Report in which they respectively appear) are incorporated by reference into this Scheme Document and form part of this Scheme Document.

3. INDEBTEDNESS

At the close of business on 31 May 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Scheme Document, the Group had outstanding:

- (1) guaranteed unsecured bonds with an aggregate principal amount of RMB1,500,000,000 guaranteed by the Company with a keepwell deed executed by the BE Group;
- (2) secured bank and other loans with an aggregate principal amount of approximately RMB1,062,520,000 guaranteed by the Company, of which (i) RMB927,698,000 was secured by a pledge on properties owned by certain subsidiaries of the Group; and (ii) RMB134,822,000 was secured by a pledge on properties owned by, and equity interests of, two subsidiaries of the Group, respectively;
- (3) unsecured bank loans with an aggregate principal amount of approximately RMB108,700,000 guaranteed by the Company;
- (4) unsecured other loans with an aggregate principal amount of approximately RMB2,510,000,000 guaranteed by BE City with a keepwell deed executed by the BE Group;
- (5) unguaranteed and unsecured bank loans with an aggregate principal amount of approximately RMB2,838,000,000 with a keepwell deed executed by the BE Group; and
- (6) unguaranteed and unsecured bank loans with an aggregate principal amount of approximately RMB330,836,000.

At the close of business on 31 May 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Scheme Document, the effective interest rates of the interest-bearing bank borrowings and lease liabilities of the Group ranged from 2.88% to 7.46% per annum.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, as at 31 May 2025, the Group did not have any other loan capital issued and outstanding or agreed to be issued but unissued, loans, bank overdrafts, or other similar indebtedness, financial lease or hire purchase commitment, liabilities under acceptances (other than normal trade bills) or acceptable credits, debentures, mortgages, charges, guarantees or other material contingent liabilities.

4. PROPERTY INTERESTS AND REASSESSED NET ASSET VALUE

The Company has engaged Vincorn Consulting and Appraisal Limited (the “**Property Valuer**”) as the independent property valuer to prepare a report in connection with its opinion of the value of the properties held by the Group as at 30 June 2025, a copy of which is set out in Appendix II to this Scheme Document (the “**Property Valuation Report**”). The properties are valued by the market approach which is based on comparing the properties to be valued directly with other comparable properties which have recently transacted or listed subject to adjustments and the cost approach which is based on an estimate of the value for the existing use of the land, plus the current gross replacement costs of the improvements. As set out in the summary of valuations in the Property Valuation Report, the total market value of the property interests in existing state as at 30 June 2025 attributable to the Group was approximately RMB6,375,728,400.

For further details, please refer to the Property Valuation Report set out in Appendix II to this Scheme Document.

The reassessed net asset value attributable to the Shareholders (the “**Reassessed NAV**”) is approximately HK\$0.119 per Share, which is calculated based on the Group’s audited net asset value as at 31 December 2024, adjusted with reference to the valuation of properties interests held by the Group as set out in Appendix II to this Scheme Document, and is derived from the calculations below:

	<i>RMB’000</i>
Net asset value of the Group attributable to the Shareholders as at 31 December 2024	821,534
Subtract: net revaluation deficit arising from the valuation of the property interests attributable to the Group as at 30 June 2025 (<i>Note 1</i>)	(69,508)
Add: net deferred tax on revaluation deficit attributable to the Group (<i>Note 2</i>)	<u>17,377</u>
Reassessed NAV	<u><u>769,403</u></u>
Reassessed NAV per Share (<i>HK\$</i>) (<i>Note 3</i>)	0.119
Cancellation Price (<i>HK\$</i>)	0.140
Premium represented by the Cancellation price	17.43%

Notes:

1. Represents the difference between the market value of the property interests held by the Group attributable to the Shareholders as at 30 June 2025 and their corresponding book values attributable to the Shareholders as at 31 December 2024.
2. Deferred PRC and Cambodia taxes are calculated based on the appreciated value of the Properties multiplied by the applicable tax rate of 25% and 20% respectively.
3. Based on (i) 6,969,331,680 issued Shares as at the Latest Practicable Date; and (ii) RMB to HK\$ exchange rate of RMB0.92604 to HK\$1 being the exchange rate quoted by the People's Bank of China as at 31 December 2024.

5. MATERIAL CHANGE

The Directors have confirmed that there was no material 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, up to and including the Latest Practicable Date.

The following is the text of a letter, a valuation summary and valuation certificates prepared for the purpose of incorporation in this Scheme Document received from Vincorn Consulting and Appraisal Limited, an independent valuer, in connection with its valuation of the property interests held by the Group. Terms defined in this appendix applies to this appendix only.

Vincorn Consulting and Appraisal Limited
Units 1602-4, 16/F
308 Central Des Voeux
No. 308 Des Voeux Road Central
Hong Kong



The Board of Directors

Beijing Properties (Holdings) Limited
66/F, Central Plaza,
18 Harbour Road, Wanchai,
Hong Kong

28 July 2025

Dear Sirs,

INSTRUCTION AND VALUATION DATE

We refer to your instructions for us to assess the Market Values of all property interests located in the People's Republic of China ("**the PRC**") and the Kingdom of Cambodia ("**Cambodia**") held by Beijing Properties (Holdings) Limited (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**") for the purposes of public disclosure. We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary in order to provide you with our opinion of the Market Values of the property interests as at 30 June 2025 (the "**Valuation Date**").

VALUATION STANDARDS

The valuation has been prepared in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors effective from 31 December 2024 with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2025; and the requirements set out in the Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rule 11 of the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission.

VALUATION BASIS

Our valuation has been undertaken on the basis of Market Value. Market Value is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

VALUATION ASSUMPTIONS

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

No allowances have been made for any charges, mortgages or amounts owing on the property interests, nor for any expenses or taxations which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the values of the property interests.

As the property interests in the PRC are held under long term land use rights, we have assumed that the owner has free and uninterrupted rights to use the property interests for the whole of the unexpired term of the land use rights.

As the property interests in Cambodia are held under freehold interests, we have assumed that the owner has free and uninterrupted rights to use the property interests.

VALUATION METHODOLOGY

When valuing the property interests held by the Group in Group 1, 2 and 4, we have adopted Market Approach which we consider to be the most appropriate valuation method, as there are sufficient comparables located in the vicinity. When valuing the property interests held by the Group in Group 3, we have adopted Cost Approach which we consider to be the most appropriate valuation method, as there are insufficient comparables that are under development located in the vicinity.

Market Approach is universally considered as the most accepted valuation approach for valuing most forms of property. This involves the analysis of recent market evidence of similar properties to compare with the subject under valuation. Each comparable is analysed on the basis of its unit rate; each attribute of the comparables is then compared with the subject and where there are any differences, the unit rate is adjusted in order to arrive at the appropriate unit rate for the subject. This is done by making percentage adjustments to the unit rate for various factors, such as time, location, building age, building quality and so on.

Cost Approach is subject to an assumption of adequate potential profitability of the business (or to service potential of the entity from the use of assets as a whole) paying due regard to the total assets employed. This technique is based on an estimate of the value for the existing use of the land, plus the current gross replacement (reproduction) costs of the improvements, less allowances for physical deterioration and all relevant forms of obsolescence and optimisation. In arriving at the value of the land, reference has been made to the land sale transactions as available in the locality. It generally provides the most reliable indication of value for a property in the absence of a known market based on comparable sales.

POTENTIAL TAX LIABILITIES

As advised by the Group, the potential tax liabilities which may arise from the sale of property interests include:

- (a) Property interests held by the Group in the PRC:–
 - (i) Value added tax on the consideration at a rate of 9% (plus surcharges);
 - (ii) Corporate income tax on the profit from the sale of property at a rate of 25%; and
 - (iii) Land value appreciation tax on the appreciated portion of land value at progressive tax rates as follows:

Appreciated portion of land value	Progressive tax rate
Not more than 50%	30%
More than 50% but not more than 100%	40%
More than 100% but not more than 200%	50%
More than 200%	60%

- (b) Property interests held by the Group in Cambodia:–
 - (i) Asset transfer tax of 4% (of the higher of the government's real estate appraisal value or purchase price); and
 - (ii) Capital gains tax of 20% for gain on sale of assets

For the property interests held by the Group in Groups 1, 3 and 4, they are currently held by the Group and with no intention of disposal. Hence, the likelihood of any potential tax liabilities of these property interests being crystallised is remote.

For the property interests held by the Group in Group 2, they are currently held by the Group for sale. Hence, the potential tax liabilities of these property interests are likely to be crystallised.

LAND TENURE AND TITLE INVESTIGATION

We have been provided with copies of documents in relation to the titles of the property interests. However, we have not scrutinized the original documents to verify ownership or to verify any amendments, which may not appear on the copies handed to us. We have relied to a considerable extent on information provided by the Group.

We have relied on the advices given by the PRC and Cambodia legal advisers of the Group, Tianyuan Law Firm and Rajah & Tann Sok & Heng Law Office, regarding the titles of the property interests in the PRC and Cambodia respectively. We do not accept liability for any interpretation that we have placed on such information, which is more properly placed within the sphere of the legal advisers.

All legal documents disclosed in this letter, the valuation summary and the valuation certificates are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the property interests set out in this letter, the valuation summary and the valuation certificates.

INFORMATION SOURCES

We have relied to a considerable extent on information provided by the Group and the legal advisers, in respect of the titles of the property interests in the PRC and Cambodia. We have also accepted advice given to us on matters such as identification of the properties, particulars of occupancy, areas and all other relevant matters. Dimensions, measurements and areas included in the valuation are based on information contained in the documents provided to us and are, therefore, only approximations.

We have also been advised by the Group that no material factors or information have been omitted or withheld from information supplied and consider that we have been provided with sufficient information to reach an informed view. We believe that the assumptions used in preparing our valuation are reasonable and have had no reason to doubt the truth and accuracy of information provided to us by the Group which is material to the valuation.

INSPECTION AND INVESTIGATIONS

The properties were inspected externally and internally. Although not all areas were accessible for viewing at the time of inspection, we have endeavoured to inspect all areas of the properties. Investigations were carried out as necessary. Our investigations have been conducted independently and without influence from any third party in any manner.

We have not tested any services of the properties and are therefore unable to report on their present conditions. We have not undertaken any structural surveys of the properties and are therefore unable to comment on the structural conditions. We have not carried out any investigations on site to determine the suitability of the ground conditions for any future developments. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be required.

We have not carried out any on-site measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the documents or deduced from the plans are correct. All documents and plans have been used as reference only and all dimensions, measurements and areas are therefore approximations.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (“**RMB**”) or the United States Dollar (“**USD**”). The exchange rate adopted in our valuation of the property interests in Cambodia is approximately USD1.0 = RMB7.17 which was approximately the prevailing exchange rates at the Valuation Date.

The valuation summary and the valuation certificates are attached hereto.

Yours faithfully,

For and on behalf of

Vincorn Consulting and Appraisal Limited

Vincent Cheung

BSc(Hons) MBA FHKIS FRICS R.P.S.(GP)

MCIREA MHKSI MISCM MHIREA FHKIoD

RICS Registered Valuer

Registered Real Estate Appraiser & Agent PRC

Managing Director

Note:

*Vincent Cheung is fellow of the Hong Kong Institute of Surveyors, a fellow of the Royal Institution of Chartered Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong Special Administrative Region (“**Hong Kong**”), a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a fellow of the Hong Kong Institute of Directors, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People’s Republic of China. He is suitably qualified to carry out the valuation and has over 28 years of experience in the valuation of fixed and intangible assets of this magnitude and nature in the subject region.*

VALUATION SUMMARY

Group 1 – Property Interests Held by the Group for Investment in the PRC

No.	Property	Market Value in the Existing State as at 30 June 2025	Interest Attributable to the Group	Market Value in the Existing State as at
				30 June 2025 Attributable to the Group
1	Level 1 on No. 89 Shenfei Road, Levels 1 and 2 on Nos. 59, 119, 159, 199 and 239 Shenfei Road, and Levels 1 and 2 on Nos. 60, 90, 120, 160, 200 and 240 Sheny Road, Waigaoqiao Bonded Logistics Centre, Pudong New District, Shanghai, the PRC	RMB1,719,000,000	100.00%	RMB1,719,000,000
2	Tianjin Transwealth Airport Warehouse Located at No.1 Yihao Road, Dongli District, Tianjin, the PRC	RMB164,000,000	100.00%	RMB164,000,000
3	Tianjin Transwell Customs Bonded Warehouse Located at No. 19 3rd Avenue, Dongli District, Tianjin, the PRC	RMB192,000,000	100.00%	RMB192,000,000
4	Tianjin Port International Bonded Logistics Centre Located at No. 168 Jinbin Avenue, Binhai New District, Tianjin, the PRC	RMB73,000,000	100.00%	RMB73,000,000
5	Portion of Metro Mall, No. 63 Xihu Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC	No Commercial Value	98.90%	No Commercial Value
6	Quzhou Agribusiness Complex Phase 1, No. 1 Mojiahu Road, Kecheng District, Quzhou, Zhejiang Province, the PRC	No Commercial Value	100.00%	No Commercial Value

No.	Property	Market Value in	Interest	Market Value in
		the Existing State	Attributable to	the Existing State
		as at	the Group	as at
		30 June 2025		30 June 2025
				Attributable to
				the Group
7	Quzhou Agribusiness Complex Phase 2, No. 1 Mojiahu Road, Kecheng District, Quzhou, Zhejiang Province, the PRC	No Commercial Value	100.00%	No Commercial Value
8	Jingchangshun Cold Chain Logistics Located at Peng Jia Tai Community, Xiazhuang Street, Chengyang District, Qingdao, Shandong Province, the PRC	RMB50,900,000	80.00%	RMB40,720,000
9	Meishan Xunda Hongtong E-commerce Logistics Industrial Park Located at No. 3 Bencao Avenue South Section, Dongpo District, Meishan, Sichuan Province, the PRC	RMB284,400,000	60.00%	RMB170,640,000
10	Tongliao Dahua Project Agricultural Portion Located at Qinghe Town, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	No Commercial Value	100.00%	No Commercial Value
11	Tongliao Dahua Project Warehouse Portion Located at Horqin 2nd Wei and 7th Jiefang, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	RMB27,100,000	100.00%	RMB27,100,000
12	A Warehouse Located at Horqin 7th Jiefang, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	No Commercial Value	100.00%	No Commercial Value

APPENDIX II**PROPERTY VALUATION REPORT**

No.	Property	Market Value in the Existing State as at 30 June 2025	Interest Attributable to the Group	Market Value in the Existing State as at
				30 June 2025 Attributable to the Group
13	No. 98 Beilishi Road, Financial Street, Xicheng District, Beijing, the PRC	No Commercial Value	100.00%	No Commercial Value
14	Three Parcels of Agricultural Land, Mao Dao Township, Wuzhishan City, Hainan Province, the PRC	No Commercial Value	100.00%	No Commercial Value
15	An Industrial Land Located at the East of Food Storage Warehouse and the South of China Railway 19th Bureau, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	No Commercial Value	100.00%	No Commercial Value
Sub-total:		<u>RMB2,510,400,000</u>		<u>RMB2,386,460,000</u>

