THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Fineland Living Services Group Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of Fineland Living Services Group Limited.

方圓生活服務
FINELAND LIVING SERVICES

Fineland Living Services Group Limited
方 圓 生 活 服 務 集 團 有 限 公 司

(formerly known as Fineland Real Estate Services Group Limited 方圓房地產服務集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9978)

(1) CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE; (2) ISSUANCE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING

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

Gram Capital Limited
嘉林資本有限公司

A letter from the Board is set out on pages 11 to 51 of this circular.

A notice convening the Extraordinary General Meeting (the "**EGM**") to be held on 30 September 2026 at 10:00 a.m. at 11th Floor, No. 28 Tiyu East Road, Tianhe District, Guangzhou, the PRC is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use by the shareholders at the EGM is enclosed.

Whether or not you are able to attend the EGM, you are advised to read this circular and to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for holding the EGM (i.e. not later than 10:00 a.m. on 28 September 2026) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

This circular, together with the form of proxy, will also be published on the websites of the Stock Exchange at www.hkexnews.hk and on the Company's website at www.finelandassets.com.

10 September 2026

CONTENTS

DEFINITIONS

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

"Acquisition"	the acquisition of the Sale Shares in accordance with the terms and conditions of the Share Purchase Agreement
"Acquisition Completion"	completion of the Acquisition
"Announcement"	the joint announcement of the Company and Yoncan Co., Ltd. dated 28 July 2026 in relation to, amongst other, the (1) Acquisition; (2) Offer; (3) Share Subscription; and (4) Warrant Subscription
"Aspiring Vision"	Aspiring Vision Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is directly and wholly owned by Ms. Tse as the beneficial owner
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors, including members of the Independent Board Committee for matters in respect of the Share Subscription and the transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal in relation to the Share Subscription; and (b) the Share Specific Mandate)
"Business Day"	a day on which the Stock Exchange is open for the transaction of business
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Company"	Fineland Living Services Group Limited (方圓生活服務集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 9978)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules

"Current Market Price"	in respect of a Share on a particular date, the average of the closing prices of the Share for the five consecutive trading days ending on and including (i) the trading day immediately preceding such date or (ii) if the relevant announcement was made on a trading day but after the close of trading on such trading day, such date of announcement
"Deed of Concert Parties"	the deed of concert parties entered into between Mr. Fong, Ms. Tse and Mr. Huang on 24 January 2024 to formalise their relationship as parties acting in concert in respect of the Company
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened for the purposes of considering and, if thought fit, approving, among other things, the Share Subscription Agreement, the Special Deal, the Warrant Subscription Agreement and the transactions contemplated thereunder
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate(s) of the Executive Director
"Exercise Period"	a period on or after the date of the certificate evidencing such Warrant (to be issued at Warrant Subscription Completion) up to the close of business on the expiry date, being three years after the date of the certificate evidencing such Warrant
"Exercise Price"	the price per Warrant Share payable in HK$ on exercise of the Exercise Rights, being initially HK$0.50 per Share, subject to adjustment from time to time in accordance with the Warrant Instrument
"Exercise Rights"	the rights of the holder of the relevant Warrants to subscribe for a maximum of 77,000,000 Shares at the Exercise Price, representing approximately 9.09% of the total issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming maximum number of Subscription Shares issued) and the issue of all Warrant Shares

"Fair Market Value"	with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an independent financial adviser on the basis of commonly accepted market valuation method and taking into account such factors as it considers appropriate, provided that an independent financial adviser will not be required to determine the fair market value where (i) the capital distribution is paid in cash, in which case the fair market value of such cash capital distribution per Share shall be the amount of such cash capital distribution per Share and (ii) any other amounts are paid in cash, in which case the fair market value of such cash amount shall be the amount of cash, and (iii) options, warrants, equity-linked instruments or other rights or securities are or will upon issuance be publicly traded in a market of adequate liquidity (as determined by an independent financial adviser), the fair market value of such options, warrants, equity-linked instruments or other rights or securities shall equal the arithmetic mean of the daily closing prices of such options, warrants, equity-linked instruments or other rights or securities during the period of five trading days on the relevant market commencing on the first such trading day such options, warrants, equity-linked instruments or other rights or securities are publicly traded, all as determined (unless otherwise specified) by the Company or such independent financial adviser
"Fangyuan Agency"	Guangzhou Fangyuan Fangfu Property Agency Co., Ltd.* (廣州方圓房服房地產代理有限公司), a wholly-owned subsidiary of the Company, which was involved in legal proceedings with Fangyuan Huijin as at the Latest Practicable Date, details of such proceedings being set out in the section headed "6. CLAIMS AND LITIGATION — Litigation against Fangyuan Huijin" in Appendix I to this circular

"Fangyuan Huijin"	Guangzhou Fangyuan Huijin Real Estate Development Limited* (廣州市方圓匯金房地產發展有限公司), a company ultimately non-wholly owned by Mr. Fong, which was involved in legal proceedings with Fangyuan Agency as at the Latest Practicable Date, details of such proceedings being set out in the section headed "6. CLAIMS AND LITIGATION — Litigation against Fangyuan Huijin" in Appendix I to this circular
"Fineland Group"	Fineland Group Holdings and its subsidiaries and associates (for the avoidance of doubt, excluding the Group)
"Fineland Group Holdings"	Fineland Group Holdings Company Limited (方圓集團控股有限公司), formerly known as Fineland Real Estate Holdings Company Limited (方圓地產控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, which is indirectly and wholly owned by Mr. Fong as the ultimate beneficial owner, and a member of the Mansion Green Holding Companies
"Group"	the Company and its subsidiaries
"Guangzhou Fineland Living"	Guangzhou Fineland Living Services Limited, an indirectly wholly-owned subsidiary of the Company, which was involved in legal proceedings with Heshan Fudu as at the Latest Practicable Date, details of such proceedings being set out in the section headed "6. CLAIMS AND LITIGATION — Litigation against Heshan Fudu" in Appendix I to this circular
"Hero Dragon"	Hero Dragon Management Limited, and a member of the Mansion Green Holding Companies
"Heshan Fudu"	Heshan Fudu Property Development Company Limited* (鶴山市富都物業發展有限公司), which is not a Shareholder. It was involved in legal proceedings with Guangzhou Fineland Living as at the Latest Practicable Date, details of such proceedings being set out in the section headed "6. CLAIMS AND LITIGATION — Litigation against Heshan Fudu" in Appendix I to this circular
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Huiyu Investment"	Huiyu Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is directly and wholly owned by Mr. Huang as the beneficial owner
"Independent Board Committee"	an independent board committee of the Company comprising all the independent non-executive Directors (namely Mr. Tian Qiusheng, Mr. Leung Wai Hung and Mr. Du Chenhua), which is formed to (i) make a recommendation to the Offer Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer; and (ii) advise the Independent Shareholders on the Share Subscription and the Special Deal
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders on (i) the Offer; and (ii) the Share Subscription and the Special Deal
"Independent Shareholders"	the Shareholders other than (i) the Offeror and the Offeror Concert Parties (including but not limited to Share Subscriber III and Tiffany Orient Holdings Limited); (ii) the Sellers, Mr. Fong, Mr. Huang, Ms. Tse and their respective associates, including Ms. Zheng Hui; and (iii) any other Shareholder who is involved in and/or interested in the Share Purchase Agreement and/or the Share Subscription and/or the Warrant Subscription (including but not limited to the IU Shareholder)
"IU Shareholder"	Adwan Orient Holdings Limited, a company which is directly and wholly owned by Mr. Han as the beneficial owner
"Last Trading Day"	7 July 2026, being the last full trading day of the Shares on the Stock Exchange before the release of the Announcement
"Latest Practicable Date"	8 September 2026, being the latest practicable date prior to the publication of this circular for ascertaining certain information referred to in this circular

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mansion Green"	Mansion Green Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is indirectly and wholly owned by Mr. Fong as the ultimate beneficial owner
"Mansion Green Holding Companies"	Stand Smooth, Hero Dragon, Fineland Group Holdings and Widethrive Investments, each being either a direct or indirect holding company of Mansion Green and ultimately wholly-owned by Mr. Fong
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
"Mr. Fong"	Mr. FONG Ming, an executive Director and a substantial shareholder of the Company, as well as the ultimate beneficial owner of Mansion Green
"Mr. Gong"	Mr. GONG Weili, the sole shareholder of the Offeror
"Mr. Han"	Mr. HAN Shuguang, an executive Director and the ultimate beneficial owner of the IU Shareholder
"Mr. Huang"	Mr. HUANG Peng, a substantial shareholder of the Company and the sole shareholder of Huiyu Investment and the husband of Ms. Zheng Hui
"Ms. Tse"	Ms. TSE Lai Wa, an executive Director and a substantial shareholder of the Company, as well as the sole shareholder of Aspiring Vision
"Offer"	the possible unconditional mandatory cash offer to be made by Altus Investments Limited for and on behalf of the Offeror to acquire the Offer Shares in compliance with the Takeovers Code upon Acquisition Completion
"Offeror" or the "Share Subscriber I"	Yoncan Co., Ltd., a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Mr. Gong

"Offeror Concert Parties"	any parties acting or presumed to be acting in concert with the Offeror or Mr. Gong under the definition of "acting in concert" under the Takeovers Code, including but not limited to the Share Subscriber II and the Share Subscriber III
"Offer Period"	has the meaning ascribed to it under the Takeovers Code which commenced on the date of the Announcement and ends on the date on which the Offer closes or lapses
"Offer Price"	the price at which the Offer will be made, being HK$0.14 per Offer Share
"Offer Share(s)"	Share(s) not already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties
"Offer Shareholders"	registered holder(s) of Offer Share(s)
"PAG"	PAG, an exempted company incorporated in the Cayman Islands with limited liability
"PRC"	the People's Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Prevailing Rate"	in respect of any currency on any day, the bid exchange rate between the relevant currencies prevailing as at or about 12:00 noon (Hong Kong time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined
"Relevant Page"	the relevant Bloomberg BFIX page (or its successor page) or, if there is no such page, on the relevant Reuters HKDFIX page (or its successor page) or such other information service provider that displays the relevant information
"RMB"	Renminbi, the lawful currency of the PRC

"Sale Shares"	200,044,000 Shares to be acquired by the Offeror from the Sellers pursuant to the Share Purchase Agreement, representing approximately 50.01% of the total issued Shares as at the Latest Practicable Date
"Seller(s)"	Mansion Green, Aspiring Vision and Huiyu Investment
"SFC"	Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Share Purchase Agreement"	the share purchase agreement dated 7 July 2026 and entered into between the Offeror, the Sellers, Mr. Huang and Ms. Zheng Hui in relation to, among other things, the sale and purchase of the Sale Shares
"Share Specific Mandate"	the specific mandate to be sought from the Independent Shareholders at the EGM to grant the authority to the Board for the issuance and allotment of the Subscription Shares
"Share Subscriber II"	YSTEM Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Mr. Deng Han
"Share Subscriber III"	Beaming Light Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Mr. Chen Xi, who is a Shareholder
"Share Subscriber(s)"	collectively, the Share Subscriber I, the Share Subscriber II and the Share Subscriber III
"Share Subscription"	the subscription of the Subscription Shares by the Share Subscribers pursuant to the terms and conditions of the Share Subscription Agreement
"Share Subscription Agreement"	the conditional subscription agreement dated 27 July 2026 and entered into between the Company and the Share Subscribers in relation to the Share Subscription

DEFINITIONS

"Share Subscription Completion"	completion of the Share Subscription
"Share Subscription Long Stop Date"	23 January 2027, being the date falling 180 days after the date of the Share Subscription Agreement
"Share Subscription Price"	HK$0.14 per Subscription Share
"Special Deal"	the subscription of Subscription Shares by the Share Subscriber III under the Share Subscription
"Stand Smooth"	Stand Smooth Group Limited, and a member of the Mansion Green Holding Companies
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Share(s)"	up to 370,000,000 Shares to be issued by the Company to the Share Subscribers pursuant to the Share Subscription
"substantial shareholder"	has the meaning ascribed thereto under the Listing Rules
"Takeovers Code"	The Code on Takeovers and Mergers (as amended, modified and supplemented from time to time)
"Warrant(s)"	the 77,000,000 unlisted warrant(s) to be issued by the Company to the Warrant Subscriber pursuant to the Warrant Subscription Agreement
"Warrantholder(s)"	the person in whose name a Warrant is registered (including, for the avoidance of doubt, any nominee designated by such person in respect of that Warrant)
"Warrant Instrument"	the warrant instrument to be entered into by the Company for the benefit of the holder of the Warrants
"Warrant Share(s)"	the new Share(s) to be issued upon exercise of the Warrant(s)
"Warrant Specific Mandate"	the specific mandate to be sought from the Shareholders at the EGM to grant the authority to the Board for the issuance and allotment of the Warrants and the Warrant Shares

DEFINITIONS

"Warrant Subscriber"	Mattar Hill Development X Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by a fund managed under PAG
"Warrant Subscription"	the subscription of the Warrants by the Warrant Subscriber pursuant to the terms and conditions of the Warrant Subscription Agreement
"Warrant Subscription Agreement"	the conditional subscription agreement dated 27 July 2026 and entered into between the Company and the Warrant Subscriber in relation to the Warrant Subscription
"Warrant Subscription Completion"	completion of the Warrant Subscription
"Warrant Subscription Long Stop Date"	23 January 2027, being the date falling 180 days after the date of the Warrant Subscription Agreement
"Widethrive Investments"	Widethrive Investments Limited, and a member of the Mansion Green Holding Companies

* *For identification purposes only.*

Fineland Living Services Group Limited
方圓生活服務集團有限公司

(formerly known as Fineland Real Estate Services Group Limited 方圓房地產服務集團有限公司)

(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

Independent Non-executive Directors:
Mr. LEUNG Wai Hung
Mr. TIAN Qiusheng
Mr. DU Chenhua

Registered Office in the Cayman Islands:
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1–1108
Cayman Islands

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

10 September 2026

To the Shareholders

Dear Sir/Madam,

(1) CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE; (2) ISSUANCE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement dated 28 July 2026 in relation to, amongst other, the (1) Acquisition; (2) Offer; (3) Share Subscription; and (4) Warrant Subscription.

Background

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. Over the past few years, as part of the Company's business strategy, the Company has progressively wound down its real estate agency operations and such operations now only represent a minimal part of the Group's overall business, with its scope refined to align with the current strategic focus.

Similar to other companies in the PRC property management sector, the Company has been negatively affected by recent events affecting the PRC real estate sector. Since mid-2021, sales of residential properties in China slowed significantly and a number of Chinese property developers began to experience difficulties in securing external financing. The property service industry, which is closely linked to the performance of the real estate sector, has also experienced downward pressure.

Over the past three financial years, the Company recorded declining revenue and accumulated net losses of approximately RMB207.9 million. Impairment losses on financial assets continued to be a major driver of the Company's losses, which was primarily attributable to the provision for impairment losses on trade receivables and amounts due from related parties (including former fellow subsidiaries/related companies) as a result of factors including the continued downward movement in the real estate industry and challenging economic conditions and recovery of trade receivables and amounts due from related parties continued to be slow. The declining financial performance of the Group resulted in the negative equity position (attributable to owners of the Company) amounting to approximately RMB20.5 million as at 31 December 2025.

During the same period, the Company faced mounting liquidity pressure and its net current liabilities reached approximately RMB61.4 million and the gearing ratio went up to 98% as at 31 December 2025. With a view to mitigating the liquidity pressure, the Company has been taking actions such as negotiating repayment of its liabilities and implementing policies to monitor cash flows through cutting costs and capital expenditure.

Following efforts to explore fundraising alternatives by the Company and with the Warrant Subscriber being the facilitator, the Company has reached an agreement with the Offeror, who was interested in investing in the Company through the Acquisition and Share Subscription, alongside the Share Subscriber II and the Share Subscriber III. It is expected the Share Subscription will improve the financial position of the Company and the Group will be in a better position to revive its operational and financial performance in the long run.

The Acquisition and the Offer

On 7 July 2026 (after trading hours), the Offeror entered into a Share Purchase Agreement with the Sellers for the conditional acquisition of a total of 200,044,000 Shares, representing approximately 50.01% of the total issued Shares at HK$0.14 per share, for a total consideration of HK$28,006,160.

As at the Latest Practicable Date, the Offeror and the Offeror Concert Parties are interested in a total of 13,600,000 Shares, representing 3.40% of the total issued Shares. Immediately after the Acquisition Completion, the Offeror will be 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 will be 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, upon Acquisition Completion, the Offeror will be 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).

Upon Acquisition Completion, Altus Investments Limited will make, for and on behalf of the Offeror, the Offer to acquire all the Offer Shares at HK$0.14 in cash for each Offer Share, being the same price paid under the Share Purchase Agreement and on terms to be set out in the Composite Document to be despatched in accordance with the Takeovers Code.

Public float and maintenance of listing status of the Company

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.

In the event that less than 25% of the issued share capital of the Company is held by the public upon the close of the Offer, the Company intends to apply to the Stock Exchange for a temporary waiver from strict compliance with Rule 13.32B of the Listing Rules pursuant to Rule 13.33 of the Listing Rules. The Company and the Offeror intend to take appropriate steps to restore the public float of the Company as soon as practicable following the close of the Offer. Such steps may include, among others, issuing the Subscription Shares in such adjusted amounts as may be agreed by the Company and the Share Subscribers pursuant to the Subscription Agreement, such that (i) the Subscription Shares will only be allotted to the Share Subscriber I to the extent such allotment will not increase the shareholding percentage of Share Subscriber I or reduce the public float percentage to the Company (in which case the adjusted number of Subscription Shares to be issued to the Share Subscriber I may or may not be zero); (ii) neither the Share Subscriber II nor the Share Subscriber III will become a substantial shareholder of the Company immediately after the Share Subscription Completion; and (iii) the public float of the Company will not fall below 25% immediately upon Share Subscription Completion. Save for the Share Subscription, no arrangements in relation to the public float of the Company had been confirmed or put in place as at the Latest Practicable Date.

The Share Subscription and the Warrant Subscription

On 27 July 2026 (after trading hours), the Company and the Share Subscribers (one of which is the Offeror) entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and allot, and the Share Subscribers have conditionally agreed to subscribe for the Subscription Shares at the Share Subscription Price of HK$0.14 per Subscription Share for a maximum consideration of HK$51,800,000 in cash.

On 27 July 2026 (after trading hours), in consideration of the Warrant Subscriber's contribution and involvement as a consultant and facilitator in negotiations which have culminated in the Share Subscription (which will provide new capital to the Company), the Company and the Warrant Subscriber entered into the Warrant Subscription Agreement, pursuant to which the Company has conditionally agreed to issue, and the Warrant Subscriber has conditionally agreed to subscribe for 77,000,000 Warrants.

Acquisition Completion will only take place after the satisfaction or (if capable of being waived) waiver of the conditions precedent under the Share Purchase Agreement. After Acquisition Completion, the Composite Document will be despatched in accordance with the Takeovers Code and the Offer will be open for acceptances by the Offer Shareholders. After the close of the Offer, and subject to the satisfaction or (if capable of being waived) waiver of the conditions precedent under the Share Subscription Agreement and the Warrant Subscription Agreement, the Share Subscription Completion will take place, followed by the Warrant Subscription Completion.

