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KWG GROUP HOLDINGS LIMITED

合 景 泰 富 集 團 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1813)

**MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF
INTEREST IN A JOINT VENTURE COMPANY**

The Disposal and the Agreement have been approved by way of written shareholders' approval obtained from Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan (being a closely allied group of Shareholders who are parties acting in concert among themselves within the meaning of Takeovers Code) in lieu of a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only.

A letter from the Board is set out on pages 4 to 9 of this circular.

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DEFINITIONS

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

“Agreement”	the sale and purchase agreement dated 26 May 2026 entered into among the Vendor and the Purchaser in relation to the Disposal
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Company”	KWG Group Holdings Limited, a 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: 1813)
“Completion”	completion of the Disposal pursuant to the Agreement
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consideration”	has the meaning ascribed to it under the section headed “Consideration” in this circular
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Share pursuant to the Agreement
“EJV”	Guangzhou Fujing Real Estate Development Co., Ltd.* (廣州市富景房地產開發有限公司), a limited liability company incorporated in the PRC
“EJV Properties”	properties held by the EJV, comprising mainly the International Grand City (IGC Mall) in Tianhe District Guangzhou, Conrad Guangzhou and related underground parking spaces
“Group”	the Company and its subsidiaries
“Guangzhou R&F”	Guangzhou R&F Properties Co., Ltd.* (廣州富力地產股份有限公司), a joint stock company incorporated in the PRC with limited liability and the H shares of which are listed on the main board of the Stock Exchange (stock code: 2777)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Latest Practicable Date”	22 July 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Onshore Transaction”	the transfer of 33.34% equity interest in the EJV indirectly held by Guangzhou R&F to a subsidiary of Sun Hung Kai Properties (China)
“PRC”	the People’s Republic of China
“Purchaser”	Winner Galaxy Limited (運時有限公司), a limited liability company incorporated in Hong Kong
“Quality Express”	Quality Express Limited (雋升有限公司), a limited liability company incorporated in Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	one issued share of the Target Company, representing 50% of the issued share capital of the Target Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed thereto under the Listing Rules
“Sun Hung Kai Properties (China)”	Sun Hung Kai Properties (China) Limited (新鴻基地產(中國)有限公司), a limited liability company incorporated in Hong Kong
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission
“Target Company”	Precious Wave Investments Limited, a limited liability company incorporated in the British Virgin Islands
“Target Group”	the Target Company and its subsidiaries from time to time

DEFINITIONS

“Vendor” Best Day Enterprises Limited, a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company as at the date of the Agreement

“%” per cent

* *For identification purposes only*



合景泰富集團
KWG GROUP HOLDINGS

KWG GROUP HOLDINGS LIMITED

合景泰富集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1813)

Executive Directors:

KONG Jianmin (*Chairman*)

KONG Jiantao

KONG Jiannan

CAI Fengjia

Registered Office:

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Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-executive Directors:

TAM Chun Fai

LAW Yiu Wing, Patrick

WONG Man Ming, Melinda

Principal place of business in Hong Kong:

Room 1301, 13th Floor

Harcourt House

39 Gloucester Road

Wanchai, Hong Kong

24 July 2026

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF
INTEREST IN A JOINT VENTURE COMPANY**

INTRODUCTION

References are made to the announcements of the Company dated 27 May 2026, 16 June 2026 and 30 June 2026 in relation to the Agreement and the transactions contemplated thereunder which constituted a major transaction for the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with, among other things, (i) the details of the Agreement and the Disposal; (ii) the financial information of the Group; (iii) the valuation report on the equity interests of the Target Company and (iv) other information as required under the Listing Rules.

LETTER FROM THE BOARD

THE AGREEMENT

On 26 May 2026, the Vendor (a wholly-owned subsidiary of the Company) and the Purchaser entered into the Agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share.

The principal terms of the Agreement are as follows:

Subject matter

Subject to the terms and conditions in the Agreement, the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share.

The Target Company, through Quality Express, its wholly-owned subsidiary, holds 66.66% equity interest in the EJV. The EJV is principally engaged in the holding, operation and management of the EJV Properties. Upon Completion, the Group would no longer hold any interest in the Target Company.

Consideration

The consideration for the Disposal (the “**Consideration**”) is RMB160 million, which is subject to upward adjustments in an amount equal to 33.33% of the corporate income tax refund amount (if any) actually received by the EJV, which amount will not be more than RMB128 million. The Consideration would be paid as follows:

- (1) First Payment: upon Completion, the Purchaser shall pay RMB160,000,000 to the Vendor.
- (2) Final Payment: Subject to Completion and completion of the Onshore Transaction and the provisions of the Agreement, within five (5) business days from the date on which the EJV has actually received the corporate income tax refund amount (if any), the Purchaser shall pay an amount equal to 33.33% (which represents the indirect economic interest of the Vendor in the EJV, being 50% of the 66.66% equity interest in the EJV indirectly held by the Target Company) of any such corporate income tax refund amount actually received by the EJV to the Vendor.

The Consideration was arrived at after arm’s length negotiations between the parties to the Agreement with reference to the valuation of the equity interests of the Target Company, details of which are set out in the valuation report set out in Appendix II to this circular, the consolidated net asset value of the Target Company of RMB27 million as at 31 December 2025, the expected gain on disposal as set out in the section headed “FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS” below, and the factors considered in the section headed “REASONS FOR ENTERING INTO THE AGREEMENT” below.