Group 2 – Property Interests Held by the Group for Sale in the PRC and Cambodia

No.	Property	Market Value in the Existing State as at 30 June 2025	Interest Attributable to the Group	Market Value in the Existing State as at
				30 June 2025 Attributable to the Group
16	Tianjin Zhongyu Cold Chain Located at No. 95 Hairong Road, Binhai New District, Tianjin, the PRC	RMB314,000,000	60.00%	RMB188,400,000
17	Whole of Blocks 1-3, 6-8, 10-21, 23- 30, 32-34, 36-41 & 44-46, Portion of Blocks 31, 35, 42 & 43 and the Car Parking Spaces of Phase 1 and a Parcel of Land of Phase 2, Sunan Zhicheng Digital Industry Centre, No. 28 Chuangke Road, Tianning District, Changzhou, Jiangsu Province, the PRC	RMB1,662,000,000	72.48%	RMB1,204,617,600

APPENDIX II**PROPERTY VALUATION REPORT**

No.	Property	Market Value in the Existing State as at 30 June 2025	Interest Attributable to the Group	Market Value in the Existing State as at
				30 June 2025 Attributable to the Group
18	Levels 3 to 5 and the Car Parking Spaces of Sunan Zhicheng Dongfang Cade Commercial Plaza, No. 21 Zhangdong Road, Tianning District, Changzhou, Jiangsu Province, the PRC	RMB36,000,000	72.48%	RMB26,092,800
19	256 land parcels located in Kampong Tralach District and Samaki Meanchey District, Kampong Chhnang Province, The Kingdom of Cambodia	RMB3,721,230,000 (USD519,000,000)	60.00%	RMB2,232,738,000 (USD311,400,000)
20	13 Residential Units, Mingcui Garden, Nos. 3 & 5 Mingcui 1st Street, Gongye Avenue South, Haizhu District, Guangzhou, Guangdong Province, the PRC	No Commercial Value	98.90%	No Commercial Value
21	10 Residential Units, Feiyun Building, Nos. 163, 165 & 171 Qifu Road, Baiyun District, Guangzhou, Guangdong Province, the PRC	No Commercial Value	98.90%	No Commercial Value
Sub-total:		<u>RMB5,733,230,000</u>		<u>RMB3,651,848,400</u>

APPENDIX II**PROPERTY VALUATION REPORT****Group 3 – Property Interests Held by the Group for Development in the PRC**

No.	Property	Market Value in the Existing State as at 30 June 2025	Interest Attributable to the Group	Market Value in the Existing State as at
				30 June 2025 Attributable to the Group
22	A Warehouse under Construction Located at West of Jiaoda Avenue and South of Taohe Road, Jiaozhou City, Qingdao, Shandong Province, the PRC	RMB231,700,000	100.00%	RMB231,700,000
	Sub-total:	<u>RMB231,700,000</u>		<u>RMB231,700,000</u>

Group 4 – Property Interests Held by the Group for Occupation in the PRC

No.	Property	Market Value in the Existing State as at 30 June 2025	Interest Attributable to the Group	Market Value in the Existing State as at
				30 June 2025 Attributable to the Group
23	Carpark No. 2010, 2011 on Basement Level 2, Unit 1001 on Level 10, Block 17 of Wangjing Dongyuan (Also Known as Poly International Plaza T2), Chaoyang District, Beijing, the PRC	RMB105,720,000	100.00%	RMB105,720,000
	Sub-total:	<u>RMB105,720,000</u>		<u>RMB105,720,000</u>
	Total:	<u>RMB8,581,050,000</u>		<u>RMB6,375,728,400</u>

VALUATION CERTIFICATES

Group 1 – Property Interests Held by the Group for Investment in the PRC

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
1	Level 1 on No. 89 Shenfei Road, Levels 1 and 2 on Nos. 59, 119, 159, 199 and 239 Shenfei Road, and Levels 1 and 2 on Nos. 60, 90, 120, 160, 200 and 240 Sheny Road, Waigaoqiao Bonded Logistics Centre, Pudong New District, Shanghai, the PRC	<p>The property comprises Level 1 of a two-storey warehouse and the whole of 11 two-storey warehouses within a logistics park known as Waigaoqiao Bonded Logistics Centre, located in Pudong New District, Shanghai, the PRC.</p> <p>As per 23 Shanghai Certificates of Real Estate Ownership, the property has a shared site area and a total gross floor area (“GFA”) of approximately 192,249.00 square metres (“sq.m.”) and approximately 211,985.22 sq.m. It was completed in about 2007.</p> <p>The land use rights of the property were granted for a term expiring on 20 September 2054 for industrial and warehouse uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB4,870,630 per month.</p> <p>The prevailing occupancy rate is about 53.8% and the latest expiry date is in October 2029.</p>	<p>RMB1,719,000,000 (RENMINBI ONE BILLION SEVEN HUNDRED AND NINETEEN MILLION)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB1,719,000,000 (RENMINBI ONE BILLION SEVEN HUNDRED AND NINETEEN MILLION)</p>

Notes:

- The property was inspected by Charlotte Xu *BSc(Hons) MRICS RICS Registered Valuer* on 13 March 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.

3. Pursuant to 23 Shanghai Certificates of Real Estate Ownership dated 26 May 2015 and issued by Shanghai Housing Security and Management Bureau and Shanghai Urban Planning and Land and Resources Bureau, the land use rights of the subject lots with a shared site area of 192,249.00 sq.m. and the building ownership rights of the subject buildings with a total GFA of 211,985.22 sq.m. were vested in Beijing Properties (Shanghai) Warehousing Company Limited. The land use rights of the subject lots were granted for a term expiring on 20 September 2054 for industrial and warehouse uses.

The details of the Shanghai Certificates of Real Estate Ownership are summarized below:

Certificate No.	Property	Site Area (sq.m.)*	GFA (sq.m.)
Hu Fang Di Pu Zi (2015) Di No. 033430	Level 1, No. 90 Sheny Road	91,340.00	10,333.61
Hu Fang Di Pu Zi (2015) Di No. 033415	Level 2, No. 90 Sheny Road	91,340.00	9,745.35
Hu Fang Di Pu Zi (2015) Di No. 033413	Level 1, No. 89 Shenfei Road	91,340.00	10,693.32
Hu Fang Di Pu Zi (2015) Di No.033409	Level 1, No. 60 Sheny Road	91,340.00	10,693.44
Hu Fang Di Pu Zi (2015) Di No.033428	Level 2, No. 60 Sheny Road	91,340.00	9,800.25
Hu Fang Di Pu Zi (2015) Di No.033418	Level 1, No. 59 Shenfei Road	91,340.00	10,698.03
Hu Fang Di Pu Zi (2015) Di No.033411	Level 2, No. 59 Shenfei Road	91,340.00	9,813.58
Hu Fang Di Pu Zi (2015) Di No.033396	Level 1, No. 160 Sheny Road	100,909.00	9,686.53
Hu Fang Di Pu Zi (2015) Di No.033404	Level 2, No. 160 Sheny Road	100,909.00	8,882.27
Hu Fang Di Pu Zi (2015) Di No.033410	Level 1, No. 159 Shenfei Road	100,909.00	9,681.94
Hu Fang Di Pu Zi (2015) Di No.033422	Level 2, No. 159 Shenfei Road	100,909.00	8,869.01
Hu Fang Di Pu Zi (2015) Di No.033414	Level 1, No. 120 Sheny Road	100,909.00	8,675.45
Hu Fang Di Pu Zi (2015) Di No.033394	Level 2, No. 120 Sheny Road	100,909.00	7,894.19
Hu Fang Di Pu Zi (2015) Di No.033416	Level 1, No. 119 Shenfei Road	100,909.00	8,675.79
Hu Fang Di Pu Zi (2015) Di No.033421	Level 2, No. 119 Shenfei Road	100,909.00	7,816.09
Hu Fang Di Pu Zi (2015) Di No.033401	Level 1, No. 240 Sheny Road	100,909.00	8,675.79
Hu Fang Di Pu Zi (2015) Di No.033399	Level 2, No. 240 Sheny Road	100,909.00	7,818.60
Hu Fang Di Pu Zi (2015) Di No.033427	Level 1, No. 239 Shenfei Road	100,909.00	8,676.95
Hu Fang Di Pu Zi (2015) Di No.033419	Level 2, No. 239 Shenfei Road	100,909.00	7,728.90
Hu Fang Di Pu Zi (2015) Di No.033429	Level 1, No. 200 Sheny Road	100,909.00	9,681.94
Hu Fang Di Pu Zi (2015) Di No.033390	Level 2, No. 200 Sheny Road	100,909.00	8,871.91
Hu Fang Di Pu Zi (2015) Di No.033424	Level 1, No. 199 Shenfei Road	100,909.00	9,686.54
Hu Fang Di Pu Zi (2015) Di No.033417	Level 2, No. 199 Shenfei Road	100,909.00	8,885.74
Total:		<u>192,249.00</u>	<u>211,985.22</u>

*Remarks: The site areas of 91,340.00 sq.m. and 100,909.00 sq.m. on each Shanghai Certificates of Real Estate Ownership are the site area of Blocks KD1 & KD2, and Blocks KE1 & KE2 of the subject development respectively.

4. As advised by the Group, Beijing Properties (Shanghai) Warehousing Company Limited is an indirectly wholly owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location : The property is located at Nos. 59, 89, 119, 159, 199 and 239 Shenfei Road, and Nos. 60, 90, 120, 160, 200 and 240 Sheny Road, Pudong New District, Shanghai, the PRC.

Transportation : Shanghai Pudong International Airport, Shanghai Hongqiao International Airport and Shanghai Railway Station are located approximately 45.0 kilometres, 38.6 kilometres and 23.3 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately an industrial area in Pudong New District.

6. We have been provided with a PRC legal opinion dated 17 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Beijing Properties (Shanghai) Warehousing Company Limited has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Beijing Properties (Shanghai) Warehousing Company Limited can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
2	Tianjin Transwealth Airport Warehouse, No.1 Yihao Road, Dongli District, Tianjin, the PRC	<p>The property comprises an industrial complex with three blocks of warehouses, namely Tianjin Transwealth Airport Warehouse, located at Dongli District, Tianjin, the PRC.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 47,317.80 sq.m. and a GFA of approximately 35,173.09 sq.m. It was completed in about 2017.</p> <p>The land use rights of the property were granted for a term expiring on 17 January 2054 for warehouse uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB38,325 per month.</p> <p>The prevailing occupancy rate is about 6.0% and the latest expiry date is in June 2025.</p>	<p>RMB164,000,000 (RENMINBI ONE HUNDRED AND SIXTY FOUR MILLION)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB164,000,000 (RENMINBI ONE HUNDRED AND SIXTY FOUR MILLION)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 12 March 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Jin (2017) Bao Shui Qu Bu Dong Chan Quan Di No. 1004971 dated 26 July 2017 and issued by Tianjin Land and Resources and Housing Administrative Bureau, the land use rights of the property with a site area of 47,317.80 sq.m. and the building ownership rights of the property with a GFA of 35,173.09 sq.m. were vested in Transwealth Logistics (Tianjin) Company Limited. The land use rights of the property were granted for a term expiring on 17 January 2054 for warehouse uses.
- As advised by the Group, Transwealth Logistics (Tianjin) Company Limited is an indirectly wholly owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location : The property is located at No.1 Yihao Road, Dongli District, Tianjin, the PRC.

Transportation : Tianjin Binhai International Airport and Tianjin Railway Station are located approximately 17.8 kilometres and 25.7 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately an industrial area in Dongli District.

6. We have been provided with a PRC legal opinion dated 22 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Transwealth Logistics (Tianjin) Company Limited has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Transwealth Logistics (Tianjin) Company Limited can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

				Market Value in the Existing State as at 30 June 2025
No.	Property	Description and Tenure	Occupancy Particulars	
3	Tianjin Transwell Customs Bonded Warehouse, No. 19 3rd Avenue, Dongli District, Tianjin, the PRC	<p>The property comprises two composite buildings within an industrial complex and some ancillary buildings, namely Tianjin Transwell Customs Bonded Warehouse, located at Dongli District, Tianjin, the PRC.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 45,550.90 sq.m. and a GFA of approximately 27,494.49 sq.m. It was completed between 2003 and 2008.</p> <p>The land use rights of the property were granted for a term expiring on 31 December 2053 for warehouse uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB661,877 per month. The prevailing occupancy rate is about 61.9% and the latest expiry date is in December 2029.</p>	<p>RMB192,000,000 (RENMINBI ONE HUNDRED AND NINETY TWO MILLION)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB192,000,000 (RENMINBI ONE HUNDRED AND NINETY TWO MILLION)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 12 March 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Fang Di Zheng Jin Zi No.115031003847 dated 10 December 2010 and issued by The People's Government of Tianjin Municipality and Tianjin Land and Resources and Housing Administrative Bureau, the land use rights of the property with a site area of 45,550.90 sq.m. and the building ownership rights with a GFA of 27,494.49 sq.m. were vested in Tianjin Transwell International Logistics Company Limited. The land use rights of the property were granted for a term expiring 31 December 2053 for warehouse uses.
- As advised by the Group, Tianjin Transwell International Logistics Company Limited is an indirectly wholly owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location : The property is located at No. 19 3rd Avenue, Dongli District, Tianjin, the PRC.

Transportation : Tianjin Binhai International Airport and Tianjin Railway Station are located approximately 8.2 kilometres and 15.3 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately an industrial area in Dongli District.

6. We have been provided with a PRC legal opinion dated 22 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Tianjin Transwell International Logistics Company Limited has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Tianjin Transwell International Logistics Company Limited can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
4	Tianjin Port International Bonded Logistics Centre, No. 168 Jinbin Avenue, Binhai New District, Tianjin, the PRC	<p>The property comprises a composite building within an industrial complex, namely Tianjin Port International Bonded Logistics Centre, located at Binhai New District, Tianjin, the PRC.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 30,002.70 sq.m. and has a GFA of approximately 16,082.72 sq.m. It was completed in about 2005.</p> <p>The land use rights of the property were granted for a term expiring on 26 July 2054 for warehouse uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently subject to a tenancy with a term of two years from 1 January 2025 to 31 December 2027 with a monthly rent of RMB205,933. The prevailing occupancy rate is about 67.9%.</p>	<p>RMB73,000,000 (RENMINBI SEVENTY THREE MILLION)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB73,000,000 (RENMINBI SEVENTY THREE MILLION)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 13 March 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Jin (2016) Bao Shui Qu Bu Dong Chan Quan Di No. 1004874 dated 6 December 2016 and issued by Tianjin Land and Resources and Housing Administrative Bureau, the land use rights of the property with a site area of 30,002.70 sq.m. and the building ownership rights of the property with a GFA of 16,082.72 sq.m. were vested in Tianjin Tong Da You Zhi Logistics Co., Ltd.. The land use rights of the property were granted for a term expiring on 26 July 2054 for warehouse uses.
- As advised by the Group, Tianjin Tong Da You Zhi Logistics Co., Ltd. is an indirectly wholly owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location : The property is located at No. 168 Jinbin Avenue, Binhai New District, Tianjin, the PRC.

Transportation : Tianjin Binhai International Airport and Binhai West Railway Station are located approximately 50.5 kilometres and 17.2 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately an industrial area in Binhai New District.