Purpose of this circular

The purpose of this circular is to provide you with (i) details of the Share Subscription Agreement and the transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal in relation to the Share Subscription; and (b) the Share Specific Mandate); (ii) details of the Warrant Subscription Agreement and the transactions contemplated thereunder (including without limitation, (a) the allotment and issue of the Warrant Shares upon exercise of the subscription rights attached to the Warrant; and (b) the Warrant Specific Mandate); (iii) the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders on pages 52 to 53; (iv) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on pages 54 to 77; (v) the notice of convening the EGM; and (vi) other information as required under the Listing Rules and the Takeovers Code.

Gram Capital has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Share Subscription Agreement and the transactions contemplated thereunder, including the Special Deal.

CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

On 27 July 2026 (after trading hours), the Company and the Share Subscribers (one of which is the Offeror) entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and allot, and the Share Subscribers have conditionally agreed to subscribe for the Subscription Shares at the Share Subscription Price of HK$0.14 per Subscription Share for a maximum consideration of HK$51,800,000 in cash.

The principal terms of the Share Subscription Agreement are as follows.

The Share Subscription Agreement

Date : 27 July 2026

Parties : (a) Issuer: the Company

(b) Subscriber: the Share Subscribers

(i) the Offeror (i.e. the Share Subscriber I) for up to 247,600,000 Subscription Shares, representing 61.90% of the total issued Shares as at the Latest Practicable Date

(ii) the Share Subscriber II for up to 76,200,000 Subscription Shares, representing 19.05% of the total issued Shares as at the Latest Practicable Date

(iii) the Share Subscriber III for up to 46,200,000 Subscription Shares, representing 11.55% of the total issued Shares as at the Latest Practicable Date

Subscription Shares

The maximum number of Subscription Shares (being 370,000,000 Shares) represents 92.50% of the total issued Shares as at the Latest Practicable Date and approximately 48.05% of the total issued Shares as enlarged by the allotment and issue of the maximum number of Subscription Shares (assuming there is no other change in the total issued Shares from the Latest Practicable Date to the Share Subscription Completion). The aggregate nominal value of the Subscription Shares (assuming maximum number of Subscription Shares issued) will be HK$3,700,000.

Assuming (i) the Offeror does not receive any valid acceptance under the Offer; (ii) there is no other change in the number of Shares held by the Offeror and the Offeror Concert Parties except as a result of the Acquisition; and (iii) there is no other change in the number of total issued Shares, the Offeror and the Offeror Concert Parties will be interested in a total of 583,644,000 Shares, representing approximately 75.80% of the total issued Shares immediately after the Share Subscription Completion (assuming maximum number of Subscription Shares issued). For completeness, based on information available to the Company, neither the Share Subscriber II nor the Share Subscriber III (together with its close associates) is expected to hold 10% or more of the total issued Shares immediately after the Share Subscription Completion (regardless of the final number of Subscription Shares issued). Accordingly, the shareholdings of the Share Subscriber II and the Share Subscriber III (together with its close associates) in the Company are expected to be counted towards "the public" (as defined in Rule 8.24 of the Listing Rules) upon the Share Subscription Completion.

The Share Subscription is not conditional upon the Company maintaining a public float of not less than 25% immediately following the close of the Offer. If the public float of the Company falls below 25% immediately following the close of the Offer, the Company intends to apply for a temporary waiver from strict compliance with Rule 13.32B of the Listing Rules pursuant to Rule 13.33 of the Listing Rules and the Share Subscription (by issuing the Subscription Shares in such adjusted amounts) is intended to be one of the means to restore the public float of the Company. In the event the allotment and issue of the maximum number of Subscription Shares to any Share Subscriber will cause the public float of the Company to fall below 25%, the Company and the Share Subscribers will negotiate in good faith appropriate downward adjustment(s) to determine the final number of Subscription Shares to be allotted and issued to the relevant Share Subscriber(s) such that the public float of the Company will not fall below 25% immediately after the Share Subscription Completion, provided the Offeror will hold no less than 55% of the total issued Shares as enlarged by the allotment and issue of the final number of Subscription Shares. The mechanism provides flexibility for the parties to adjust the Share Subscribers' shareholding immediately after the Share Subscription Completion as necessary to ensure compliance with the public float requirements under the Listing Rules. For the avoidance of doubt, there will be no adjustment to the final number of Subscription Shares if the allotment and issue of the maximum number of Subscription Shares will not cause the public float of the Company to fall below 25% immediately after the Share Subscription Completion. Save as disclosed above, there is no minimum subscription amount or minimum number of Subscription Shares required to be issued under the Share Subscription Agreement.

The Company considers that it is appropriate not to prescribe a fixed adjustment formula in respect of the Subscription Shares (whether on a pro rata basis or otherwise) in advance as the extent of any public float shortfall (if any) will only be known upon the close of the Offer. A fixed adjustment mechanism may not provide sufficient flexibility to address the actual public float position at that time. The Company and the Share Subscribers therefore agreed to retain flexibility to determine the most appropriate adjustment having regard to the prevailing circumstances, with a view to ensuring compliance with the minimum public float requirement while preserving, to the extent practicable, the intended fundraising size and shareholding structure contemplated at the time of signing of the Share Subscription Agreement. The current adjustment mechanism also gives the Company room to adjust the final number of Subscription Shares in an appropriate manner which could maximise proceeds to be raised by the Company under the Share Subscription. Please refer to the section headed "Reasons for and benefits of the Share Subscription and use of proceeds" for details of possible alternative financing to the Group in the event the number of Subscription Shares to be allotted and issued to the Share Subscriber I is adjusted due to insufficient public float.

Ranking of Subscription Shares

The Subscription Shares will be allotted and issued pursuant to the Share Specific Mandate to be sought from the Independent Shareholders at the EGM. The Subscription Shares, when allotted and issued, shall rank *pari passu* in all respects among themselves and with the Shares in issue.

Share Subscription Price

The Share Subscription Price of HK$0.14 per Subscription Share, which is the same as the Offer Price, represents:

(a) a discount of approximately 93.12% to the closing price of HK$2.035 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(b) a discount of approximately 39.13% to the closing price of HK$0.230 per Share as quoted on the Stock Exchange on the Last Trading Day;

(c) a discount of approximately 38.60% to the average closing price of approximately HK$0.228 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;

(d) a discount of approximately 38.60% to the average closing price of approximately HK$0.228 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;

(e) a discount of approximately 32.04% to the average closing price of approximately HK$0.206 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and

(f) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 18.70% to the theoretical diluted price (as defined under Rule 7.27B of the Listing Rules) of approximately HK$0.187 per Share, taking into account the higher of the closing price on the Last Trading Day of HK$0.230 per Share and the average closing price for the five consecutive trading days immediately prior to the date of the Share Subscription Agreement of approximately HK$0.228 per Share.

The equity attributable to owners of the Company was approximately negative RMB11.8 million as at 30 June 2026.

The Share Subscription Price was determined after arm's length negotiations between the Company and the Share Subscribers with reference to (i) the historical market prices of the Shares, which provided a reference to the market valuation of the Company; (ii) the trading liquidity of the Shares, taking into account the historically low trading liquidity of the Shares (which is often associated with higher price volatility); (iii) the Company's funding needs, including its net current liabilities and negative equity attributable to owners of the Company, which required an immediate and reliable equity funding solution; and (iv) the reasons for and benefits of the Share Subscription as referred to in the section headed "Reasons for and Benefits of the Share Subscription and use of proceeds" below, including how fundraising through the Share Subscription avoids causing the Company additional interest burden and higher gearing associated with external debt financing. The Board also considered that the Share Subscription Price reflected the Company's prevailing financial position and business risks in light of the challenging operating environment faced by the PRC property management industry.

Conditions precedent to the Share Subscription

Share Subscription Completion is conditional upon satisfaction or (if applicable) waiver of the following conditions:

(a) the approval of the grant of the Share Specific Mandate to the Directors for the issuance of up to 370,000,000 Subscription Shares by the Independent Shareholders in accordance with the requirements under the Listing Rules and the Takeovers Code (as applicable) at the EGM;

(b) with respect to the Special Deal,

  (i) the passing of an ordinary resolution by the Independent Shareholders at a general meeting of the Company to approve the Special Deal; and

  (ii) the Executive having granted consent under Rule 25 of the Takeovers Code in relation to the Special Deal, the conditions to such consent having been satisfied and such consent remaining in full force and effect;

(c) the close of the Offer having occurred in accordance with the Takeovers Code;

(d) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares and such approval not having been subsequently revoked or withdrawn;

(e) all necessary internal and external approvals (including any approval required by the PRC regulatory authorities in connection with the Share Subscription (if any)), authorisations, consents, filings and reports for the implementation or completion of the Share Subscription having been obtained or duly filed (as applicable) by the Company and such approvals and consents remaining in full force and effect;

(f) all necessary internal and external approvals (including any approval by the PRC regulatory authorities in connection with the Share Subscription (if any)), authorisations, consents, filings and reports for the implementation or completion of the Share Subscription having been obtained or duly filed (as applicable) by each Share Subscriber and such approvals and consents remaining in full force and effect;

(g) on the date of Share Subscription Completion:

   (i) the representations, warranties and undertakings of the Company set out in the Share Subscription Agreement being true, accurate and correct in all material respects and not misleading at, and as if made on, such date; and

   (ii) the Company having performed or satisfied all of its agreements, undertakings and obligations under the Share Subscription Agreement to be performed on or before such date in all material respects;

(h) on the date of Share Subscription Completion:

   (i) the representations, warranties and undertakings of each Share Subscriber set out in the Share Subscription Agreement being true, accurate and correct in all material respects and not misleading at, and as if made on, such date; and

   (ii) each Share Subscriber having performed or satisfied all of its agreements, undertakings and obligations under the Share Subscription Agreement to be performed on or before such date in all material respects.

The conditions set out in sub-paragraphs (a) to (d) may not be waived by the Company or the Share Subscribers. The conditions set out in sub-paragraphs (e) and (g) may be waived by the Share Subscribers (acting unanimously), whereas the conditions set out in sub-paragraphs (f) and (h) may be waived by the Company, in each case only to the extent that any such waiver would not render the Share Subscription, or the implementation thereof in accordance with its terms, illegal. As at the Latest Practicable Date, in respect of the conditions in sub-paragraphs (e) and (f), the Company and the Share Subscribers respectively are not aware of approvals, authorisations, consents, filings and reports for the implementation or completion of the Share Subscription.

As at the Latest Practicable Date, none of the conditions precedent have been fulfilled or waived.

If any of the above conditions precedent is not satisfied or waived (as applicable) on or before the Share Subscription Long Stop Date, either the Company or the Share Subscribers (acting unanimously) may terminate the Share Subscription Agreement or effect Share Subscription Completion as far as practicable.

Termination of the Share Subscription Agreement

If at any time prior to Share Subscription Completion:

(a) the Company is in material breach of its obligations under the Share Subscription Agreement;

(b) the Company is in breach of any representation, warranties or undertakings given by it in the Share Subscription Agreement in any material respect;

(c) the allotment of the maximum number of Subscription Shares to the Share Subscribers will cause the Company to be in breach of the public float requirement under the Listing Rules and the Company and the Share Subscribers fail to agree on adjustment(s) to the number of final Subscription Shares in accordance with the Share Subscription Agreement;

(d) there shall develop, occur, exist or come into effect a suspension of dealings in any of the Shares or listing of any of the Shares on the Stock Exchange (save for any temporary suspension in connection with the Share Purchase Agreement, the Offer or the Share Subscription Agreement);

(e) a statute, rule, regulation, order, decree, ruling or injunction has been enacted, entered, promulgated, endorsed, threatened or is pending by or before any governmental entity or regulatory authority which in any material respect restricts, prohibits or threatens to restrict or prohibit the consummation of any of the transactions contemplated by the Share Subscription Agreement;

(f) there is any change which gives rise to a condition, a development or a circumstance which, individually or in aggregate, would:

 (i) have a material adverse effect on the condition (financial or otherwise), prospects, results of operations, general affairs or assets of the Company and members of the Group taken as a whole; or

 (ii) have a material adverse effect on the ability of the Company to perform any of its obligations under the Share Subscription Agreement; or

(g) there shall have occurred any of the following:

 (i) a suspension or material limitation in trading in securities generally on the Stock Exchange; or

 (ii) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities, or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the Share Subscribers shall be entitled (but not bound) by unanimous written notice to the Company to elect to treat such event, breach or failure as terminating the Share Subscription Agreement notwithstanding any other provisions of the Share Subscription Agreement.

The Company shall be entitled (but not bound) by written notice to the Share Subscribers to elect to treat an event, breach or failure as terminating the Share Subscription Agreement if at any time prior to Share Subscription Completion: (i) any Share Subscriber is in material breach of its obligations under the Share Subscription Agreement; (ii) any Share Subscriber is in breach of any representation, warranties or undertakings given by it in the Share Subscription Agreement in any material respect; or (iii) the allotment of the maximum number of Subscription Shares to the Share Subscribers will cause the Company to be in breach of the public float requirement under the Listing Rules and the Company and the Share Subscribers fail to agree on adjustment(s) to the number of final Subscription Shares in accordance with the Share Subscription Agreement.

Upon notice being given by the Share Subscribers or the Company for the termination of the Share Subscription Agreement, the Share Subscription Agreement shall terminate and no party to the Share Subscription Agreement shall be under any liability to any other in respect of the Share Subscription Agreement, except that termination does not affect any party's accrued rights and obligations at the date of termination.

Share Subscription Completion

Share Subscription Completion shall take place within five Business Days (or such other date as agreed to in writing between the Company and the Share Subscribers) upon the satisfaction or waiver (as the case may be) of the conditions under the Share Subscription Agreement (other than the conditions set out in sub-paragraphs (g) and (h) the satisfaction or waiver of which shall take place on the date of Share Subscription Completion), upon which the Company shall issue and allot the Subscription Shares to the Share Subscribers and the Share Subscribers shall pay to the Company the aggregate Share Subscription Price.

Completion of the subscription of all Subscription Shares shall occur simultaneously.

Reasons for and benefits of the Share Subscription and use of proceeds

The gross proceeds from the Share Subscription will be HK$51,800,000 (assuming maximum number of Subscription Shares issued). Assuming full subscription, the net proceeds (after deducting relevant costs and expenses) from the Share Subscription will be approximately HK$49,500,000 and the net Share Subscription Price will be approximately HK$0.13 per Share. As disclosed in this circular, the Company faces mounting liquidity pressure and its current liabilities exceeded its current assets by approximately RMB61.4 million and the gearing ratio went up to 98% as at 31 December 2025. As at 30 June 2026, the Company had bank balances and cash on hand of approximately RMB64.3 million. The Company intends to retain a portion of its cash to support its daily business operations including procurement of supplies and administrative expenses (including but not limited to the settlement of employee benefit expenses amounting to approximately RMB62.9 million as at 30 June 2026). In order to maintain a minimum level of operational liquidity for the Group to continue as a going concern, the Company considers that it would not be in the best interest of the Shareholders to utilise all the bank balances and cash on hand for the repayment of the Group's outstanding liabilities. Accordingly, the Company intends to apply the net proceeds from the Share Subscription primarily towards the repayment of the Group's outstanding liabilities (owed to third parties which are not Shareholders) and to supplement the Group's general liquidity, with a view to improving its gearing ratio and overall financial position, including:

(i) approximately 50% for settlement of trade and other related payables, mainly comprising amounts due to service providers engaged by the Group in the provision of security, cleaning, gardening and maintenance services, etc.. As at 30 June 2026, the Company had trade and other related payables of approximately RMB70.2 million that were due and outstanding, of which approximately RMB51.4 million had been outstanding for less than one year and approximately RMB18.8 million had been outstanding for more than one year. The Company has engaged in active negotiations with the suppliers for deferred payment arrangements, which allows greater flexibility on repayment timeline notwithstanding some of the payables have already been overdue. In deploying the allocated proceeds towards repayment of outstanding payables, the Company will generally prioritise the settlement of those outstanding payables which have been outstanding for more than one year as the deferred repayment deadline for such payables tends to be more imminent given the time elapsed from the original due date. The Company currently expects to utilise such proceeds, together with cash generated from the Group's day-to-day operations, towards repayment of payables progressively within two years following the Share Subscription Completion, so that the Company could monitor and balance between liability repayment and maintaining a sustainable level of working capital for operations of the Group;

(ii) approximately 20% for repayments of deposits and property management fees received in the ordinary course of business that may become refundable under certain circumstances, mainly including renovation deposits from property owners or tenants upon the completion of the renovation works and performance deposits from suppliers upon the confirmation of the compliance with the applicable requirements, as well as property management fees received in advance that may become refundable upon the early termination or adjustment of the property management arrangement. Based on the Company's historical level of repayments of such deposits and fees, the Company currently expects to utilise such proceeds within two years following the Share Subscription Completion; and

(iii) approximately 30% for general working capital, including but not limited to payment of staff costs, administrative expenses and procurement of supplies required for the Group's business operations, to maintain sufficient financial flexibility for the Group's day-to-day operations.

In the event the number of Subscription Shares to be allotted and issued to the Share Subscriber I is adjusted due to insufficient public float, the Share Subscriber I will discuss with the Company alternative way(s) to provide financing to the Group (including but not limited to unsecured shareholder's loan(s)) for an amount up to the product of (i) the Share Subscription Price and (ii) the difference between 247,600,000 (being the maximum number of Subscription Shares for the Share Subscriber I) and the actual number of Subscription Shares allotted and issued to the Share Subscriber I. In the event that such alternative financing is not obtained from the Share Subscriber I, the Group will apply the reduced net proceeds to the above purposes on a pro-rata basis. For completeness, in the unlikely event no Subscription Shares are issued to the Share Subscriber I at all, the Share Subscriber I will still discuss with the Company alternative way(s) to provide financing to the Group after the Acquisition Completion. Since shareholder's loan from the Share Subscriber I will result in an increase in the gearing ratio of the Company and may or may not give rise to additional interest burden, shareholder's loan is only proposed as an alternative financing arrangement in case the number of Subscription Shares issued to the Share Subscriber I has to be reduced due to public float reasons.

Prior to entering into the Share Subscription Agreement, the Board has considered fund-raising alternatives such as equity financing (such as rights issues, open offers and placing of new Shares to independent third parties) and external debt financing. Having conducted an internal assessment of the Company's financial position, market conditions and available financing options, the Board concluded that none of these alternatives was commercially practicable or capable of meeting the Company's funding needs in a timely manner.

In relation to equity financing alternatives, the Board considered, among other things, the historically low trading liquidity of the Shares, the net losses recorded by the Company in recent financial years, and the Company's net current liabilities and negative equity attributable to owners of the Company as at 31 December 2025. In light of the foregoing, the Board considered that it would be difficult to secure an underwriter on acceptable terms. Without underwriting support, the outcome of a rights issue, open offer or placing of new Shares would be highly uncertain and there is no certainty on the amount of proceeds the Company could raise from such exercise.

In relation to external debt financing, the Board considered that financial institutions have generally adopted a cautious approach towards lending to businesses operating in sectors related to the PRC property market, including the property management sector in which the Company operates. In addition, any bank financing would typically require adequate cash flow support and collateral, which the Group may not be able to provide on terms acceptable to the banks. Even if such financing could be obtained, the Board considered that it was unlikely to be available on favourable terms or within a timeframe that could adequately address the Company's immediate funding needs. Furthermore, additional debt financing would increase the Group's finance costs and gearing ratio.

In the light of the above, the Directors (including members of the Independent Board Committee after considering the advice of the Independent Financial Adviser but excluding Mr. Fong, Ms. Tse and Mr. Han, who abstained from voting due to their material interests in the Subscription Agreements) consider that the terms and conditions of the Share Subscription Agreement (including the Share Subscription Price) are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders (including the Independent Shareholders) as a whole.