LETTER FROM THE BOARD

Conditions precedent

Completion of the Disposal is subject to the satisfaction (or, where applicable, written waiver by the Purchaser) of the following conditions precedent:

- (1) the PRC tax authority having issued a written confirmation to Sun Hung Kai Properties (China) on payment of tax relating to the Disposal;
- (2) all relevant matters between Sun Hung Kai Properties (China), the Company, Guangzhou R&F on the one hand, and the Target Group on the other hand, having been settled as agreed upon by the parties;
- (3) the Company and Guangzhou R&F having jointly sent a written letter to Sun Hung Kai Properties (China) and the relevant property manager to, among others, confirm that the property management and leasing of the Guangzhou IGC Mall shall be handled by Sun Hung Kai Properties (China);
- (4) Sun Hung Kai Properties (China), Guangzhou R&F, and the Company having signed a consent order regarding certain Hong Kong litigation relating to the EJV Properties, agreeing to, among others, discontinue such litigation, which shall be held in escrow by Sun Hung Kai Properties (China) and shall be filed by Sun Hung Kai Properties (China) with the court after Completion and completion of the Onshore Transaction; and
- (5) the representations and warranties of the Vendor remaining true, accurate and complete and not misleading.

The litigation referred to in the condition set out in paragraph (4) above relates to certain contractual disputes between Sun Hung Kai Properties (China), Guangzhou R&F, and the Company over the EJV Properties. Such litigation has been discontinued and it is not expected that there will be any potential material and adverse impact on the Group after the discontinuation.

Completion

All of the conditions above have been fulfilled, and Completion took place on 26 May 2026, on which the procedures for the transfer of the Sale Share had been completed. The Onshore Transaction had also been completed simultaneously.

INFORMATION ON THE TARGET COMPANY

The Target Company is a limited liability company incorporated in the British Virgin Islands. The Target Company is held as to 50% by the Vendor, and as to 50% by a wholly-owned subsidiary of Sun Hung Kai Properties (China). The Target Company, through Quality Express, its wholly-owned subsidiary, holds 66.66% equity interest in the EJV. The remaining 33.34% equity interest in the EJV is held by a wholly-owned subsidiary of Guangzhou R&F. Therefore, the Company is indirectly interested in 33.33% of the EJV.

LETTER FROM THE BOARD

The EJV is engaged in the holding, operation and management of the EJV Properties.

The EJV Properties are a large-scale integrated project in the central business district of the Pearl River New Town in Guangzhou, adjacent to Liede metro station on Line 5, with a total gross floor area of approximately 459,540 square meters, comprising the International Grand City (IGC Mall) in Tianhe District Guangzhou, Conrad Guangzhou and related underground parking spaces.

Set out below is the unaudited consolidated financial information of the Target Company for each of the two years ended 31 December 2024 and 31 December 2025:

	For the year ended	
	31 December	
	2024	2025
	(unaudited)	(unaudited)
	<i>RMB million</i>	<i>RMB million</i>
Net loss before taxation and extraordinary items	(1,131)	(1,529)
Net loss after taxation and extraordinary items	(1,131)	(1,529)

Based on the unaudited consolidated management accounts of the Target Company, as at 31 December 2025, the unaudited consolidated net asset value of the Target Company was approximately RMB27.0 million.

REASONS FOR ENTERING INTO THE AGREEMENT

The principal activities of the Group are property development, property investment and hotel operation.

The Target Company is a joint venture between the Company and Sun Hung Kai Properties (China), and the EJV, a company held as to 66.66% by the Target Company, is a joint venture between the Company, Sun Hung Kai Properties and Guangzhou R&F. Taking into account the current financial conditions of the Group, the Directors are of the view that the Disposal would resolve the outstanding tax issues relating to certain land appreciation tax and late payment penalties relating to the Target Group and/or the EJV Properties owing to the Guangzhou Municipal Tax Bureau. The obligation to settle the outstanding amount to the Guangzhou Municipal Tax Bureau is solely on the EJV. After completion of the Disposal, as the Vendor would no longer have any indirect interest in the EJV, the sole shareholder of the EJV would need to procure the required funding for the EJV to settle the outstanding amount owing to the Guangzhou Municipal Tax Bureau. Accordingly, the Disposal would provide a complete exit solution for the Group, and would help the Group to optimize its resources allocation, and to provide financial resources for its operations.

The Directors are of the view that the terms of the Agreement were negotiated on an arm's length basis and on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LETTER FROM THE BOARD

INFORMATION ON THE PARTIES TO THE AGREEMENT

The Vendor

The Vendor is a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company as at the date of the Agreement. It is principally engaged in investment holding.

The Purchaser

The Purchaser is a limited liability company incorporated in Hong Kong and is principally engaged in investment holding.

To the best knowledge, information and belief of the Directors after making reasonable enquiries, the Purchaser is indirectly wholly owned by Sun Hung Kai Properties (China). Sun Hung Kai Properties (China) is in turn a wholly-owned subsidiary of Sun Hung Kai Properties Limited, a company incorporated with limited liability in Hong Kong whose shares are listed on the Stock Exchange (stock code: 16 (HKD counter) and 80016 (RMB counter)).

To the best knowledge, information and belief of the Directors after making reasonable enquiries, the Purchaser, Sun Hung Kai Properties (China) and their ultimate beneficial owners are independent of and not connected with the Company or connected persons (as defined under the Listing Rules) of the Company.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Upon Completion, the Group would no longer hold any interest in the Target Company. Subject to final audit, it is estimated that the Company will record a gain on disposal of approximately RMB146.5 million from the Disposal, which is calculated with reference to the difference between the initial Consideration of RMB160 million and RMB13.5 million, being 50% of the unaudited consolidated net asset value of the Target Company of RMB27.0 million as at 31 December 2025. The actual amount of gain on the Disposal is subject to review by the auditors of the Company.

The Company intends to apply the proceeds from the Disposal for its general corporate purposes and its debt restructuring.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal is 25% or more but less than 75%, the Disposal constitutes a major transaction and is subject to the reporting, announcement, circular and shareholder approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Disposal. As such, no Shareholders would be required to abstain from voting at a general meeting of the Company approving the Disposal if the Company were to convene such a general meeting.