6. We have been provided with a PRC legal opinion dated 22 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Tianjin Tong Da You Zhi Logistics Co., Ltd. has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Tianjin Tong Da You Zhi Logistics Co., Ltd. can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
5	Portion of Metro Mall, No. 63 Xihu Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC	<p>The property comprises portion of a nine-storey shopping mall plus a two-storey basement retail level and carpark.</p> <p>As per the Guangzhou Real Estate Certificate of Ownership, the property has a site area of approximately 6,008.24 sq.m. As per the information provided by the Group, it has a GFA of approximately 42,710.59 sq.m. It was completed in about 2005.</p> <p>The land use rights of the property were granted for a term expiring on 12 August 2038 for commercial uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB2,733,906 per month. The prevailing occupancy rate is about 97.7% and the latest expiry date is in June 2032.</p>	<p>No Commercial Value</p> <p>98.9% Interest Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Marcus So *BSc(Hons) Probationer of HKIS Candidate of RICS* on 26 February 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Ownership Certificate, Guangzhou Real Estate Certificate of Ownership, No. A0002590 dated 28 April 2009 and issued by Guangzhou Land and Resources and Housing Administrative Bureau, the land use rights of the subject building with a site area of 6,008.24 sq.m. and the building ownership rights of the subject building with a total GFA of 59,093.35 sq.m. were vested in Guangzhou Guangming Real Estates Co., Ltd. The land use rights of the subject building were granted for a term expiring on 12 August 2038 for commercial uses.
- As advised by the Group, Guangzhou Guangming Real Estate Company Limited is an indirectly 98.90% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at No. 63 Xihu Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC.
Transportation	:	Guangzhou Baiyun International Airport, Guangzhou North Station, Guangzhou East Station, Guangzhou South Station and Gong Yuan Qian Metro Station are located approximately 32.7 kilometres, 31.8 kilometres, 9.3 kilometres, 20.1 kilometres and 400 metres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately a commercial and residential area in Yuexiu District.

6. We have been provided with a PRC legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Although Guangzhou Guangming Real Estate Company Limited holds the Guangzhou Real Estate Certificate of Ownership (No. A0002590), its rights to this property are subject to the following restrictions: Until full payment of the land premium is made and either a formal Building Ownership Certificate or Real Estate Title Certificate is obtained, this property may only be used for transaction registrations involving: 1) pre-sale registered commercial housing buyers, 2) compulsory acquisition relocatees, 3) housing reform beneficiaries, as well as transaction registrations and right extension registrations required by judicial authorities for enforcement assistance;
- (b) Guangzhou Guangming Real Estate Company Limited has mortgaged the property of totaling 42,710.59 sq.m. to China CITIC Bank International Limited and China CITIC Bank International (China) Limited. Guangzhou Guangming Real Estate Company Limited's rights to the property is subject to the restrictions of said mortgage; and
- (c) Apart from the encumbrances mentioned above, the property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.

7. As per provided legal opinion, the property has restrictions on the real estate title rights as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper real estate title certificate and it can be freely transferred, as at the Valuation Date was circa RMB1,196,000,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
6	Quzhou Agribusiness Complex Phase 1, No. 1 Mojiahu Road, Kecheng District, Quzhou, Zhejiang Province, the PRC	<p>The property comprises three blocks of two-storey warehouses.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 57,041.00 sq.m. and has a GFA of approximately 46,713.96 sq.m. It was completed in about 2015.</p> <p>The land use rights of the property were granted for a term expiring on 6 March 2063 for warehouse uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB322,744 per month. The prevailing occupancy rate is about 55.2% and the latest expiry date is October 2031.</p>	<p>No Commercial Value</p> <p>100% Interest Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Charlotte Xu *BSc(Hons) MRICS RICS Registered Valuer* on 13 February 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Zhe (2023) Qu Zhou Shi Bu Dong Chan Quan Di No. 0005033 dated 14 February 2023 and issued by Quzhou Natural Resources and Planning Bureau, the land use rights of the property with a site area of 57,041.00 sq.m. and the building ownership rights of the property with a GFA of 46,713.96 sq.m. were vested in Quzhou Tongcheng Agriculture Development Company Limited. The land use rights of the property were granted for a term expiring on 6 March 2063 for warehouse uses.
- As advised by the Group, Quzhou Tongcheng Agriculture Development Company Limited is an indirectly wholly owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location : The property is located at No. 1 Mojiahu Road, Kecheng District, Quzhou, Zhejiang Province, the PRC.

Transportation : Hangzhou Xiaoshan International Airport and Quzhou Railway Station are located approximately 246.8 kilometres and 12.6 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately an industrial area in Kecheng District.

6. We have been provided with a PRC legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

(a) The Real Estate Title Certificate held by Quzhou Tongcheng Agriculture Development Company Limited constitutes a provisional registration of ownership. Due to non-compliance with planning requirements regarding greenery and parking facilities, cadastral survey acceptance cannot be completed nor can a formal Real Estate Title Certificate be issued. Consequently, Quzhou Tongcheng Agriculture Development Company Limited's rights to the subject property remain restricted; and

(b) Apart from the encumbrances mentioned above, the property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.

7. As per provided legal opinion, the property has restrictions on the real estate title rights as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper real estate title certificate and it can be freely transferred, as at the Valuation Date was circa RMB159,000,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
7	Quzhou Agribusiness Complex Phase 2, No. 1 Mojiahu Road, Kecheng District, Quzhou, Zhejiang Province, the PRC	The property comprises three sections. Sections 1 and 2 comprises a commercial complex, with a total of 17 blocks of commercial buildings in Section 1, and two blocks of commercial buildings, a block of apartments, a block of cold storage facilities and various ancillary buildings in Section 2. Section 3 comprises a parcel of commercial land.	As per our on-site inspection and information provided by the Group, Sections 1 and 2 are currently leased subject to various tenancies with a total monthly rent of RMB107,472.30 per month. The prevailing occupancy rate is about 76.9% and the latest expiry date is in December 2051.	No Commercial Value 100% Interest Attributable to the Group: No Commercial Value

Sections 1 and 2

As per the Real Estate Title Certificate, Sections 1 and 2 have a total site area of approximately 194,980.00 sq.m. As per the Real Estate Title Certificate, Sections 1 and 2 have a GFA of approximately 156,996.00 sq.m. Sections 1 and 2 were completed in about 2016 and 2017 respectively.

Section 3

As per the Real Estate Title Certificate, it has a site area of approximately 32,416.00 sq.m.

The land use rights of Sections 1 and 2 were granted for a term expiring on 22 July 2054 and Section 3 were granted for a term expiring on 23 July 2054 for commercial services uses.

Notes:

1. The property was inspected by Charlotte Xu *BSc(Hons) MRICS RICS Registered Valuer* on 13 February 2025.
2. The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
3. Pursuant to two Real Estate Title Certificates, the land use rights of the property with a total site area of 227,396.00 sq.m. and the building ownership rights of Sections 1 and 2 of the property with a GFA of 156,996.00 sq.m. were vested in Quzhou Tongcheng Agriculture Development Company Limited. The land use rights of Sections 1 and 2 of the property were granted for a term expiring 22 July 2054 and Section 3 of the property were granted for a term expiring on 23 July 2054 for commercial services uses.

The details of the Real Estate Title Certificates are summarized below:

Certificate No.	Property	Date of Issue	Site Area (sq.m.)	GFA (sq.m.)
Zhe (2018) Qu Zhou Shi Bu Dong Chan Quan Di No. 0049713	Section 3	12 December 2018	32,416.00	–
Zhe (2023) Qu Zhou Shi Bu Dong Chan Quan Di No. 0037574	Sections 1 and 2	8 September 2023	194,980.00	156,996.00
Total:			<u>227,396.00</u>	<u>156,996.00</u>

4. As advised by the Group, Quzhou Tongcheng Agriculture Development Company Limited is an indirectly wholly owned subsidiary of the Company.
5. The general description and market information of the property are summarized below:

Location	:	The property is located at No. 1 Mojiahu Road, Kecheng District, Quzhou, Zhejiang Province, the PRC.
Transportation	:	Hangzhou Xiaoshan International Airport and Quzhou Railway Station are located approximately 246.8 kilometres and 12.6 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial area in Kecheng District.

6. We have been provided with a PRC legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
- (a) The Real Estate Title Certificates held by Quzhou Tongcheng Agriculture Development Company Limited constitutes a provisional registration of ownership. Due to non-compliance with planning requirements regarding greenery and parking facilities, cadastral survey acceptance cannot be completed nor can a formal Real Estate Title Certificate be issued. Consequently, Quzhou Tongcheng Agriculture Development Company Limited's rights to the subject property remain restricted;
 - (b) The state-owned land use rights and building ownership rights held under the Real Estate Title Certificate (Certificate No. Zhe (2023) Qu Zhou Shi Bu Dong Chan Quan Di No. 0037574) has been mortgaged by Quzhou Tongcheng Agriculture Development Company Limited to Industrial and Commercial Bank of China Limited Quzhou Kecheng Sub-branch. Consequently, Quzhou Tongcheng Agriculture Development Company Limited's rights to the state-owned land use rights and building ownership are subject to the restrictions of the said mortgage;
 - (c) Regarding the land held under the Real Estate Title Certificate (Certificate No. Zhe (2018) Qu Zhou Shi Bu Dong Chan Quan Di No. 0049713): Construction has not commenced for over two years beyond the commencement date stipulated in the State-Owned Construction Land Use Rights Grant Contract. Pursuant to the Measures for Handling Idle Land, this exposes the land to the risk of being designated as "idle land" and having its state-owned construction land use rights reclaimed without compensation. However, according to Quzhou Tongcheng Agriculture Development Company Limited's disclosures, it has engaged in consultations with the relevant natural resources and planning authority. The authority currently does not consider the parcel idle land, and no formal administrative determination has been issued. Should the state-owned construction land use rights be lawfully designated as idle land, it would be exposed to reclamation risk without compensation under applicable laws and regulations; and
 - (d) Apart from the encumbrances mentioned above, the subject property is not subject to any other mortgages, pledges, seizures, liens, or other restrictions of rights.
7. As per provided legal opinion, the property has restrictions on the real estate title rights as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper real estate title certificate and it can be freely transferred, as at the Valuation Date was circa RMB834,000,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
8	Jingchangshun Cold Chain Logistics Located at Peng Jia Tai Community, Xiazhuang Street, Chengyang District, Qingdao, Shandong Province, the PRC	<p>The property comprises two phases. Phase 1 comprises a single-storey cold storage facility and a three-storey ancillary building. Phase 2 comprises a parcel of bare industrial land.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 15,351.50 sq.m. and has a GFA of approximately 6,785.84 sq.m. It was completed in about 2007.</p> <p>The land use rights of the property were granted for a term expiring on 20 February 2056 for industrial uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB220,537 per month as at the valuation date. The prevailing occupancy rate is about 100.0% and the latest expiry date is in September 2031.</p>	<p>RMB50,900,000 (RENMINBI FIFTY MILLION AND NINE HUNDRED THOUSAND)</p> <p>80% Interest Attributable to the Group:</p> <p>RMB40,720,000 (RENMINBI FORTY MILLION SEVEN HUNDRED AND TWENTY THOUSAND)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 30 June 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to Real Estate Title Certificate, Qing Fang Di Quan Shi Zi Di No. 201439819 dated 14 April 2014 and issued by The People's Government of Qingdao Municipality, the land use rights of the property with a site area of 15,351.50 sq.m. and the building ownership rights of the property with a GFA of 6,785.84 sq.m. were vested in Qingdao Jingchangshun Food Company Limited. The land use rights of the property were granted for a term expiring on 20 February 2056 for industrial uses.
- As advised by the Group, Qingdao Jingchangshun Food Company Limited is an indirectly 80.00% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at Peng Jia Tai Community, Xiazhuang Street, Chengyang District, Qingdao, Shandong Province, the PRC.
Transportation	:	Qingdao Jiaodong International Airport, Loushan Railway Station and Rui Jin Road Metro Station are located approximately 41.9 kilometres, 9.5 kilometres and 6.5 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial and commercial area in Chengyang District.

6. We have been provided with a PRC legal opinion dated 23 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Qingdao Jingchangshun Food Company Limited has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Qingdao Jingchangshun Food Company Limited can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

				Market Value in the Existing State as at 30 June 2025
No.	Property	Description and Tenure	Occupancy Particulars	
9	Meishan Xunda Hongtong E-commerce Logistics Industrial Park, No. 3 Bencao Avenue South Section, Dongpo District, Meishan, Sichuan Province, the PRC	<p>The property comprises four single-storey warehouses, an ancillary building and two security rooms.</p> <p>As per the Real Estate Title Certificate, Plot 1 and 2 of the property has a site area of approximately 146,685.12 sq.m. and a GFA of approximately 99,488.80 sq.m. It was completed in about 2013.</p> <p>The land use rights for the property were granted for a term expiring on 19 January 2063 for warehouse uses or 3 May 2066 for industrial uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB496,245 per month as at the valuation date. The prevailing occupancy rate is about 49.6% and the latest expiry date is in October 2028.</p>	<p>RMB284,400,000 (RENMINBI TWO HUNDRED EIGHTY FOUR MILLION AND FOUR HUNDRED THOUSAND)</p> <p>60% Interest Attributable to the Group:</p> <p>RMB170,640,000 (RENMINBI ONE HUNDRED SEVENTY MILLION SIX HUNDRED AND FORTY THOUSAND)</p>

Notes:

- The property was inspected by Miki Fujii *BSc(Hons) MRICS RICS Registered Valuer* on 5 March 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISC MHIAREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIAREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to two Real Estate Title Certificates, issued by Meishan Dongpo District Natural Resources and Planning Bureau, the land use rights of the property with a total site area of 146,685.12 sq.m. and the building ownership rights of the property with a GFA of 99,488.80 sq.m. were vested in Meishan Xunda Hongtong Warehouse Company Limited. The land use rights of the property were granted for a term expiring on 19 January 2063 and 3 May 2066 for warehouse or industrial uses respectively.

The details of the Real Estate Title Certificates are summarized below:

Certificate No.	Land Use	Land Use Rights	Site Area (sq.m.)	GFA (sq.m.)
		Expiry Date		
Chuan (2020) Dong Po Qu Bu Dong Chan Quan Di No. 0001296	Warehouse	19 January 2063	123,549.63	97,869.13
Chuan (2020) Dong Po Qu Bu Dong Chan Quan Di No. 0001295	Industrial	3 May 2066	23,135.49	1,619.67
Total:			<u>146,685.12</u>	<u>99,488.80</u>

4. As advised by the Group, Meishan Xunda Hongtong Warehouse Company Limited is an indirectly 60.00% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at Meishan Xunda Hongtong E-commerce Logistics Industrial Park, No. 3 Bencao Avenue South Section, Dongpo District, Meishan, Sichuan Province, the PRC.
Transportation	:	Chengdu Tianfu International Airport and Meishan Railway Station are located approximately 101.9 kilometres and 7.5 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial and commercial area in Dongpo District.

