18 September 2026

To the Shareholders

Dear Sir or Madam,

THE UNCONDITIONAL VOLUNTARY CASH PARTIAL OFFER BY AFG SECURITIES LIMITED FOR AND ON BEHALF OF GONG HAILIN TO ACQUIRE UP TO 115,000,000 SHARES IN FU SHOU YUAN INTERNATIONAL GROUP LIMITED (STOCK CODE: 1448) (A COMPANY INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

INTRODUCTION

Reference is made to the Rule 3.5 Announcement.

On 1 September 2026 (after trading hours of the Stock Exchange), the Offeror notified the Offeree Company of her firm intention to make the Partial Offer (in compliance with the Takeovers Code) to acquire up to 115,000,000 Offer Shares (representing approximately 4.96% of the Offeree Company's issued share capital as at the Latest Practicable Date) at the Offer Price of HK$0.1 per Offer Share.

As at the Latest Practicable Date, the Offeror and parties acting in concert with her are not directly or indirectly interested in any voting rights or rights over any Shares, convertible securities, warrants or options of the Offeree Company or any derivatives in respect of such securities.

Based on the latest monthly return of the Offeree Company for the month ended 31 August 2026, as at the Latest Practicable Date, the Offeree Company has 2,319,863,422 Shares in issue.

Save as disclosed above, the Offeree Company does not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares, nor has it entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

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This letter forms part of this Offer Document and sets out, among other things, principal terms of the Partial Offer, together with the information on the Offeror and the intention of the Offeror regarding the Offeree Group. Further details of the terms and procedures of acceptance of the Partial Offer are set out in Appendix I to this Offer Document and the accompanying Form of Acceptance.

THE PARTIAL OFFER

Principal terms of the Partial Offer

The Partial Offer is made by AFG Securities, for and on behalf of the Offeror, in compliance with the Takeovers Code on the basis set out below:

For each Offer Share .... HK$0.1 in cash

The Offer Price of HK$0.1 per Share was determined by the Offeror after taking into account, among other things, various qualitative and quantitative factors and the exceptional circumstances of the Offeree Company. In particular, but without limitation, the following matters were considered:

(i) the historical prices of which the Shares were traded at prior to the suspension of trading on the Stock Exchange on 20 March 2026 pending the release of an inside information announcement in respect of certain asset procurement transactions and related payment arrangements that required further verification and assessment and the subsequent delay in publication of the annual results of the Offeree Company for the year ended 31 December 2025;

(ii) the suspension of trading in the Shares since 20 March 2026 in light of Rule 6.01A(1) of the Listing Rules, whereby the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Offeree Company, the 18-month period expires on 19 September 2027. As disclosed by the announcement of the Offeree Company dated 18 June 2026, the Offeree Company is still in the process of fulfilling the Resumption Guidance, including but not limited to the conduct of an independent forensic investigation, publication of all outstanding financial results required and addressing any audit modifications, demonstration that there is no reasonable regulatory concern about the integrity, competence and/or character of the Offeree Group's management and/or any persons with substantial influence over the Offeree Company's management and operations, engagement of an independent internal control consultant and as such, there may be uncertainty over liquidity of the Shares and whether the trading of the Shares can be eventually resumed;

(iii) as disclosed in the announcements of the Offeree Company dated 19 March 2026, 31 March 2026 and 18 June 2026, during the preparation of the Offeree Group's annual results for the year ended 31 December 2025, certain matters were identified in relation to certain asset procurement transactions and related payment arrangements in the amount of approximately RMB3 million, which required further verification and assessment (the "**Questionable Transactions**"), as the supporting documents and approval procedures were incomplete. The Offeree Company has also identified that Shanghai Consulting had approximately 40 Questionable Transactions during the period from 2016 to 2025 with an aggregate amount of approximately RMB11.2 million, for which the supporting documents and approval procedures were incomplete, including cash withdrawals or cash disbursements amounting to approximately RMB4.3 million, and payments to suppliers relating to procurement amounting to approximately RMB6.9 million. The Offeree Company has established a special investigation committee comprising all independent non-executive Directors to conduct an independent investigation and has engaged a forensic accounting firm to carry out an independent forensic investigation covering matters involving cash withdrawals or disbursements, related procurement transactions and payment arrangements and personnel involved in such transactions and the Offeree Group's cash flows, approval procedures and implementation of internal controls during the relevant period. By late March 2026, the forensic accountant has reported their preliminary findings of which 47 Questionable Transactions were identified relating to cash withdrawals or disbursements and payments to suppliers purportedly for procurement amounting to RMB19.7 million during the period from 2016 to 2025. Up to the date of the announcement of the Offeree Company dated 18 June 2026, the forensic investigation was still ongoing;