As at the Latest Practicable Date, Mr. KONG Jianmin, Mr. KONG Jiantao, Mr. KONG Jiannan, together with their associates, are entitled to exercise voting rights in respect of 1,995,892,839 Shares (representing approximately 58.38% of the issued share capital of the Company). Among which, (i) 1,299,046,500 Shares are held by Plus Earn Consultants Limited (“**Plus Earn**”) and 295,703,152 Shares are held by Hero Fine Group Limited (“**Hero Fine**”), both being wholly-owned companies of Mr. KONG Jianmin; (ii) 144,338,500 Shares are held by Peace Kind Investments Limited (“**Peace Kind**”), a wholly-owned company of Mr. KONG Jiannan; and (iii) 254,715,000 Shares are held by Right Rich Consultants Limited (“**Right Rich**”), 1,109,587 Shares are held by Excel Wave Investments Limited (“**Excel Wave**”) and 980,100 Shares are held by Wealth Express Investments Limited (“**Wealth Express**”), all being wholly-owned companies of Mr. KONG Jiantao. Plus Earn, Peace Kind and Right Rich entered into a shareholders’ agreement on 30 December 2018 (the “**Shareholders’ Agreement**”) to regulate their dealings in the Shares and each of Plus Earn, Peace Kind and Right Rich is deemed to be interested in the Shares held by the other parties; and Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan are all brothers of each other and executive Directors. Accordingly, the Company has obtained a written shareholder’s approval certificate from Mr. KONG Jianmin, Mr. KONG Jiantao, Mr. KONG Jiannan (being a closely allied group of Shareholders who are parties acting in concert among themselves within the meaning of the Takeovers Code) to approve the Disposal pursuant to Rule 14.44 of the Listing Rules and no extraordinary general meeting will be convened and held by the Company to approve the Disposal.

RECOMMENDATION

The Board considers that the terms of the Agreement and the Disposal are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. If a general meeting were to be convened by the Company to consider and approve the Agreement and the Disposal, the Board would recommend the Shareholders to vote in favour of the resolution to approve the Agreement and the Disposal.

ADDITIONAL INFORMATION

Your attention is drawn to the financial information of the Group and general information as set out in the appendices to this circular.

Yours faithfully,
For and on behalf of
KWG Group Holdings Limited
KONG Jianmin
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the years ended 31 December 2023, 2024 and 2025 is disclosed in the following documents and have been published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.kwggroupholdings.com:

- annual report of the Company for the year ended 31 December 2023 published on 25 April 2024 (pages 72 to 182) on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0425/2024042502783.pdf>)
- annual report of the Company for the year ended 31 December 2024 published on 23 April 2025 (pages 72 to 178) on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0423/2025042300793.pdf>)
- annual report of the Company for the year ended 31 December 2025 published on 27 April 2026 (pages 72 to 178) on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0427/2026042702782.pdf>)

2. INDEBTEDNESS STATEMENT

Borrowings

As at 31 May 2026, being the latest practicable date for the purpose of determining this indebtedness statement, the Group's borrowings are as follows:

	<i>RMB'000</i>
Bank and other borrowings — secured with guarantee	39,046,978
Bank and other borrowings — secured without guarantee	1,032,179
Bank and other borrowings — unsecured with guarantee	407,738
Senior notes — secured with guarantee	26,649,683
Domestic corporate bonds — unsecured with guarantee	<u>5,114,660</u>
Total	<u>72,251,238</u>

Note: As at 31 May 2026, the Group's bank and other borrowings of approximately RMB40,079.16 million were secured by certain buildings, land use rights, investment properties, properties under development and completed properties held for sale of the Group and equity interests of certain subsidiaries of the Group and certain bank and other borrowings were guaranteed by the Company and certain subsidiaries of the Group. The senior notes of the Group were jointly and severally guaranteed by certain subsidiaries of the Group and secured by the pledges of their shares. Part of the Group's domestic corporate bonds were guaranteed by the Company.

Contingent liabilities

As at 31 May 2026, the contingent liabilities of the Group were as follows:

	<i>RMB'000</i>
Guarantees given to banks in connection with mortgage granted to certain purchasers of the Group's properties ^(Note)	7,841,643
Guarantees given to banks in connection with bank loans granted to joint ventures	<u>14,297,620</u>
Total	<u>22,139,263</u>

Note: the Group provided guarantees to certain banks in respect of mortgage granted by banks relating to the mortgage loans arranged for purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalty owed by the defaulting purchasers to the banks and the Group is entitled but not limited to take over the legal titles and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon issuance of real estate ownership certificates which will generally be available within one to two years after the purchasers take possession of the relevant properties.

Save as otherwise disclosed herein, and apart from intra-group liabilities, as at 31 May 2026, the Group did not have any material:

- (i) debt securities issued and outstanding, authorised or otherwise created but unissued;
- (ii) term loans;
- (iii) borrowings or indebtedness in the nature of borrowing of the Group including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments; or
- (iv) mortgages or charges or material contingent liabilities.

3. WORKING CAPITAL

For the year ended 31 December 2025, the Group incurred a net loss of approximately RMB3,462,187,000, and as of that date, the Group had net current liabilities of approximately RMB44,810,172,000, the Group's bank and other borrowings of approximately RMB53,047,057,000 that were repayable within one year while its cash and bank balances amounted to approximately RMB634,394,000.

As at 31 December 2025, the aggregate principal amount and interest payables of the senior notes and bank and other borrowings in default or cross default are approximately RMB50,985,444,000.

In addition, a winding-up petition against the Company dated 11 August 2025 (the “**Petition**”) was filed by Shandong Sunlight Xin Tiandi Micro-finance Company Limited at the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company in relation to the outstanding debt in the principal amount of approximately RMB642,000,000 and interest accrued in the amount of approximately RMB136,240,000 guaranteed by the Company. On 22 June 2026, the High Court has further adjourned the hearing for the Petition to 14 December 2026.