6. We have been provided with a PRC legal opinion dated 25 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Meishan Xunda Hongtong Warehouse Company Limited has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Meishan Xunda Hongtong Warehouse Company Limited can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
10	Tongliao Dahua Project Agricultural Portion, Qinghe Town, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises eight warehouses.</p> <p>As per the Collective Land Use Rights Certificate, the property has a site area of approximately 36,740.00 sq.m.</p> <p>As per the Building Ownership Certificates, the property has a total GFA of approximately 1,018.48 sq.m. It was completed in about 2003.</p> <p>The land use rights of the property were leased for a term expiring on 30 September 2026 for agricultural uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to a tenancy with a monthly rent of RMB2,564 as at the valuation date and the latest expiry date is September 2026.</p>	<p>No Commercial Value</p> <p>100% Interest</p> <p>Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 27 June 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Collective Land Use Rights Certificate, Tong Ji Yong (2005) Zi Di No.006 dated 27 May 2005 and issued by Tongliao Land and Resources Bureau, the land use rights of the property with a site area of 36,740.00 sq.m. were leased to Xia Yuchen. The land use rights of the property were leased for a term expiring on 30 September 2026 for agricultural uses.

4. Pursuant to three Building Ownership Certificates, issued by The People's Government of Tongliao Municipality, the building ownership rights of the property with a total GFA of 1,018.48 sq.m. were leased to Xia Yuchen.

The details of the Building Ownership Certificates are summarised below:

Certificate No.	Land Use Rights Expiry Date	GFA (sq.m.)
Meng G0113101006 No. 1	30 September 2026	401.76
Meng G0113101006 No. 2	30 September 2026	416.22
Meng G0113101006 No. 3	30 September 2026	<u>200.50</u>
Total:		<u>1,018.48</u>

5. Pursuant to a Real Estate Sales and Land Use Rights Transfer Agreement dated 28 June 2006, and entered into between Tongliao Dahua Logistics Limited and Xia Yuchen, the property was sold to Tongliao Dahua Logistics Limited at a consideration of RMB2,000,000.
6. As advised by the Group, Tongliao Dahua Logistics Limited is an indirectly wholly owned subsidiary of the Company.
7. The general description and market information of the property are summarized below:

Location	:	The property is located at Qinghe Town, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC.
Transportation	:	Tongliao Airport and Tongliao Railway Station are located approximately 7.1 kilometres and 1.7 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial and residential area in Horqin District.

8. We have been provided with a PRC legal opinion dated 21 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
- (a) Given the unclear nature of Xia Yuchen's rights to the property, and considering that it remains unconfirmed whether consent for the transfer of land use rights to Tongliao Dahua Logistics Limited has been obtained from the original land use rights holder(s), it cannot be determined whether Tongliao Dahua Logistics Limited has lawfully obtained the land use rights and above-ground structures on said property; and
- (b) Apart from the encumbrances mentioned above, the subject property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.
9. As per provided legal opinion, it cannot be determined whether the property has lawfully obtained the land use rights and above-ground structures on the parcel as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper real estate title certificate and it can be freely transferred, as at the Valuation Date was circa RMB6,200,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
11	Tongliao Dahua Project Warehouse Portion, Horqin 2nd Wei and 7th Jiefang, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises four single-storey warehouses, a six-storey office unit and some ancillary buildings.</p> <p>As per the State-owned Land Use Rights Certificates, the property has a total site area of approximately 143,698.12 sq.m. As per the Building Ownership Certificates and the information provided by the Group, the property has a total GFA of approximately 60,554.44 sq.m. It was completed in about 2014.</p> <p>The land use rights of the property were granted for terms expiring on 20 April 2054 and 31 January 2058 for warehouse use.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB299,432 as at the valuation date. The prevailing occupancy rate is about 62.5% and the latest expiry date is November 2027.</p>	<p>RMB27,100,000 (RENMINBI TWENTY SEVEN MILLION AND ONE HUNDRED THOUSAND)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB27,100,000 (RENMINBI TWENTY SEVEN MILLION AND ONE HUNDRED THOUSAND)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 27 June 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.

3. Pursuant to two State-owned Land Use Rights Certificates, issued by Tongliao Land and Resources Bureau, the land use rights of the property with a total site area of 143,698.12 sq.m. were granted to Tongliao Dahua Logistics Limited for warehouse uses.

The details of the State-owned Land Use Rights Certificates are summarised below:

Certificate No.	Land Use	Land Use Rights Expiry Date	Site Area (sq.m.)
Tong Guo Yong (2013) Di No. 00106	Warehouse	20 April 2054	4,195.20
Tong Guo Yong (2008) Di No. 20021	Warehouse	31 January 2058	<u>139,502.92</u>
Total:			<u>143,698.12</u>

4. Pursuant to five Building Ownership Certificates, dated 28 May 2010 and issued by Tongliao Housing Management Bureau, the building ownership rights of the property with a total GFA of 60,441.64 sq.m. were legally vested in Tongliao Dahua Logistics Limited.

The details of the Building Ownership Certificates are summarised below:

Certificate No.	Use	GFA (sq.m.)
Meng Fang Quan Zheng Tong Zi Di No.108031007485	Warehouse	4,000.00
Meng Fang Quan Zheng Tong Zi Di No.108031007490	Office	3,251.02
Meng Fang Quan Zheng Tong Zi Di No.108031007493	Warehouse	390.00
Meng Fang Quan Zheng Tong Zi Di No.108031007495	Warehouse	3,960.00
Meng Fang Quan Zheng Tong Zi Di No.108031007497	Warehouse	<u>60.50</u>
Total:		<u>11,661.52</u>

5. As advised by the Group, Tongliao Dahua Logistics Limited is an indirectly wholly owned subsidiary of the Company.

6. The general description and market information of the property are summarized below:

Location	:	The property is located at Horqin 2nd Wei and 7th Jiefang, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC.
Transportation	:	Tongliao Airport and Tongliao Railway Station are located approximately 7.1 kilometres and 1.7 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial and residential area in Horqin District.

7. We have been provided with a PRC legal opinion dated 21 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
- (a) Tongliao Dahua Logistics Limited has obtained the state-owned land use rights and building ownership rights for a portion of the property of total GFA of 11,661.52 sq.m. in accordance with laws;
 - (b) Tongliao Dahua Logistics Limited can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights of the portion of the property of total GFA of 11,661.52 sq.m.;
 - (c) The state-owned land use rights and building ownership rights of the portion of the property of total GFA of 11,661.52 sq.m. are not subject to a mortgage, pledge, seizure, lien or other restriction of rights; and
 - (d) Regarding structures without building ownership rights certificates, Tongliao Dahua Logistics Limited merely maintains de facto possession and use, lacking legal capacity to handling such structures through sale, mortgage, transfer, or any other means. Moreover, these structures risk designation as unauthorized structures subject to demolition. Pursuant to the principle of integration of land and buildings, their existence imposes restrictions on disposing of corresponding land use rights through transfer, mortgage, or similar ways.
8. As per provided legal opinion, a portion of the property is yet to be granted with a proper title certificate of building ownership rights. In the course of our valuation, we have attributed no commercial value to this portion of the property. The reference value of this portion of the property, assuming that it has been granted with a proper title certificate of building ownership rights and it can be freely transferred, as at the Valuation Date was circa RMB113,500,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
12	A Warehouse Located at Horqin 7th Jiefang, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises a warehouse and some ancillary buildings.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 14,387.31 sq.m. As per the information provided by the Group, the property has a GFA of approximately 1,390.98 sq.m. It was completed in about 1994 to 2000.</p> <p>The land use rights of the property were granted for a term expiring on 21 April 2054 for industrial uses.</p>	As per our on-site inspection and information provided by the Group, the property is currently vacant.	<p>No Commercial Value</p> <p>100% Interest Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 27 June 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Meng (2018) Tong Liao Shi Bu Dong Chan Quan Di No. 0009480 dated 28 May 2018 and issued by Tongliao Real Estate Registration Bureau, the land use rights of the property with a site area of 14,387.31 sq.m. were granted to Tongliao Jide Warehouse Limited. The land use rights of the property were granted for a term expiring on 21 April 2054 for industrial uses.
- As advised by the Group, Tongliao Jide Warehouse Limited is an indirectly wholly owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at Horqin 7th Jiefang, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC.
Transportation	:	Tongliao Airport and Tongliao Railway Station are located approximately 8.1 kilometres and 0.99 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial and residential area in Horqin District.

6. We have been provided with a PRC legal opinion dated 21 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Regarding structures lacking building ownership rights certificates on the premises, Tongliao Jide Warehouse Limited merely maintains de facto possession and use, lacking legal capacity to handle such properties through sale, mortgage, transfer, or any other means. Furthermore, these structures face the risk of being designated unauthorized structures subject to demolition. Pursuant to the principle of integration of land and buildings, their existence imposes restrictions on disposing of corresponding land use rights via transfer, mortgage, or similar ways; and
- (b) Apart from the encumbrances mentioned above, the subject property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.

7. As per provided legal opinion, the property is yet to be granted with a proper real estate title certificate of building ownership rights. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper real estate title certificate of building ownership rights and it can be freely transferred, as at the Valuation Date was circa RMB8,400,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
13	No. 98 Beilishi Road, Financial Street, Xicheng District, Beijing, the PRC	<p>The property comprises a 12-storey building plus one basement and an ancillary building.</p> <p>As per the information provided by the Group and a Building Ownership Certificate, the property has a site area of approximately 7,057.30 sq.m. and a GFA of approximately 25,570.10 sq.m. It was completed in about 1991.</p> <p>The land use rights of the property were allocated for a term expired on 24 March 2017 for commercial uses.</p>	<p>As per our on-site inspection and information provided by the Group, pursuant to an Entrustment and Operation Agreement signed in 2019 entered into Beijing Stable Charmfull Business Management Limited and Beijing Shouhou Healthcare and Elderly Care Enterprise Management Limited, the property is currently operated as a nursing home. The initial term of the entrusted operation is 20 years since 8 April 2020, and the maximum term can be extended to not longer than 50 years.</p>	<p>No Commercial Value</p> <p>100% Interest Attributable to the Group</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 2 July 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a State-owned Land Use Rights Certificate, Shi Zhong Xi Wai Guo Yong (98) Di No. 00435 dated 13 May 1998 and issued by Beijing Municipal People's Government, the land use rights of the property with a site area of 7,057.30 sq.m. were allocated to Beijing Stable Charmfull Business Management Limited (formerly Known as "Holiday Inn Downtown Beijing Company Limited") for a term expired on 24 March 2017 for commercial uses.
- Pursuant to a Building Ownership Certificate, Jing Fang Quan Zheng Gang Ao Tai Zi Di No. 161731 dated 14 September 2007 and issued by Beijing Xicheng District Housing Administrative Bureau, the building ownership rights of the property with a GFA of 25,570.10 sq.m. were granted to Beijing Stable Charmfull Business Management Limited (formerly Known as "Holiday Inn Downtown Beijing Company Limited").

5. As advised by the Group, Beijing Stable Charmfull Business Management Limited is an indirectly wholly owned subsidiary of the Company.

6. The general description and market information of the property are summarized below:

Location : The property is located at No. 98 Beilishi Road, Financial Street, Xicheng District, Beijing, the PRC.

Transportation : Beijing Capital International Airport and Fuchengmen MTR Station are located approximately 32.8 kilometres and 0.5 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately a composite area in Xicheng District.

7. We have been provided with a PRC legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

(a) The state-owned land use rights term pertaining to the property expired on 24 March 2017. Pursuant to the Interim Regulations Concerning the Grant and Transfer of State-Owned Land Use Rights in Urban Areas, upon expiration of the land use rights term, both the land use rights and ownership of above-ground structures and other fixtures shall revert to the State without compensation. Should the land user intend to continue using the parcel post-expiration, it must lawfully execute a new contract, pay land premium, and complete corresponding registration procedures. According to disclosures by Beijing Stable Charmfull Business Management Limited, as of the date of the legal opinion, the Company has not finalized renewal procedures for the property's state-owned land use rights;

(b) The property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights; and

(c) Beijing Stable Charmfull Business Management Limited's rights to the property contain material legal defects. Until lawful completion of the land use rights renewal procedures, its rights of occupy, use, usufruct, and disposition regarding the property shall remain restricted.

8. As per provided legal opinion, the land use rights term expired on 24 March 2017 and yet has been renewed or extended. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper title certificate of land use rights and it can be freely transferred, as at the Valuation Date was circa RMB455,000,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
14	Three Parcels of Agricultural Land, Mao Dao Township, Wuzhishan City, Hainan Province, the PRC	<p>The property comprises three parcels of agricultural land located at Mao Dao Township, Wuzhishan City, Hainan Province, the PRC.</p> <p>As per three Hainan Province Teng Yao Ownership Certificates, the property has a total site area of approximately 4,390,000.00 sq.m.</p> <p>The land has been permitted for hong teng (red vine) cultivation uses for a term expiring on 31 August 2035.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently vacant.</p>	<p>No Commercial Value</p> <p>100% Interest</p> <p>Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Cici Hu *BBA(Acc)* on 5 July 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to three Hainan Province Teng Yao Ownership Certificates, dated 13 December 2005 and issued by The People's Government of Wuzhishan City, Wuzhishan Wufeng Agricultural Development Co., Ltd. was permitted to use the property with a total site area of 4,390,000.00 sq.m. for hong teng (red vine) cultivation uses for a term expiring on 31 August 2035.

The details of the Hainan Province Teng Yao Ownership Certificates are summarised below:

Certificate No.	Use	Site Area (Mu)	Site Area (sq.m.)
Wu Lin Teng Zheng Zi [2005] Di No. 0108	Hong Teng (Red Vine) Cultivation	3,060	2,040,000
Wu Lin Teng Zheng Zi [2005] Di No. 0107	Hong Teng (Red Vine) Cultivation	1,920	1,280,000
Wu Lin Teng Zheng Zi [2005] Di No. 0106	Hong Teng (Red Vine) Cultivation	1,605	1,070,000
Total:		6,585	4,390,000

4. As advised by the Group, Wuzhishan Wufeng Agricultural Development Co., Ltd. is an indirectly wholly owned subsidiary of the Company.
5. The general description and market information of the property are summarized below:

Location	:	The property is located in Mao Dao Township, Wuzhishan City, Hainan Province, the PRC.
Transportation	:	Sanya Phoenix International Airport and Wuzhishan Bus Station are located approximately 124.6 kilometres and 28.0 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately a forest area in Mao Dao Township.
6. We have been provided with a PRC legal opinion dated 21 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
 - (a) Wuzhishan Wufeng Agricultural Development Co., Ltd. holds neither state-owned land use rights nor building ownership certificates in relation to the property.
7. As per provided legal opinion, the land use rights of the property have not been granted. The reference value of the property, assuming that it has been granted with a proper title certificate of land use rights and it can be freely transferred, as at the Valuation Date was circa RMB53,000,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the
				Existing State as at 30 June 2025
15	An Industrial Land Located at the East of Food Storage Warehouse and the South of China Railway 19th Bureau, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC	The property comprises a parcel of industrial land. As per the Real Estate Title Certificate, the property has a site area of approximately 96,193.24 sq.m. The land use rights of the property were granted for a term expiring on 24 April 2056 for warehouse uses.	As per our on-site inspection and information provided by the Group, the property is currently vacant.	No Commercial Value 100% Interest Attributable to the Group: No Commercial Value

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 27 June 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Meng (2018) Tong Liao Shi Bu Dong Chan Quan Di No. 0004099 dated 20 March 2018 and issued by Tongliao Real Estate Registration Bureau, the land use rights of the property with a site area of 96,193.24 sq.m. were granted to Tongliao Jide Warehouse Limited for a term expiring on 24 April 2056 for warehouse uses.
- As advised by the Group, Tongliao Jide Warehouse Limited is an indirectly wholly owned subsidiary of the Company
- The general description and market information of the property are summarized below:

Location	:	The property is located at the east of Food Storage Warehouse and the south of China Railway 19th Bureau, Horqin District, Tongliao, Inner Mongolia Autonomous Region, the PRC.
Transportation	:	Tongliao Airport and Tongliao Railway Station are located approximately 8.1 kilometres and 0.99 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial and residential area in Horqin District.