Fund-raising activities of the Company during the past twelve months

The Company had not conducted any fund-raising activities involving the issuance of equity securities in the 12 months immediately preceding the Latest Practicable Date.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Information on the Share Subscribers

The Share Subscriber I (i.e. the Offeror) is Yoncan Co., Ltd., a company incorporated in the British Virgin Islands with limited liability, whose principal business is investment holding. As at the Latest Practicable Date, the Share Subscriber I is wholly and beneficially owned by Mr. Gong, who is also the sole director of the Share Subscriber I.

Mr. Gong is currently the Chairman of Jiangsu Ruihong Network Technology Co., Ltd.* (江蘇睿鴻網路技術股份有限公司), the shares of which were previously quoted on the National Equities Exchange and Quotations (NEEQ) of the PRC (ticker: 873920). Jiangsu Ruihong Network Technology Co., Ltd., through its subsidiaries, is principally engaged in developing "cloud + network convergence" service solutions, including content delivery network (CDN), cloud distribution, multi-cloud management, cloud security and cloud migration services, which are applied across industries such as fintech, e-commerce and intelligent manufacturing. In addition, the company also integrates artificial intelligence into its cloud platforms to enable enterprise clients to build or adopt artificial intelligence assistance running on local servers for enhanced data protection. Mr. Gong does not have any prior experience in the provision of professional property management services. As disclosed in the annual report of the Company for the year ended 31 December 2025, the Company is actively introducing new technologies and innovative solutions to enhance service efficiency, thereby creating greater value for its customers. The Acquisition, the Offer and the Share Subscription present the Group with an opportunity to enhance its smart service solutions by leveraging on Mr. Gong's background and expertise. For instance, various cloud solutions could be applied to enhance the property management services of the Group to facilitate access control, surveillance systems, smart meters/sensors, etc. across properties managed by the Group. In addition, the content delivery network (CDN) and cloud solutions could also be applied to strengthen the community value-added services offered by the Group such as community retail and community media, improving the experience of residents or occupants of properties managed by the Group. Technology in cloud security and multi-cloud management areas could also be applied to strengthen the data protection as property management companies such as the Group typically accumulate personal data (resident identities, payment records, access logs, etc.) in daily operations.

The Share Subscriber II is YSTEM Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, whose principal business is investment holding. As at the Latest Practicable Date, the Share Subscriber II is wholly and beneficially owned by Mr. Deng Han. Mr. Deng Han has 16 years of strategic advisory and private equity experience.

The Share Subscriber III is Beaming Light Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, whose principal business is investment holding. As at the Latest Practicable Date, the Share Subscriber III directly held a total of 10,272,000 Shares, representing approximately 2.57% of the issued share capital of the Company, and is directly and wholly owned by Mr. Chen Xi as the beneficial owner, who directly held a total of 1,324,000 Shares, representing approximately 0.33% of the issued share capital of the Company. Mr. Chen Xi is the vice president of Fineland Group, with responsibility for financial management matters. He is an employee of a member of the Fineland Group and also a director of certain members of the Fineland Group (not being members of the Mansion Green Holding Companies). The Fineland Group comprises Fineland Group Holdings and its subsidiaries and associates (for the avoidance of doubt, excluding the Group) and Fineland Group Holdings is indirectly and wholly owned by Mr. Fong as the ultimate beneficial owner.

The Share Subscriber II and the Share Subscriber III and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons. Other than each being an Offeror Concert Party, each of the Share Subscribers is independent of one another.

Listing Rules implications

Each of the Sellers is a connected person of the Company which is either controlled by or acting in concert with certain Directors, and the Acquisition Completion is conditional upon, among other things, the Share Subscription having been approved by the Independent Shareholders at the EGM. On the other hand, the Share Subscription is a transaction between the Company and, among others, the Offeror (i.e. the Share Subscriber I), with respect to which the Offeror has reached an understanding with the Sellers under the Share Purchase Agreement. Accordingly, the Offeror is deemed to be a connected person of the Company pursuant to Rule 14A.20 of the Listing Rules and the Share Subscription is a connected transaction of the Company which is subject to announcement, reporting and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As (i) Mr. Fong and Ms. Tse are the ultimate beneficial owners of Mansion Green and Aspiring Vision, respectively; and (ii) Mr. Han is a director of each of the Mansion Green Holding Companies (other than Fineland Group Holdings) and accordingly presumed to be acting in concert with Mansion Green by virtue of class (2) of the definition of acting in concert, each of them abstained from voting on the Board resolutions in relation to the Share Subscription. For voting arrangements of the Shareholders, please refer to the section headed "Voting Arrangement — Voting on the Share Subscription and the Special Deal" below.

Takeovers Code implications of the Special Deal

As the Share Subscription is a special arrangement available to the Share Subscriber III (which, together with its sole beneficial owner, is directly interested in approximately 2.90% of the total issued Shares as at the Latest Practicable Date) only and not offered to all Shareholders, the Share Subscription constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code.

The Offeror has made an application to the Executive for consent in relation to the Special Deal. The Executive's consent, if granted, will normally be conditional upon the Independent Financial Adviser confirming to the Independent Board Committee that the terms of the Special Deal are fair and reasonable, and the passing of an ordinary resolution by the Independent Shareholders at a general meeting of the Company to approve the Special Deal.

ISSUANCE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE

On 27 July 2026 (after trading hours), in consideration of the Warrant Subscriber's contribution and involvement as a consultant and facilitator in negotiations which have culminated in the Share Subscription (which will provide new capital to the Company), the Company and the Warrant Subscriber entered into the Warrant Subscription Agreement, pursuant to which the Company has conditionally agreed to issue, and the Warrant Subscriber has conditionally agreed to subscribe for 77,000,000 Warrants.

The principal terms of the Warrant Subscription Agreement are as follows.

The Warrant Subscription Agreement

Date : 27 July 2026

Parties : (a) Issuer: the Company

(b) Subscriber: the Warrant Subscriber

The Warrant Subscriber and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons, and are also independent of the Share Subscribers.

Warrants and Warrant Shares

Pursuant to the Warrant Subscription Agreement, the Warrant Subscriber has conditionally agreed to subscribe for 77,000,000 Warrants, which are exercisable up to 77,000,000 Warrant Shares (representing 9.09% of the total issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming maximum number of Subscription Shares issued) and the issue of all Warrant Shares) at the Exercise Price (subject to adjustment), at the option of the Warrant Subscriber at any time during the Exercise Period. No cash consideration is payable for the issuance of the Warrants.

The Warrants will be issued in registered form and constituted by way of deed poll to be executed by the Company. The Warrants will rank *pari passu* in all respects among themselves.

Exercise Price

The Exercise Price of HK$0.50 per Warrant Share represents:

(a) a discount of approximately 75.43% to the closing price of HK$2.035 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(b) a premium of approximately 117.39% over the closing price of HK$0.230 per Share as quoted on the Stock Exchange on the Last Trading Day;

(c) a premium of approximately 119.30% over the average closing price of approximately HK$0.228 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;

(d) a premium of approximately 119.30% over the average closing price of approximately HK$0.228 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day; and

(e) a premium of approximately 142.72% over the average closing price of approximately HK$0.206 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day.

The equity attributable to owners of the Company was approximately negative RMB11.8 million as at 30 June 2026.

The Exercise Price has been determined based on arm's length negotiations between the Company and the Warrant Subscriber with reference to (i) the current market sentiment with regard to the property management industry, having regard to the challenging conditions in the PRC property market and their adverse impact on the property management sector, which in turn aggravates the difficulty faced by players in the industry (such as the Company) in raising funds or accessing capital; (ii) liquidity flow in the capital market, taking into account the historically low trading liquidity of the Shares (which is often associated with higher price volatility) and noting that the future trading performance of the Shares will inevitably be subject to market conditions and uncertainty; (iii) the prevailing market price of the Shares before entering into the Warrant Subscription Agreement, noting that the Exercise Price is at a significant premium to (A) the closing price of the Shares as at the Last Trading Day, (B) the closing price of the Shares during the two-year period immediately prior to the date of the Warrant Subscription Agreement, which reference period was adopted to provide a broader and more representative view of the historical trading performance of the Shares, and (C) the Share Subscription Price (such price reflecting the valuation of the Company which was determined after arm's length negotiations between the Company and the Share Subscribers), which would incentivise the Warrant Subscriber to provide strategic support as the Company may require from time to time; and (iv) the nature and terms of the Warrants, including the Exercise Rights, the Exercise Period and the fact that no immediate cash proceeds will be received by the Company upon the grant of the Warrants.

In determining the Exercise Price, the Board considered that, unlike the Share Subscription Price which was intended to facilitate an immediate equity fundraising to address the Company's urgent funding needs, the Exercise Price relates to a future subscription right which is exercisable at the election of the Warrant Subscriber during the Exercise Period. The Board therefore considered it appropriate for the Exercise Price to be set at a substantial premium to both the then prevailing market price of the Shares and the Share Subscription Price. The Board also considered that the premium represented by the Exercise Price would preserve the potential upside for the Company and the Shareholders while providing the Company with the potential to raise additional equity funds if the Warrants are exercised in the future.

In addition, the Board considered that the Exercise Price aligns the interests of the Warrant Subscriber with the development of the Company and incentivises the Warrant Subscriber, in its capacity as a consultant and facilitator, to continue providing strategic support and assistance to the Company. The Directors (excluding Mr. Fong, Ms. Tse and Mr. Han, who abstained from voting in the interest of good corporate governance practices) therefore consider the Exercise Price to be fair and reasonable based on the then market conditions and is in the interests of the Company and the Shareholders as a whole.

Conditions precedent of the Warrant Subscription

Warrant Subscription Completion is conditional upon satisfaction or (if applicable) waiver of the following conditions:

(a) the approval of the Warrant Subscription Agreement and transactions contemplated thereunder at the EGM;

(b) the Stock Exchange having approved the Warrants prior to the issue or grant and the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Warrant Shares and such approval(s) not having been subsequently revoked or withdrawn and remaining valid and effective, and evidence of such approval(s) having been provided to the Warrant Subscriber;

(c) all necessary internal and external approvals (including those required by the PRC regulatory authorities in connection with the Warrant Subscription (if any)), authorisations, consents, filings and reports for the implementation or completion of the Warrant Subscription having been obtained or duly filed (as applicable) by the Company and such approvals and consents remaining in full force and effect;

(d) all necessary internal and external approvals (including those required by the PRC regulatory authorities in connection with the Warrant Subscription (if any)), authorisations, consents, filings and reports for the implementation or completion of the Warrant Subscription having been obtained or duly filed (as applicable) by the Warrant Subscriber and such approvals and consents remaining in full force and effect;

(e) on the date of the Warrant Subscription Completion,

  (i) the representations, warranties and undertakings of the Company set out in the Warrant Subscription Agreement being true, accurate and correct in all material respects and not misleading at, and as if made on, such date; and

  (ii) the Company having performed or satisfied all of its agreements, undertakings and obligations under the Warrant Subscription Agreement to be performed on or before such date in all material respects;

(f) on the date of the Warrant Subscription Completion,

  (i) the representations, warranties and undertakings of the Warrant Subscriber set out in the Warrant Subscription Agreement being true, accurate and correct in all material respects and not misleading at, and as if made on, such date; and

  (ii) the Warrant Subscriber having performed or satisfied all of its agreements, undertakings and obligations under the Warrant Subscription Agreement to be performed on or before such date in all material respects; and

(g) Share Subscription Completion having taken place.

The Warrant Subscriber may waive compliance with the whole or any part of the conditions set out in sub-paragraphs (c) and (e). The Company may waive compliance with the whole or any part of the conditions set out in sub-paragraphs (d) and (f). Neither the Company nor the Warrant Subscriber may waive compliance with the conditions set out in sub-paragraphs (a), (b) and (g). As at the Latest Practicable Date, in respect of the conditions in sub-paragraphs (c) and (d), the Company is not aware of approvals, authorisations, consents, filings and reports for the implementation or completion of the Warrant Subscription.

As at the Latest Practicable Date, none of the conditions precedent have been fulfilled or waived.

If any of the above conditions precedent is not satisfied or waived (as applicable) on or before the Warrant Subscription Long Stop Date, either the Company or the Warrant Subscriber may terminate the Warrant Subscription Agreement.

Termination of the Warrant Subscription Agreement

If at any time prior to the Warrant Subscription Completion:

(a) the Company is in material breach of its obligations under the Warrant Subscription Agreement;

(b) the Company is in breach of any representation, warranties or undertakings given by it in the Warrant Subscription Agreement in any material respect;

(c) there shall develop, occur, exist or come into effect a suspension of dealings in any of the Shares or listing of any of the Shares on the Stock Exchange (save for any temporary suspension in connection with the Share Purchase Agreement, the Offer or the Share Subscription Agreement);

(d) a statute, rule, regulation, order, decree, ruling or injunction has been enacted, entered, promulgated, endorsed, threatened or is pending by or before any governmental entity or regulatory authority which in any material respect restricts, prohibits or threatens to restrict or prohibit the consummation of any of the transactions contemplated by the Warrant Subscription Agreement;

(e) there is any change which gives rise to a condition, a development or a circumstance which, individually or in aggregate, would:

(i) have a material adverse effect on the condition (financial or otherwise), prospects, results of operations, general affairs or assets of the Company and members of the Group taken as a whole; or

(ii) adversely affect the ability of the Company to perform any of its obligations under the Warrant Subscription Agreement; or

(f) there shall have occurred any of the following:

(i) a suspension or material limitation in trading in securities generally on the Stock Exchange; or

(ii) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities, or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong,

then the Warrant Subscriber shall be entitled (but not bound) by written notice to the Company to elect to treat such event, breach or failure as terminating the Warrant Subscription Agreement notwithstanding any other provisions of the Warrant Subscription Agreement.

The Company shall be entitled (but not bound) by written notice to the Warrant Subscriber to elect to treat an event, breach or failure as terminating the Warrant Subscription Agreement if at any time prior to Warrant Subscription Completion (i) the Warrant Subscriber is in material breach of its obligations under the Warrant Subscription Agreement; or (ii) the Warrant Subscriber is in breach of any representation, warranties or undertakings given by it in the Warrant Subscription Agreement in any material respect.

Upon notice being given by the Warrant Subscriber or the Company for the termination of the Warrant Subscription Agreement, the Warrant Subscription Agreement shall terminate and be of no further effect and no party to the Warrant Subscription Agreement shall be under any liability to any other in respect of the Warrant Subscription Agreement, except that termination does not affect any party's accrued rights and obligations at the date of termination.

Warrant Subscription Completion

Subject to the satisfaction or waiver of the conditions under the Warrant Subscription Agreement, Warrant Subscription Completion shall take place on the date which is five Business Days (or such other date as agreed to in writing between the Company and the Warrant Subscriber) upon the satisfaction or waiver (as the case may be) of the conditions under the Warrant Subscription Agreement (other than the conditions set out in sub-paragraphs (e) and (f) the satisfaction or waiver of which shall take place on the date of Warrant Subscription Completion), provided that any such waiver would not render the Warrant Subscription, or the implementation thereof in accordance with its terms, illegal, upon which the Company shall issue the Warrants to the Warrant Subscriber.

Exercise Rights

Subject to and upon compliance with the conditions of the Warrants, the Exercise Rights attached to the Warrants may be exercised, at the option of the holder of the Warrant, at any time during the Exercise Period. Any Warrants which have not been validly exercised on or before the expiry of the Exercise Period will lapse and cease to be valid for any purpose. The Company is not obliged to issue Shares in satisfaction of the Exercise Right if to do so would cause the public float of the Company to fall short of 25%.

Each Warrant carries the right to subscribe for one Warrant Share at a price per Share equal to the Exercise Price.

The 77,000,000 Warrant Shares represent 19.25% of the total issued Shares as at the Latest Practicable Date and approximately 9.09% of the total issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming maximum number of Subscription Shares issued) and the issue of all Warrant Shares upon full exercise of the Warrants (assuming there will be no other change in the number of total issued Shares from the date of the Warrant Subscription Agreement to the date of full exercise of the Exercise Rights). The aggregate nominal value of the 77,000,000 Warrant Shares will be HK$770,000.

The number of Warrant Shares is determined after having considered, among other things, (i) the expected shareholding structure of the Company immediately after the Share Subscription Completion (assuming maximum number of Subscription Shares issued), under which the Warrant Shares would provide the Warrant Subscriber with a meaningful economic interest in the Company and allow the Company to onboard the Warrant Subscriber as a strategic investor, which would in turn enhance the shareholder profile of the Company; (ii) the public float requirement under the Listing Rules and the understanding that the Warrant Subscriber does not seek to exercise the Exercise Rights to the extent it would become a connected person of the Company; (iii) the objective of maximising equity fundraising proceeds upon full exercise of the Exercise Rights, noting that the grant of Warrants itself neither causes any immediate dilution nor creates any interest payment obligation or additional gearing; and (iv) requirements applicable to warrants under Chapter 15 of the Listing Rules, including Rule 15.02(1) of the Listing Rules, under which the Warrant Shares to be issued upon exercise of the Warrants, when aggregated with all other equity securities remaining to be issued upon exercise of any other subscription rights, must not exceed 20% of the total number of issued Shares at the time the Warrants are issued.

Ranking of Warrant Shares

The Warrant Shares will be allotted and issued pursuant to the Warrant Specific Mandate to be sought from the Shareholders at the EGM. The Warrant Shares, when allotted and issued, shall rank *pari passu* in all respects among themselves and with the Shares in issue and in particular will have the right to receive all dividends or other distributions thereafter declared, paid or made on such Shares with reference to the relevant date on which the holder of the Warrant Shares is registered as such in the register of members of the Company.

Transferability

Subject to the terms and conditions of the Warrants, the Warrants or interests in such Warrants are transferable, in whole or in part. There are no restrictions on transferees and there is no minimum holding period before any transfer of Warrants.

The Company will comply with the applicable requirements of Chapter 14A of the Listing Rules to the extent future issuances of Warrant Shares constitute connected transactions of the Company.

Adjustments to the Exercise Price

Upon the occurrence of any of the following events described below, the Exercise Price will be adjusted as follows:

(a) *Consolidation, subdivision, redesignation or reclassification of Shares:* If and whenever there shall be an alteration to the nominal value of the Shares resulting in a reduction or increase in the number of Shares outstanding following any consolidation, subdivision, redesignation or reclassification of the Shares by operation of law or otherwise which, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date such consolidation, subdivision, redesignation or reclassification takes effect or if a record date is fixed therefor, immediately after such record date.

(b) Capitalisation of profits or reserves:

(i) If and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account) including Shares paid up out of distributable profits or reserves and/or share premium account (except for any scrip dividend) and which would not have constituted a capital distribution, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate nominal amount of the issued Shares immediately before such issue; and

B is the aggregate nominal amount of the issued Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(ii) In the case of a scrip dividend where the aggregate value of the Shares comprising such scrip dividend as determined by reference to the Current Market Price per Share on the date of announcement of the terms of such Scrip Dividend multiplied by the number of Shares that may be issued exceeds the Fair Market Value of the relevant cash dividend on such date of announcement, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before the issue of such scrip dividend by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate nominal amount of issued Shares immediately before such issue;

B is the aggregate nominal amount of Shares as is equal to such Fair Market Value of the relevant cash dividend divided by such Current Market Price on the date of announcement of the terms of such scrip dividend; and

C is the aggregate nominal amount of Shares comprising such scrip dividend.

or by making such other adjustment as such independent financial adviser shall certify to the Warrantholders is fair and reasonable.

