



Fineland Living Services Group Limited

方圓生活服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9978)

Executive Directors:

Mr. FONG Ming (*Chairman*)

Mr. SUN Ligong

Mr. HAN Shuguang

Ms. TSE Lai Wa

Registered Office in the Cayman Islands:

Windward 3, Regatta Office Park

P.O. Box 1350

Grand Cayman KY1-1108

Cayman Islands

Independent Non-executive Directors:

Mr. LEUNG Wai Hung

Mr. TIAN Qiusheng

Mr. DU Chenhua

Principal Place of Business in

Hong Kong under Part 16 of the

Companies Ordinance (Cap 622):

Unit B, 17/F., United Centre

95 Queensway

Admiralty

Hong Kong

15 October 2026

To the Independent Shareholders

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY ALTUS
INVESTMENTS LIMITED FOR AND ON BEHALF OF THE
OFFEROR FOR ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT
PARTIES)**

INTRODUCTION

References are made to (i) the Joint Announcement in relation to, among other things, the Acquisition and the Offer; and (ii) the joint announcement dated 8 October 2026 issued by the Company and the Offeror in relation to the Acquisition Completion. Unless the context otherwise requires, terms defined in this Composite Document shall have the same meanings in this letter.

The Board was notified by the Offeror that on 7 July 2026 (after trading hours), the Offeror and, among others, the Sellers entered into the Share Purchase Agreement in relation to the sale and purchase of the Sale Shares. Subject to the terms and conditions of the Share Purchase Agreement, the Sellers conditionally agreed to sell and the Offeror conditionally agreed to acquire the Sale Shares, being a total of 200,044,000 Shares, representing approximately 50.01% of the total issued Shares as at the date of the Share Purchase Agreement. The total consideration for the Sale Shares under the Share Purchase Agreement is HK\$28,006,160, being HK\$0.14 per Sale Share.

Acquisition Completion is conditional upon the fulfilment or waiver (if applicable) of the conditions precedent as set out in the Share Purchase Agreement, details of which are set out in the section headed “1. SHARE PURCHASE AGREEMENT — Conditions precedent to the Acquisition” in the Joint Announcement. Please refer to the Joint Announcement for further details of the Acquisition.

On 8 October 2026, all conditions precedent under the Share Purchase Agreement were satisfied. As disclosed in the joint announcement dated 8 October 2026 published by the Offeror and the Company, Acquisition Completion took place on 8 October 2026.

Immediately before the Acquisition Completion, the Offeror and the Offeror Concert Parties were interested in a total of 13,600,000 Shares, representing 3.40% of the total issued Shares. Immediately after the Acquisition Completion, the Offeror became interested in a total of 200,044,000 Shares, representing approximately 50.01% of the total issued Shares, while the Offeror and the Offeror Concert Parties became interested in a total of 213,644,000 Shares, representing approximately 53.41% of the total issued Shares.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make an unconditional mandatory cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties).

Details of the Offer, the information of the Offeror and the intention of the Offeror in relation to the Group are set out in the “Letter from Altus Investments” and Appendix I to this Composite Document and the accompanying Form of Acceptance.

The primary purpose of this Composite Document is to provide you with information relating to, among others, information relating to the Group, the Offer, recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer and the advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offer.

INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Rules 2.1 and 2.8 of the Takeovers Code, the Independent Board Committee comprising all independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Tian Qiusheng, Mr. Leung Wai Hung and Mr. Du Chenhua has been formed to make a recommendation to the Offer Shareholders as to whether the Offer is, or is not, fair and reasonable and as to the acceptance of the Offer.

Gram Capital Limited, the Independent Financial Adviser, has been appointed by the Company for the purposes of advising the Independent Board Committee in relation to, among other things, the Offer, and make a recommendation as to whether the Offer is, or is not, fair and reasonable and as to the acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

The full texts of the letter from the Independent Board Committee and the letter from the Independent Financial Adviser are set out in this Composite Document. You are strongly advised to read these letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.

THE OFFER

As mentioned in the “Letter from Altus Investments” in this Composite Document, Altus Investments, for and on behalf of the Offeror, is making the Offer to acquire all the Offer Shares in compliance with the Takeovers Code on the following basis:

For each Offer Share..... .. HK\$0.14 in cash

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

The Offeror will not increase the Offer Price. 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 Offer Price and the Offeror does not reserve the right to increase the Offer Price.