6. We have been provided with a PRC legal opinion dated 21 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
- (a) Tongliao Jide Warehouse Limited has obtained the state-owned land use rights of the property in accordance with laws, and is the legal holder of the state-owned land use rights of the property;
 - (b) The parcel has remained in a non-development status for over two consecutive years, it is exposed to the legal risk of being designated as idle land by the competent authority and reclaimed without compensation by operation of law; and
 - (c) The subject property is not subject to any other mortgages, pledges, attachments, liens, or encumbrances.
7. As per provided legal opinion, the parcel is exposed to the legal risk of being designated as idle land by the competent authority and reclaimed without compensation by operation of law as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper real estate title certificate without risk and it can be freely transferred, as at the Valuation Date was circa RMB44,700,000.

Group 2 – Property Interests Held by the Group for Sale in the PRC and Cambodia

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
16	Tianjin Zhongyu Cold Chain, No. 95 Hairong Road, Binhai New District, Tianjin, the PRC	The property comprises a three-storey office building, two four-storey cold storage facilities (excluding a basement) and some ancillary buildings.	As per our on-site inspection and information provided by the Group, the property is currently vacant.	RMB314,000,000 (RENMINBI THREE HUNDRED AND FOURTEEN MILLION) 60% Interest Attributable to the Group: RMB188,400,000 (RENMINBI ONE HUNDRED EIGHTY EIGHT MILLION AND FOUR HUNDRED THOUSAND)
		As per the Real Estate Title Certificate, the property has a site area of approximately 85,637.90 sq.m. and has a GFA of approximately 66,484.09 sq.m. It was completed in about 2016.		
		The land use rights of the property were granted for a term expiring on 27 November 2062 for industrial uses.		

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 12 March 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISC MHIAREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIAREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Jin (2017) Bin Hai Xin Qu Zhong Xin Yu Gang Jing Ji Qu Bu Dong Chan Quan Di No. 1000121 issued in 2017 and issued by Tianjin Land and Resources and Housing Administrative Bureau, the land use rights of the property with a site area of 85,637.90 sq.m. and the building ownership rights of the property with a GFA of 66,484.09 sq.m. were vested in Tianjin Zhongyu Properties Co., Ltd.. The land use rights of the property were granted for a term expiring on 27 November 2062 for industrial uses.
- As advised by the Group, Tianjin Zhongyu Properties Co., Ltd. is an indirectly 60.00% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at No. 95 Hairong Road, Binhai New District, Tianjin, the PRC.
Transportation	:	Tianjin Binhai International Airport and Binhai North Railway Station are located approximately 71.4 kilometres and 12.7 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately an industrial area in Binhai New District.

6. We have been provided with a PRC legal opinion dated 25 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Tianjin Zhongyu Properties Co., Ltd. has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Tianjin Zhongyu Properties Co., Ltd. has mortgaged the state-owned land use rights and building ownership rights of the property to Beijing Rural Commercial Bank; and
- (c) Tianjin Tong Da You Zhi Logistics Co., Ltd. shall have the right to lawfully use, occupy, transfer, lease, mortgage, or otherwise handle the aforementioned state-owned land use rights and building ownership rights, provided that such rights remain subject to the restrictions of the mortgage established above.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the
				Existing State as at 30 June 2025
17	Whole of Blocks 1-3, 6-8, 10-21, 23-30, 32-34, 36-41 & 44-46, Portion of Blocks 31, 35, 42 & 43 and the Car Parking Spaces of Phase 1 and a Parcel of Land of Phase 2, Sunan Zhicheng Digital Industry Centre, No. 28 Chuangke Road, Tianning District, Changzhou, Jiangsu Province, the PRC	<p>The property comprises two phases. Phase 1 comprises 42 blocks of unsold industrial buildings, various car parking spaces and some ancillary facilities. Phase 2 comprises a parcel of industrial land.</p> <p>As per the Real Estate Title Certificates, the property has a site area of approximately 133,181.00 sq.m. As per the Real Estate Title Certificates and the Building GFA Measurement Reports, the property has a total GFA of approximately 419,787.29 sq.m. It was completed in about 2022.</p> <p>The land use rights of the property were granted for a term expiring on 12 November 2068 for industrial uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB845,598 per month.</p> <p>The prevailing occupancy rate is about 7.3% of industrial unit and the latest expiry date is in December 2029.</p>	<p>RMB1,662,000,000 (RENMINBI ONE BILLION SIX HUNDRED AND SIXTY TWO MILLION)</p> <p>72.48% Interest Attributable to the Group:</p> <p>RMB1,204,617,000 (RENMINBI ONE BILLION TWO HUNDRED FOUR MILLION SIX HUNDRED AND SEVENTEEN THOUSAND)</p>

Notes:

- The property was inspected by Charlotte Xu *BSc(Hons) MRICS RICS Registered Valuer* on 17 February 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to 384 Real Estate Title Certificates dated 10 July 2023 and issued by Changzhou Natural Resources and Planning Bureau, the land use rights and building ownership rights of the property with a site area of 133,181.00 sq.m. and a total GFA of 389,310.15 sq.m. were vested in Jiangsu Sunan Zhicheng Technology Development Co., Ltd.. The land use rights of the property were granted for a term expiring on 12 November 2068 for industrial uses.
- Pursuant to two Building GFA Measurement Reports dated 23 May 2022 and 28 June 2022 respectively issued by Changzhou Surveying and Mapping Institute, the fire services control room of Block 39 of Phase 1 of the property has an aboveground GFA of approximately 195.93 sq.m. and the plant rooms air raid shelter of Basement Carpark #1 of Phase 1 of the property has an underground GFA are approximately 33,362.24 sq.m.

5. As advised by the Group, Jiangsu Sunan Zhicheng Technology Development Co., Ltd. is an indirectly 72.48% owned subsidiary of the Company.

6. The general description and market information of the property are summarized below:

Location : The property is located at No. 28 Chuangke Road, Tianning District, Changzhou, Jiangsu Province, the PRC.

Transportation : Changzhou Benniu Airport, Hehai Metro Station and Changzhou North Railway Station are located approximately 29.0 kilometres, 4.1 kilometres and 9.7 kilometres away from the property respectively.

Nature of Surrounding Area : The area is predominately an industrial and residential area in Tianning District.

7. We have been provided with a PRC legal opinion dated 23 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

(a) Jiangsu Sunan Zhicheng Technology Development Co., Ltd. has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;

(b) Jiangsu Sunan Zhicheng Technology Development Co., Ltd. has lawfully obtained the state-owned land use rights and building ownership rights of the property and is entitled to lawfully use, occupy, transfer, lease, mortgage, or otherwise handle such rights, subject to the following restrictions: (i) supporting facilities shall not be mortgaged or transferred separately; (ii) 353 properties totaling a GFA of 360,584.66 sq.m. within the property have been mortgaged to Industrial and Commercial Bank of China Limited Changzhou Zhongwu Sub-branch; and

(c) The property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.

				Market Value in the Existing State as at 30 June 2025
No.	Property	Description and Tenure	Occupancy Particulars	
18	Levels 3 to 5 and the Car Parking Spaces of Sunan Zhicheng Dongfang Cade Commercial Plaza, No. 21 Zhangdong Road, Tianning District, Changzhou, Jiangsu Province, the PRC	<p>The property comprises Level 3 to 5 of a 5-storey commercial building plus a basement carpark. Levels 3 to 5 are designated for retail uses.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 5,197.00 sq.m. As per the Building GFA Measurement Report, the property has a GFA of approximately 6,013.55 sq.m., of which the aboveground GFA and the underground GFA are approximately 3,482.22 sq.m. and 2,531.33 sq.m. respectively. It was completed in about 2022.</p> <p>The land use rights of the property were granted for a term expiring on 12 February 2059 for commercial uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with zero monthly rent as at the Valuation Date since all of tenants are within rent free period. The prevailing occupancy rate is about 64.4% of aboveground unit and the latest expiry date is in June 2029.</p>	<p>RMB36,000,000 (RENMINBI THIRTY SIX MILLION)</p> <p>72.48% Interest Attributable to the Group:</p> <p>RMB26,092,800 (RENMINBI TWENTY SIX MILLION NINETY TWO THOUSAND AND EIGHT HUNDRED)</p>

Notes:

- The property was inspected by Charlotte Xu *BSc(Hons) MRICS RICS Registered Valuer* on 17 February 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Su (2023) Changzhou Shi Bu Dong Chan Quan Di No. 0188125 dated 17 October 2023 issued by Changzhou Real Estate Registration and Transaction Centre, the land use rights of the property with a site area of 5,197.00 sq.m. and the building ownership rights of the property with a GFA of 6,013.55 sq.m. were vested in Jiangsu Sunan Zhicheng Technology Development Co., Ltd.. The land use rights of the property were granted for a term expiring on 12 February 2059 for commercial uses.
- As advised by the Group, Jiangsu Sunan Zhicheng Technology Development Co., Ltd. is an indirectly 72.48% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at No. 21 Zhangdong Road, Tianning District, Changzhou, Jiangsu Province, the PRC.
Transportation	:	Changzhou Benniu Airport, Wu Jiao Chang Metro Station and Changzhou Railway Station are located approximately 28.8 kilometres, 0.6 kilometres and 3.1 kilometres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately a commercial and residential area in Tianning District.

6. We have been provided with a PRC legal opinion dated 23 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) Jiangsu Sunan Zhicheng Technology Development Co., Ltd. has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) Jiangsu Sunan Zhicheng Technology Development Co., Ltd. can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the
				Existing State as at 30 June 2025
19	256 Land Parcels Located in Kampong Tralach District and Samaki Meanchey District, Kampong Chhnang Province, Cambodia	The property comprises 256 parcels of land arranging from 1,604.00 sq.m. to 880,154.00 sq.m. The property is located along National Road No. 5, Kampong Tralach District and Samaki Meanchey District, Kampong Chhnang Province, Cambodia. As per Land Title Deeds, the property has a total site area of approximately 14,667,090.00 sq.m. The property is held under freehold interests.	As per our on-site inspection and information provided by the Group, the property is currently vacant. As per information provided by the Group, there are no development plan as at the Valuation Date.	RMB3,721,230,000 (RENMINBI THREE BILLION SEVEN HUNDRED TWENTY ONE MILLION TWO HUNDRED AND THIRTY THOUSAND) (USD519,000,000 (UNITED STATES DOLLARS FIVE HUNDRED AND NINETEEN MILLION)) 60% Interest Attributable to the Group: RMB2,232,738,000 (RENMINBI TWO BILLION TWO HUNDRED THIRTY TWO MILLION SEVEN HUNDRED AND THIRTY EIGHT THOUSAND) (USD311,400,000 (UNITED STATES DOLLARS THREE HUNDRED ELEVEN MILLION AND FOUR HUNDRED THOUSAND))

Notes:

- The property was inspected by Sokkeang Eng *BAF(Hons) BA Registered Valuer – Real Estate Business & Pawnshop Regulator*, Phechhoang Ing *BBA* and Sopheak Kim *BDE* on 25 February 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.

3. Pursuant to 256 Land Title Deeds, the title of the property with a total site area of approximately 14,667,090.00 sq.m. were vested in Zhong Jian Jin Bian Jing Ji Te Qu Limited.
4. As advised by the Group, Zhong Jian Jin Bian Jing Ji Te Qu Limited is an indirectly 60.00% owned subsidiary of the Company
5. The general description and market information of the property are summarized below:

Location	:	The property is located in Kampong Tralach District and Samaki Meanchey District, Kampong Chhnang Province, Cambodia.
Transportation	:	City centre of Phnom Penh, Phnom Penh International Airport and Cambodia Railway Station are located approximately 50 to 60 kilometres away from the property.
Nature of Surrounding Area	:	The area is predominately an agricultural area in Kampong Tralach District and Samaki Meanchey District.
6. We have been provided with a Cambodia legal opinion dated 11 July 2025 regarding the property by Rajah & Tann Sok & Heng Law Office, which contains, *inter alia*, the following:
 - (a) Zhong Jian Jin Bian Jing Ji Te Qu Limited has legally obtained the land use rights over the property in accordance with Cambodian Laws and Zhong Jian Jin Bian Jing Ji Te Qu Limited is the legal holder of the land use rights over the property;
 - (b) Zhong Jian Jin Bian Jing Ji Te Qu Limited has the right to use, occupy, let, transfer, mortgage or by other means handle the relevant land use rights over the property, subject to the agreement of a mortgagee (hypothec), where applicable; and
 - (c) Zhong Jian Jin Bian Jing Ji Te Qu Limited's land use rights over the property are not subject to any mortgage (hypothec) or encumbrance.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
20	13 Residential Units, Mingcui Garden, Nos. 3 & 5 Mingcui 1st Street, Gongye Avenue South, Haizhu District, Guangzhou, Guangdong Province, the PRC	<p>The property comprises 13 residential units in a residential development namely Mingcui Garden.</p> <p>As per the Real Estate Title Certificates, the property is erected on a master site area of approximately 3,292.7205 sq.m. As per the Real Estate Title Certificates, the property has a total GFA of approximately 786.4544 sq.m. It was completed in about 2003.</p> <p>The land use rights of the property were granted for 70 years commencing from 10 May 2000 for residential uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB2,947. The prevailing occupancy rate is about 93.7%.</p>	<p>No Commercial Value</p> <p>98.90% Interest Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Cici Hu *BBA(Acc)* on 23 July 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to 13 Real Estate Title Certificates, issued by People's Government of Guangdong Province, the land use rights of the master site of approximately 3,292.7205 sq.m. and the building ownership rights of the property with a total GFA of approximately 786.4544 sq.m. were vested in Guangzhou Guangming Real Estates Co., Ltd.