Such adjustment shall become effective on the date of issue of such Shares issued by way of scrip dividend (or, if none, the date of payment of the relevant cash dividend) or if a record date is fixed therefor, immediately after such record date.

(c) *Capital distributions:* If and whenever the Issuer shall pay or make any capital distribution to the Shareholders, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such capital distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price per Share on the date on which the capital distribution is first publicly announced; and

B is the Fair Market Value of the portion of the capital distribution attributable to one Share.

Such adjustment shall become effective on the date that such capital distribution is actually made or paid or if a record date is fixed therefor, immediately after such record date.

In making any calculation pursuant to this sub-paragraph (c), such adjustments (if any) shall be made as an independent financial adviser may consider appropriate to reflect (a) any consolidation or subdivision of the Shares, (b) issues of Shares by way of capitalisation of profits or reserves, or any like or similar event, (c) the modification of any rights to dividends of Shares or (d) any change in the fiscal year of the Company.

(d) *Rights issues of Shares or options over Shares at a price of less than 95% of the then current market price per Share:* If and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants, equity-linked instruments or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at a consideration per Share the Fair Market Value (on the date of the first public announcement of the terms of the issue or grant) of which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of the issue or grant, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such announcement;

B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants, equity-linked instruments or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants, equity-linked instruments or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(e) *Rights issues of other securities:* If and whenever the Company shall issue any securities (other than Shares or options, warrants, equity-linked instruments or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights, options, warrants, equity-linked instruments or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants, equity-linked instruments or other rights to subscribe for, purchase or otherwise acquire Shares), the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price per Share on the date on which such issue or grant is publicly announced; and

B is the Fair Market Value per Share on the date of such announcement of the portion of the securities, rights, options, warrants, equity-linked instruments or other rights (as the case may be) attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(f) *Issues at a price of less than 95% of the then Current Market Price per Share:* If and whenever the Company shall issue (otherwise than as mentioned in sub-paragraph (d) above) any Shares (other than Shares issued on exercise of the relevant Warrants or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or shall issue or grant (otherwise than as mentioned in sub-paragraph (d) above) any options, warrants, equity-linked instruments or other rights to subscribe for, purchase or otherwise acquire Shares, in each case at a consideration per Share the Fair Market Value (on the date of the first public announcement of the terms of the issue or grant) of which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of such issue or grant, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

where:

A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants, equity-linked instruments or other rights to subscribe for or purchase or otherwise acquire any Shares;

B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants, equity-linked instruments or other rights would purchase at such Current Market Price per Share; and

C is the aggregate number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue or grant by the Company of options, warrants, equity-linked instruments or other rights to subscribe for, purchase or otherwise acquire Shares, mean such Shares to be issued assuming that such options, warrants, equity-linked instruments or other rights are exercised in full at the initial exercise price on the date of issue or grant of such options, warrants, equity-linked instruments or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue or grant of such options, warrants, equity-linked instruments or other rights.

(g) *Other issues at a price of less than 95% of the then current market price per Share:* Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this sub-paragraph (g), if and whenever the Company or any of its subsidiaries (otherwise than as mentioned in sub-paragraphs (d), (e) or (f)) or (at the direction or request of or pursuant to any arrangements with the Company or any of its subsidiaries) any other company, person or entity, shall issue any securities (other than the Warrants) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share the Fair Market Value (on the date of the first public announcement of the terms of the issue or grant) of which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of issue of such securities, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such issue;

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities.

Such adjustment shall become effective on the date of issue of such securities.

(h) *Modification of rights of exercise:* If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in sub-paragraph (g) (other than in accordance with the terms of such securities) so that the Fair Market Value (on the date of the first public announcement of the proposals of such modification) of the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the proposals for such modification, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such modification;

B is the maximum number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an independent financial adviser considers appropriate (if at all) for any previous adjustment under this sub-paragraph (h) or sub-paragraph (g).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(i) *Other offers to Shareholders:* If and whenever the Company or any of its subsidiaries or (at the direction or request of or pursuant to any arrangements with the Company or any of its subsidiaries) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Exercise Price falls to be adjusted under sub-paragraph (d), sub-paragraph (e), sub-paragraph (f) or sub-paragraph (g)), the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price per Share on the date on which such issue, sale or distribution is first publicly announced; and

B is the Fair Market Value of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or distribution of the securities or, if a record date is fixed therefor, immediately after such record date or if later, the first date upon which the Fair Market Value of the relevant securities is capable of being determined as provided herein.

(j) *Other events*: If the Company determines that an adjustment should be made to the Exercise Price as a result of one or more events or circumstances not referred to in sub-paragraphs stated above, the Company shall, at its own expense, consult an independent financial adviser to determine as soon as practicable what adjustment (if any) to the Exercise Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Exercise Price, and the date on which such adjustment should take effect and upon such determination by the independent financial adviser such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that where the events or circumstances giving rise to any adjustment pursuant to any of the above conditions have already resulted or will result in an adjustment to the Exercise Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Exercise Price, such modification (if any) shall be made to the operation of the provisions of the above sub-paragraphs as may be advised by the independent financial adviser to be in its opinion appropriate to give the intended result. Notwithstanding the foregoing, the per Share value of any such modification shall not exceed the per Share value of the dilution in the Shareholders' interest in the Company's equity caused by such events or circumstances.

Where any doubt arises as to whether an adjustment to the Exercise Price should be made or as to how such adjustment should be made, or where the Company is unable to perform any calculation or determination on a purely formulaic basis or for any other reason, following consultation with the Company, the written opinion of an independent financial adviser, shall be conclusive and binding on the Company and the Warrantholders, save in the case of manifest error. In addition, where more than one event giving rise, or potentially giving rise, to an adjustment occurs within a short period of time, the operation of the adjustment provisions may be modified in accordance with the advice of an independent financial adviser to achieve the intended result.

For the avoidance of doubt, the issuance of Warrants is conditional upon, among other things, the Share Subscription Completion having taken place and accordingly the Share Subscription will not result in any adjustment to the Exercise Price.

Voting and other rights for the holders of the Warrants

The holders of the Warrants will not have any right to vote or to receive dividends or to consent or to receive notice as Shareholders in respect of any meeting of Shareholders (or any rights whatsoever as Shareholders).

Rights of the holders of the Warrants on the liquidation of the Company

If the Company is wound up at any time during the Exercise Period, all Exercise Rights which have not been exercised prior to the commencement of the winding-up will lapse.

Reasons for and benefits of the Warrant Subscription and use of proceeds

The Warrant Subscriber is Mattar Hill Development X Limited, a company incorporated in the British Virgin Islands with limited liability which is principally engaged in investment holding. The Warrant Subscriber is wholly owned by a fund managed under PAG. As at the Latest Practicable Date, neither the Warrant Subscriber nor members of the PAG group hold any Shares.

PAG is a leading Asia-Pacific-focused alternative investment firm with three core businesses: Real Assets, Credit & Markets and Private Equity. As at the Latest Practicable Date, PAG manages over US$55 billion in assets on behalf of more than 300 global institutional investors and the firm has over 800 staff across 15 key offices globally.

The Warrant Subscriber has played a role as a consultant and facilitator in negotiations which have culminated in the Share Subscription, including but not limited to introducing the Share Subscriber I and the Share Subscriber II as potential investors who were interested in injecting capital into the Company, and facilitating communication amongst the Company, the Share Subscribers and their respective advisers which will lay the cornerstone for the future development of the Group. The Share Subscription, coupled with the Acquisition, is key to replenishing the financial resources of the Company in order to alleviate its mounting liquidity pressure and making available new resources (including but not limited to the background and expertise of Mr. Gong) to facilitate the revival of the operational and financial performance of the Group. Without the facilitation of the Warrant Subscriber, the Company would not have been able to conclude the proposed capital injection by the Share Subscribers, where the Share Subscription (coupled with the Acquisition) creates an opportunity for reviving the operational and financial performance of the Group. As mentioned above, the Board had considered fund-raising alternatives such as rights issues, open offers and placing of new Shares to independent third parties and external debt financing but was of the view that the Company would not be able to secure external equity or debt financing on favourable terms in a timely fashion, and that any additional external debt financing arrangement would create additional interest burden and increase the gearing ratio of the Group. With the assistance of the Warrant Subscriber, the Company and the Share Subscribers were able to reach an agreement on the Share Subscription despite the challenging industry outlook and liquidity issues which the Group has been facing, offering the Company an immediate and reliable equity funding solution which would alleviate its liquidity pressure and gradually improve its operational and financial performance.

Considering the financial position of the Company and the proposed use of proceeds raised from the Share Subscription, the Board considers that it would not be in the interests of the Company and the Shareholders if the financial resources of the Company and/or proceeds from the Share Subscription is paid to the Warrant Subscriber as consultancy fee settled in cash, since such cash payment would reduce the already limited liquid financial resources available to the Company. As opposed to a one-off payment of a fixed amount of consultancy fees settled in cash, the Warrant Subscription allows the Warrant Subscriber to share in the future upside potential in respect of the Shares, which would better align the interest of the Warrant Subscriber with that of the Shareholders and incentivise the Warrant Subscriber to provide strategic support to the Company as the Company may require from time to time. In addition, as the 77,000,000 Warrant Shares would represent approximately 9.09% of the total issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming maximum number of Subscription Shares issued) and the issue of all Warrant Shares, the Warrant Subscription also represents an opportunity for the Company to onboard the Warrant Subscriber as a potential strategic investor, which may enhance the shareholder profile of the Company.

In addition, the Warrant Subscription would allow the Company to raise additional funds to improve its financial position and broaden its shareholder base, noting that the Warrant Subscription does not have any immediate dilution effect on the shareholding of the existing Shareholders and the Warrants are not interest-bearing (contrasted with external debt financing). The Company confirms that, as at the Latest Practicable Date, save for the grant of the Warrants, it has not paid and will not pay any additional fee, compensation or other remuneration to the Warrant Subscriber in connection with its contribution and involvement as a consultant and facilitator in negotiations which have culminated in the Share Subscription.

Assuming the Exercise Rights are exercised in full at the initial Exercise Price, the Company will raise gross proceeds of approximately HK$38,500,000 and the net proceeds (after deducting relevant costs and expenses) of approximately HK$36,800,000 and the net Exercise Price will be approximately HK$0.48 per Warrant Share. Such net proceeds will be primarily used to repay the Group's outstanding liabilities (owed to third parties which are not Shareholders) and supplement the Group's general liquidity, with a view to improving its gearing ratio and overall financial position, including:

(i) approximately 70% for settlement of trade and other related payables, mainly comprising amounts due to service providers engaged by the Group in the provision of security, cleaning, gardening and maintenance services, etc.; and

(ii) approximately 30% for general working capital, including but not limited to payment of staff costs, administrative expenses and procurement of supplies required for the Group's business operations, to maintain sufficient financial flexibility for the Group's day-to-day operations.

In the event that the Exercise Rights are not fully exercised at the initial Exercise Price, the Group will utilise the proceeds for the above purposes on a pro-rata basis. For completeness, in the event the Exercise Rights are not exercised in full or at all, to the extent there is any shortfall from the amount allocated to the settlement of trade and other related payables, the Company intends to meet its payment obligations through a combination of (i) cash generated from its existing business operations and internal resources; (ii) continued implementation of liquidity management measures, including close monitoring of cash flows, cost-control measures and management of capital expenditure; and (iii) other alternative fund raising means as and if they become available.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares.

No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

Listing Rules implications

Pursuant to Rule 13.36(7) of the Listing Rules, the Company may not issue warrants to subscribe for (i) any new Shares or (ii) any securities convertible into new Shares, for cash consideration pursuant to a general mandate given under Rule 13.36(2)(b) of the Listing Rules. Accordingly, the issue of the Warrants and the Warrant Shares (to be issued upon exercise of the Warrants) are subject to the approval of the Shareholders and will be allotted and issued pursuant to the Warrant Specific Mandate to be sought at the EGM.

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be issued upon exercise of the Warrants must not, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the total number of issued shares of the Company at the time the Warrants are issued. Options granted under employee or executive share schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of such limit. As at the Latest Practicable Date, the Company has no outstanding securities with subscription rights.

Although the Warrant Subscription Completion is conditional upon, among other things, the Share Subscription Completion having taken place, the Share Subscription is not in turn conditional upon approval of the Warrant Subscription at the EGM. It follows the Acquisition Completion and the Share Subscription Completion will occur upon satisfaction or waiver of the respective conditions precedent under the Share Purchase Agreement and the Share Subscription Agreement, regardless of whether the Warrant Subscription proceeds or not. Given the Warrant Subscription Completion has no bearing on the Acquisition Completion and/or the Share Subscription Completion, no Shareholder is considered to be materially interested in the Warrant Subscription and accordingly no Shareholder is required to abstain from voting on the resolution(s) on the Warrant Subscription Agreement and transactions contemplated thereunder at the EGM.

In the spirit of good corporate governance practice, each of Mr. Fong, Ms. Tse and Mr. Han abstained from voting on the Board resolutions in relation to the Warrant Subscription. For voting arrangements of the Shareholders, please refer to the section headed ''Voting Arrangement — Voting on the Warrant Subscription'' below.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company has 400,000,000 Shares in issue.

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Acquisition Completion but before the Offer; (iii) immediately after the close of the Offer and the Share Subscription Completion (assuming maximum number of Subscription Shares issued), assuming the Offeror not having received any valid acceptance under the Offer; and (iv) immediately after exercise of the Warrants (in full), assuming the Offeror not having received any valid acceptance under the Offer and maximum number of Subscription Shares issued, in each case further assuming there is no other change in the number of total issued Shares from the Latest Practicable Date to the occurrence of the relevant event.

	(i) As at the Latest Practicable Date		(ii) Immediately after the Acquisition Completion but before the Offer		(iii) Immediately after the Share Subscription Completion (assuming maximum number of Subscription Shares issued), assuming the Offeror not having received any valid acceptance under the Offer		(iv) Immediately after exercise of the Warrants (in full), assuming the Offeror not having received any valid acceptance under the Offer and maximum number of Subscription Shares issued	
	Shares	*%*	*Shares*	*%*	*Shares*	*%*	*Shares*	*%*
Offeror and Offeror Concert Parties								
The Offeror	—	—	200,044,000	50.01	447,644,000	58.14	447,644,000	52.85
Share Subscriber II	—	—	—	—	76,200,000	9.90	76,200,000	9.00
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	57,796,000	7.51	57,796,000	6.82
Ms. Xie Dan (held through Tiffany Orient Holdings Limited)[1]	2,004,000	0.50	2,004,000	0.50	2,004,000	0.26	2,004,000	0.24
Subtotal of Offeror and Offeror Concert Parties[9]	13,600,000	3.40	213,644,000	53.41	583,644,000	75.80	583,644,000	68.91
Sellers and parties acting in concert with them								
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	12,952,000	1.68	12,952,000	1.53
Huiyu Investment[5, 6]	60,000,000	15.00	9,004,000	2.25	9,004,000	1.17	9,004,000	1.06
Mr. Huang and Ms. Zheng Hui[5, 6]	64,000	0.02	64,000	0.02	64,000	0.01	64,000	0.01
Ms. Zheng Hui	3,884,000	0.97	3,884,000	0.97	3,884,000	0.50	3,884,000	0.46
Subtotal of Sellers and parties acting in concert with them	225,948,000	56.49	25,904,000	6.48	25,904,000	3.36	25,904,000	3.06
Mr. Han (held through the IU Shareholder)[2, 7]	4,500,000	1.13	4,500,000	1.13	4,500,000	0.58	4,500,000	0.53
Other Offer Shareholders	155,952,000	38.99	155,952,000	38.99	155,952,000	20.25	155,952,000	18.41
The Warrant Subscriber[8]	—	—	—	—	—	—	77,000,000	9.09
Total	400,000,000	100.00	400,000,000	100.00	770,000,000	100.00	847,000,000	100.00

	(i) As at the Latest Practicable Date		(ii) Immediately after the Acquisition Completion but before the Offer		(iii) Immediately after the Share Subscription Completion (assuming maximum number of Subscription Shares issued), assuming the Offeror not having received any valid acceptance under the Offer		(iv) Immediately after exercise of the Warrants (in full), assuming the Offeror not having received any valid acceptance under the Offer and maximum number of Subscription Shares issued	
	Shares	*%*	*Shares*	*%*	*Shares*	*%*	*Shares*	*%*
Public Shareholders (for public float consideration only)								
Other Offer Shareholders	155,952,000	38.99	155,952,000	38.99	155,952,000	20.25	155,952,000	18.41
Share Subscriber II	—	—	—	—	76,200,000	9.90	76,200,000	9.00
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	57,796,000	7.51	57,796,000	6.82
Ms. Xie Dan (held through Tiffany Orient Holdings Limited)[1]	2,004,000	0.50	2,004,000	0.50	2,004,000	0.26	2,004,000	0.24
Huiyu Investment[5, 6]	—	—	9,004,000	2.25	9,004,000	1.17	9,004,000	1.06
Mr. Huang and Ms. Zheng Hui[5, 6]	—	—	64,000	0.02	64,000	0.01	64,000	0.01
Ms. Zheng Hui	—	—	3,884,000	0.97	3,884,000	0.50	3,884,000	0.46
The Warrant Subscriber	—	—	—	—	—	—	77,000,000	9.09
Subtotal of Public Shareholders (for public float consideration only)	169,552,000	42.39	182,504,000	45.63	304,904,000	39.60	381,904,000	45.09

Notes:

1. 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.

2. Each of Mr. Fong, Ms. Tse and Mr. Han is a Director.

3. 97,200,000 Shares are held by Mansion Green, which is indirectly and wholly owned by Mr. Fong as the ultimate beneficial owner through the Mansion Green Holding Companies.

4. 64,800,000 Shares are held by Aspiring Vision, which is directly and wholly owned by Ms. Tse as the beneficial owner.

5. 60,000,000 Shares are 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.

6. 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. Based on information available to the Company, the parties to the deed of concert parties intend to terminate the deed after the Acquisition Completion. Following such termination, the Shares directly and indirectly held by Mr. Huang and his spouse, Ms. Zheng Hui, will be counted towards the public float.

7. 4,500,000 Shares are held by the IU Shareholder, which is directly and wholly owned by Mr. Han as the beneficial owner. The IU Shareholder has given an irrevocable undertaking (the "**Irrevocable Undertaking**") in favour of the Offeror, pursuant to which the IU Shareholder has undertaken not to (a) accept the Offer in respect of the IU Shares and any other Shares of which it may become the registered holder or beneficial owner or in which it may become so interested after the date of the Irrevocable Undertaking; and (b) sell, transfer or otherwise dispose of any interest in any of the relevant Shares. The Irrevocable Undertaking shall terminate if the Offer lapses or is withdrawn.

8. The Warrant Subscriber is not expected to become a connected person of the Company upon completion of the Warrant Subscription.

9. For completeness, based on information available to the Company, neither the Share Subscriber II nor the Share Subscriber III is expected to hold 10% or more of the total issued Shares immediately after the Share Subscription Completion (regardless of the final number of Subscription Shares issued) and none of them is expected to be excluded from "the public" (as defined in Rule 8.24 of the Listing Rules.) upon the Share Subscription Completion.

10. All percentages in the above table are approximations and subject to rounding.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.8 of the Takeovers Code and the Listing Rules respectively, the Independent Board Committee comprising Mr. Tian Qiusheng, Mr. Leung Wai Hung and Mr. Du Chenhua (comprising all independent non-executive Directors) has been formed to (i) make a recommendation to the Offer Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer; and (ii) advise the Independent Shareholders on the Share Subscription and the Special Deal.