If, after the date of the Joint Announcement, any dividend, distribution and/or return of capital is announced, declared, made and/or paid in respect of the Shares, the Offeror shall reduce the Offer Price by the gross amount of the dividend, distribution and/or return of capital paid or made by the Company to such Shareholders who accept or have accepted the Offer. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital. Accordingly, unless otherwise specified or the context otherwise requires, any reference in the Joint Announcement, this Composite Document or any other announcement in relation to the Offer to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

The Company confirms that, as at the Latest Practicable Date, (i) it has not declared any dividend and/or other distribution and/or other return of capital which remains unpaid; and (ii) it does not intend to declare, make or pay any dividend and/or other distribution and/or other return of capital before the closing, lapse, withdrawal or termination of the Offer (whichever is earlier).

Further details of the terms of the Offer and the procedures for acceptances are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Letter from Altus Investments — INFORMATION ON THE OFFEROR” in this Composite Document for information on the Offeror.

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 09978). The Group is principally engaged in the provision of professional property management services and value-added services for residential and non-residential properties in the PRC.

Pursuant to Note 3 to Rule 2 of the Takeovers Code, the Board would like to draw the attention of the Offer Shareholders to the existence of a material uncertainty related to the Group’s ability to continue as a going concern as at 31 December 2024, 31 December 2025 and 30 June 2026 as set out in the annual reports of the Company for the years ended 31 December 2024 and 2025, and the interim report of the Company for the six months ended 30 June 2026, the details of which are disclosed in Appendix II to this Composite Document. The material uncertainty relating to the “going concern” basis of the Company means that the Independent Shareholders are advised to take into account the foregoing and consider carefully the terms of the Offer. All Independent Shareholders should be aware of the potential risks associated with the material uncertainty in respect of the “going concern” issue, when making their decision in respect of the Offer.

Your attention is drawn to Appendices II and III to this Composite Document which contain further financial information and general information of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before the Acquisition Completion; and (ii) immediately upon the Acquisition Completion and as at the Latest Practicable Date:

	Immediately before the Acquisition Completion		Immediately after the Acquisition Completion and as at the Latest Practicable Date	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
<i>Offeror and Offeror Concert Parties</i>				
The Offeror	—	—	200,044,000	50.01
Mr. Chen Xi (including Shares held directly by Mr. Chen Xi and indirectly through Share Subscriber III)	11,596,000	2.90	11,596,000	2.90
Ms. Xie Dan (held through Tiffany Orient Holdings Limited) ⁽¹⁾	2,004,000	0.50	2,004,000	0.50
Subtotal of <i>Offeror and Offeror Concert Parties</i>	13,600,000	3.40	213,644,000	53.41
<i>Sellers and parties acting in concert with them</i>				
Mr. Fong (held through Mansion Green) ^{(2), (3), (6)}	97,200,000	24.30	—	—
Ms. Tse (held through Aspiring Vision) ^{(2), (4), (6)}	64,800,000	16.20	12,952,000	3.24
Huiyu Investment ^{(5), (6)}	60,000,000	15.00	9,004,000	2.25
Mr. Huang and Ms. Zheng Hui ^{(5), (6)}	64,000	0.02	64,000	0.02
Ms. Zheng Hui	3,884,000	0.97	3,884,000	0.97

	Immediately before the Acquisition Completion <i>No. of Shares</i>	%	Immediately after the Acquisition Completion and as at the Latest Practicable Date <i>No. of Shares</i>	%
<i>Subtotal of Sellers and parties acting in concert with them</i>	225,948,000	56.49	25,904,000	6.48
Mr. Han (held through the IU Shareholder) ^{(2), (7)}	4,500,000	1.13	4,500,000	1.13
Other Offer Shareholders	155,952,000	38.99	155,952,000	38.99
Total	400,000,000	100.00	400,000,000	100.00

Notes:

- 2,004,000 Shares are held by Tiffany Orient Holdings Limited, which is directly and wholly owned by Ms. Xie Dan as the ultimate beneficial owner, the spouse of Mr. Chen Xi, the sole shareholder of the Share Subscriber III.
- Each of Mr. Fong, Ms. Tse and Mr. Han is a Director.
- Prior to the Acquisition Completion, 97,200,000 Shares were held by Mansion Green, which is indirectly and wholly owned by Mr. Fong as the ultimate beneficial owner through the Mansion Green Holding Companies.
- Prior to the Acquisition Completion, 64,800,000 Shares were held by Aspiring Vision, which is directly and wholly owned by Ms. Tse as the beneficial owner.
- Prior to the Acquisition Completion, 60,000,000 Shares were held by Huiyu Investment, which is directly and wholly owned by Mr. Huang as the beneficial owner. Mr. Huang and Ms. Zheng Hui jointly hold an additional 64,000 Shares.
- On 24 January 2024, Mr. Fong, Ms. Tse and Mr. Huang entered into the Deed of Concert Parties. The Deed of Concert Parties is intended to apply to Shares held by Mr. Fong, Ms. Tse and Mr. Huang and their spouses, whether directly or indirectly. On 8 October 2026, the parties terminated the Deed of Concert Parties after the Acquisition Completion. Following such termination, the Shares directly and indirectly held by Mr. Huang and his spouse, Ms. Zheng Hui, count towards the public float.
- 4,500,000 Shares are held by the IU Shareholder, which is directly and wholly owned by Mr. Han as the beneficial owner. Pursuant to the Irrevocable Undertaking, the IU Shareholder has undertaken not to accept the Offer. For details, please refer to the section headed “Letter from Altus Investments — IRREVOCABLE UNDERTAKING NOT TO ACCEPT THE OFFER” in this Composite Document.
- All percentages in the above table are approximations and subject to rounding.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed “Letter from Altus Investments — INTENTION OF THE OFFEROR IN RELATION TO THE GROUP” in this Composite Document.

The Board notes that, as at the Latest Practicable Date, the Offeror intended for the Group to continue with its existing businesses and did not intend to make any major changes to its business or to introduce any major changes to the continued employment of the employees of the Group. The Board is open to working with the Offeror in reviewing the structure, operation and business of the Group to enhance and strengthen its business.

Proposed changes to the composition of the Board and Board committees

As at the Latest Practicable Date, the Board comprises seven Directors, being four executive Directors and three independent non-executive Directors.

As at the Latest Practicable Date, Mr. Fong, Mr. Sun Ligong, Ms. Tse, each an executive Director, and Mr. Leung Wai Hung and Mr. Du Chenhua, an independent non-executive Director have tendered their resignation from the Board with effect from the day immediately after the closing date of the Offer (being the earliest date as permitted under the Takeovers Code).

The Offeror has nominated and the Board has appointed the following individuals as new Directors with effect from the day immediately after the closing date of the Offer:

- (a) Mr. Gong Weili, as an executive Director;
- (b) Mr. Li Jia, as an executive Director;
- (c) Mr. Wang Ming, as an executive Director;
- (d) Mr. Yau Sze Ka (Albert), as an independent non-executive Director; and
- (e) Ms. Kuang Xuxia, as an independent non-executive Director.

For the biographical details of the proposed Directors, please refer to the section headed “Letter from Altus Investments — INTENTION OF THE OFFEROR IN RELATION TO THE GROUP — Proposed changes to the composition of the Board and Board committees” in this Composite Document.

Further announcement(s) will be made upon any changes to the Board in compliance with the Takeovers Code and Listing Rules as and when appropriate.

PUBLIC FLOAT AND MAINTENANCE OF LISTING STATUS OF THE COMPANY

The Board notes from the section headed “Letter from Altus Investments — PUBLIC FLOAT AND MAINTENANCE OF LISTING STATUS OF THE COMPANY” in this Composite Document, the Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer, and does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

The Stock Exchange has stated that:

- (a) if, at the close of the Offer, the Stock Exchange believes that:
 - (i) a false market exists or may exist in the trading of the Shares; or
 - (ii) an orderly market does not exist or may not exist;it will consider exercising its discretion to suspend dealings in the Shares; and
- (b) if, at the close of the Offer, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:
 - (i) the Stock Exchange will add a designated marker to the stock name of the listed shares; and
 - (ii) the Stock Exchange will cancel the listing of Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules).

The Offeror intends for the Company to remain listed on the Stock Exchange. The director of the Offeror and any new Director(s) to be appointed to the Board will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirements of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company’s compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

RECOMMENDATION

Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on pages IBC-1 to IBC-2 of this Composite Document which contains the recommendation of the Independent Board Committee to the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to the acceptance of the Offer; and (ii) the “Letter from the Independent Financial Adviser” as set out on pages IFA-1 to IFA-24 of this Composite Document which contains the advice of the Independent Financial Adviser to the Independent Board Committee in relation to the Offer and the principal factors considered by it in arriving at its recommendation.

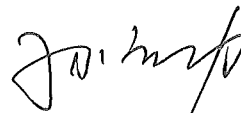
You are strongly advised to read these letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. Further details on the terms and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

In considering what action to take in connection with the Offer, you should consider your own tax or financial position, if any, and, in case of any doubt, consult your professional advisers.

Yours faithfully,
By order of the Board
Fineland Living Services Group Limited

A handwritten signature in black ink, appearing to read 'Sun Ligong', written over the printed name.

Mr. SUN Ligong
Executive Director