The details of the Real Estate Title Certificates are summarised below:

Certificate No.	Use	GFA (sq.m.)
Yue Fang Di Zheng Zi Di No.C5183395	Residential	49.7976
Yue Fang Di Zheng Zi Di No.C5183397	Residential	80.9717
Yue Fang Di Zheng Zi Di No.C5183386	Residential	48.7322
Yue Fang Di Zheng Zi Di No.C5183380	Residential	62.9954
Yue Fang Di Zheng Zi Di No.C5183371	Residential	73.863
Yue Fang Di Zheng Zi Di No.C5183391	Residential	48.7322
Yue Fang Di Zheng Zi Di No.C5183387	Residential	48.7322
Yue Fang Di Zheng Zi Di No.C5183384	Residential	49.8122
Yue Fang Di Zheng Zi Di No.C5183383	Residential	49.8122
Yue Fang Di Zheng Zi Di No.C5183385	Residential	48.7322
Yue Fang Di Zheng Zi Di No.C5183372	Residential	76.5475
Yue Fang Di Zheng Zi Di No.C5183369	Residential	73.863
Yue Fang Di Zheng Zi Di No.C5185244	Residential	73.863
Total:		<u>786.4544</u>

4. As advised by the Group, Guangzhou Guangming Real Estate Company Limited is an indirectly 98.90% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at Nos. 3 & 5 Mingcui 1st Road, Gongye Avenue South, Haizhu District, Guangzhou, Guangdong Province, the PRC.
Transportation	:	Guangzhou Baiyun International Airport, Guangzhou North Station, Guangzhou East Station, Guangzhou South Station, Shixi Station and Gongye Avenue South Metro Station are located approximately 44.0 kilometres, 43.0 kilometres, 13.0 kilometres, 16.5 kilometres, 200 metres and 400 metres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately a residential and commercial area in Haizhu District.

6. We have been provided with a legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) The property constitutes relocation housing. Although the property title is registered under Guangzhou Guangming Real Estate Company Limited, the company acts merely as a nominal holder to collect rents and remit them to the housing authority and must ultimately reconvey title or dispose of the property as agreed upon resolution of demolition matters. Guangzhou Guangming Real Estate Company Limited's rights to the relocation housing are subject to encumbrances, precluding unrestricted transfer or mortgage of such property; and
- (b) Apart from the encumbrances mentioned above, the property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.

7. As per provided legal opinion, the property has restriction on the transfer of real estate title rights as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper title certificate of land use rights and building ownership rights and it can be freely transferred, as at the Valuation Date was circa RMB19,700,000.

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
21	10 Residential Units, Feiyun Building, Nos. 163, 165 & 171 Qifu Road, Baiyun District, Guangzhou, Guangdong Province, the PRC	<p>The property comprises 10 residential units in a residential development namely Feiyun Building.</p> <p>As per the Real Estate Title Certificates, the property has a total GFA of approximately 375.45 sq.m. It was completed in about 2000.</p> <p>The land use rights of the property were granted for 70 years commencing from 29 May 2019 for residential uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently leased subject to various tenancies with a total monthly rent of RMB792. The prevailing occupancy rate is about 52.8%.</p>	<p>No Commercial Value</p> <p>98.90% Interest Attributable to the Group:</p> <p>No Commercial Value</p>

Notes:

- The property was inspected by Cici Hu *BBA(Acc)* on 23 July 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISC MHIRES FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIRES RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to 10 Real Estate Title Certificates, issued by Guangzhou Municipal Commission of Land Resources and Planning, the land use rights of the master site the building ownership rights of the property with a total GFA of approximately 375.45 sq.m. were vested in Guangzhou Guangming Real Estates Co., Ltd.

The details of the Real Estate Title Certificates are summarised below:

Certificate No.	Use	GFA (sq.m.)
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04206953	Residential	35.02
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04206948	Residential	35.02
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04206866	Residential	39.69
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04206928	Residential	40.97
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04206914	Residential	35.02
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04207329	Residential	40.97
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04207274	Residential	40.56
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04207282	Residential	38.21
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04207296	Residential	38.21
Yue (2019) Guangzhou Shi Bu Dong Chan Quan Di No.04207276	Residential	31.78
Total:		<u>375.45</u>

4. As advised by the Group, Guangzhou Guangming Real Estate Company Limited is an indirectly 98.90% owned subsidiary of the Company.

5. The general description and market information of the property are summarized below:

Location	:	The property is located at Nos. 163, 165 & 171 Qifu Road, Baiyun District, Guangzhou, Guangdong Province, the PRC.
Transportation	:	Guangzhou Baiyun International Airport, Guangzhou North Station, Guangzhou East Station, Guangzhou South Station and Xinshi Xu Metro Station are located approximately 24.1 kilometres, 23.5 kilometres, 12.8 kilometres, 33.0 kilometres and 220 metres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately a residential and commercial area in Baiyun District.

6. We have been provided with a legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:

- (a) The property constitutes relocation housing. Although the property title is registered under Guangzhou Guangming Real Estate Company Limited, the company acts merely as a nominal holder to collect rents and remit them to the housing authority and must ultimately reconvey title or dispose of the property as agreed upon resolution of demolition matters. Guangzhou Guangming Real Estate Company Limited's rights to the relocation housing are subject to encumbrances, precluding unrestricted transfer or mortgage of such property; and
- (b) Apart from the encumbrances mentioned above, the property is not subject to any other mortgages, pledges, seizures, liens or other restrictions of rights.

7. As per provided legal opinion, the property has restriction on the transfer of real estate title rights as at the Valuation Date. In the course of our valuation, we have attributed no commercial value to the property. The reference value of the property, assuming that it has been granted with a proper title certificate of land use rights and building ownership rights and it can be freely transferred, as at the Valuation Date was circa RMB5,300,000.

Group 3 – Property Interests Held by the Group for Development in the PRC

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
22	A Warehouse under Construction Located at West of Jiaoda Avenue and South of Taohe Road, Jiaozhou City, Qingdao, Shandong Province, the PRC	<p>The property comprises a parcel of industrial land, located at Jiaozhou City, Qingdao, Shandong Province, the PRC.</p> <p>As per the Real Estate Title Certificate, the property has a site area of approximately 113,427.47 sq.m.</p> <p>The land use rights of the property were granted for a term expiring on 17 March 2069 for warehouse uses.</p>	<p>As per our on-site inspection and information provided by the Group, the property is currently vacant with construction works being suspended.</p> <p>As per information provided by the Group, the construction works will resume in February 2026 and be completed by the end of 2027.</p>	<p>RMB231,700,000 (RENMINBI TWO HUNDRED THIRTY ONE MILLION AND SEVEN HUNDRED THOUSAND)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB231,700,000 (RENMINBI TWO HUNDRED THIRTY ONE MILLION AND SEVEN HUNDRED THOUSAND)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 30 June 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- Pursuant to a Real Estate Title Certificate, Lu (2019) Jiao Zhou Shi Bu Dong Chan Quan Di No. 0007777 dated 26 March 2019 and issued by Jiaozhou Natural Resources Bureau, the land use rights of the property with a site area of 113,427.47 sq.m. were granted to Qingdao Yongcheng International Logistics Ltd. for a term expiring on 17 March 2069 for warehouse uses.
- Pursuant to a Construction Land Use Planning Permit, Di Zi Di No. 370281201920004 dated 20 March 2019 and issued by Jiaozhou Planning Bureau, the proposed land use of the property was approved.
- Pursuant to a Construction Project Planning Permit, Jian Zi Di No. 370281201920014 dated 18 June 2019 and issued by Jiaozhou Administrative Approval Bureau, the proposed development of the property was approved.
- Pursuant to a Construction Project Work Commencement Permit, No. 370281202003240101 dated 24 March 2020 and issued by Jiaozhou Administrative Approval Bureau, the construction of the proposed development of the property was approved to commence.

7. As advised by the Group, Qingdao Yongcheng International Logistics Ltd. is an indirectly wholly owned subsidiary of the Company.
8. The gross development value of the property, assuming that it has been completed and it can be freely transferred, as at the Valuation Date was circa RMB932,000,000. According to information provided, the outstanding construction cost and incurred construction cost of the property as at the Valuation Date were circa RMB514,259,600 and RMB171,780,400 respectively.
9. The general description and market information of the property are summarized below:
- | | | |
|----------------------------|---|---|
| Location | : | The property is located at West of Jiaoda Avenue and South of Taohe Road, Jiaozhou City, Qingdao, Shandong Province, the PRC. |
| Transportation | : | Qingdao Jiaodong International Airport and Jiaozhoubei Railway Station are located approximately 22.2 kilometres and 24.5 kilometres away from the property respectively. |
| Nature of Surrounding Area | : | The area is predominately an industrial area in Jiaozhou City. |
10. We have been provided with a PRC legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
- (a) Qingdao Yongcheng International Logistics Ltd. has obtained the state-owned land use rights of the property in accordance with laws;
 - (b) Based on the written confirmation provided by Qingdao Yongcheng International Logistics Ltd. that its developed project area exceeds one-third of the total land area stipulated for commencement of development, the property does not constitute idle land. Qingdao Yongcheng International Logistics Ltd. shall have the right to lawfully use, occupy, and mortgage the property rights. However, transfer of such rights shall remain restricted until the Company's cumulative investment amount reaches 25% or more of the total project investment specified in the approval documents; and
 - (c) The state-owned land use rights of the property are not subject to any mortgage, pledge, seizure, lien or other restriction of rights.

Group 4 – Property Interests Held by the Group for Occupation in the PRC

No.	Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 30 June 2025
23	Carpark No. 2010, 2011 on Basement Level 2, Unit 1001 on Level 10, Block 17 of Wangjing Dongyuan (Also Known as Poly International Plaza T2), Chaoyang District, Beijing, the PRC	<p>The property comprises an office unit on Level 10 of a 16-storey office building and two carpark spaces on Basement Level 2 of captioned office building.</p> <p>As per the Real Estate Title Certificates, the office unit and two carpark spaces of the property has GFA of approximately 2,097.59 sq.m. and 70.64 sq.m. respectively. It was completed in about 2014.</p> <p>The land use rights of the property were granted for a term expiring on 21 April 2060 for office uses.</p>	As per our on-site inspection and information provided by the Group, the property is currently occupied for self-use.	<p>RMB105,720,000 (RENMINBI ONE HUNDRED FIVE MILLION SEVEN HUNDRED AND TWENTY THOUSAND)</p> <p>100% Interest Attributable to the Group:</p> <p>RMB105,720,000 (RENMINBI ONE HUNDRED FIVE MILLION SEVEN HUNDRED AND TWENTY THOUSAND)</p>

Notes:

- The property was inspected by Ines Wang *Candidate of RICS* on 2 July 2025.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISC MHIAREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIAREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
- As mentioned in a Beijing Commercial Housing Pre-sale Contract, No. Y1502856 dated 12 December 2013, pursuant to a State-owned Land Use Rights Certificate, Jing Chao Guo Yong (2011 Chu) Di No. 00286, the land use rights of the subject site with a site area of approximately 23,611.55 sq.m. were granted for a term expiring on 21 April 2060 for office uses.
- Pursuant to a Real Estate Title Certificate, Jing (2019) Chao Bu Dong Chan Quan Di No. 0075289 dated 29 August 2019 and issued by Beijing Planning and Natural Resources Committee, the land use rights of the subject site and the building ownership rights of the office unit of the property with a GFA of 2,097.59 sq.m. were vested in 北京允中投資諮詢有限公司.

5. Pursuant to two Real Estate Title Certificates issued by Beijing Planning and Natural Resources Committee, the building ownership rights of the carpark spaces of the property with a GFA of 70.64 sq.m. were vested in 北京允中投資諮詢有限公司.

The details of the Real Estate Title Certificates are summarized below:

Certificate No.	Property	Date of Issue	Use	GFA (sq.m.)
Jing (2019) Chao Bu Dong Chan Quan Di No. 0075291	Carpark No. 2010	29 August 2019	Carpark	35.32
Jing (2019) Chao Bu Dong Chan Quan Di No. 0075294	Carpark No. 2011	29 August 2019	Carpark	35.32
Total:				70.64

6. As advised by the Group, 北京允中投資諮詢有限公司 is a directly wholly owned subsidiary of the Company.
7. The general description and market information of the property are summarized below:
- Location : The property is located at Wangjing Dongyuan, Chaoyang District, Beijing, the PRC.
- Transportation : Beijing Capital International Airport and Wangjing East Station are located approximately 16.3 kilometres and 0.8 kilometres away from the property respectively.
- Nature of Surrounding Area : The area is predominately a commercial area in Chaoyang District.
8. We have been provided with a PRC legal opinion dated 24 July 2025 regarding the property by Tianyuan Law Firm, which contains, *inter alia*, the following:
- (a) 北京允中投資諮詢有限公司 has obtained the state-owned land use rights and building ownership rights of the property in accordance with laws;
- (b) 北京允中投資諮詢有限公司 can occupy, use, let, transfer, mortgage or by other lawful means handle the relevant state-owned land use rights and building ownership rights; and
- (c) The state-owned land use rights and building ownership rights of the property are not subject to a mortgage, pledge, seizure, lien or other restriction of rights.

1. RESPONSIBILITY STATEMENTS

The Directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than any information relating to the Offeror and the Offeror Concert Parties (other than members of the Group)) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than those expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document the omission of which would make any statements in this Scheme Document misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than those expressed by the Directors of the Company in their capacities as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading.

The directors of BE City jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than those expressed by the Directors of the Company in their capacities as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading.

2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date:

- (i) the authorised share capital of the Company was HK\$1,000,000,000 divided into 10,000,000,000 Shares;
- (ii) the issued and paid-up share capital of the Company was HK\$696,933,000 divided into 6,969,331,680 Shares;
- (iii) all of the issued Shares ranked *pari passu* in all respects with each other, including all rights as to dividends, voting and capital;
- (iv) no new Shares had been issued since 31 December 2024, being the end of the last financial year of the Company; and

- (v) there were no outstanding options, convertible securities, warrants, derivatives or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carried a right to subscribe for or which were convertible or exchangeable into the Shares.

3. MARKET PRICES

The table below sets out the closing price of the Shares on the Stock Exchange on (i) the last Business Day of each of the calendar months during the period commencing six months preceding the Announcement Date and ending on the Latest Practicable Date, (ii) the Last Trading Day, and (iii) the Latest Practicable Date:

Date	Closing price for each Share (HK\$)
29 November 2024	0.058
31 December 2024	0.059
28 January 2025	0.057
28 February 2025	0.053
31 March 2025	0.045
30 April 2025	0.042
19 May 2025 (Last Trading Day)	0.040
30 May 2025	0.040
30 June 2025	0.130
25 July 2025 (Latest Practicable Date)	0.131

The lowest and highest closing prices of Shares as quoted on the Stock Exchange during the period commencing six months preceding the Announcement Date and ending on the Latest Practicable Date were HK\$0.038 per Share on 15 May 2025 and 16 May 2025 and HK\$0.060 per Share on 20 November 2024, 21 November 2024, 27 November 2024, 28 November 2024, 11 December 2024, 12 December 2024, respectively.

4. DISCLOSURE OF INTERESTS, DEALINGS AND OTHER ARRANGEMENTS

(i) Interests in the Company's securities

For the purpose of this paragraph, "interested" have the same meanings as given to them in Part XV of the SFO.