Gram Capital, the Independent Financial Adviser, has been appointed by the Company for the purposes of advising the Independent Board Committee and the Independent Shareholders in relation to, among other things, (i) the Offer; and (ii) the Share Subscription and the Special Deal. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

In order to ascertain the Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from 25 September 2026 to 30 September 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–16, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on 24 September 2026. The record date for attending and voting at the EGM is 30 September 2026.

EGM AND PROXY ARRANGEMENT

The notice convening the EGM to be held at 10:00 a.m. on 30 September 2026 at 11th Floor, No. 28 Tiyu East Road, Tianhe District, Guangzhou, the PRC is set out on pages EGM-1 to EGM-4 of this circular. At the EGM, ordinary resolutions will be proposed to the Shareholders to consider and if appropriate, to approve, among others, (i) the Share Subscription Agreement and transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal in relation to the Share Subscription; and (b) the Share Specific Mandate); and (ii) the Warrant Subscription Agreement and transactions contemplated thereunder (including without limitation, (a) the allotment and issue of the Warrant Shares upon exercise of the subscription rights attached to the Warrant; and (b) the Warrant Specific Mandate).

A form of proxy for use in connection with the EGM is enclosed herewith. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 10:00 a.m. on 28 September 2026) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM (or any adjourned meeting thereof) should you so wish.

VOTING ARRANGEMENT

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions to be considered and, if thought fit, approved at the EGM will be voted by way of a poll by the Shareholders. An announcement on the poll results will be made by the Company after the EGM, in the manner prescribed under Rule 13.39(5) of the Listing Rules, on the results of the EGM.

As at the Latest Practicable Date: save for the Deed of Concert Parties, none of the Shareholders has entered into or is bound upon any voting trust or other agreement or arrangement or understanding;

(i) save as disclosed in this circular, none of the Shareholders is subject to any obligation or entitlement causing he/she/it has or may have, temporarily or permanently, passed control over the exercise of the voting right in respect of his/her/its Shares to a third party, either generally or on a case-by-case basis; and

(ii) there was no discrepancy between the beneficial shareholding interest of the Shareholders and the number of Shares in respect of which he/she/it will control or will be entitled to exercise control over the voting right at the EGM.

Voting on the Share Subscription and the Special Deal

The Share Subscription and the Special Deal will need to be approved by the Independent Shareholders. As at the Latest Practicable Date, the following Shareholders will be required to abstain from voting on the resolution(s) on the Share Subscription Agreement and transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal in relation to the Share Subscription; and (b) the Share Specific Mandate) at the EGM:

(a) each of the Sellers, their respective ultimate beneficial owners and associates (i.e. Ms. Zheng Hui), which are interested in a total of 225,948,000 Shares (representing approximately 56.49% of the total issued Shares);

(b) the Offeror and the Offeror Concert Parties, including but not limited to the Share Subscriber III and its associate (i.e. Tiffany Orient Holdings Limited, a company directly and wholly owned by Ms. Xie Dan, the spouse of Mr. Chen Xi), which are interested in a total of 13,600,000 Shares (representing 3.40% of the total issued Shares as at the Latest Practicable Date); and

(c) any other Shareholder who is involved in and/or interested in the Share Purchase Agreement and/or the Share Subscription (including the Special Deal) and/or the Warrant Subscription or otherwise deemed to be acting in concert with any such aforesaid Shareholder(s), including but not limited to the IU Shareholder, a Shareholder presumed to be acting in concert with Mansion Green by virtue of class (2) of the definition of acting in concert, which is interested in a total of 4,500,000 Shares (representing approximately 1.13% of the total issued Shares).

Save as disclosed above, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution(s) on the Share Subscription Agreement and transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal in relation to the Share Subscription; and (b) the Share Specific Mandate) at the EGM.

Voting on the Warrant Subscription

The Warrant Subscription will need to be approved by the Shareholders. As at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution(s) on the Warrant Subscription Agreement and transactions contemplated thereunder (including without limitation, (a) the allotment and issue of the Warrant Shares upon exercise of the subscription rights attached to the Warrant; and (b) the Warrant Specific Mandate) at the EGM. Nonetheless, in the spirit of good corporate governance practice, it is intended the

Shareholders who are required to abstain from voting on the Share Subscription as disclosed above will also abstain from voting on the resolution(s) on the Warrant Subscription Agreement and transactions contemplated thereunder (including without limitation, (a) the allotment and issue of the Warrant Shares upon exercise of the subscription rights attached to the Warrant; and (b) the Warrant Specific Mandate) at the EGM.

RECOMMENDATION FROM THE BOARD

The Directors (including the members of the Independent Board Committee whose opinion is set forth in the ''Letter from the Independent Board Committee'' in this circular after considering the advice of the Independent Financial Adviser, excluding Mr. Fong, Ms. Tse and Mr. Han, who abstained from voting due to their indirect interests in the Share Subscription and, in respect of the Warrant Subscription, in the interest of good corporate governance practices) are of the view that the Share Subscription and Warrant Subscription and the transactions contemplated thereunder (including without limitation, (a) the connected transaction; (b) the Special Deal; (c) the grant of the Share Specific Mandate; and (d) the grant of the Warrant Specific Mandate) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders (including the Independent Shareholders) as a whole.

Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolutions approving the Share Subscription and Warrant Subscription and the transactions contemplated thereunder (including without limitation, (a) the connected transaction; (b) the Special Deal; (c) the grant of the Share Specific Mandate; and (d) the grant of the Warrant Specific Mandate) at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 52 to 53 of this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM and the letter from the Gram Capital as set out on pages 54 to 77 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Share Subscription and Warrant Subscription and the transactions contemplated thereunder.

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

The Share Subscription and Warrant Subscription are subject to the satisfaction of the conditions precedent and therefore may or may not take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares, and should consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position or as to actions they should take.

Yours faithfully,
By order of the Board
Fineland Living Services Group Limited
Mr. SUN Ligong
Executive Director

方圓生活服务
FINELAND LIVING SERVICES

Fineland Living Services Group Limited
方圓生活服務集團有限公司

(formerly known as Fineland Real Estate Services Group Limited 方圓房地產服務集團有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9978)

10 September 2026

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

We refer to the circular dated 10 September 2026 (the "**Circular**") dispatched by the Company to the Shareholders of which this letter forms part. Unless the context otherwise requires, terms and expressions defined in the Circular shall have the same meanings in this letter.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in respect of the Share Subscription, details of which are set out in the "Letter from the Board" in the Circular. Gram Capital has been appointed by the Company as the Independent Financial Adviser with our approval to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the "Letter from the Board" set out on pages 11 to 51 of the Circular and the "Letter from Gram Capital" containing its advice to us set out on pages 54 to 77 of the Circular.

Having taken into account, among other things, the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser as set out in the "Letter from Gram Capital" in the Circular, we concur with the view of the Independent Financial Adviser and consider that although the Share Subscription and the transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal; and (b) the grant of the Share Specific Mandate) are not in the ordinary and usual course of business of the Company, the terms of the Share Subscription Agreement thereunder (including without limitation, (a) the connected transaction and Special Deal; and (b) the grant of the Share Specific Mandate) are on normal commercial terms, fair and reasonable, and in the interests of the Company and Shareholders (including the Independent Shareholders) as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Share Subscription and the transactions contemplated thereunder (including without limitation, (a) the connected transaction and Special Deal in relation to the Share Subscription; and (b) the Share Specific Mandate).

Yours faithfully,
Independent Board Committee
Mr. Leung Wai Hung, Mr. Tian Qiusheng and Mr. Du Chenhua
Independent non-executive Directors

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committees and the Independent Shareholders in respect of the Share Subscription and the Special Deal for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

10 September 2026

To: The independent board committees and the independent shareholders of Fineland Living Services Group Limited

Dear Sir/Madam,

CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committees and the Independent Shareholders in respect of the Share Subscription and the Special Deal, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 10 September 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Acquisition and the Offer

On 7 July 2026 (after trading hours), the Offeror entered into a Share Purchase Agreement with the Sellers for the conditional acquisition of a total of 200,044,000 Shares, representing approximately 50.01% of the total issued Shares at HK$0.14 per share, for a total consideration of HK$28,006,160. Upon Acquisition Completion, Altus Investments Limited will make, for and on behalf of the Offeror, the Offer to acquire all the Offer Shares at HK$0.14 in cash for each Offer Share, being the same price paid under the Share Purchase Agreement.

The Share Subscription and the Warrant Subscription

On 27 July 2026 (after trading hours), the Company and the Share Subscribers (one of which is the Offeror) entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and allot, and the Share Subscribers have conditionally agreed to subscribe for the Subscription Shares at the Share Subscription Price of HK$0.14 per Subscription Share for a maximum consideration of HK$51,800,000 in cash.

On 27 July 2026 (after trading hours), in consideration of the Warrant Subscriber's contribution and involvement as a consultant and facilitator in negotiations which have culminated in the Share Subscription (which will provide new capital to the Company), the Company and the Warrant Subscriber entered into the Warrant Subscription Agreement, pursuant to which the Company has conditionally agreed to issue, and the Warrant Subscriber has conditionally agreed to subscribe for 77,000,000 Warrants.

With reference to the Board Letter:

(i) Acquisition Completion will only take place after the satisfaction or (if capable of being waived) waiver of the conditions precedent under the Share Purchase Agreement. After Acquisition Completion, the Composite Document will be despatched in accordance with the Takeovers Code and the Offer will be open for acceptances by the Offer Shareholders. After the close of the Offer, and subject to the satisfaction or (if capable of being waived) waiver of the conditions precedent under the Share Subscription Agreement and the Warrant Subscription Agreement, the Share Subscription Completion will take place, followed by the Warrant Subscription Completion.

(ii) The Offeror is deemed to be a connected person of the Company pursuant to Rule 14A.20 of the Listing Rules and the Share Subscription is a connected transaction of the Company which is subject to announcement, reporting and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(iii) As the Share Subscription is a special arrangement available to the Share Subscriber III (which, together with its sole beneficial owner, is directly interested in approximately 2.90% of the total issued Shares as at the Latest Practicable Date) only and not offered to all Shareholders, the Share Subscription constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror has made an application to the Executive for consent in relation to the Special Deal. The Executive's consent, if granted, will normally be conditional upon the Independent Financial Adviser confirming to the Independent Board Committee that the terms of the Special Deal are fair and reasonable, and the passing of an ordinary resolution by the Independent Shareholders at a general meeting of the Company to approve the Special Deal.

The Independent Board Committee comprising of all the independent non-executive Directors who have no direct or indirect interest in the Share Purchase Agreement, Share Subscription and Special Deal, namely Mr. Tian Qiusheng, Mr. Leung Wai Hung and Mr. Du Chenhua, advise the Independent Shareholders on the Share Subscription and the Special Deal. We, Gram Capital Limited, have been appointed with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the date of the Announcement (i.e. 28 July 2026) up to and including the Latest Practicable Date, there was no relationship, connection or interests between Gram Capital and (i) the Company, the Sellers, the Share Subscribers and the Offeror Concert Parties; and (ii) any directors, subsidiaries, holding companies or substantial shareholders of the Company, the Sellers, the Share Subscribers and the Offeror Concert Parties, of a kind reasonably likely to create, or to create the perception of, a conflict of interest or reasonably likely to affect the objectivity of Gram Capital's advice and to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and Gram Capital was not in the same group as the financial or other professional advisers (including a stockbroker) to the Company, the Sellers, the Offeror Concert Parties or the Share Subscribers. As such, we are of the view that we are independent to act as the Independent Financial Adviser pursuant to Rule 13.84 of the Listing Rules and Rule 2 of the Takeovers Code.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/ arrangement or implied understanding with anyone concerning the Share Subscription and the Special Deal. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules and Rule 2 of the Takeovers Code.

Your attention is drawn to the responsibility statements as set out in the section headed "1. RESPONSIBILITY STATEMENT" of Appendix I to the Circular. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the Sellers, the Offeror, the Share Subscribers or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Share Subscription and the Special Deal. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. The Shareholders will be notified of any material changes in (i) our opinion and recommendation; and (ii) the information provided to us that we based upon to make form our opinion and recommendation, as soon as possible in accordance with Rule 9.1 of the Takeovers Code. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly and fairly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Share Subscription and the Special Deal, we have taken into consideration the following principal factors and reasons:

I. BACKGROUND OF AND REASONS FOR THE TRANSACTIONS

Information on the Group

With reference to the Board Letter, 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. Over the past few years, as part of the Company's business strategy, the Company has progressively wound down its real estate agency operations and such operations now only represent a minimal part of the Group's overall business, with its scope refined to align with the current strategic focus.

Set out below are the Group's consolidated financial information for the two years ended 31 December 2025 and the six months ended 30 June 2026 (together with comparative figures), as extracted from the Company's annual report for the year ended

31 December 2025 (the "**2025 Annual Report**") and the Company's interim report for the six months ended 30 June 2026 (the "**2026 Interim Report**"):

	For the six months ended 30 June 2026 ("1H2026")	For the six months ended 30 June 2025 ("1H2025")	Year on year change	For the year ended 31 December 2025 ("FY2025")	For the year ended 31 December 2024 ("FY2024")	Year on year change
	RMB'000	*RMB'000*	%	*RMB'000*	*RMB'000*	%
	(unaudited)	*(unaudited)*		*(audited)*	*(audited)*	
Revenue	160,912	168,431	(4.46)	350,756	369,101	(4.97)
— *Real estate agency services*	Nil	692	(100.00)	719	6,753	(89.35)
— *Property management services*	160,912	167,739	(4.07)	350,037	362,348	(3.40)
Gross profit	33,293	33,431	(0.41)	59,497	59,266	0.39
Profit/(loss) for the year/period	5,010	(6,520)	N/A	(71,461)	(79,325)	(9.91)
Profit/(loss) attributable to owners of the Company	8,391	(5,999)	N/A	(52,480)	(76,931)	(31.78)

	As at 30 June 2026	As at 31 December 2025	As at 31 December 2024	Change from 31 December 2025 to 30 June 2026	Change from 31 December 2024 to 31 December 2025
	RMB'000	*RMB'000*	*RMB'000*	%	%
	(unaudited)	*(audited)*	*(audited)*		
Total assets	298,058	299,948	366,742	(0.63)	(18.21)
— Intangible assets	37,418	40,189	57,621	(6.89)	(30.25)
— Trade receivables	70,519	76,772	83,956	(8.14)	(8.56)
— Related party receivables	22,512	26,974	39,786	(16.54)	(32.20)
— Deposits, prepayments and other receivables	68,654	51,823	57,847	32.48	(10.41)
— Bank balances and cash	64,278	69,175	64,765	(7.08)	6.81
— Other assets	34,677	35,015	62,767	(0.97)	(44.21)
Total liabilities	287,554	293,555	281,018	(2.04)	4.46
— Trade payables	70,159	74,162	74,466	(5.40)	(0.41)
— Contract liabilities	61,462	75,504	52,978	(18.60)	42.52
— Accruals and other payables	131,156	130,045	131,321	0.85	(0.97)
— Tax payable	8,419	2,675	11,690	214.73	(77.12)
— Other liabilities	16,358	11,169	10,563	46.46	5.74
Net current liabilities	(49,377)	(61,425)	(28,015)	(19.61)	119.26
Equity attributable to owners of the Company	(11,782)	(20,493)	34,055	(42.51)	N/A

As depicted from the above table, the Group's revenue for FY2025 decreased by approximately 4.97% as compared to that for FY2024. With reference to the 2025 Annual Report, such decrease was primarily attributable to decrease in revenue generated from property management services.

Despite the decrease in the Group's revenue, the Group's gross profit for FY2025 remained stable as compared to that for FY2024. With reference to the 2025 Annual Report, this was mainly due to decrease in cost of services caused by decrease in (i) gross floor area under management; and (ii) numbers of frontline employees in property management segment.

The Group's loss for FY2025; and loss attributable to owners of the Company for FY2025 decreased by approximately 9.91% and 31.78% respectively. With reference to the 2025 Annual Report, such decreases were mainly due to reduction in net impairment losses on financial assets under expected credit loss model (primarily related to trade receivables, other receivables and related party receivables, from approximately RMB90.1 million for FY2024 to approximately RMB66.6 million for FY2025). The recognition of net impairment losses on financial assets was mainly due to (i) the continued downward movement in the real estate industry and challenging economic conditions; and (ii) the recovery of trade receivables and related party receivables continued to be slow.

The Group's revenue for 1H2026 decreased by approximately 4.46% as compared to that for 1H2025. With reference to the 2026 Interim Report, such decrease was mainly due to decrease in revenue generated from property management services and value-added services.

Despite the decrease in the Group's revenue, the Group's gross profit for 1H2026 remained at similar level as that for 1H2025; while the Group's gross profit margin was approximately 20.69% for 1H2026, representing an increase of approximately 0.84 percentage points as compared to that for 1H2025. With reference to the 2026 Interim Report, the improvement in the Group's gross profit margin was mainly due to the proactive cost optimisation measures taken by the Group in line with the reduced operational scale.

The Company recorded profit attributable to owners of the Company of approximately RMB8.4 million for 1H2026 as opposed to loss attributable to owners of the Company of approximately RMB6.0 million for 1H2025. With reference to the 2026 Interim Report, such turnaround from loss-making to profit-making was mainly due to the significant decrease in net impairment losses on financial assets for 1H2026.

The Group's total assets decreased by approximately 18.21% from approximately RMB366.7 million as at 31 December 2024 to approximately RMB299.9 million as at 31 December 2025, and remained at similar level at approximately RMB298.1 million as at

30 June 2026. The Group's assets primarily consisted of intangible assets, trade receivables, deposits prepayments and other receivables, amount due from related parties, restricted bank balances, and bank balances and cash.

The Group's intangible assets decreased by approximately 30.25% from approximately RMB57.6 million as at 31 December 2024 to approximately RMB40.2 million as at 31 December 2025, and further decreased by approximately 6.89% to approximately RMB37.4 million as at 30 June 2026. With reference to the 2025 Annual Report and the 2026 Interim Report, the Group's intangible assets consisted of goodwill and customer relationships, both of which arose from the acquisitions of businesses conducted by the Group in the past. The aforesaid decrease in the Group's intangible assets was primarily due to (i) the recognition of impairment of goodwill of approximately RMB11.9 million for FY2025 (i.e. the impairment of goodwill recognised after completion of the acquisition of 60% of the equity interests in Guangdong Yikang Property Service Co., Ltd during the year ended 31 December 2022) after an assessment made by the Directors by comparing the carrying amounts with recoverable amounts of the respective cash-generating units (i.e. the line of businesses under each acquisition); and (ii) the amortisation of the customer relationships over their respective expected useful lives on a straight-line basis.

The Group's trade receivables decreased by approximately 8.56% from approximately RMB84.0 million as at 31 December 2024 to approximately RMB76.8 million as at 31 December 2025, and further decreased by approximately 8.14% to approximately RMB70.5 million as at 30 June 2026; while the Group's related party receivables decreased by approximately 32.20% from approximately RMB39.8 million as at 31 December 2024 to approximately RMB27.0 million as at 31 December 2025, and further decreased by approximately 16.54% to approximately RMB22.5 million as at 30 June 2026. With reference to the 2025 Annual Report and the 2026 Interim Report, the Group's trade receivables and related party receivables mainly represented receivables from the provision of property management services, real estate agency services income and earnest money paid to property developers to entitle the Group an exclusive agency right to sell properties in the primary market projects. The aforesaid decreases in the Group's trade receivables and related party receivables were primarily due to the decrease in revenue generated, the effective measures taken by the Group to collect receivables and the continued provision of impairment losses.