(iv) as disclosed in the announcement of the Offeree Company dated 18 June 2026, in July 2025, there were discussions on a mainland online forum alleging that a current executive Director, being a then executive Director and the chief executive officer, whose name was not expressly disclosed in the announcement (the "**Former CEO**"), together with certain management of a subsidiary of the Offeree Company breached compliance requirements for personal gain when operating projects of such subsidiary. He was subsequently removed as the chief executive officer of the Offeree Company in December 2025 while remained as an executive Director. Pursuant to the preliminary findings of the forensic investigation, staff of the Offeree Company represented that certain Questionable Transactions were made under the instructions of the Former CEO without any supporting documents, and certain cash withdrawals were made to the Former CEO with no accounting entries nor internal approval record. Up to the date of the announcement of the Offeree Company dated 18 June 2026, the forensic investigation was still ongoing;

(v) as disclosed in the announcement of the Offeree Company dated 12 December 2025, for the purpose of aligning the Offeree Company's management arrangements with its development strategy, Mr. Wang Jisheng ("**Mr. Wang**") was removed from his position as the chief executive officer of the Offeree Company but continued to serve as an executive Director. As disclosed in the announcement of the Offeree Company dated 31 August 2026, Mr. Wang was removed from his office as a Director by notice in writing served on him signed by not less than 3/4 in number of the Directors then in office in accordance with the articles of association of the Offeree Company, and Mr. Wang has filed complaints to the relevant regulators and the Board raising concerns over the matters mentioned in the announcements of the Offeree Company dated 12 December 2025, 19 March 2026, 31 March 2026, 18 June 2026 and 10 July 2026. While it was disclosed that the Offeree Company has assessed the allegations raised and concluded that such allegations do not have substantive merits, it was not disclosed whether the complaints have been resolved with the relevant regulators;

(vi) as disclosed in the interim report of the Offeree Company for the six months ended 30 June 2025, the Offeree Company has recorded an unaudited revenue of approximately RMB610,850,000, representing an approximately 44.47% decrease from an unaudited revenue of approximately RMB1,099,991,000 for the six months ended 30 June 2024, and a decrease in revenue across all business segments of the Offeree Group compared to the same period last year. Furthermore, the Offeree Company incurred an unaudited loss of approximately RMB263,873,000 for the six months ended 30 June 2025, representing a turnaround from an unaudited profit of approximately RMB363,135,000 for the six months ended 30 June 2024; and

(vii) the cost incurred or to be incurred by the Offeror in making the Partial Offer, including legal fees and fees to the other professional parties.

The Partial Offer is extended to all Qualifying Shareholders in accordance with the requirements of the Takeovers Code.

Pursuant to the Takeovers Code, the Offeree Document will be issued by the Offeree Company with the inclusion of the views of the Board and the independent board committee of the Offeree Company on the Partial Offer, and the written advice of the independent financial adviser of the Offeree Company in relation to whether the Partial Offer is fair and reasonable or not, and the reasons therefor. The Shareholders are advised to read the Offer Document and the Offeree Document before taking any action in respect of the Partial Offer.

Consent and waivers granted by the Executive in connection with the Partial Offer

The Offeror has obtained the Executive's consent for the Partial Offer under Rule 28.1 of the Takeovers Code on 14 September 2026. On even date, the Executive granted the following waivers in connection with the Partial Offer which were applied for by the Offeror:

(i) a waiver from the note to the definition of "offer" under the Takeovers Code in connection with making the Partial Offer at a proposed Offer Price substantially below the market price of the Shares (i.e. at a discount of more than 50% to the closing price of the Shares on the Last Trading Day and the five-day average closing price before such day); and

(ii) a waiver from the requirement under Rule 28.7 of the Takeovers Code in connection with the making of the Partial Offer for a specified range (rather than a precise number) of Shares. Such waiver was granted on the condition that final closing date of the Partial Offer shall not be later than 28 days after the date of this Offer Document without the Executive's prior consent.