- (a) As at the Latest Practicable Date, 4,815,758,560 Shares (representing approximately 69.10% of the total issued Shares as at the Latest Practicable Date) were held by the Controlling Shareholders, among which 1,714,258,500 Shares (representing approximately 24.60% of the total issued Shares as at the Latest Practicable Date) were held by the Offeror:

	Number of Shares directly held	Approximate % of Shares
Offeror ⁽¹⁾	1,714,258,500	24.60
BEREHK ⁽²⁾	2,526,882,407	36.26
BHL ⁽³⁾	487,166,195	6.99
Illumination ⁽⁴⁾	87,451,458	1.25
Total	4,815,758,560	69.10

Notes:

- 1 The Offeror is directly wholly-owned by BEREHK and indirectly wholly owned by BE Group.
 - 2 BEREHK is indirectly wholly-owned by BE Group.
 - 3 BHL is directly wholly-owned by BE Group.
 - 4 Illumination is directly wholly-owned by BHL and indirectly wholly-owned by BE Group.
- (b) Save as disclosed above, as at the Latest Practicable Date, none of the Offeror and the Offeror Concert Parties (including the directors of the Offeror) owned or controlled, or was interested in, any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.
- (c) As at the Latest Practicable Date, none of the Directors was interested in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.
- (d) As at the Latest Practicable Date, none of the Offeror, Offeror Concert Parties, the Company and the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares, save for any borrowed Shares which have been either on-lent or sold.

- (e) As at the Latest Practicable Date, no Shares or any convertible securities, warrants, options or derivatives in respect of the Shares were owned or controlled by a subsidiary of the Company, a pension fund (if any) of any member of the Group, a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert”, or an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (other than exempt principal traders and exempt fund managers).
- (f) As at the Latest Practicable Date, no Shares or any convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by any fund managers (other than exempt fund managers) connected with the Company.

(ii) Dealings in the Company’s securities

- (a) During the Relevant Period, other than the Proposal, the SPA and the Irrevocable Undertakings, and save for the dealings in the Shares by any member of the CICC group which are conducted on a non-discretionary basis for and on behalf of its clients, none of the Offeror, the directors of the Offeror, the Offeror Concert Parties, the IU Shareholders, the Company or the Directors had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares;
- (b) From the Announcement Date until the Latest Practicable Date, save for the dealings in the Shares by any member of the CICC group which are conducted on a non-discretionary basis for and on behalf of its clients, no subsidiary of the Company, no pension fund of any member of the Group, no person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (but excluding exempt principal traders and exempt fund managers) had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares;
- (c) From the Announcement Date until the Latest Practicable Date, no fund managers (other than exempt fund managers) connected with the Company had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares.

(iii) Interests and dealings in the Offeror's securities

- (a) As at the Latest Practicable Date, neither the Company nor any of the Directors had any interest in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Offeror.
- (b) During the Relevant Period, neither the Company nor any of the Directors had any dealings in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Offeror.

(iv) Other arrangements in relation to the Proposal

As at the Latest Practicable Date:

- (a) other than the Proposal and the Irrevocable Undertakings, there was no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code that existed between any person and the Offeror, any of the Offeror Concert Parties, the Company or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) or (4) of the definition of “associate” under the Takeovers Code;
- (b) there was no material contract which had been entered into by the Offeror in which any Director had a material personal interest;
- (c) the Offeror had no intention to transfer, charge or pledge any securities in the Company received pursuant to the Scheme to any other person, and had no agreement, arrangement or understanding with any third party to do so;
- (d) there was no agreement or arrangement to which the Offeror was a party which related to the circumstances in which it may or may not invoke or seek to invoke a condition to the Proposal;
- (e) no benefit was or would be given to any Director as compensation for loss of office or otherwise in connection with the Proposal;
- (f) other than the Irrevocable Undertakings, there was no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror or any of the Offeror Concert Parties on one hand and any of the Directors, recent Directors, Shareholders or recent Shareholders of the Company on the other hand, having any connection with or was dependent upon the Proposal;
- (g) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Proposal or otherwise connected with the Proposal;

- (h) there was no understanding, arrangement, agreement or special deal (under Rule 25 of the Takeovers Code) between (1) any Shareholder (on one hand); and (2) either (i) the Offeror or any Offeror Concert Parties or (ii) the Company or any of its subsidiaries or associated companies (on the other hand);
- (i) save for the consideration of HK\$21,905,240.000 (or HK\$0.140 per Sale Share, being equal to the Cancellation Price) which had been paid to the Sellers upon SPA Completion, no consideration, compensation or benefit in whatever form was paid or to be paid by the Offeror or any Offeror Concert Parties to any Seller or any party acting in concert with any Seller in connection with the SPA; and
- (j) save for the SPA, there was no understanding, arrangement, agreement or special deal (under Rule 25 of the Takeovers Code) between (1) the Offeror or any Offeror Concert Parties (on one hand); and (2) any Seller or any party acting in concert with any Seller (on the other hand).

5. MATERIAL LITIGATION

As at the Latest Practicable Date, save as disclosed below, no member of the Group was engaged in any material litigation and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

As disclosed in note 19(c) to the consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2024, in December 2023, a bank (the “**plaintiff**”) commenced a legal proceeding to the local court against a wholly-owned subsidiary of the Company (the “**Subsidiary**”), alleging that the Subsidiary bears supplementary compensation liability within the scope of RMB105 million in principal and interest in relation to the unpaid borrowings and interests owed to the plaintiff by a partial-owned subsidiary of BECI (“**BECI Subsidiary**”) that guaranteed by BECI (an associate of the Group). The claim amount of RMB105 million is being the unpaid capital commitment by the Subsidiary to BECI with a capital injection deadline in 2030 while no guarantee has been provided by the Group in respect of borrowings granted to BECI and BECI Subsidiary. In January 2024, the local court allowed the legal proceeding by the plaintiff in its claims against BECI and the Subsidiary, among others, and found BECI and the Subsidiary liable for losses and damages suffered by the plaintiff in connection with certain borrowings granted to BECI Subsidiary by the plaintiff. On 29 September 2024, the Company received the civil judgment (“**Judgment**”) handed down by the Foshan Intermediate People’s Court and dated 23 September 2024 in respect of the litigation. According to the Judgment, the Subsidiary, (being one of the defendants in the litigation) was ordered to bear supplementary compensation liability within the scope of RMB105 million in principal and interest for the debt owed to the plaintiff. The Directors considered the supplementary compensation liability as a deemed investment loss, and then accrued a fully impairment amounted to RMB105,000,000 during the year ended 31 December 2024. As at the Latest Practicable Date, the case is pending the Foshan Intermediate People’s Court hearing.

Considering appropriate provisions and accounting treatments have been made in the financial statements of the Company as disclosed in the annual report of the Company for the year ended 31 December 2024, the Directors confirm that the above litigations did not have any material adverse impact on the operating results or financial condition of the Group.

6. MATERIAL CONTRACTS

The following contracts (being the contracts not entered into in the ordinary course of business carried on or intended to be carried on by any member of the Group) have been entered into by a member of the Group within two years before the Announcement Date and up to and including the Latest Practicable Date, which are or may be material:

- (a) a share sale and purchase agreement dated 13 December 2023, and two supplemental agreements dated 22 January 2024 and 25 November 2024, entered into between China Industrial Properties (Holdings) Limited (“**CIPH**”) (a non-wholly owned subsidiary of the Company, in which the Company held interest of about 72.48%) (as vendor), WXYZ GEM (BVI) Holdings Limited (a third party independent of the Group) (as purchaser), SSinolog (Jiaxing) I Pte. Ltd. (“**Jiaxing**”) (as target company) and Fortune Land Industrial Development (Jiaxing) Pte. Ltd. (寶地工業地產發展(嘉興)有限公司)(as project company) in respect of the disposal of 75% of the issued share capital of Jiaxing, pursuant to which the final consideration was agreed to be the sum of (i) 75% of the adjusted net asset value as set out in the completion statement of Jiaxing group and (ii) the outstanding amount of the shareholder’s loan owed by Jiaxing to CIPH. The total consideration was approximately RMB276.3 million;
- (b) a sale and purchase agreement (“**New Concord SPA**”) dated 2 August 2023 entered into between China Logistics Infrastructures (Holdings) Limited (“**CLIHL**”) (a wholly-owned subsidiary of the Company) (as vendor) and JD Oriental Development III Limited (a third party independent of the Group) (“**JDODL**”) (as purchaser) in respect of the disposal of 10% of the issued share capital in New Concord Properties Limited (新陽置業有限公司) at a consideration of RMB123.16 million;
- (c) a sale and purchase agreement (“**New Fine SPA**”) dated 2 August 2023 entered into between CLIHL (as vendor) and JDODL (as purchaser) in respect of the disposal of 10% of the issued share capital in New Fine International Development Limited (新輝國際發展有限公司) at a consideration of RMB56.84 million; and
- (d) an ancillary agreement dated 2 August 2023 entered into between CLIHL and JDODL in respect of the assignment of certain loans and interest in connection with the New Concord SPA and the New Fine SPA in an aggregate amount of approximately RMB2.79 million.

7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed-term contracts) had been entered into or amended within the 6 months before the date of the Announcement; (ii) was a continuous contract with a notice period of 12 months or more; or (iii) was a fixed term contract with more than 12 months to run irrespective of the notice period.

8. CONSENTS AND QUALIFICATIONS OF EXPERTS

The following are the qualifications of the experts who have been named in this Scheme Document or have given opinion or advice which is contained in this Scheme Document:

Name	Qualification
CICC	a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
Rainbow Capital	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Vincorn Consulting and Appraisal Limited	an independent qualified property valuer

As at the Latest Practicable Date, the above experts had given and had not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its letters and opinions (as the case may be) and/or references to its name, opinions, reports and/or letters (as the case may be) in the form and context in which they respectively appear.

9. MISCELLANEOUS

- (i) The registered office of the Offeror is situated at Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands, and the principal place of business in Hong Kong is 66/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.
- (ii) Principal members of the Offeror Concert Parties include the Controlling Shareholders.
- (iii) The directors of the Offeror and BEREHK are Mr. ZHU Yingying and Mr. FANG Bin.

- (iv) The directors of BE City are Mr. Dong Jiwei, Mr. Zhu Yingying, Mr. Gao Peng, Mr. Zhang Qin, Ms. Ma Yanli and Mr. Wang Yongjun.
- (v) The directors of BHL are Mr. Zhang Yuzhuang, Mr. Mi Yueqiang, Mr. Yan Feng, Mr. Jin Feng, Ms. Luo Wenzhu, Mr. Zhao Xinwei and Ms. Liu Jingjing.
- (vi) The directors of Illumination are Ms. Tu Qian and Ms. Zhao Lihong.
- (vii) CICC is the financial adviser to the Offeror in relation to the Proposal, and its registered address is at 29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong.
- (viii) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (ix) The principal place of business of Company in Hong Kong is situated at 66/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.
- (x) The Board comprises Mr. ZHU Yingying, Mr. SIU Kin Wai, Mr. FANG Bin, Mr. XU Zhigang, and Mr. CHENG Ching Fu as executive Directors, and Mr. GOH Gen Cheung, Mr. James CHAN and Dr. LI Huiqun as independent non-executive Directors.
- (xi) The principal share registrar and transfer office of the Company in Bermuda is Conyers Corporate Services (Bermuda) Limited at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (xii) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (xiii) The principal place of business of the Independent Financial Adviser is Office No. 710, 7/F, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong.

In case of inconsistency, the English language text of this Scheme Document and the accompanying forms of proxy shall prevail over the Chinese language text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection on the website of the Company at www.bphl.com.hk and the website of the SFC at www.sfc.hk during the period from the date of this Scheme Document until (a) the Effective Date; and (b) the date on which the Scheme lapses or is withdrawn, whichever is earlier:

- (i) the memorandum and articles of association of the Offeror;

- (ii) the memorandum of association and bye-laws of the Company;
- (iii) the 2022 Annual Report, the 2023 Annual Report and the 2024 Annual Report;
- (iv) the letter from the Board, the text of which is set out in Part V of this Scheme Document;
- (v) the letter from the Independent Board Committee, the text of which is set out in Part VI of this Scheme Document;
- (vi) the letter from the Independent Financial Adviser, the text of which is set out in Part VII of this Scheme Document;
- (vii) the property valuation report from Vincorn Consulting and Appraisal Limited in respect of the property interests of the Group, the text of which is set out in Appendix II to this Scheme Document;
- (viii) the material contracts referred to in the section headed “6. Material Contracts” in this Appendix;
- (ix) the written consents issued by the expert referred to in the section headed “8. Consents and Qualifications of Experts” in this Appendix;
- (x) the SPA;
- (xi) the Irrevocable Undertakings; and
- (xii) this Scheme Document.

**IN THE SUPREME COURT OF BERMUDA
CIVIL JURISDICTION
COMMERCIAL COURT**

2025: NO. 147

IN THE MATTER OF BEIJING PROPERTIES (HOLDINGS) LIMITED

And

IN THE MATTER OF SECTION 99 OF THE COMPANIES ACT 1981

SCHEME OF ARRANGEMENT

Between

BEIJING PROPERTIES (HOLDINGS) LIMITED 北京建設(控股)有限公司

And

THE SCHEME SHAREHOLDERS

PRELIMINARY

(A) In this scheme of arrangement, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively set opposite them:

“acting in concert”	has the meaning ascribed to it in the Takeovers Code and “concert party” shall be construed accordingly
“BE City”	Beijing Enterprises City Development Group Limited, a limited liability company incorporated in the PRC and is wholly owned by BE Group
“BE Group”	Beijing Enterprises Group Company Limited* (北京控股集團有限公司), a state-owned enterprise established in the PRC and wholly owned by The State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality
“Beneficial Owner(s)”	any beneficial owner(s) of the Shares whose Shares are registered in the name of a Registered Owner(s)
“BEREHK”	Beijing Enterprises Real Estate (HK) Limited, a limited liability company incorporated in the British Virgin Islands and is indirectly wholly owned by BE Group
“BHL”	Beijing Holdings Limited, a limited liability company incorporated in Hong Kong and is wholly owned by BE Group

“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Participant(s)”	person(s) admitted to participate in CCASS as a direct clearing participant or general clearing participant, a custodian participant or an investor participant, who may be an individual, joint individuals or a corporation
“CICC”	China International Capital Corporation Hong Kong Securities Limited, a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“Companies Act”	the Companies Act 1981 of Bermuda
“Company”	Beijing Properties (Holdings) Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 925)
“Controlling Shareholders”	collectively, the Offeror, BEREHK, BHL and Illumination
“Court”	the Supreme Court of Bermuda
“Court Meeting”	a meeting of the Scheme Shareholders to be held at the direction of the Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof

“Disinterested Share(s)”	Share(s) in issue, other than those beneficially owned by the Offeror Concert Parties. For the avoidance of doubt, Disinterested Shares include Shares in issue which are held by any member of the CICC group on a non-discretionary and non-proprietary basis for and on behalf of its clients who are not Offeror Concert Parties
“Disinterested Shareholder(s)”	the registered holder(s) of the Disinterested Shares. For the avoidance of doubt, the Disinterested Shareholders include any member of the CICC group acting in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code
“Effective Date”	the date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with its terms and the Companies Act, which is expected to be 27 August 2025 (Bermuda time)
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“exempt fund manager(s)”	has the meaning ascribed to it in the Takeovers Code
“exempt principal trader(s)”	has the meaning ascribed to it in the Takeovers Code
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a company incorporated in Hong Kong with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Illumination”	Illumination Holdings Limited, a limited liability company incorporated in the British Virgin Islands and is indirectly wholly owned by BE Group