The Group's total liabilities increased by approximately 4.46% from approximately RMB281.0 million as at 31 December 2024 to approximately RMB293.6 million as at 31 December 2025, and decreased by approximately 2.04% to approximately RMB287.6 million as at 30 June 2026. The Group's liabilities primarily consisted of trade payables, contract liabilities, accruals and other payables and tax payable. As shown in the above table, the changes in the Group's total liabilities were primarily due to the changes in contract liabilities and tax payable.

The Group's contract liabilities increased by approximately 42.52% from approximately RMB53.0 million as at 31 December 2024 to approximately RMB75.5 million as at 31 December 2025, and decreased by approximately 18.60% to approximately RMB61.5 million as at 30 June 2026. With reference to the 2025 Annual Report, the Group's contract liabilities represented consideration received in advance from customers for property management services to be provided by the Group.

The Group's net current liabilities increased by approximately 119.26% from 31 December 2024 to 31 December 2025, and decreased by approximately 19.61% from 31 December 2025 to 30 June 2026. With reference to the 2025 Annual Report and the 2026 Interim Report, the changes in the Group's net current liabilities were mainly due to decrease in related party receivables (current assets) and changes in contract liabilities (current liabilities). Due to the loss or profit attributable to owners of the Company for FY2025 and 1H2026 respectively, the equity attributable to owners of the Company changed from approximately positive RMB34.1 million as at 31 December 2024 to approximately negative RMB20.5 million as at 31 December 2025, and to approximately negative RMB11.8 million as at 30 June 2026.

As depicted from the above table, as at 30 June 2026, the Group's bank balances and cash was approximately RMB64.3 million, net current liabilities was approximately RMB49.4 million and the equity attributable to owners of the Company was approximately negative RMB11.8 million.

With reference to the 2025 Annual Report and the 2026 Interim Report:

(i) the Group recorded loss of approximately RMB71.5 million for FY2025; and the Group's current liabilities exceeded its current assets by approximately RMB61.4 million as at 31 December 2025;

(ii) while the Group recorded profit of approximately RMB5.0 million for 1H2026, the Group's current liabilities exceeded its current assets by approximately RMB49.4 million as at 30 June 2026.

These conditions indicated the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern (the "**Going Concern Uncertainty**"). Although the Going Concern Uncertainty did not result in a modification of opinion expressed by the Company's auditor on the Group's consolidated financial statements for FY2025, the Company's auditor had nevertheless drawn attention in their report regarding the Going Concern Uncertainty.

With reference to the 2026 Interim Report, in respect of the Group's property management services, the Group continued to introduce information technology and digital tools across its operational spectrum during 1H2026. AI-powered surveillance system and smart parking management solutions were put into operation, effectively enhancing on-site service efficiency. Concurrently, the hotline services and dedicated

WeChat enterprise communication groups facilitated direct online service access, while transparent management practices further strengthened owners' trust. Through active participation in community building initiatives, the Company successfully secured two new projects after 1H2026 as emergency services provider, creating a virtuous cycle between brand building and market development. Moving forward, the Group remains committed to a strategy of steady growth, actively addressing market challenges while seizing opportunities in the property management industry. The Group will continue to deliver high-quality services to its customers and create greater value for the Shareholders.

Information on the Share Subscribers

With reference to the Board Letter:

(i) The Share Subscriber I (i.e. the Offeror) is Yoncan Co., Ltd., a company incorporated in the British Virgin Islands with limited liability, whose principal business is investment holding. As at the Latest Practicable Date, the Share Subscriber I is wholly and beneficially owned by Mr. Gong, who is also the sole director of the Share Subscriber I. Mr. Gong is currently the Chairman of Jiangsu Ruihong Network Technology Co., Ltd.* (江蘇睿鴻網路技術股份有限公司), the shares of which were previously quoted on the National Equities Exchange and Quotations (NEEQ) of the PRC (ticker: 873920). Jiangsu Ruihong Network Technology Co., Ltd., through its subsidiaries, is principally engaged in developing "cloud + network convergence" service solutions, including content delivery network (CDN), cloud distribution, multi-cloud management, cloud security and cloud migration services, which are applied across industries such as fintech, e-commerce and intelligent manufacturing. In addition, the company also integrates artificial intelligence into its cloud platforms to enable enterprise clients to build or adopt artificial intelligence assistance running on local servers for enhanced data protection. Mr. Gong does not have any prior experience in the provision of professional property management services.

(ii) The Share Subscriber II is YSTEM Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, whose principal business is investment holding. As at the Latest Practicable Date, the Share Subscriber II is wholly and beneficially owned by Mr. Deng Han. Mr. Deng Han has 16 years of strategic advisory and private equity experience.

(iii) The Share Subscriber III is Beaming Light Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, whose principal business is investment holding. As at the Latest Practicable Date, the Share Subscriber III is directly and wholly owned by Mr. Chen Xi as the beneficial owner, and the Share Subscriber III, together with Mr. Chen Xi, is directly interested in a total of 11,596,000 Shares. Mr. Chen Xi is the vice president of

Fineland Group, with responsibility for financial management matters. Mr. Chen Xi is an employee of a member of the Fineland Group and also a director of certain members of the Fineland Group (not being members of the Mansion Green Holding Companies). The Fineland Group comprises Fineland Group Holdings and its subsidiaries and associates (for the avoidance of doubt, excluding the Group) and Fineland Group Holdings is indirectly and wholly owned by Mr. Fong as the ultimate beneficial owner.

Reasons for and benefits of the Share Subscription and use of proceeds

With reference to the Board Letter:

(i) Over the past few years, as part of the Company's business strategy, the Company has progressively wound down its real estate agency operations and such operations now only represent a minimal part of the Group's overall business, with its scope refined to align with the current strategic focus.

(ii) Similar to other companies in the PRC property management sector, the Company has been negatively affected by recent events affecting the PRC real estate sector. Since mid-2021, sales of residential properties in China slowed significantly and a number of Chinese property developers began to experience difficulties in securing external financing. The property service industry, which is closely linked to the performance of the real estate sector, has also experienced downward pressure.

(iii) Over the past three financial years, the Company recorded declining revenue and accumulated net losses of approximately RMB207.9 million. Impairment losses on financial assets continued to be a major driver of the Company's losses, which was primarily attributable to the provision for impairment losses on trade receivables and amounts due from related parties (including former fellow subsidiaries/related companies) as a result of factors including the continued downward movement in the real estate industry and challenging economic conditions and recovery of trade receivables and amounts due from related parties continued to be slow. The declining financial performance of the Group resulted in the negative equity position (attributable to owners of the Company) amounting to approximately RMB20.493 million as at 31 December 2025.

(iv) During FY2025, the Company faced mounting liquidity pressure and its net current liabilities reached approximately RMB61.425 million and the gearing ratio went up to 98% as at 31 December 2025. With a view to mitigating the liquidity pressure, the Company has been taking actions such as negotiating repayment of its liabilities and implementing policies to monitor cash flows through cutting costs and capital expenditure.

(v) Following efforts to explore fundraising alternatives by the Company and with the Warrant Subscriber being the facilitator, the Company has reached an agreement with the Offeror, who was interested in investing in the Company through the Acquisition and Share Subscription, alongside the Share Subscriber II and the Share Subscriber III. It is expected the Share Subscription will improve the financial position of the Company and the Group will be in a better position to revive its operational and financial performance in the long run.

As further advised by the Directors, Mr. Chen Xi, in his capacity as vice president of Fineland Group, was involved in discussions relating to the Acquisition. Through such involvement, he became aware of the Share Subscription and subsequently expressed an interest in subscribing for the Subscription Shares in his personal capacity as an investor. Mr. Chen Xi is independent of the other Share Subscribers and the Warrant Subscriber. Given the confidential nature of the Share Subscription, the Company did not approach other Shareholders regarding the participation in the Share Subscription.

Having considered the Group's financial information as set out in the sub-section headed "Information on the Group" above, in particular, (i) the Group's loss for FY2024 and FY2025; (ii) the Group's net current liabilities as at 31 December 2024, 31 December 2025 and 30 June 2026; (iii) the negative equity attributable to owners of the Company as at 31 December 2025 and 30 June 2026; and (iv) Going Concern Uncertainty, we consider that it is necessary for the Group to seek opportunities to improve such financial positions.

Financing alternatives

With reference to the Board Letter, prior to entering into the Share Subscription Agreement, the Board considered fund-raising alternatives such as equity financing (such as rights issues, open offers and placing of new Shares to independent third parties) and external debt financing. Having conducted an internal assessment of the Company's financial position, market conditions and available financing options, the Board concluded that none of these alternatives was commercially practicable or capable of meeting the Company's funding needs in a timely manner.

Based on our analysis on the Group's financial information as detailed under the sub-section headed "Information on the Group" above, in particular (i) the composition of the Group's assets; (ii) the Group's net current liabilities as at 31 December 2024, 31 December 2025 and 30 June 2026; (iii) the negative equity attributable to owners of the Company as at 31 December 2025 and 30 June 2026; and (iv) the Group's gearing ratio of 98% and 96% as at 31 December 2025 and 30 June 2026 respectively, we are of the view that (i) the Group lack substantial assets to be placed as collateral to secure debt financing; and (ii) debt financing would result in additional interest burden and further increase the Group's gearing ratio. As such, we consider that debt financing is not an optimal financing alternative for the Group.

In respect of other equity funding-raising method such as rights issue or open offer which are available to existing Shareholders; or placing of new Shares, we understood from the Company that given the Group's financial position, it would be (i) difficult to procure underwriter and, without underwriter, the results of rights issue, open offer or placing of Shares would be highly uncertain; and (ii) difficult to procure investors for placing of shares. In addition, the dilution effect of a placing exercise (with similar fund-raising size and issue price with the Share Subscription) on the shareholding interest of existing Shareholders would be similar with that of the Share Subscription.

For our due diligence purpose, we searched for, on an exhaustive basis, rights issue and open offer conducted by other Hong Kong listed companies on a non-underwritten basis that were completed during the period from 1 February 2026 (being approximately six months prior to the date of the Announcement) up to the Latest Practicable Date. We noted that (i) there were no open offer conducted by Hong Kong listed companies during the said period; (ii) among the 43 completed rights issue transactions identified during the said period, (a) only 4 of which were oversubscribed; (b) 26 of which were undersubscribed by approximately 50% to 99%; and (iii) the completion of these rights issue transactions took place in around two to seven months from the date of the initial announcement.

In view of the (i) the Group's loss for FY2024 and FY2025; (ii) the Group's net current liabilities as at 31 December 2024 and 31 December 2025; (iii) the negative equity attributable to owners of the Company as at 31 December 2025; (iv) Going Concern Uncertainty, we concur with the Company's view that it would be difficult for the Company to conduct placing of Shares, rights issue or open offer on an underwritten basis. Furthermore, it would be difficult to procure investors for placing of shares and the dilution effect of a placing exercise (with similar fund-raising size and issue price with the Share Subscription) on the shareholding interest of existing Shareholders would be similar with that of the Share Subscription. Having also considered our research on recently completed non-underwritten rights issue transactions conducted by other Hong Kong listed companies, in particular the time required (ranging from two to seven months) and certainty of the result (majority of the completed rights issue were under-subscribed by at least 50%), we are of the view that placing of Shares, rights issue and open offer are not optimal financing alternatives for the Group.

Although the number of Shares to be issued to the Share Subscriber I is subject to downward adjustment in the case where the Company failed to maintain a public float of not less than 25% immediately following the close of the Offer (as detailed below), which may affect the actual proceeds to be raised from the Share Subscription, we consider the Share Subscription is nevertheless an appropriate fund-raising method given that (i) there is no certainty on the amount of proceeds the Company could raise from other equity financing method given the Group's financial performance and position; and

(ii) the Share Subscriber I will discuss with the Company alternative ways to provide financing to the Group in the event the number of Subscription Shares to be allotted and issued to the Share Subscriber I is downward adjusted.

In light of the above, we consider that the Share Subscription is appropriate fund-raising method currently available to the Group.

Use of proceeds

With reference to the Board Letter, assuming full subscription, the net proceeds (after deducting relevant costs and expenses) from the Share Subscription will be approximately HK$49,500,000 (the "**Net Proceeds**") and will be primarily used to repay the Group's outstanding liabilities (owed to third parties which are not Shareholders) and supplement the Group's general liquidity (the "**Intended Uses**"), including:

(i) approximately 50% for settlement of trade and other related payables, mainly comprising amounts due to service providers engaged by the Group in the provision of security, cleaning, gardening and maintenance services, etc.;

(ii) approximately 20% for repayments of deposits and property management fees received in the ordinary course of business, mainly including renovation deposits from property owners or tenants and performance deposits from suppliers, as well as property management fees received in advance that may become refundable under certain circumstances; and

(iii) approximately 30% for general working capital, including but not limited to payment of staff costs, administrative expenses and procurement of supplies required for the Group's business operations, to maintain sufficient financial flexibility for the Group's day-to-day operations.

In the event the number of Subscription Shares to be allotted and issued to the Share Subscriber I is adjusted due to insufficient public float, the Share Subscriber I will discuss with the Company alternative way(s) to provide financing to the Group (including but not limited to unsecured shareholder's loan(s)) for an amount up to the product of (i) the Share Subscription Price and (ii) the difference between 247,600,000 (being the maximum number of Subscription Shares for the Share Subscriber I) and the actual number of Subscription Shares allotted and issued to the Share Subscriber I. In the event that such alternative financing is not obtained from the Share Subscriber I, the Group will apply the reduced net proceeds to the above purposes on a pro-rata basis.

We noted from the 2026 Interim Report and understood from the Directors that, as at 30 June 2026, (i) the Group's trade payables were approximately RMB70.2 million, among which approximately RMB51.4 million were outstanding for less than one year and approximately RMB18.8 million were outstanding for over one year; (ii) the Group's accruals and other payables were approximately RMB131.2 million, including deposits received of approximately RMB40.6 million which primarily represented renovation deposits from property owners or tenants and performance deposits from suppliers in relation to property management services; and (iii) the Group's contract liabilities were approximately RMB61.5 million, primarily represented consideration received in advance from customers for property management services to be provided by the Group.

We noted from the Board Letter that the Group intends to prioritise the settlement of those outstanding payables which have been outstanding for more than one year as the deferred repayment deadline for such payables tends to be more imminent given the time elapsed from the original due date. Although the allocated proceeds for the settlement of trade and other related payables are insufficient to fully settle the Group's outstanding payables, it would nevertheless strengthen the Group's financial position for the Group to have better deployment of its cash resources. The Company has also engaged in active negotiations with the suppliers for deferred payment arrangements, which allows greater flexibility on repayment timeline notwithstanding some of the payables have already been overdue.

As at 30 June 2026, the Group's bank balances and cash (including restricted bank balances) was approximately RMB66.7 million. We understood from the Directors that (i) the Group is required to retain cash for sustaining its daily operations (which we consider to be reasonable as the Group's operations require procurement of supplies and administrative expenses (including staff cost)); and (ii) the Group intends to settle the remaining outstanding payables by ways of internal resources (including cash generated from the Group's day-to-day operations) as the Group's financial position and cash flow improve.

We further enquired into the Directors and we understood that the Group is required from time to time to (i) repay the deposits upon completion of the relevant property management projects and the confirmation of the compliance with the applicable requirements; and (ii) refund the unfulfilled consideration for property management services received in advance upon early termination or adjustment of the property management arrangement, and such arrangement is in line with the market and industry practice. As noted from the Board Letter, the Company expects to utilise the proceeds allocated to the repayments of deposits and property management fees received in advance within two years following the Share Subscription Completion. For our due diligence purpose, we obtained from the Company historical record on the Group's repayment of such deposits and fees from January 2025 to June 2026. Based on the average monthly repayment amount from January 2025 to June 2026, we consider the proceeds allocated to the repayments of deposits and property management fees received in advance within two years following the Share Subscription Completion to be reasonable.

Given the above, we consider that the Net Proceeds would (i) improve the Group's gearing ratio and overall financial position by reducing the Group's trade payable balance; and (ii) improve the Group's overall liquidity in the event where the Group is notified to repay the performance deposits or refund the unfulfilled consideration for property management services.

In respect of the allocation of net proceeds to general working capital, we noted from the 2025 Annual Report that the Group had incurred (i) administrative expenses of approximately RMB47.5 million and RMB40.3 million for FY2024 and FY2025 respectively; and (ii) employee benefit expenses of approximately RMB150.6 million and RMB140.1 million for FY2024 and FY2025 respectively. We concur with the Directors that the allocation of the Net Proceeds as to 30% for general working capital would support the Group's day-to-day operations.

Given the aforesaid, in particular, the net proceeds from the Share Subscription is intended to improve the Group's financial position and cash flow, we are of the view that the Intended Uses are appropriate.

Having considered (i) reasons for the Share Subscription as mentioned above; (ii) the Share Subscription is appropriate fund-raising method currently available to the Group; and (iii) the Net Proceeds would improve the Group's financial position and the Intended Uses are appropriate, we are of the view that although the Share Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interest of the Company and the Shareholders as a whole.

II. PRINCIPAL TERMS OF THE SHARE SUBSCRIPTION AGREEMENT

Set out below is a summary of the principal terms of the Share Subscription under the Share Subscription Agreement, details of which are set out in the section headed "The Share Subscription Agreement" of the Board Letter.

Agreement date: 27 July 2026

Parties:

(a) Issuer: the Company

(b) Subscriber: the Share Subscribers

(i) The Offeror (i.e. the Share Subscriber I) for up to 247,600,000 Subscription Shares.

(ii) The Share Subscriber II for up to 76,200,000 Subscription Shares.

(iii) The Share Subscriber III for up to 46,200,000 Subscription Shares.

Subscription Shares:	The maximum number of Subscription Shares (being 370,000,000 Shares) represents 92.50% of the total issued Shares as at the Latest Practicable Date and approximately 48.05% of the total issued Shares as enlarged by the allotment and issue of the maximum number of Subscription Shares (assuming there is no other change in the total issued Shares from the Latest Practicable Date to the Share Subscription Completion). In the event the allotment and issue of the maximum number of Subscription Shares to any Share Subscriber will cause the public float of the Company to fall below 25%, the Company and the Share Subscribers will negotiate in good faith appropriate downward adjustment(s) to determine the final number of Subscription Shares to be allotted and issued to the relevant Share Subscriber such that the public float of the Company will not fall below 25% immediately after the Share Subscription Completion, provided the Offeror will hold no less than 55% of the total issued Shares as enlarged by the allotment and issue of the final number of Subscription Shares. For the avoidance of doubt, there will be no adjustment to the final number of Subscription Shares if the allotment and issue of the maximum number of Subscription Shares will not cause the public float of the Company to fall below 25% immediately after the Share Subscription Completion.
Share Subscription price:	HK$0.14 per Subscription Share
Ranking of Subscription Shares:	The Subscription Shares will be allotted and issued pursuant to the Share Specific Mandate to be sought from the Independent Shareholders at the EGM. The Subscription Shares, when allotted and issued, shall rank *pari passu* in all respects among themselves and with the Shares in issue.

Conditions precedent: Share Subscription Completion is subject to the conditions precedent as set out under the section headed ''Conditions precedent to the Share Subscription'' of the Board Letter.