The Directors prepared a working capital forecast for the 12 months from the date of this circular (the “**Forecast Period**”) based on certain assumptions and events which are expected to take place. The Directors are of the opinion that, after due and careful enquiry, taking into account the Company’s present available resources and the repayment on demand, the Group would not have sufficient working capital for the Forecast Period in the absence of extension of borrowings, obtaining re-financing or conducting equity fund-raising. Major assumptions and events taken into account by the Directors in preparing the working capital forecast include:

- (i) Written agreements will be obtained from existing lenders of the senior notes and bank and other borrowings in default or cross default, that they will not exercise their rights to demand immediate repayment of the relevant loans and corporate bonds prior to their scheduled contractual repayment dates;
- (ii) Lenders of other loans with maturity dates falling within the Forecast Period will extend their maturity dates and will not demand partial or full repayment of the loans; and
- (iii) Core business operation and asset base of the Group and the market conditions in which the Group operates and/or invests in will not differ materially from those of present.

The major factor leading to the insufficiency of working capital is that certain major borrowings of the Group, has or will fall due during the Forecast Period while the future operating cash inflow of the Group may be insufficient to match the repayment schedule of borrowings and relevant interest payment.

The Board has continuously devoted effort to resolve the liquidity issue mentioned above, including but not limited to realizing part of its property assets. The Disposal is part of this realization plan.

In view of these circumstances and to address the issue on working capital sufficiency, the Directors have taken and propose to take the following measures:

- The Company is seeking legal advices to oppose the Petition to avoid winding-up order being granted by the High Court to wind up the Company. The High Court has further adjourned the hearing for the Petition to 14 December 2026.

- On 15 June 2026, the Company has entered into a restructuring support agreement (the “**RSA**”) with certain initial participating creditors (the “**Initial Participating Creditors**”), comprising members of the ad hoc group (“**AHG**”) representing over 26.1% of the aggregate outstanding principal amount of the in-scope debt comprising of the Company’s offshore indebtedness of US\$3,956 million senior notes, US\$380 million syndicated bank loans and US\$497 million certain other loan facilities borrowed or guaranteed by the Company (collectively the “**In-Scope Debts**”) that will be subject to the restructuring of its offshore indebtedness (the “**Restructuring**”). The RSA sets forth the terms of the Restructuring. The contemplated Restructuring is intended to (i) provide the Company with a long-term runway to stabilize the business; (ii) achieve a sustainable capital structure and enhance its net asset value; and (iii) protect the rights and interests, and maximize value, for all stakeholders.

This is a significant milestone for the Company in its implementation of the Restructuring. The Company intends to implement the Restructuring through scheme of arrangement(s) in Hong Kong and/or Cayman Islands and to the extent that the Company and its advisers deem that it is necessary, through any other corporate action, legal proceedings or other procedure or step commenced for the primary purpose of implementing the Restructuring as agreed between the Company and the majority AHG.

- The restructuring proposals for the onshore corporate bonds issued by the Company and its wholly owned subsidiaries, Guangzhou Hejing Holdings Limited and Guangzhou Tianjian Real Estate Development Limited, have all been considered and approved at the respective meetings of bondholders. The repayment arrangements of the principal and interest of these onshore corporate bonds will be adjusted, and restructuring proposal options including cash repurchase at discounted price, debt-for-asset swap, full conversion into ordinary debts, and debt rollover will be offered. In accordance with the relevant provisions of the bondholder meeting resolutions, the Group will arrange for bondholders to select and receive allocations of the restructuring proposal options in respect of the onshore corporate bonds held by them. As such, the restructuring for all the onshore corporate bonds of the Group has been completed.
- The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. The Group is also negotiating with various interested parties on the disposal of en-bloc commercial properties, hotels, urban redevelopment projects and non-core property projects to further improve the cash position of the Group.
- The Group will closely monitor the progress of construction of its property development projects according to the delivery plans, maintain continuous communication with major contractors and suppliers, and negotiate payment arrangements to ensure construction progress is completed as planned.

- The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.
- The Group will continue to seek suitable opportunities to dispose of its equity interests in joint ventures or associates which are engaged in property development projects in order to generate additional cash inflows. The Disposal is part of this realization plan.

Taking into account the assumption stated above, with the successful implementation of the measures mentioned above and in the absence of unforeseeable circumstances, the Directors are of the view that the Group would have had sufficient working capital for at least the Forecast Period.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

Shareholders should note that the validity of the statement of the working capital sufficiency of the Group as mentioned above depends on the outcome of the above-mentioned plans and measures undertaken/being undertaken by the Group, which are subject to uncertainties. Should the Group fail to achieve the above-mentioned plans and measures, the Group may not have sufficient working capital for its requirements within the Forecast Period.

4. MATERIAL ADVERSE CHANGE

Save as aforesaid, the Directors are not aware of any material adverse change in the financial and trading position of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Group were made up.

5. EFFECT OF THE DISPOSAL ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE GROUP

As at 31 December 2025, the audited consolidated total assets of the Group amounted to approximately RMB147,564 million and the audited consolidated total liabilities of the Group amounted to approximately RMB140,918 million.

As at 31 December 2025, the unaudited total assets and total liabilities of the Target Company as extracted from its unaudited financial statements as at 31 December 2025, amounted to approximately RMB4,208 million and approximately RMB4,181 million, respectively.

In terms of earnings, subject to final audit, it is estimated that the Company will record a gain on disposal of approximately RMB146.5 million from the Disposal, which is calculated with reference to the difference between the initial Consideration of RMB160 million and RMB13.5 million, being 50% of the unaudited consolidated net asset value of the Target Company of RMB27.0 million as at 31 December 2025. The actual amount of gain on the Disposal is subject to review by the auditors of the Company.

6. FINANCIAL AND TRADING PROSPECTS

The Group is principally engaged in property development, property investment and hotel operation.

In 2026, the general market will usher in an “L-shaped” phase of bottoming and stabilizing around a nadir characterized by “weak recovery, slow balance, and intensive differentiation”. As new urbanization continues its development, urban renewal and the construction of “high-quality housing” will become the long-term priorities, which will jointly promote the stable operation of the real estate market and high-quality transformation of the sector to achieve sustainable development of the real estate industry.