“Latest Practicable Date”	25 July 2025, being the latest practicable date for ascertaining certain information contained in the Scheme Document
“Long Stop Date”	30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)
“Offeror”	Brilliant Bright Holdings Limited, a business company incorporated in the British Virgin Islands and is indirectly wholly owned by BE Group
“Offeror Concert Parties”	parties acting in concert or presumed to be acting in concert with the Offeror and/or BE City under the definition of “acting in concert” under the Takeovers Code (except in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code) in connection with the Proposal and the Scheme, including the Controlling Shareholders
“Register”	the principal or branch register of members of the Company (as the case may be) in respect of the Shares
“Registered Owner”	in respect of a Beneficial Owner, any nominee, trustee, depositary or any other authorised custodian or third party whose name is entered in the Register as the holder of the Shares in which such Beneficial Owner is beneficially interested
“Scheme”	a scheme of arrangement to be proposed under section 99 of the Companies Act and the maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares
“Scheme Consideration”	the cash amount per Scheme Share which the Scheme Shareholders will receive for the cancellation of their Scheme Shares under this Scheme, which is equal to HK\$0.140

“Scheme Record Date”	27 August 2025, or such other date as shall have been announced to the Shareholders, being the record date for the purposes of determining entitlements of the Scheme Shareholders under the Scheme
“Scheme Share(s)”	the Shares in issue other than those held by the Controlling Shareholders
“Scheme Shareholders”	the registered holder(s) of Scheme Shares
“SFC”	Securities and Futures Commission of Hong Kong
“Shareholders”	registered holders of the Shares
“Shares”	ordinary shares of par value HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

** For identification purpose only*

- (B) The Company was incorporated as an exempted company on 28 August 1997 in Bermuda pursuant to the Companies Act under the name “Peaktop International Holdings Limited”. As at the Latest Practicable Date, the Company had an authorised share capital of HK\$1,000,000,000 divided into 10,000,000,000 Shares of HK\$0.10 each, of which 6,969,331,680 Shares have been issued and are fully paid or credited as fully paid.
- (C) The primary purpose of this Scheme is to cancel all Scheme Shares on the Effective Date and simultaneously issue the same number of Shares to the Offeror so that the Company becomes wholly-owned by the Controlling Shareholders.
- (D) The Company has agreed to appear by Conyers Dill & Pearman Limited at the hearing of the petition to sanction this Scheme and the Offeror has undertaken to the Court to be bound by this Scheme, to execute and procure to be executed all documents and to do and to procure done all acts and things which may be necessary or desirable to give effect to this Scheme.

THE SCHEME**PART I****CANCELLATION OF THE SCHEME SHARES AND ISSUE OF NEW SHARES**

On the Effective Date:

- (a) all Scheme Shares shall be cancelled and the Scheme Shareholders whose names appear in the Register as at the Scheme Record Date shall cease to have any rights with respect to the Scheme Shares except the right to receive the Scheme Consideration;
- (b) subject to and simultaneously with the cancellation of the Scheme Shares pursuant to this Scheme, the Company shall apply the reserve created by the cancellation of the Scheme Shares to maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by the allotment and issue of an equal number of Shares, credited as fully paid, to the Offeror.

PART II**CONSIDERATION FOR CANCELLATION OF THE SCHEME SHARES**

In consideration of the cancellation of all Scheme Shares on the Effective Date, all Scheme Shareholders whose names appear in the Register as at the Scheme Record Date shall be entitled to receive the Scheme Consideration.

PART III**GENERAL**

- 1. The new Shares issued to the Offeror shall rank *pari passu* in all respects with the existing Shares then in issue, including the right to receive all dividends and distributions which may be declared, made or paid thereafter.
- 2. On the Effective Date, the Register shall be updated to reflect the cancellation of the Scheme Shares and all certificates representing the Scheme Shares shall cease to be valid for any purpose.
- 3. The Scheme Consideration shall be paid by the Offeror as soon as possible but in any event no later than seven Business Days after the Effective Date.

4. In the absence of any specific instructions to the contrary received in writing by the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, cheques in respect of the Scheme Consideration will be sent by ordinary post in envelopes addressed to the persons entitled thereto at their respective addresses in the Register or, in the case of joint holders, to the address of the joint holders as shown in the Register in respect of the joint holding. For any Beneficial Owners that hold the Scheme Shares through a nominee (other than HKSCC Nominees Limited), cheques made out in the name of the nominee will be sent by post in envelopes addressed to the nominee. For any Beneficial Owners whose Scheme Shares are deposited in CCASS and registered under the name of HKSCC Nominees Limited, cheques will be sent in envelopes addressed to and made available for collection by HKSCC Nominees Limited. Upon receipt of such cheque, HKSCC Nominees Limited will cause such payment to be credited to the designated bank accounts of the relevant CCASS Participants in accordance with the "Operating Guide for Investor Participants", "General Rules of CCASS" and the "CCASS Operational Procedures" in effect from time to time. All such cheques will be sent at the risk of the person(s) entitled thereto and none of the Offeror, the Company or their respective advisers shall be responsible for any loss or delay in despatch.
5. On or after the day being six calendar months after the cheques in respect of the Scheme Consideration are posted, the Offeror shall have the right to cancel or countermand payment of any cheque which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the name of the Offeror with a licensed bank in Hong Kong selected by the Offeror.
6. The Offeror shall hold all monies in respect of any uncashed cheques for the Scheme Consideration until the expiry of six years from the Effective Date and shall, prior to such date, make payments therefrom of the sums to persons who satisfy the Offeror that they are entitled thereto. On the expiry of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under this Scheme.
7. This Scheme will become effective as soon as a copy of the order of the Court sanctioning this Scheme shall have been delivered to the Registrar of Companies in Bermuda for registration under section 99 of the Companies Act.
8. The Company and the Offeror may jointly consent for and on behalf of all concerned to any modification(s) of or addition(s) to this Scheme or to any condition(s) which the Court may see fit to approve or impose.

9. Unless this Scheme has become effective on or before the Long Stop Date (being 30 May 2026 or such later date the Offeror may determine, subject to the consent of the Court and/or the Executive (as applicable)), this Scheme shall lapse.
10. Subject to the requirements of the Takeovers Code, the parties shall bear their own costs, charges and expenses of and incidental to this Scheme, save as otherwise agreed by such parties.

**BEIJING PROPERTIES (HOLDINGS) LIMITED****北京建設（控股）有限公司***(Incorporated in Bermuda with limited liability)***(Stock Code: 925)****IN THE SUPREME COURT OF BERMUDA****CIVIL JURISDICTION****COMMERCIAL COURT****2025 NO. 147****IN THE MATTER OF BEIJING PROPERTIES (HOLDINGS) LIMITED****AND****IN THE MATTER OF SECTION 99 OF THE COMPANIES ACT 1981****NOTICE OF COURT MEETING**

NOTICE IS HEREBY GIVEN that, by an order (the “**Order**”) dated 10 July 2025 made in the above matter, the Supreme Court of Bermuda (the “**Court**”) has directed a meeting (the “**Court Meeting**”) of the Scheme Shareholders (as defined in the Scheme mentioned below) to be convened and held at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong on Wednesday, 20 August 2025 at 10:00 a.m. (Hong Kong time) for the purpose of considering and, if thought fit, approving (with or without modification(s)) a scheme of arrangement proposed to be made between Beijing Properties (Holdings) Limited (the “**Company**”) and the Scheme Shareholders (the “**Scheme**”). All Scheme Shareholders are invited to attend.

A copy of the Scheme and a copy of the explanatory statement explaining the Scheme pursuant to section 100 of the Companies Act 1981 of Bermuda are incorporated in the composite scheme document (the “**Scheme Document**”) of which this notice forms part. A copy of the Scheme Document can also be obtained by the Scheme Shareholders from the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited (the “**Share Registrar**”), at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (tel. +852 2980 1333).

The Scheme Shareholders may vote in person at the Court Meeting or they may appoint another person, whether or not a member of the Company, as their proxy to attend and vote in their stead. A **pink** form of proxy for use at the Court Meeting is enclosed with the Scheme Document.

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding. In the case of a Scheme Shareholder who is a corporation, it may by resolution of its directors or other governing body or by power of attorney authorise such person as it thinks fit to act as its corporate representative, as the case may be, at the Court Meeting and each person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual registered shareholder of the Company.

If more than one **pink** form of proxy for the Court Meeting is submitted by a Scheme Shareholder and the voting instructions require the proxies to vote both FOR and AGAINST the Scheme, such **pink** forms of proxy will not be accepted. If more than one **pink** form of proxy for the Court Meeting is submitted by a Scheme Shareholder and the voting instructions require the proxies to vote either FOR or AGAINST the Scheme but not both FOR and AGAINST the Scheme, the Chairman (as defined below) shall have absolute discretion as to whether or not to accept such **pink** forms of proxy.

Please lodge the **pink** forms appointing proxies to the office of the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 10:00 a.m. (Hong Kong time) on Monday, 18 August 2025. Alternatively, the forms of proxy may be handed to the chairman of the Court Meeting (the “**Chairman**”) at the Court Meeting before the taking of the poll. Pursuant to the Order, the Chairman has absolute discretion whether or not to accept all forms of proxy.

Completion and return of a form of proxy will not preclude a Scheme Shareholder from attending and voting at the Court Meeting or any adjournment thereof in person but, in that event, such form of proxy will be revoked by operation of law.

By the Order, the Court has appointed Cheng Ching Fu or any other person who is independent and disinterested under the Takeovers Code to act as Chairman and has directed the Chairman to report the results of the Court Meeting to the Court.

The Scheme will be subject to the subsequent sanction of the Court.

Dated: 28 July 2025

By order of the Court

Conyers Dill & Pearman Limited,
Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

Attorneys for the Company

As at the date of this notice, the board of directors of the Company comprises: Mr. ZHU Yingying, Mr. SIU Kin Wai, Mr. FANG Bin, Mr. XU Zhigang and Mr. CHENG Ching Fu as executive Directors; and Mr. GOH Gen Cheung, Mr. James CHAN and Dr. LI Huiqun as independent non-executive Directors.

Note: In the event of extreme weather conditions in Hong Kong at any time after 9:00 a.m. on the date of the Court Meeting, the Court Meeting may be adjourned in accordance with the bye-laws of the Company. In such case, the Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the Shareholders of the date, time and venue of the rescheduled meeting.

**BEIJING PROPERTIES (HOLDINGS) LIMITED****北京建設（控股）有限公司***(Incorporated in Bermuda with limited liability)***(Stock Code: 925)****NOTICE OF SPECIAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Beijing Properties (Holdings) Limited (the “**Company**”) will be held at Lounge, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong on Wednesday, 20 August 2025 at 10:30 a.m. (Hong Kong time) (or immediately after the conclusion or adjournment of the Court Meeting (as defined in the composite scheme document of which this notice forms part)) for the purpose of considering and, if thought fit, approving the special resolution and ordinary resolution set out below:

SPECIAL RESOLUTION**1. “THAT:**

for the purposes of giving effect to the scheme of arrangement, in the form of the print contained in the composite scheme document dated 28 July 2025 (the “**Scheme Document**”) which has been produced to this meeting and initialled or signed by the chairman of the meeting (for the purpose of identification only), between the Company and the Scheme Shareholders (as defined in the Scheme) (with or without modification(s)) (the “**Scheme**”) on the Effective Date (as defined in the Scheme) and subject to the approval of the Scheme Shareholders at the Court Meeting (as defined in the Scheme) any reduction of the issued share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares (as defined in the Scheme) be and is hereby approved.”

ORDINARY RESOLUTION

2. “THAT:

- (a) subject to and simultaneously with the cancellation of the Scheme Shares (as defined in the Scheme) on the Effective Date (as defined in the Scheme), the Company shall apply the reserve created by the cancellation of the Scheme Shares to maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by the allotment and issue of the same number of new Shares (as defined in the Scheme) as the number of Scheme Shares cancelled, credited as fully paid, to the Offeror (as defined in the Scheme); and
- (b) any one of the directors of the Company be and is hereby authorised to do all acts and things considered to be necessary or desirable (i) to allot and issue the new Shares referred to in 2(a) above; or (ii) in connection with the completion of the Scheme.”

All registered Shareholders are invited to attend.

By order of the board
Beijing Properties (Holdings) Limited
北京建設(控股)有限公司
Mr. XU Zhigang
Director

Hong Kong, 28 July 2025

As at the date of this notice, the board of directors of the Company comprises: Mr. ZHU Yingying, Mr. SIU Kin Wai, Mr. FANG Bin, Mr. XU Zhigang and Mr. CHENG Ching Fu as executive Directors; and Mr. GOH Gen Cheung, Mr. James CHAN and Dr. LI Huiqun as independent non-executive Directors.

Notes:

- 1. A registered shareholder of the Company entitled to attend and vote at the SGM is entitled to appoint one or more proxies to attend and vote in his, her or its stead. A proxy need not be a registered shareholder of the Company, but must attend the SGM in person to represent him or her.
- 2. A **white** form of proxy for use at the SGM is enclosed. Whether or not you intend to attend the SGM in person, you are urged to complete and return the **white** form of proxy in accordance with the instructions printed on it.

3. To be valid, the **white** form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged at the office of the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited (the "**Share Registrar**"), at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 10:30 a.m. (Hong Kong time) on Monday, 18 August 2025 (being 48 hours before the time appointed for holding the SGM or any adjournment thereof). Completion and return of the **white** form of proxy will not preclude a registered shareholder of the Company from attending and voting in person at the SGM or any adjournment thereof but in that event the form of proxy will be revoked by operation of law.
4. A registered shareholder of the Company which is a corporation may by resolution of its directors or other governing body or by power of attorney authorise such person or persons as it thinks fit to act as its corporate representative or representatives, as the case may be, at the SGM and each person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual registered shareholder of the Company, provided that if more than one person is authorised, the authority must specify the number and class of shares held by the relevant registered shareholder of the Company in respect of which each such person is authorised to act as such representative.
5. In the case of joint registered holders of a share, any one of such persons may vote at the SGM, either personally or by proxy, as if he, she or it were solely entitled thereto. However, if more than one of such joint holders is present at the SGM personally or by proxy, the person so present whose name stands first in the register of members of the Company in respect of such share(s) will alone be entitled to vote in respect thereof.
6. At the SGM, the chairman of the SGM will exercise his power under bye-law 73 of the bye-laws of the Company to put the resolutions to the vote by way of a poll.
7. The register of members of the Company will be closed from Friday, 15 August 2025 to Wednesday, 20 August 2025 (both dates inclusive) during which period no transfer of shares of the Company will be registered. In order to be entitled to attend and vote at the SGM, all duly completed share transfer forms accompanied by the relevant share certificates must be lodged at the office of the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 14 August 2025.
8. In the event of extreme weather conditions in Hong Kong at any time after 9:00 a.m. on the date of the SGM, the SGM may be adjourned in accordance with the bye-laws of the Company. In such case, the Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the Shareholders of the date, time and venue of the rescheduled meeting.