Unconditional Partial Offer

The Partial Offer is unconditional in all respects. For the avoidance of doubt, the Partial Offer, once made, is not conditional on the level of acceptances.

Pursuant to Rule 15.1 of the Takeovers Code, where the offeree board circular is posted after the date of the offer document, the offer must be initially open for acceptance for at least 28 days after the date of the offer document.

Should there be any revision, extension, lapse or withdrawal of the Partial Offer, an announcement will be made in accordance with the Takeovers Code and the Listing Rules.

Comparison of value for the Offer Price

Trading in the Shares has been suspended since 20 March 2026. Accordingly, where reference is made below to a comparison of the Offer Price to closing prices of Shares, the relevant closing prices of the Shares are those relating to the period preceding the suspension of trading in the Shares from that date.

The Offer Price of HK$0.1 per Offer Share represents:

(i) a discount of approximately 96.21% to the closing price of HK$2.64 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 96.32% to the average closing price of HK$2.72 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including the Last Trading Day;

(iii) a discount of approximately 96.38% to the average closing price of HK$2.76 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 96.31% to the average closing price of HK$2.71 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day;

(v) a discount of approximately 96.47% to the audited consolidated net asset value attributable to owners of the Offeree Company of HK$2.83 per Share as at 31 December 2024, calculated based on the audited consolidated net asset value attributable to owners of the Offeree Company of approximately RMB5,561,154,000 (equivalent to approximately HK$6,567,723,000) as at 31 December 2024 and 2,319,863,422 Shares in issue as at the Latest Practicable Date, and a RMB: HKD exchange rate of 1:1.181 as published by Hong Kong Association of Banks on its website on the Latest Practicable Date; and

(vi) a discount of approximately 95.41% to the unaudited consolidated net asset value attributable to owners of the Offeree Company of HK$2.18 per Share as at 30 June 2025, calculated based on the unaudited consolidated net asset value attributable to owners of the Offeree Company of approximately RMB4,291,235,000 (equivalent to approximately HK$5,067,949,000) as at 30 June 2025 and 2,319,863,422 Shares in issue as at the Latest Practicable Date, and a RMB: HKD exchange rate of 1:1.181 as published by Hong Kong Association of Banks on its website on the Latest Practicable Date.

As disclosed in the announcement of the Offeree Company dated 27 April 2026, additional time was required by the Offeree Company to complete investigations, assessments and audits in order to finalise the annual results of the Offeree Company for the year ended 31 December 2025. As such, there would be a delay in the publication of the annual results of the Offeree Company for the year ended 31 December 2025 and the despatch of the annual report of the Offeree Company for the year ended 31 December 2025. As disclosed in the announcement of the Offeree Company dated 14 August 2026, as the audit work in respect of the annual results of the Offeree Company for the year ended 31 December 2025 was still in progress, the Offeree Company would not be able to publish the preliminary announcement in respect of its interim financial results for the six months ended 30 June 2026 by 31 August 2026 and despatch its interim report for the six months ended 30 June 2026 by 30 September 2026 in accordance with the requirements under the Listing Rules. As at the Latest Practicable Date, the financial results of the Offeree Company for the year ended 31 December 2025 and the six months ended 30 June 2026 remained outstanding.

In the Offeror's view, these discounts reflect the unique circumstances of the Offeree Company and the risks and costs of making an investment in the Offeree Company as further described in the section headed "Principal terms of the Partial Offer" in this Offer Document above.

Highest and lowest Share prices

The Shares have been suspended from trading with effect from 9:00 a.m. on 20 March 2026 and over the six-month period immediately before the Latest Practicable Date. During the six-month period immediately preceding and including the Last Trading Day (i.e. from 22 September 2025 to 19 March 2026):

(i) the highest closing price of the Shares as quoted on the Stock Exchange was HK$3.05 per Share on 27 October 2025; and

(ii) the lowest closing price of the Shares as quoted on the Stock Exchange was HK$2.56 per Share on 2 April 2026.

Total value of the Partial Offer

Based on the Offer Price of HK$0.1 per Offer Share, assuming valid acceptances of the Partial Offer for the maximum number of 115,000,000 Offer Shares have been tendered by the Qualifying Shareholders, the total cash consideration payable by the Offeror to purchase the 115,000,000 Offer Shares from the Qualifying Shareholders under the Partial Offer will be HK$11,500,000.