Despite facing multiple challenges including structural differentiation of market, pressure on sales, tight capital conditions, and slow recovery of commercial sector consumption, the Group consistently adheres to its operational base-line: ensuring delivery of properties and stable delivery. Furthermore, it continues to focus on sales and cash flow management, and strives to improve the operational performance of its commercial segment by way of operational optimization and brand upgrades. While debt restructuring advances steadily, daily operations maintain their overall stability. The Group will consistently adhere to the core philosophy of “building home with heart, creating future with aspiration”, continuously creating value for its customers from a long-term perspective.

The Disposal would allow the Group to apply the proceeds from the Disposal for its general corporate purposes and its debt restructuring, thereby mitigating its liquidity pressure.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Pinetree Advisory and Valuation Limited, an independent valuer, in connection with its valuation of equity interest of the Target Company as at 30 April 2026.

Date: 24 July 2026

KWG Group Holdings Limited

Room 1301, 13th Floor,
Harcourt House,
39 Gloucester Road,
Wanchai, Hong Kong



Pinetree Advisory and Valuation Limited

雲松諮詢評估有限公司

Unit 1209, 12/F, Sun House,
90 Connaught Road Central, Central, Hong Kong
Tel: (852) 3653 7118

Attn.: Board of Directors

Dear Sirs/Madams,

Market Value of 50% Equity Interest of Precious Wave Investments Limited

We refer to the instruction from KWG Group Holdings Limited (the “**Instructing Party**”, the “**Company**”, together with its subsidiaries as the “**Group**”), to value 50% equity interest of Precious Wave Investments Limited (“**Precious Wave**” or the “**Subject Company**”), which indirectly holds 66.66% equity interest in Guangzhou Fujing Real Estate Development Co., Ltd (the “**EJV Company**”).

The EJV Company is principally engaged in the holding, operation and management of the properties (the “**EJV Properties**” or the “**Target Properties**”), whose details are set out in the exhibit (the “**Exhibit**”) of this report.

We confirm that we have reviewed the relevant documents in relation to the EJV Company. We also obtained such further information as we consider necessary for the purpose of providing our opinion of the EJV Company.

Our conclusion does not constitute nor shall they be construed to be investment advice or an offer to invest. A prospective investor should independently consult with their own investment advisers to evaluate the risks, consequences, and suitability of such investment.

1. PURPOSE OF VALUATION

This report has been prepared for transaction reference purposes and fulfil relevant disclosure requirement under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. No other party is entitled to rely on the report for any purpose and we accept no responsibility or liability to any party whatsoever in respect of the contents of this report.

2. VALUATION STANDARDS

This valuation is complied with the RICS Valuation — Professional Standards published by the Royal Institution of Chartered Surveyors (the “**RICS**”) and International Valuation Standards (the “**IVS**”) published by the International Valuation Standards Council.

We have also referred to the HKEX Guidance Letter (HKEX-GL116–23) for relevant disclosure requirements.

3. VALUATION DATE

The valuation date in this report is 30 April 2026 (the “**Valuation Date**”).

4. SCOPE OF WORK

In conducting this valuation exercise, our scope of work includes:

- Co-ordinated with the representatives of the Instructing Party to obtain the required information and documents for our valuation;
- Gathered the relevant information of Precious Wave and the EJV Company, including financial statements, legal documents, public available information, etc. made available to us;
- Discussed with the Instructing Party to understand the history, business model, operations, assets held, business development, etc. of Precious Wave and the EJV Company for valuation purpose;
- Carried out research in the sector concerned and collected relevant market data from reliable sources for analysis;
- Investigated the information of Precious Wave and the EJV Company made available to us and considered the basis and assumptions of our conclusion of value;
- Designed an appropriate valuation model to analyze the market data and derived the estimated market value of Precious Wave and the EJV Company;
- Compiled a report on the valuation, which outlines our findings, valuation methodologies and assumptions, and conclusion of value; and
- Please refer to the Exhibit of this report for our scope of work in relation to the EJV Properties.

When performing our valuation, all relevant information, documents, and other pertinent data concerning the assets, liabilities and contingent liabilities should be provided to us. We relied on such data, records and documents in arriving at our opinion of values.

We express no opinion on the accuracy and/or completeness of the historical financial information of Precious Wave, the EJV Company, and of the materials or other data provided to us.

5. BASIS OF VALUATION

Our valuation is based on market value basis and according to IVS, market value is defined as: *“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”*.

Market value is also understood as the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

6. OVERVIEW OF PRECIOUS WAVE AND THE EJV COMPANY

Precious Wave is a limited liability company incorporated in the British Virgin Islands. Precious Wave, through Quality Express, its wholly-owned subsidiary, holds 66.66% equity interest in the EJV Company. The EJV Company is principally engaged in the holding, operation and management of the EJV Properties.

The EJV Properties represent certain properties within the Tianhui Square (the “**Tianhui Square**”), which is a landmark mixed-use complex in the core of Guangzhou’s Pearl River New Town. Please refer to the Exhibit of this report for more details.

The organization relationship is summarized as below:

Company Name	Abbreviation	Relationship
Precious Wave Investment Limited	Precious Wave	Subject Company
Quality Express Limited	Quality Express	Immediate holding company of the EJV Company Wholly-owned subsidiary of the Subject Company
Guangzhou Fujing Real Estate Development Co., Ltd	EJV Company	66.66% subsidiary of Quality Express

7. VALUATION METHODOLOGY

In this valuation, we have considered three generally accepted valuation approaches. The valuation approaches are sourced from International Valuation Standard 105 — Valuation Approaches and Methods.