Share Subscription Completion: Share Subscription Completion shall take place within five Business Days (or such other date as agreed to in writing between the Company and the Share Subscribers) upon the satisfaction or waiver (as the case may be) of the conditions under the Share Subscription Agreement (other than the conditions set out in sub-paragraphs (g) and (h) under the section headed ''Conditions precedent to the Share Subscription'' of the Board Letter, the satisfaction or waiver of which shall take place on the date of Share Subscription Completion), upon which the Company shall issue and allot the Subscription Shares to the Share Subscribers and the Share Subscribers shall pay to the Company the aggregate Share Subscription Price. Completion of the subscription of all Subscription Shares shall occur simultaneously.

Analysis on the Share Subscription Price

As illustrated above, Share Subscription Price is HK$0.14, which represents:

(i) a discount of approximately 93.12% to the closing price of HK$2.035 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 39.13% to the closing price of HK$0.23 per Share as quoted on the Stock Exchange on 7 July 2026, being the Last Trading Day;

(iii) a discount of approximately 38.60% to the average closing price of HK$0.228 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;

(iv) a discount of approximately 32.04% to the average closing price of approximately HK$0.206 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;

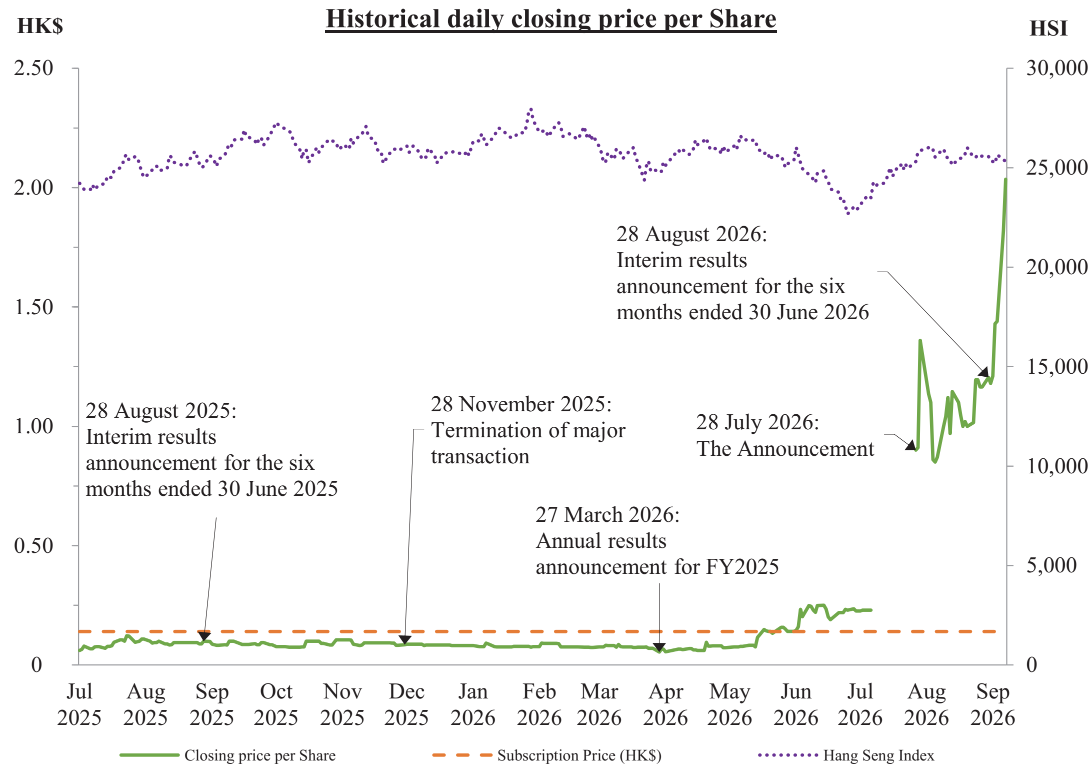
(v) a discount of approximately 3.45% to the average closing price of approximately HK$0.145 per Share as quoted on the Stock Exchange for the last 60 consecutive trading days immediately prior to and including the Last Trading Day;

(vi) a premium of approximately 26.13% over the average closing price of approximately HK$0.111 per Share as quoted on the Stock Exchange for the last 120 consecutive trading days immediately prior to and including the Last Trading Day;

(vii) a premium of approximately HK$0.1967 over the net equity (negative) attributable to the owners of the Company per Share (the "**Net Deficit per Share**") of approximately RMB0.0512 (equivalent to approximately HK$0.0567) as at 31 December 2025, as calculated based on the audited net equity (negative) attributable to owners of the Company of approximately RMB20.5 million as at 31 December 2025 and 400,000,000 Shares in issue as at the Latest Practicable Date; and

(viii) a premium of approximately HK$0.1739 over the Net Deficit per Share of approximately RMB0.0295 (equivalent to approximately HK$0.0339) as at 30 June 2026, as calculated based on the unaudited net equity (negative) attributable to owners of the Company of approximately RMB11.8 million as at 30 June 2026 and 400,000,000 Shares in issue as at the Latest Practicable Date.

Set out below is a chart showing the movement of the closing prices of the Shares during the period from 2 July 2025 to the Latest Practicable Date, being approximately one year up to and including the Latest Practicable Date (the "**Share Review Period**"), which we consider to be a sufficient time period for share prices review to illustrate general trend and level of movement of share prices. The comparison of closing prices of the Shares and Share Subscription Price is illustrated as follows:



Notes: Trading in the Shares was halted on the Stock Exchange from 9:00 a.m. on 8 July 2026 and resumed at 9:00 a.m. on 28 July 2026.

Source: the Stock Exchange's website

During the Share Review Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange were HK$2.035 per Share recorded on 8 September 2026 (i.e. the Latest Practicable Date) and HK$0.054 per Share recorded on 30 March 2026, with an average closing price of approximately HK$0.212 per Share and median closing price of approximately HK$0.087 per Share. The Share Subscription Price falls within the closing price range of and is higher than the average closing price and median closing price of the Shares during the period from 2 July 2025 (being the beginning of the Share Review Period) to the Last Trading Day (the "**Pre-Announcement Period**").

As depicted from the above chart, the closing prices of the Shares fluctuated between HK$0.054 and HK$0.122 from 2 July 2025 to 14 May 2026. Subsequently, the closing prices of the Shares hiked and reached HK$0.250 on 15 June 2026. On 7 July 2026 (being the Last Trading Day), the closing price of the Share was HK$0.230.

The Share Subscription Price was higher than the closing prices of the Shares in 216 out of 249 trading days during the Pre-Announcement Period.

After publication of the Announcement and resumption of trading in the Shares on 28 July 2026, the closing prices of the Shares, which might be stimulated by the publication of the Announcement, surged to HK$0.900 on 28 July 2026 and fluctuated between HK$0.850 to HK$2.035 up to the Latest Practicable Date. Save for the aforesaid, we did not identify any specific reason which caused the fluctuation of the closing price of the Shares during the Share Review Period.

The Share Subscription Price was higher than the closing prices of the Shares in 216 out of 279 trading days during the Share Review Period.

We noted that the Share Subscription Price was substantially below the closing prices of the Shares after publication of the Announcement up to the Latest Practicable Date. This was mainly due to the post-Announcement prices surge which might be stimulated by the publication of the Announcement, the price of the Shares may not sustain without the occurrence of the Acquisition, the Offer and the Share Subscription.

We understood from the Directors that the Share Subscription Price was determined with reference to, among other factors as stated in the Board Letter, the average closing price of the Shares over a medium-term prior to the Last Trading Day to carve out any short-term fluctuation in the prices of the Shares.

Trading multiple analysis

We noted that trading multiple analysis (including the use of price-to-earnings ratio and price-to-book ratio) are commonly adopted method for the purpose of assessing the fairness and reasonableness of the Share Subscription Price. However, as the Group is loss-making for FY2025 (being the latest audited financial year) and recorded Net Deficit per Share as 30 June 2026, the use of price-to-earnings ratio and price-to-book ratio is not practicable. Accordingly, we consider trading multiple analysis is impracticable in this regard.

Comparison with other share subscription transactions

As the approval of the Share Subscription by the Independent Shareholders at the EGM formed part of the conditions precedent to the Acquisition, we consider that the Share Subscription is a bundled deal with the Acquisition. Given this transaction structure, we consider it is impracticable to compare the Share Subscription Price to the subscription price of other standalone share subscription transactions conducted by other Hong Kong listed companies.

Conclusion on the Share Subscription Price

Having considered the factors set out below:

(i) trading multiple analysis and comparison with other share subscription transactions being impracticable;

(ii) the Share Subscription Price falls within the closing price range of and is higher than the average closing price and median closing price of the Shares during the Pre-Announcement Period and the Share Subscription Price was higher than the closing prices of the Shares in 216 out of 249 trading days during the Pre-Announcement Period;

(iii) the Share Subscription Price represents a slight discount of 3.45% to the average closing price of approximately HK$0.145 per Share as quoted on the Stock Exchange for the last 60 consecutive trading days immediately prior to and including the Last Trading Day (being a medium term prior to and including the Last Trading Day);

(iv) the Share Subscription Price was higher than the closing prices of the Shares in 216 out of 279 trading days during the Share Review Period; and

(v) the Share Subscription Price represents a premium of approximately HK$0.1739 over the Net Deficit per Share of approximately RMB0.0295 (equivalent to approximately HK$0.0339) as at 30 June 2026,

we are of the view that the Share Subscription Price is fair and reasonable.

Other terms of the Share Subscription Agreement

We did not identify any abnormal term under other clauses of the Share Subscription Agreement, such as "Ranking of Subscription Shares", "Conditions precedent" and "Share Subscription Completion", that are unfavourable to the Company and the Shareholders as a whole.

In view of the above, we consider the terms of the Share Subscription to be fair and reasonable so far as the Independent Shareholders are concerned.

Potential dilution effect of the Share Subscription

With reference to the shareholding table in the section headed "SHAREHOLDING STRUCTURE OF THE COMPANY" of the Board Letter, the shareholding interests of the existing Offer Shareholders was approximately 38.99%. Assuming that there is no change in the number of the total issued Shares from the Latest Practicable Date to the completion of the Share Subscription, the shareholding interest of the existing Offer Shareholders would be diluted by approximately 18.74 percentage points to approximately 20.25% immediately after completion of the Share Subscription.

As aforementioned above, as at 31 December 2025, the Group's net current liabilities was approximately RMB61.4 million and the equity attributable to owners of the Company was approximately negative RMB20.5 million. With reference to the 2025 Annual Report, (i) the Group's loss of approximately RMB71.5 million; and (ii) as at 31 December 2025, the Group's current liabilities exceeded its current assets by approximately RMB61.4 million, indicated the Going Concern Uncertainty. As set out in the section headed "Reasons for and benefits of the Share Subscription and use of proceeds" above: (i) the Share Subscription is appropriate fund-raising method currently available to the Group (as compared to debit financing and pre-emptive equity fund-raising methods such as rights issue and open offer); and (ii) the Net Proceeds would improve the Group's financial position and the Intended Uses are appropriate.

Taking into account the aforementioned benefits of the Share Subscription, we are of the view that the aforesaid dilution is acceptable.

RECOMMENDATION ON THE SHARE SUBSCRIPTION

Having taken into consideration of the factors and reasons as stated above, in particular that:

(a) the Share Subscription is appropriate fund-raising method currently available to the Group;

(b) the Net Proceeds would improve the Group's financial position and the Intended Uses are appropriate;

(c) the Share Subscription Price is fair and reasonable;

(d) we did not identify any abnormal term under other clauses of the Share Subscription Agreement; and

(e) the dilution effect of the Share Subscription on the shareholding interests of the other Offer Shareholders is acceptable given the benefits of the Share Subscription,

we are of the opinion that (i) the terms of the Share Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) although the Share Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committees to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Share Subscription, and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

III. SPECIAL DEAL

With reference to the Board Letter:

(i) As the Share Subscription is a special arrangement available to the Share Subscriber III (which, together with its sole beneficial owner, is directly interested in approximately 2.90% of the total issued Shares as at the Latest Practicable Date) only and not offered to all Shareholders, the Share Subscription constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code.

(ii) The Offeror has made an application to the Executive for consent in relation to the Special Deal. The Executive's consent, if granted, will normally be conditional upon the Independent Financial Adviser confirming to the Independent Board Committee that the terms of the Special Deal are fair and reasonable, and the passing of an ordinary resolution by the Independent Shareholders at a general meeting of the Company to approve the Special Deal.

As detailed under the sub-section headed "Reasons for and benefits of the Share Subscription and use of proceeds" of the section headed "I. Background of and Reasons for the Transactions" above, the opportunity to participate in the Share Subscription was available to Share Subscriber III solely through the involvement of Mr. Chen Xi (being the sole shareholder of Share Subscriber III) in the discussions relating to the Acquisition in his capacity as vice president of Fineland Group.

Based on our analysis on the applicability of other fund-raising method as set out the under the sub-section headed "Reasons for and benefits of the Share Subscription and use of proceeds" of the section headed "I. Background of and Reasons for the Transactions" above, in particular, the uncertainty of rights issue, open offer and placing of new Shares without an underwriter, we are of the view that (i) placing of Shares, rights issue and open offer are not optimal financing alternatives for the Group; and (ii) the Share Subscription is appropriate fund-raising method currently available to the Group to improve the Group's gearing ratio and overall financial position.

Given (i) the aforesaid; (ii) the confidential nature of the Share Subscription (being one of the subjects of the conditions precedent to the Acquisition); (iii) the Special Deal forms part of the Share Subscription, the purpose of which are to improve the Group's gearing ratio and overall financial position; and (iv) rights issue and open offer (being fund-raising methods available to existing Shareholders) are not optimal financing alternatives for the Group, we are of the view that it is reasonable for the Company not to approach other Shareholders regarding the Share Subscription.

RECOMMENDATION ON THE SPECIAL DEAL

Having taken into consideration of:

(i) rights issue and open offer (being fund-raising methods available to existing Shareholders) are not optimal financing alternatives for the Group;

(ii) the Share Subscription is an appropriate fund-raising method currently available to the Group;

(iii) the Net Proceeds would improve the Group's financial position and the Intended Uses are appropriate; and

(iv) as illustrated above, the terms of Share Subscription (including the Share Subscription Price) are on normal commercial terms and are fair and reasonable,

we are of the opinion that (i) the terms of the Special Deal are on normal commercial terms and are fair and reasonable; and (ii) the Special Deal is in the interests of the Company and the Shareholders (including the Independent Shareholders) as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Special Deal.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Notes: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

This circular includes particulars given in compliance with the Takeovers Code. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this circular and confirm that, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts not contained in this circular the omission of which would make any statements in this circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Directors and chief executives

Directors' and Chief Executives' Interests or Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required to be entered in the register referred to therein pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below

Long position in the Shares:

Name	Nature of interest	Total number of Shares held	Percentage of Shareholding
Mr. Fong Ming	Interest in controlled corporation(1)	225,948,000	56.49%
Ms. Tse Lai Wa	Interest in controlled corporation(1)	225,948,000	56.49%
Mr. Han Shuguang	Interest in controlled corporation(2)	4,500,000	1.125%

Notes:

1. 97,200,000 Shares are held by Mansion Green, which is indirectly and wholly-owned by Mr. Fong as the beneficial owner through the Mansion Green Holding Companies. 64,800,000 Shares are held by Aspiring Vision, which is directly and wholly-owned by Ms. Tse as the beneficial owner. 60,000,000 Shares are held by Huiyu Investment, which is directly and wholly-owned by Mr. Huang as the beneficial owner. Mr. Huang and his spouse are interested in 3,948,000 Shares. Pursuant to the Deed of Concert Parties, Mr. Fong and Ms. Tse are deemed to be interested in the total number of Shares in which each of Mr. Fong, Ms. Tse and Mr. Huang is interested.

2. 4,500,000 Shares are held by the IU Shareholder, which is directly and wholly-owned by Mr. Han as the beneficial owner.

3. All interests are calculated based on the total Shares in issue as at the Latest Practicable Date, being 400,000,000 Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required to be entered in the register referred to therein pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Substantial Shareholders

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares and Debentures

As at the Latest Practicable Date, to the best knowledge of the Company, the following persons (other than Directors or chief executive of the Company) had interests or short positions in the Shares, underlying shares or debentures of the Company which were required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules, or which were required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long position in the Shares:

Name	Nature of interest	Total number of Shares held	Percentage of Shareholding
Ms. He Kangkang (何康康)(1)	Interest of spouse	225,948,000	56.49%
Mr. Zheng Muming (鄭木明)(2)	Interest of spouse	225,948,000	56.49%

Name	Nature of interest	Total number of Shares held	Percentage of Shareholding
Mr. Huang Peng (黃鵬)(3)	Interest in a controlled corporation, interest of spouse and a legal and beneficial owner	225,948,000	56.49%
Ms. Zheng Hui (鄭暉)(4)	Interest of spouse and a legal and beneficial owner	225,948,000	56.49%
Mansion Green(5)	Legal and beneficial owner	97,200,000	24.3%
Widethrive Investments(5)	Interest in a controlled corporation	97,200,000	24.3%
Aspiring Vision(2)	Legal and beneficial owner	64,800,000	16.2%
Huiyu Investment(3)	Legal and beneficial owner	60,000,000	15%
Offeror(6)	Legal and beneficial owner	447,644,000	111.91%
Mr. Gong Weili (貢偉力)(6)	Interest in a controlled corporation	447,644,000	111.91%
Share Subscriber II(7)	Legal and beneficial owner	76,200,000	19.05%
Mr. Deng Han (鄧翰)(7)	Interest in a controlled corporation	76,200,000	19.05%
Share Subscriber III(8)	Legal and beneficial owner	56,472,000	14.12%
Mr. Chen Xi (陳曦)(8), (9)	Legal and beneficial owner, interest in a controlled corporation and interest of spouse	59,800,000	14.95%

Name	Nature of interest	Total number of Shares held	Percentage of Shareholding
Ms. Xie Dan (謝丹)(8), (9)	Interest in a controlled corporation and interest of spouse	59,800,000	14.95%
Warrant Subscriber(10)	Legal and beneficial owner	77,000,000	19.25%
PAG(10)	Interest in a controlled corporation	77,000,000	19.25%
Vision Bridge Company Limited(11)	Legal and beneficial owner	26,408,000	6.60%
Mr. Li Yepeng (李曄鵬)(11)	Interest in a controlled corporation	26,408,000	6.60%
Ms. Liu Jin (劉瑾)(11)	Interest of spouse	26,408,000	6.60%

Notes:

1. Ms. He Kangkang (何康康) is the spouse of Mr. Fong. Under the SFO, Ms. He Kangkang is deemed to be interested in the same number of Shares in which Mr. Fong is interested.

2. 64,800,000 Shares, representing 16.2% of the issued share capital of the Company, are held by Aspiring Vision, which is directly and wholly-owned by Ms. Tse as the beneficial owner. Pursuant to the Deed of Concert Parties, Ms. Tse is deemed to be interested in the total number of Shares in which each of Mr. Fong, Ms. Tse and Mr. Huang is interested. Mr. Zheng Muming (鄭木明) is the spouse of Ms. Tse. Under the SFO, Mr. Zheng Muming is deemed to be interested in the same number of Shares in which Ms. Tse is interested.

3. 60,000,000 Shares, representing 15.0% of the issued share capital of the Company, are held by Huiyu Investment, which is directly and wholly-owned by Mr. Huang as the beneficial owner. Mr. Huang and his spouse are interested in 3,948,000 Shares. Pursuant to the Deed of Concert Parties, Mr. Huang is deemed to be interested in the total number of Shares in which each of Mr. Fong, Ms. Tse and Mr. Huang is interested.