Financial resources available to the Offeror

The Offeror will finance the consideration payable under the Partial Offer through her own resources, no part of which is or was borrowed from or provided by any third parties.

Alpha Financial, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable by the Offeror upon full acceptance of the Partial Offer.

Acceptance of the Partial Offer

The Partial Offer is extended to all Qualifying Shareholders in accordance with the requirements of the Takeovers Code.

The Qualifying Shareholders may accept the Partial Offer in respect of some or all of the Offer Shares held by them.

If (i) valid acceptances are received for 115,000,000 Offer Shares or fewer, all Offer Shares validly accepted will be taken up; and (ii) valid acceptances are received for more than 115,000,000 Offer Shares as at the Closing Date, the total number of Offer Shares to be taken up by the Offeror from each accepting Qualifying Shareholder will be determined by the total number of Offer Shares tendered for acceptance in accordance with the following formula:

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

A = the maximum number of Offer Shares under the Partial Offer, i.e. 115,000,000 Offer Shares

B = the total number of Offer Shares validly tendered for acceptance by all Qualifying Shareholders under the Partial Offer

C = the number of Offer Shares tendered for acceptance by the relevant individual Qualifying Shareholder under the Partial Offer

Partial nature of the Partial Offer and effect of fractions

It is possible that, if a Qualifying Shareholder tenders all his/her/its Shares for acceptance under the Partial Offer, not all of such Shares will be taken up.

Fractions of Offer Shares will not be taken up under the Partial Offer and, accordingly, the number of Offer Shares that the Offeror will take up from each Qualifying Shareholder in accordance with the above formula will be rounded up or down to the nearest whole number at the discretion of the Offeror, and in any event, the total number of Offer Shares to be taken up by the Offeror will not exceed 115,000,000 Offer Shares.

Odd lots

Qualifying Shareholders should note that acceptance of the Partial Offer may result in holding odd lots of Shares. Accordingly, AFG Securities, the address of which is Room B, 17/F., Fortune House, 61 Connaught Road Central, Central, Hong Kong (telephone number: (852) 3577 8632, office hours: 9:00 a.m. to 5:00 p.m.) has been appointed by the Offeror to match sales and purchases of odd lot holdings of Shares on a best efforts basis for a period of six weeks following the close of the Partial Offer, on the basis of the indicative expected timetable set out on page v for the period from Tuesday, 20 October 2026 to Tuesday, 1 December 2026, both days inclusive, to assist such Shareholders in disposing their odd lots or to top up their odd lots to whole board lots. Shareholders should note that as the trading of the Shares has been suspended, the off-market matching of odd lots will be conducted on a best efforts basis and transaction costs (such as potential fees for the withdrawal of physical share certificate(s) imposed by the relevant securities broker with which the Shares are held, as well as the fees for handling the bought and sold notes to effect the sale and purchase of odd lot holdings of the Shares) may apply. Shareholders should note that the matching of odd lots is not guaranteed.

Effect of accepting the Partial Offer

Acceptance of the Partial Offer by any Qualifying Shareholder will constitute a warranty by such Shareholder to the Offeror that the Shares sold by it to the Offeror under the Partial Offer are fully paid, free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights and benefits at any time accruing and attaching thereto, including all rights to any dividend or other distributions the record date of which falls on or after the Closing Date.

As at the Latest Practicable Date, the Offeree Company has not declared any dividends or other distributions which remain unpaid. Based on the published information of the Offeree Company available to the public as at the Latest Practicable Date, the interim dividend of HK$0.07 per Share declared by the Offeree Company for the six months ended 30 June 2025 has been paid on 28 November 2025.

Acceptance of the Partial Offer shall be irrevocable and shall not be capable of being withdrawn, except as permitted under the Takeovers Code.

Settlement of consideration

Each Qualifying Shareholder will receive a payment of the Offer Price in cash (subject to any adjustments as set out in the section headed "Effect of accepting the Partial Offer" above) for every Offer Share in respect of which that Qualifying Shareholder validly accepts the Partial Offer and which is taken up by the Offeror under the Partial Offer (less any seller's ad valorem stamp duty arising therefrom).

Settlement of the consideration payable by the Offeror in respect of valid acceptances of the Partial Offer will be made as soon as possible but, in any event, no later than seven (7) business days (as defined under the Takeovers Code) after the Closing Date.