7.1. Cost Approach (Asset Approach)

The cost approach (asset approach) provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The cost approach should be used as the primary basis for a valuation under the following circumstances:

- market participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a market participant would not be willing to pay a significant premium for the ability to use the subject asset immediately;
- the asset is not income-generating (directly or indirectly) and the unique nature of the asset makes using an income approach or market approach unfeasible; and
- the basis of value being used is fundamentally based on replacement cost, such as reinstatement value.

7.2. Market Approach

The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. When reliable, verifiable and relevant market information is available, the market approach is the preferred valuation approach. The market approach should be used as the primary basis for a valuation under the following circumstances:

- the asset has recently been sold in a transaction appropriate for consideration under the basis of value;
- the asset or substantially similar assets are actively publicly traded; and
- there are frequent or recent observable transactions in substantially similar assets.

7.3. Income Approach

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. The income approach should be used as the primary basis for a valuation under the following circumstances:

- the income-producing ability of the asset is the critical element affecting value from a market participant perspective; and

- reliable projections of the amount and timing of future income are available for the subject asset, but there are few, if any, relevant market comparables.

8. SELECTION OF VALUATION METHODOLOGY

8.1. EJV Company — Asset Approach is Suitable

The market approach is not adopted. There are not sufficient comparable companies engaged purely in single landmark mixed-use complex operation in the active market. The business model, land reserve scale, location, planning conditions and development progress of the EJV Company are unique. No arm's length transaction of comparable company with similar asset feature and operating characteristics can be identified.

The income approach is not adopted. The EJV Company's future revenue and profit are dependent on financial projections, and the relevant parameters and assumptions required for future projection are not easy to be readily and reliably determined.

The asset approach is considered suitable for the valuation. Given the EJV Company's core value is mainly embodied in EJV Properties, and its operation is asset-driven, the EJV Properties can be assessed reliably with reference to market evidence, and all other identifiable assets and liabilities can be measured on market value basis. The asset approach can properly capture the underlying value of the EJV Company.

8.2. EJV Properties — Separate Valuation

The EJV Properties is the primary operational asset of the EJV Company. The market approach is considered suitable and please refer to the Exhibit of this report for a separate valuation of the EJV Properties.

9. FINANCIAL STATEMENTS OF THE EJV COMPANY

We have obtained the financial statements of the EJV Company as of the Valuation Date for the purpose of this valuation, with key details presented below:

9.1. Balance Sheet of the EJV Company

Accounts	Book Value	Reference
Current Assets		
Cash and Cash Equivalents	68,635,633	10.7
Accounts Receivable	28,448,320	10.7
Other Receivables	1,669,035,589	10.4
Advances to Suppliers	2,331,341	10.7
Inventory	43,730,100	10.1
Prepaid Expenses	<u>761,212</u>	10.7
Total Current Assets	<u>1,812,942,195</u>	
Non-current Assets		
Net Book Value of Fixed Assets	1,131,718,604	10.2
Intangible Assets	937,797,139	10.3
Long-term Prepaid Expenses	<u>111,853</u>	10.7
Total Non-current Assets	<u>2,069,627,596</u>	
TOTAL ASSETS	<u>3,882,569,791</u>	
Current Liabilities		
Accounts Payable	48,637,961	10.7
Advances from Customers	19,256,261	10.7
Employee Benefits Payable	4,082,488	10.7
Welfare Payable	100,406	10.7
Deferred Income	61,571	10.7
Taxes Payable	874,803,006	10.5
Other Payables	477,171,443	10.5
Accrued Expenses	2,911,140	10.7
Current Maturities of Long-term Borrowings	<u>320,000,000</u>	10.6
Total Current Liabilities	<u>1,747,024,276</u>	

Accounts	Book Value	Reference
Non-current Liabilities		
Long-term Borrowings	2,083,174,500	10.6
Long-term Payables	<u>58,852</u>	10.7
Total Non-current Liabilities	<u>2,083,233,352</u>	
Total Liabilities	<u>3,830,257,629</u>	
Total Shareholders' Equity	<u>52,312,162</u>	
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>3,882,569,791</u>	

Currency: RMB

10. VALUATION — THE EJV COMPANY

For the purpose of this valuation and as defined in the Exhibit of this report, the EJV Properties comprise 7 separate parts, numbered from Property 1 to Property 7.

10.1. Inventory

The inventory held by the EJV Company represents the book value of Property 1, Property 2 and Property 3 of the EJV Properties. Therefore, the inventory balance is adjusted, with the relevant amount deducted from net assets before the total value of EJV Properties is added. Please refer to the Exhibit of this report for valuation of the EJV Properties.

As at the Valuation Date, the EJV Company does not have other inventory items on its balance sheet.

10.2. Fixed Assets

Details of the fixed assets held by the EJV Company and its subsidiaries are set out below:

Valuation Date	Book Value
Property 4 — Buildings and structures	407,393,100
Property 5 — Buildings and structures	618,570,803
Property 6 — Buildings and structures	73,824,724
Property 7 — Buildings and structures	<u>15,296,153</u>
Sub-total	<u>1,115,084,780</u>

Valuation Date	Book Value
Other fixed assets	16,633,824
Total	<u>1,131,718,604</u>

The fixed assets held by the EJV Company mostly represents the book value of the buildings and structures of Property 4 to Property 7. Therefore, the fixed assets balance is adjusted, with the relevant amount deducted from net assets before the total value of EJV Properties is added. Please refer to the Exhibit of this report for valuation of the EJV Properties.

Other fixed assets held by the EJV Company include office equipment, transportation vehicles, electrical appliances, furniture, etc. We have adopted the replacement cost approach, with key parameters include: (1) replacement cost adjusted via price indices, ranging from 0% to 10%; (2) comprehensive depreciation rate in accordance with the accounting policy; and (3) a residual value rate of 5%. After assessment, we did not notice material difference between the market value of the fixed assets and the balance of the book value.