4. Ms. Zheng Hui (鄭暉) is the spouse of Mr. Huang. Under the SFO, Ms. Zheng Hui is deemed to be interested in the same number of Shares in which Mr. Huang is interested.

5. Mansion Green is the registered owner of 97,200,000 Shares, representing 24.3% of the issued share capital of the Company. Mansion Green is wholly-owned by Stand Smooth. Stand Smooth is wholly owned by Hero Dragon, which is wholly-owned by Fineland Group Holdings, which in turn is wholly owned by Widethrive Investments, and ultimately

wholly-owned by Mr. Fong. Accordingly, Widethrive Investments, Fineland Group Holdings, Hero Dragon and Stand Smooth are therefore deemed to be interested in the same number of Shares in which Mansion Green is interested under the SFO.

6. Pursuant to the Share Purchase Agreement, the Offeror has agreed to acquire 200,044,000 Shares, representing 50.01% of the issued share capital of the Company. In addition, pursuant to Share Subscription Agreement, the Offeror has agreed to subscribe for up to 247,600,000 Subscription Shares, representing approximately 61.90% of the issued share capital of the Company. The Offeror is therefore interested in an aggregate of 447,644,000 Shares, representing approximately 111.91% of the issued share capital of the Company. Mr. Gong Weili (貢偉力) is the sole shareholder of the Offeror, who is deemed to be interested in the same number of Shares in which the Offeror is interested under the SFO.

7. Pursuant to the Share Subscription Agreement, the Share Subscriber II has agreed to subscribe for up to 76,200,000 Subscription Shares, representing 19.05% of the total issued Shares, which is wholly and beneficially owned by Mr. Deng Han. Accordingly, Mr. Deng Han is deemed to be interested in the same number of Shares in which the Share Subscriber II is interested under the SFO.

8. 10,272,000 Shares, representing approximately 2.57% of the issued share capital of the Company, are held by the Share Subscriber III, which is wholly and beneficially owned by Mr. Chen Xi. In addition, pursuant to Share Subscription Agreement, the Share Subscriber III has agreed to subscribe for up to 46,200,000 Subscription Shares, representing 11.55% of the total issued Shares. The Share Subscriber III is therefore interested in an aggregate of 56,472,000 Shares, representing approximately 14.12% of the issued share capital of the Company. Mr. Chen Xi is therefore deemed to be interested in the same number of Shares in which the Share Subscriber III is interested under the SFO.

9. 2,004,000 Shares, representing approximately 0.50% of the issued share capital of the Company, 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. In addition, Mr. Chen Xi directly holds 1,324,000 Shares, representing approximately 0.33% of the issued share capital of the Company. Therefore, Mr. Chen Xi and Ms. Xie Dan are each deemed to be interested in the same number of Shares in which the other is interested under the SFO.

10. Pursuant to the Warrant Subscription Agreement, the Warrant Subscriber has conditionally agreed to subscribe for 77,000,000 Warrants, representing 19.25% of the total issued Shares. The Warrant Subscriber is wholly owned by PAG Loan Fund IV L.P., and managed by PAG Loan GP IV Limited, which in turn is wholly owned by PAG Asia Loan LLC, and further in turn is wholly owned by Pacific Alliance Group Limited, and ultimately wholly owned by PAG. Accordingly, PAG Loan Fund IV L.P., PAG Loan GP IV Limited, PAG Asia Loan LLC, Pacific Alliance Group Limited and PAG are therefore deemed to be interested in the same number of Shares in which the Warrant Subscriber is interested under the SFO.

11. 26,408,000 Shares, representing approximately 6.60% of the issued share capital of the Company, are held by Vision Bridge Company Limited (formerly known as Lexin (Hong Kong) Investment Company Limited) ("**Vision Bridge**"), which is wholly owned by Guangzhou Zhishan Corporate Services Co., Ltd.* (廣州智善企業服務有限公司) ("**Zhishan Corporate**"), which is in turn 80% owned by Guangzhou Zhishan Investment Holding Co., Ltd.* (廣州智善投資控股有限公司) ("**Zhishan Investment**"), of which Mr. Li Yepeng (李曄鵬) is the ultimate beneficial owner holding approximately 98.02% of its total issued share capital. Accordingly, Mr. Li Yepeng (李曄鵬), Zhishan Corporate and Zhishan Investment are therefore deemed to be interested in the same number of Shares in

which Vision Bridge is interested under the SFO. In addition, Ms. Liu Jin (劉瑾) is the spouse of Mr. Li Yepeng (李曄鵬), therefore, Ms. Liu Jin (劉瑾) is deemed to be interested in the same number of Shares in which Mr. Li Yepeng (李曄鵬) is interested under SFO.

12. All interests are calculated based on the total Shares in issue as at the Latest Practicable Date, being 400,000,000 Shares.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified of any other person (other than the Directors and chief executive of the Company) who had an interest or short position in the Shares and/or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

3. COMPETING INTERESTS

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

4. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS OF SIGNIFICANCE

(i) Interests in asset acquired, disposed of or leased by, or to be acquired, disposed of or leased by the Group

Saved as disclosed in this circular, as at the Latest Practicable Date, none of the Directors had any direct or indirect material interest in any asset which had been, since 31 December 2025 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

(ii) Interest in contracts and arrangements

As at the Latest Practicable Date, (i) Mr. Fong (due to his shareholding interests in Stand Smooth and the Fineland Group), and (ii) Ms. Tse (due to the acting in concert arrangement with Mr. Fong) had material interests in the following:

(i) on 30 July 2026, Stand Smooth provided an offshore bridge loan of HK$1.4 million to the Company for the purpose of settling part of the fees of the advisers engaged by the Company to advise on the Offer, the Share Subscription, the Warrant Subscription and the transactions contemplated thereunder, as the Group did not have sufficient offshore funds. The loan is unsecured and interest-free and has no fixed repayment date. It is understood that no proceeds received from the Share Subscription or from the exercise of the Warrants will be used to repay such loan;

(ii) the master agency service agreement dated 25 October 2023 entered into between the Company and Fineland Group Holdings in relation to the provision of real estate agency services by the Group to members of the Fineland Group for a term of three years commencing on 1 January 2024 and ending on 31 December 2026. The transactions contemplated thereunder constitute continuing connected transactions of the Company, details of which were set out in the Company's circular dated 23 November 2023;

(iii) the master property management services agreement dated 25 October 2023 entered into between the Company and Mr. Fong in relation to the provision of property management services by the Group to members of the Fineland Group or other companies controlled by Mr. Fong for a term of three years commencing on 1 January 2024 and ending on 31 December 2026. The transactions contemplated thereunder constitute continuing connected transactions of the Company, details of which were set out in the Company's circular dated 23 November 2023; and

(iv) the master lease agreement dated 25 October 2023 entered into between the Company and Fineland Group Holdings pursuant to which any subsidiaries of the Company as tenant may continue, amend, renew the existing lease agreements or enter into new leases with members of the Fineland Group for a term of three years commencing on 1 January 2024 and ending on 31 December 2026. The transactions contemplated thereunder constitute continuing connected transactions of the Company, details of which were set out in the Company's announcement dated 25 October 2023.

As (i) Mr. Fong and Ms. Tse are the ultimate beneficial owners of Mansion Green and Aspiring Vision, respectively; and (ii) Mr. Han is a director of each of the Mansion Green Holding Companies (other than Fineland Group Holdings) and accordingly presumed to be acting in concert with Mansion Green by virtue of class (2) of the definition of acting in concert, each of them has indirect interests in the Share Subscription. Save as disclosed above and in this circular, there was no contract or arrangement subsisting as at the Latest Practicable Date, in which a Director was materially interested and which was significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or been proposed to enter, into any service contract with the Company or any other members of the Group which is not expiring or may not be terminable by the Group within one year without payment of compensation (other than statutory compensation).

6. CLAIMS AND LITIGATION

As at the Latest Practicable Date, the Group was involved in the following legal proceedings:

Litigation against Heshan Fudu

In June 2023, Guangzhou Fineland Living, an indirectly wholly-owned subsidiary of the Company, entered into a settlement agreement with Heshan Fudu to settle outstanding receivables of approximately RMB16.0 million owed by Heshan Fudu through the transfer of 23 properties. As the conditions precedent under the settlement agreement were not fulfilled by the long stop date and the properties were not delivered as agreed, the settlement agreement was rescinded in accordance with its terms. Following the rescission, Heshan Fudu was required to refund the down payment of approximately RMB4.0 million paid in connection with the transfer of properties and remained liable for the outstanding receivables and related obligations, including assisting with the cancellation of the online filing procedures in respect of the relevant properties following repayment of the down payment.

As Heshan Fudu failed to refund the down payment and pay the applicable contractual penalty, the Group commenced legal proceedings against Heshan Fudu. A hearing was conducted in April 2026, and the court rendered a judgment on 21 May 2026 confirming that the settlement agreement entered into in June 2023 was rescinded with effect from 1 December 2025, and ordering Heshan Fudu to refund the down payment of approximately RMB4.0 million and pay the applicable contractual penalty (calculated at the rate of 0.01% per day from 13 December 2025 until the date on which the amount is paid in full). As at the Latest Practicable Date, Heshan Fudu remained liable for (i) such outstanding receivables of approximately RMB16.0 million which were originally intended to be settled under the settlement agreement; and (ii) the down payment of approximately RMB4.0 million along with the accrued contractual penalty of approximately RMB95,000. The Group has applied to the court for compulsory enforcement of the judgment of approximately RMB4.0 million along with the accrued contractual penalty. In light of the prolonged delay in recovery and the uncertainty as to the collectability of the outstanding amounts, the Group has recognised impairment losses of approximately 88% of such outstanding amounts in accordance with its accounting policies as at 31 December 2025.

Litigation against subsidiaries of the Company

The owners' committee of Meizhou Tao Ran Jun (陶然居, a residential community in Meizhou City and not a Shareholder), commenced legal proceedings against (i) Guangdong Yikang Property Service Co., Ltd.* (廣東益康物業服務有限公司), a non-wholly owned subsidiary of the Company, and (ii) Meizhou Yi He Kang Property Service

Co., Ltd.* (梅州市益合康物業服務有限公司), a wholly-owned subsidiary of Guangdong Yikang Property Service Co., Ltd., in relation to a claim for an aggregate amount of approximately RMB5.8 million, including the return and the interest accrued thereon.

As at the Latest Practicable Date, multiple hearings were held in relation to the case, and the court had not yet issued its judgment. Based on the legal opinion obtained by the Group in relation to an assessment of the potential exposure, the Group has made a provision of approximately RMB1.6 million in respect of the claim. The Company will continue to monitor the proceedings. In the event that the court orders the payment of any amount in connection with the claim, the Company will satisfy such payment obligation from its internal resources and does not intend to use any proceeds from the Share Subscription for such payment.

Litigation against Fangyuan Huijin

On 13 March 2024, Fangyuan Agency, a wholly-owned subsidiary of the Company, initiated a civil legal proceeding against Fangyuan Huijin, a company ultimately non-wholly owned by Mr. Fong, with the People's Court of Guangzhou Tianhe District, seeking repayment of outstanding earnest money balance of approximately RMB14.2 million (subsequently amended to approximately RMB13.1 million following Fangyuan Huijin's repayment of approximately RMB1.1 million during the period from January 2024 to March 2024), along with accrued interest of approximately RMB47,800 (calculated at the one-year loan prime rate (LPR) of 3.45% per annum published by the National Interbank Funding Centre from 30 January 2024 to 29 February 2024, and subject to further accrual thereafter until full repayment).

On 23 October 2024 and 20 March 2025, the Company obtained a favourable judgment and a subsequent enforcement order. The court subsequently initiated compulsory enforcement actions against Fangyuan Huijin to compel the fulfilment of its obligations under the judgement, and is currently enforcing the judgment through a judicial auction process. As at the Latest Practicable Date, although certain properties had been sold, the Company had not yet received the sale proceeds, and continues to follow up on the progress of the relevant court proceedings. In addition, certain properties subject to enforcement had not been successfully disposed of through the judicial auction process. Given the uncertainty as to the timing of recovery, the Group has recognised impairment losses of approximately 88% of the aforesaid outstanding earnest money balance in accordance with its accounting policies as at 31 December 2025. The Group will continue to take reasonable steps to maximise recovery to the extent practicable.

Save as disclosed above, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

7. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given opinions or advice which are contained in this circular:

Name	Qualification
Gram Capital Limited	A corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders on (i) the Offer; and (ii) the Share Subscription and the Special Deal

Gram Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter(s), report(s), certificate(s) and/or opinion(s) (as the case may be) and the references to its name included herein in the form and context in which it is respectively included.

Gram Capital confirmed that as at the Latest Practicable Date, it did not have any direct or indirect shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any direct or indirect interests in any assets which have been, since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL ADVERSE CHANGE

The Directors confirm that there is no material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up, up to and including the Latest Practicable Date.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be available on the Stock Exchange's website (www.hkexnews.hk), the SFC's website (www.sfc.hk) and the Company's website (http://www.finelandassets.com) for a period of fourteen (14) days from the date of this circular (both days inclusive):

(i) the Share Subscription Agreement;

(ii) the Warrant Subscription Agreement;

(iii) the "Letter from the Board", the text of which is set out in this Circular;

(iv) the "Letter from the Independent Board Committee", the text of which is set out in this Circular;

(v) the "Letter from Gram Capital", the text of which is set out in this Circular;

(vi) the written consent referred to in the section headed "7. Expert's Qualification and Consent" in this Appendix I; and

(vii) this circular.

10. GENERAL

(a) The company secretary of the Company is Ms. Chan Charmayne, who is a fellow member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries).

(b) The registered office of the Company, as well as the principal share registrar and transfer office of the Company, is situated in Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1–1108, Cayman Islands.

(c) The Company's headquarters in the PRC is situated in No. 28 Tiyu East Road, Tianhe District, Guangzhou, PRC.

(d) The Company's principal place of business in Hong Kong is situated in Unit B, 17/F., United Centre, 95 Queensway, Admiralty, Hong Kong.

(e) The Company's branch share registrar in Hong Kong is Computershare Hong Kong Investor Services Limited situated in Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(f) In case of inconsistencies, the English text of this circular shall prevail over the Chinese text.

方圆生活服务
FINELAND LIVING SERVICES

Fineland Living Services Group Limited
方圓生活服務集團有限公司

(formerly known as Fineland Real Estate Services Group Limited 方圓房地產服務集團有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9978)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Fineland Living Services Group Limited (the "**Company**") will be held at 10:00 a.m. on 30 September 2026 at 11th Floor, No. 28 Tiyu East Road, Tianhe District, Guangzhou, the PRC for the purpose of considering and, if thought fit, passing with or without amendments, the following ordinary resolutions. Words and expressions that are not expressly defined in this notice of EGM shall bear the same meaning as those defined in the circular of the Company dated 10 September 2026.

ORDINARY RESOLUTIONS

(1) "**THAT:**

(a) the Share Subscription Agreement dated 27 July 2026 entered into between the Company and the Share Subscribers, a copy of which is tabled at the meeting and marked "A" and signed by the chairman of the meeting for the purpose of identification, in relation to the subscription of up to 370,000,000 ordinary shares in the share capital of the Company by the Share Subscribers at the subscription price of HK$0.14 per Subscription Share and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

(b) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares, the Directors be and are hereby granted with the Share Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to allot, issue and credit as fully paid, the Subscription Shares to the Share Subscribers, on and subject to the terms and conditions of the Share Subscription Agreement entered into between the Company and the Share Subscribers, provided that the Share Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandate(s) which has/have been granted or may be granted from time to time to the Directors prior to the passing of this resolution; and

(c) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things, to sign and execute all such documents or agreements or deeds and take all such actions as he/she/they may in his/her/their absolute discretion consider necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Share Subscription Agreement and any transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith as are, in the opinion of such Director, in the interest of the Company and the Shareholders (including the Independent Shareholders) as a whole."

(2) "**THAT** the Special Deal in respect of the Share Subscription by the Share Subscriber III, which constitutes a special deal under Rule 25 of the Takeovers Code, be and is hereby confirmed, ratified and approved."

(3) "**THAT:**

(a) the Warrant Subscription Agreement dated 27 July 2026 entered into between the Company and the Warrant Subscriber, a copy of which is tabled at the meeting and marked "B" and signed by the chairman of the meeting for the purpose of identification, in relation to the subscription of 77,000,000 Warrants by the Warrant Subscriber, the allotment and issuance of the Warrant Shares upon exercise of the Warrants at the Exercise Price (subject to adjustment) and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

(b) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the Warrant Shares, the Directors be and are hereby granted the Warrant Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the Warrant Shares to the Warrantholder(s) upon exercise of the Warrants at the Exercise Price (subject to adjustment), on and subject to the terms and conditions of the Warrant Subscription Agreement, provided that the Warrant Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution; and

(c) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things, to sign and execute such documents or agreements or deeds and take all such actions as he/she/they may in his/her/their absolute discretion consider necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Warrant Subscription Agreement and the transactions contemplated thereunder and agree to such variation, amendment or waiver as are, in the opinion of such Director, in the interest of the Company and the Shareholders as a whole.''

Yours faithfully,
By order of the Board
Fineland Living Services Group Limited
Mr. SUN Ligong
Executive Director

Hong Kong, 10 September 2026

Notes:

1. A member of the Company entitled to attend and vote at the EGM shall be entitled to appoint one or if he is a holder of two or more shares of the Company, more than one proxies to attend and vote in his stead. A proxy needs not be a member of the Company but must be present in person at the EGM to represent the member. Completion and return of the form of proxy will not preclude a member of the Company from attending the EGM and voting in person should he so wish. In such event, his form of proxy will be deemed to have been revoked.

2. Where there are joint registered holders of any share, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

3. A form of proxy for the EGM is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 48 hours before the time for holding the EGM (i.e. not later than 10:00 a.m. on 28 September 2026) or any adjournment thereof.

4. To ascertain the members' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from 25 September 2026 to 30 September 2026 (both days inclusive), during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the EGM, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–16, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on 24 September 2026.

5. Members of the Company or their proxies shall produce documents of their proof of identity when attending the EGM.

6. BAD WEATHER ARRANGEMENTS:

   If tropical cyclone warning signal no. 8 or above is hoisted, ''extreme conditions'' caused by super typhoons or a black rainstorm warning signal is in force at 7:00 a.m. on the date of the EGM, the EGM will not be held on that day but will automatically be postponed and, by virtue of this notice, be held at the same time and place on the next Business Day. The Company will post an announcement on the websites of the Stock Exchange at www.hkexnews.hk and on the Company's website at www.finelandassets.com to notify the

Shareholders of the details of the adjourned meeting. Shareholders may call the Company at (852) 5478 0938 during business hours from 9:00 a.m. to 6:00 p.m. from Monday to Friday, excluding public holidays, for details of the alternative meeting arrangements.

In the event the EGM is postponed as mentioned above, all forms of proxy deposited with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, for the purpose of the EGM will remain valid for the adjourned EGM. The book closure period for ascertaining the rights of the Shareholders who shall be entitled to attend and vote at the EGM remains unchanged.

The EGM will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. Shareholders should make their own decision as to whether they would attend the EGM under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.

As at the date of this notice, the executive Directors are Mr. FONG Ming, Mr. SUN Ligong, Mr. HAN Shuguang and Ms. TSE Lai Wa; and the independent non-executive Directors are Mr. LEUNG Wai Hung, Mr. TIAN Qiusheng and Mr. DU Chenhua.