No fractions of a cent will be payable and the amount of cash consideration payable to any Qualifying Shareholder who accepts the Partial Offer will be rounded up to the nearest cent.

Hong Kong stamp duty

In Hong Kong, the seller's ad valorem stamp duty arising in connection with acceptance of the Partial Offer will be payable by the relevant Qualifying Shareholders at a rate of 0.1% of (i) the market value of the relevant Offer Shares accepting the Partial Offer; or (ii) the consideration payable by the Offeror in respect of the relevant acceptance of the Partial Offer, whichever is higher, which will be deducted from the cash amount payable by the Offeror to such Qualifying Shareholder on acceptance of the Partial Offer (where the stamp duty calculated includes a fraction of HK$1, the stamp duty will be rounded-up to the nearest HK$1).

The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Qualifying Shareholders accepting the Partial Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Partial Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Return of documents

If the Partial Offer is withdrawn or lapses, any share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) received by the relevant branch registrar or receiving agent in Hong Kong will be returned to persons who have accepted the Partial Offer by ordinary post at their own risk as soon as possible but in any event no later than seven (7) business days (as defined under the Takeovers Code) after the Partial Offer is withdrawn or lapsed.

If part of the Shares tendered by the Qualifying Shareholders are not taken up by the Offeror under the Partial Offer, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for the Shares not taken up by the Offeror will be returned to persons who have accepted the Partial Offer by ordinary post at their own risk as soon as possible but in any event no later than seven (7) business days (as defined under the Takeovers Code) following the Closing Date.

Taxation advice

Qualifying Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Partial Offer. None of the Offeror and parties acting in concert with her, Alpha Financial, AFG Securities and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Partial Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Partial Offer.

Overseas Shareholders

The Partial Offer is made to all Qualifying Shareholders, including Overseas Shareholders, and a copy of this Offer Document will be sent to each Shareholder with registered addresses in Hong Kong or jurisdictions outside Hong Kong. The making of the Partial Offer to persons who are not residents in Hong Kong or who have registered addresses outside Hong Kong may be prohibited or affected by the applicable laws and regulations of their relevant jurisdictions of residence.

Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should satisfy themselves as to the observance of any applicable legal or regulatory requirements in their own jurisdictions and, where necessary, consult their own professional advisers. It is the responsibility of any such person who wishes to accept the Partial Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith (including the obtaining of any governmental, exchange control or other consents which may be required or the compliance with other necessary formalities or legal requirements or the payment of any transfer or other taxes due from such persons in respect of such jurisdictions).

Acceptance of the Partial Offer by any Qualifying Shareholder will be deemed to constitute a representation and warranty from such Qualifying Shareholder to the Offeror that the local laws and requirements have been complied with and that the Partial Offer can be accepted by such Qualifying Shareholder lawfully under the laws of the relevant jurisdiction. Qualifying Shareholders should consult their professional advisers if in doubt.

SHAREHOLDING STRUCTURE OF THE OFFEREE COMPANY AND EFFECT OF THE PARTIAL OFFER

Assuming that (i) there will be no change to the issued share capital of the Offeree Company; (ii) no other change to the shareholding between the Latest Practicable Date and up to the Closing Date; and (iii) the maximum of 115,000,000 Offer Shares are tendered by Qualifying Shareholders for acceptance under the Partial Offer in proportion to the number of Shares held by each of them over the Shares held by all of them, the shareholding structure of the Offeree Company, as at the Latest Practicable Date and immediately upon completion of the Partial Offer, is set out below:

		As at the Latest Practicable Date		Immediately upon completion of the Partial Offer assuming all Qualifying Shareholders tender all of their Shares for acceptance under the Partial Offer	
Name of Shareholder	*Notes*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*
Perfect Score Group Limited	*1*	483,000,000	20.82	459,056,780	19.79
FSG Holding Corporation	2	320,360,000	13.81	304,479,151	13.12
Sunshine Life Insurance Co., Ltd* (陽光人壽保險股份有限公司)	3	151,482,000	6.53	143,972,752	6.21
The Offeror and parties acting in concert with her					
– the Offeror		–	–	115,000,000	4.96
– Parties acting in concert with the Offeror		–	–	–	–
Subtotal:		–	–	115,000,000	4.96
Other shareholders		1,365,021,422	58.84	1,297,354,739	55.92
Total:		**2,319,863,422**	**100.00**	**2,319,863,422**	**100.00**