10.3. Intangible Assets

The intangible assets held by the EJV Company represents the land use rights of the EJV Properties. Therefore, the intangible assets balance is adjusted, with the relevant amount deducted from net assets before the total value of EJV Properties is added. Please refer to the Exhibit of this report for valuation of the EJV Properties.

As at the Valuation Date, the EJV Company does not have other intangible assets on its balance sheet.

10.4. Other Receivables

For other receivable items, we have scrutinized the ledger breakdown of each item. Other receivable items include intercompany balances, project deposits, rental deposits, etc. It is noticed that they are cash-based items and it is considered that their book values can approximate for their market values. No material valuation adjustment was made for such items.

10.5. Tax Payables and Other Payables

For tax payables and other payables items, we have scrutinized the ledger breakdown of each item. Tax payables and other payables mostly include business tax, value-added tax, deed tax, advances from tenants, etc. It is noticed that they are cash-based items and it is considered that their book values can approximate for their market values. No material valuation adjustment was made for such items.

10.6. Long-term Borrowings

For long-term borrowings, we have scrutinized the ledger breakdown of each item. Long-term borrowings include bank loans of the EJV Company. The market value of such borrowings as at the Valuation Date approximates their carrying value, primarily because these bank borrowings carry contractual interest rates largely in line with prevailing market interest rates, with no material credit spread change or significant discount/premium arising from liquidity or credit risk.

10.7. Other Assets and Liabilities

For other assets and liabilities items, we have scrutinized the ledger breakdown of each item. It is noticed that they are cash-based items and it is considered that their book values can approximate for their market values. No material valuation adjustment was made for such items.

11. VALUATION RESULT — THE EJV COMPANY

11.1. Calculation Summary

Based on the separate valuation of the EJV Properties, and analysis of individual assets and liabilities, we have derived the corresponding value of the EJV Company, as presented below:

Valuation Date	Amount	Remarks
Book value of net assets	52,312,162	
Adj: Inventory	–43,730,100	10.1
Adj: Fixed assets	–1,115,084,780	10.2
Adj: Intangible assets	–937,797,139	10.3
Adj: Valuation of the EJV Properties	2,675,310,000	Exhibit of this report
Adj: Deferred tax adjustment	<u>–144,674,495</u>	11.2
Value of the EJV Company	<u>486,335,648</u>	

Currency: RMB

11.2. Deferred Tax

The book value of the EJV Properties amounted to RMB2,096,612,019, which represents the sum of relevant inventory, fixed assets and intangible assets as stated above.

Based on the statutory PRC corporate income tax rate of 25%, we calculated the deferred tax arising from the value appreciation of EJV Properties.

12. VALUATION RESULT — PRECIOUS WAVE

12.1. Calculation Summary

Based on the value of the EJV Company, we have then derived the corresponding value of Precious Wave, as presented below:

Valuation Date	Book Value	Remarks
Value of the EJV Company	486,335,648	11.1
Shareholding %	66.66%	
Other assets and liabilities of Quality Express	<u>—</u>	12.2
Value attributable to Quality Express	<u>324,191,343</u>	
Shareholding %	50.0%	
Other assets and liabilities of Precious Wave	<u>—</u>	12.2
Value of Precious Wave (rounded)	<u><u>162,000,000</u></u>	

Currency: RMB

12.2. Other assets and liabilities of Quality Express and Precious Wave

Based on our discussion with the Group, Quality Express and Precious Wave are investment holding companies and do not have material asset and liability items on their balance sheet as of the Valuation Date.

13. SOURCE OF INFORMATION

Our investigation covers the discussion with the Instructing Party's representatives, the collection of information including the details of Precious Wave and the EJV Company. The information that we have referenced in the course of this valuation includes but is not limited to:

- Financial statements of the EJV Company as of the Valuation Date;
- Ledger breakdown of financial accounts of the EJV Company;
- Property title certificates, land use right documents and asset ownership documents of the EJV Properties;
- Correspondence, meeting minutes and supplementary written representations issued by the Instructing Party;
- Comparable property transaction records, industry research published by third-party institutions;
- Market data on local real estate prices in the region; and

- Other relevant information obtained.

We assume that the data obtained in the course of the valuation, along with the opinions and representations provided to us by the Instructing Party were prepared in reasonably care.

We have had no reason to doubt the truth and accuracy of such information provided to us. We have also sought confirmation from the Instructing Party that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

14. FACTORS CONSIDERED

The factors considered in this valuation included, but were not limited to, the following:

- The demand and supply of real estate developments in Guangzhou City;
- Operation and financial risks of Precious Wave and the EJV Company;
- Land use and planning policies set by the government that pertain to the EJV Company;
- Relevant real estate transaction data in the region;
- Physical condition and remaining useful life of the buildings and infrastructure assets; and
- The general economic conditions and real estate market outlook in the local area.

15. VALUATION ASSUMPTIONS

15.1. General Assumptions

- The information provided by the Instructing Party, including but not limited to financial statements, land titles, planning documents, legal agreements and property records, is assumed to be true, accurate and complete as at the Valuation Date.
- The EJV Company is assumed to continue as a going concern, with no material changes to its business model, operating scope or ownership structure in the foreseeable future.

15.2. Asset Assumptions

- The land use rights are assumed to be legally valid, registered and free from undisclosed encumbrances, mortgages, third-party claims or restrictions not known to us.

- The current land use classification and approved development plans are assumed to remain unchanged unless explicitly stated.
- The buildings and structures are assumed to have been constructed in accordance with relevant codes, regulations and approved plans.
- The condition and useful lives of the assets, as provided by the management, are assumed to be reasonable and representative of their physical state.
- The market transaction prices are assumed to fairly reflect the prevailing market value in the area as at the Valuation Date.
- The replacement cost method is applied under the assumption that equivalent assets can be constructed at current market prices using modern materials, labor and construction standards.

15.3. Financial and Economic Assumptions

- The financial statements of the EJV Company as at the Valuation Date are assumed to be fairly presented in accordance with applicable accounting standards.
- No material adverse changes to the local economy, real estate market, or government policies (including land use, taxation and environmental regulations) are assumed to occur in the near term.