Notes:

1. Perfect Score Group Limited is a direct wholly-owned subsidiary of Alliance Rise Limited, which in turn is a direct wholly-owned subsidiary of China Zhongfu Industrial Group Limited* (中國中福實業集團有限公司). China Zhongfu Industrial Group Limited* (中國中福實業集團有限公司) is a direct wholly-owned subsidiary of Shanghai Hongfu Investment Development Co., Ltd.* (上海鴻福投資發展有限公司), which in turn is owned as to 50% by Shanghai Zhongmin Elderly Affairs Development Service Centre* (上海中民老齡事業開發服務中心) and 50% by Shanghai Zhongmin Elderly Affairs Consultancy Service Centre* (上海中民老齡事業諮詢服務中心), both being private non-enterprise unit (民辦非企業單位) administered by Shanghai Qingpu Administration of Civil Affairs.

2. Mr. Tan Tize Shune (also known as Tan Chih Chun), the father of Mr. Tan Leon Li-an, a non-executive Director and vice-chairman of the Offeree Company, is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of FSG Holding Corporation through (i) being a settlor of a trust, which in turn is interested in the entire issued share capital of Pacific Millennium Investment Corporation, the largest shareholder of FSG Holding Corporation; and (ii) being a settlor of another trust, which in turn is interested in the entire issued share capital of Fast Answer Limited, the third largest shareholder of FSG Holding Corporation.

3. Sunshine Life Insurance Co., Ltd. is owned as to 99.99% by Sunshine Insurance Group Co., Ltd.

4. The Offeror will not be a "controlling shareholder" (as defined in the Listing Rules) of the Offeree Company immediately upon completion of the Partial Offer. The Offeror does not have any relationship with each of the substantial Shareholders of the Offeree Company and they are not parties acting in concert with the Offeror.

5. The above shareholding structure of the Offeree Company was derived based on information disclosed in (i) the interim report of the Offeree Company for the six months ended 30 June 2025; and (ii) the monthly return for the month ended 31 August 2026 published by the Offeree Company on 1 September 2026 available on the website of the Stock Exchange.

6. Percentage figures are rounded to the nearest two decimal places, and certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

INFORMATION OF THE OFFEREE GROUP

The Offeree Company is an investment holding company and the Offeree Group is primarily engaged in burial services, funeral services and other services in major cities across 17 provinces, municipalities and autonomous regions in the PRC.

Set out below is a summary of the audited consolidated financial information of the Offeree Company for the financial years ended 31 December 2023 and 2024 as extracted from the annual report of the Offeree Company for the year ended 31 December 2024 and the unaudited consolidated financial information of the Offeree Company for the six months ended 30 June 2025 as extracted from the interim report of the Offeree Company for the six months ended 30 June 2025 (being the latest available financial information published by the Offeree Company):

	For the six months ended 30 June	For the year ended 31 December	
	2025	2024	2023
	(unaudited)	(audited)	(audited)
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Revenue	610,850	2,077,484	2,628,029
(Loss) profit before taxation	(232,370)	810,509	1,431,554
(Loss) profit for the year/period	(263,873)	497,328	975,916
(Loss) profit for the year/period attributable to owners of the Offeree Company	(261,411)	373,134	791,240
Earnings/(loss) per Share – Basic (RMB cents)	(11.5)	16.4	34.8

	As at 30 June	As at 31 December	
	2025	2024	2023
	(unaudited)	(audited)	(audited)
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Net assets	4,865,631	6,155,828	6,573,864
Net assets attributable to owners of the Offeree Company	4,291,235	5,561,154	5,920,055

As disclosed in the announcement of the Offeree Company dated 27 April 2026, as additional time was required by the Offeree Company to complete investigations, assessments and audits in order to finalise the annual results of the Offeree Company for the year ended 31 December 2025, there would be a delay in the publication of the annual results of the Offeree Company for the year ended 31 December 2025. As disclosed in the announcement of the Offeree Company dated 14 August 2026, as the audit work in respect of the annual results of the Offeree Company for the year ended 31 December 2025 was still in progress, the Offeree Company would not be able to publish the preliminary announcement in respect of its interim financial results for the six months ended 30 June 2026 by 31 August 2026 in accordance with the requirements under the Listing Rules. As at the Latest Practicable Date, the financial results of the Offeree Company for the year ended 31 December 2025 and the six months ended 30 June 2026 remained outstanding.

INFORMATION OF THE OFFEROR

The Offeror is a professional investor with over 10 years' experience in the financial industry. She has been working as a unit manager at Prudential Hong Kong Limited since September 2025. From July 2013 to October 2014, she worked at the asset management position in the financial markets department of the head office of Bank of Ningbo Company Limited. From November 2014 to November 2019, she worked at the foreign exchange trading position in the financial markets investment headquarters at China Merchants Securities Company Limited. From November 2019 to September 2024, she worked at China Merchants Securities (HK) Co., Limited with her last position as the vice president at the financial markets innovation department. She obtained her Bachelor's degrees in Economics and Law in 2010 and a Master's degree in Economics in 2013 from Fudan University, China.

The Offeror and parties acting in concert with her did not hold any Shares as at the Latest Practicable Date.

REASONS FOR AND BENEFITS OF THE PARTIAL OFFER

The Offeror is a professional investor with over 10 years' experience in the financial industry. The Partial Offer is conducted by the Offeror as part of her effort to diversify her investment portfolio to increase the aggregate shareholding in the Offeree Company by the Offeror as she recognises the investment value of the Offeree Company.

The Offeror intends to only establish a passive equity position in the Offeree Company by way of the Partial Offer, with no plans or intentions (i) to become a substantial Shareholder (as the term is defined in the Listing Rules); (ii) to seek to control or consolidate control (as the term is defined in the Takeovers Code) of the Offeree Company; or (iii) to influence or be involved in the operations or business of the Offeree Company (including, without limitation, from the perspectives of how it is to be continued, major changes (if any) which may be introduced (including any redeployment of the fixed assets of the Offeree Company), or employment of employees of the Offeree Company and of any of its subsidiaries) other than through the exercise of rights attached to Shares. The Offeror has determined that the Partial Offer of up to 4.96% of the entire issued share capital of the Offeree Company represents a reasonable pathway to passively invest in the Offeree Company.

PUBLIC FLOAT OF THE OFFEREE COMPANY

The Stock Exchange has stated that:

(a) if, at the close of the Partial Offer, the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or

- an orderly market does not exist or may not exist;

it will consider exercising its discretion to suspend dealings in the Shares; and

(b) if, at the close of the Partial Offer, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:

- the Stock Exchange will add a designated marker to the stock name of the Shares; and

- the Stock Exchange will cancel the listing of the Shares if the Company fails to re- comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Offeree Company to remain listed on the Stock Exchange. As at the Latest Practicable Date, based on public information, the Offeree Company has a public float of approximately 65.37% of the Shares. Assuming (i) full acceptances of the number of Offer Shares under the Partial Offer by the Qualifying Shareholders; and (ii) that there are no changes to the issued share capital of the Offeree Company between the Latest Practicable Date and up to the Closing Date, the Offeree Company will have a public float of above 25% of the Shares immediately following the close of the Partial Offer. Accordingly, the number of Shares in public hands will continue to meet the 25% minimum public float requirement under Rule 13.32B of the Listing Rules.

ACCEPTANCE AND SETTLEMENT OF THE PARTIAL OFFER

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Partial Offer as set out in Appendix I to this Offer Document and the accompanying Form of Acceptance.

NO COMPULSORY ACQUISITION

The Offeror will not have the power of compulsory acquisition of any Offer Shares outstanding and not acquired under the Partial Offer after the close of the Partial Offer.

GENERAL

All documents and remittances will be sent to the Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Offeree Company, or, in case of joint holders to the Shareholder whose name appears first in the said register of members of the Offeree Company. None of the Offeror, parties acting in concert with her, Alpha Financial, AFG Securities and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Partial Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

WARNING

Trading in the Shares on the Stock Exchange has been suspended since 20 March 2026. Shareholders and potential investors of the Offeree Company are reminded that the publication of this Offer Document should not be viewed as the Stock Exchange being satisfied that the Offeree Company has fulfilled any resumption guidance issued by the Stock Exchange.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Partial Offer set out in the appendices to this Offer Document and the accompanying Form of Acceptance, which form part of this Offer Document.

Yours faithfully,

For and on behalf of
Alpha Financial Group Limited

Andrew Cheng	**Irene Ho**
Managing Director	*Head of Corporate Finance, Senior Vice President*