16. CONCLUSION

The conclusion of value is based on the accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained.

While the assumptions and consideration of such matters are considered to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Instructing Party, and/or Pinetree.

Based on the valuation methodology adopted, we are of the opinion that the 50% equity interest of Precious Wave Investments Limited, as of 30 April 2026, was as follows:

HKD162,000,000
(HKD ONE HUNDRED SIXTY-TWO MILLION)

In accordance with independence requirements, we hereby certify that we have neither present nor any prospective interests in the subject under valuation. Moreover, we have neither personal interests nor any bias with respect to the any of the parties involved.

Yours faithfully,
For and on behalf of
Pinetree Advisory and Valuation Limited

Ross X.H. Wang, *MRICS, CFA*
Managing Director

Note: Mr. Ross X.H. Wang is a chartered member of the Royal Institution of Chartered Surveyors and a Chartered Financial Analyst. Mr. Wang has over 16 years' valuation experience in Hong Kong and the mainland PRC.

17. DISCLAIMER AND LIMITATION

In performing the valuation analysis in relation to Precious Wave and the EJV Company, we have relied upon the information provided by the Management. We have not performed any audit procedures or otherwise verified the truth, accuracy or reliability of the Information provided to us during our engagement. We do not assume any responsibilities for and make no representations with respect to the accuracy or completeness of any information provided by the Management.

Moreover, our valuation has also relied upon other information obtained from public sources which we believe to be reliable. We accept no responsibility for accuracy and reliability of any information obtained from public sources.

Our valuation results presented in this report are indicative only and are provided to the Management as internal reference and transaction reference purpose. Our work scope does not include to prepare the financial statements for the Management nor make final decision for the input adopted in their financial statements.

We are not responsible for identifying all relevant changes in market conditions which may impact on the business, and our work scope should not include to update our findings described in this report for any events and circumstances occurring subsequent to the Valuation Date as stated.

Unless stated otherwise in this report, we have assumed compliance with the applicable local laws and regulations. We assume no responsibility for the legal matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed good and marketable.

The report may not fully disclose all the information sources, discussions and business valuation methodologies used to reach the conclusion of value. Supporting information concerning this report is on file with our company.

The opinion of value expressed in this report does not obligate us to attend court proceedings with regard to the subject business assets, properties or business interests, unless such arrangements have been made previously.

Possession of this report does not imply a permission to publish the same or any part thereof. No part of this report is to be communicated to the public by means of advertising, news releases, sales and promotions or any other media without a prior written consent and approval by us.

EXHIBIT — VALUATION OF THE EJV PROPERTIES

Date: 24 July 2026

KWG Group Holdings Limited

Room 1301, 13th Floor,
Harcourt House,
39 Gloucester Road,
Wanchai, Hong Kong

**Pinetree Advisory and Valuation Limited**

雲松諮詢評估有限公司

Unit 1209, 12/F, Sun House,
90 Connaught Road Central, Central, Hong Kong
Tel: (852) 3653 7118

Attn.: Board of Directors

Dear Sirs/Madams,

Market Value of the EJV Properties Located in Guangzhou, the People's Republic of China

We refer to the instruction from KWG Group Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”), to value the following target properties (the “**EJV Properties**” or the “**Target Properties**”) in the People's Republic of China (“**PRC**”) held by the Group as at the Valuation Date.

1. SCOPE OF EJV PROPERTIES

The EJV Properties represent certain properties within the Tianhui Square (the “**Tianhui Square**”), which is a landmark mixed-use complex in the core of Guangzhou's Pearl River New Town. Tianhui Square comprises four segments: (1) a high-end shopping mall named the International Grand City (the “**IGC Mall**”); (2) a 5-star hotel operated under the brand Conrad (the “**Conrad Guangzhou**”); (3) a high-end residential development named the Palace (the “**Palace**”); and (4) two office towers named the Tianying Plaza (the “**Tianying Plaza**”). The detailed scope of the EJV Properties is summarized as follows:

Target Properties held by the Group for sale

1. Property 1 — 2 apartment units located at the Palace;
2. Property 2 — 66 car parking spaces located at the Palace;
3. Property 3 — 242 car parking spaces located at the Tianying Plaza;

Target Properties held by the Group for operation

4. Property 4 — Conrad Guangzhou;
5. Property 5 — Various commercial units located at Basement 1 to 2 and Floor 1 to 6 of the IGC Mall;
6. Property 6 — 1,151 car parking spaces located at the Tianying Plaza; and

7. Property 7 — A clubhouse of the Palace.

Precious Wave, through Quality Express, its wholly-owned subsidiary, holds 66.66% equity interest in the EJV Company. The remaining 33.34% equity interest in the EJV Company is held by a wholly-owned subsidiary of Guangzhou R&F. Accordingly, Quality Express shares 66.66% of the profit of the EJV Company, and Guangzhou R&F shares the remaining 33.34%.

Therefore, the Group is indirectly interested in 33.33% of the EJV Company. The EJV Company is principally engaged in the holding, operation and management of the EJV Properties. As advised by the management of the Group, there is no significant special term under the joint venture arrangement that deviates from each party's respective shareholding percentage. Also, as advised by the management of the Group, the EJV Company has obtained all necessary licences to operate in the location where the Target Properties is situated. We did not notice any abnormality during our valuation.

We confirm that we have carried out inspection of the Target Properties, made relevant enquiries and obtained such further information as we consider necessary for providing you with our opinion of the market value of the Target Properties as at 30 April 2026 (“**Valuation Date**”) for public disclosure purpose.

We are acting as external valuer and in the position to provide objective and unbiased valuations to the Group. We confirm that we have no material connection or involvement with the subject assets or the other parties to the valuation assignment. Unless otherwise stated, we have sufficient current local and national knowledge of the particular market, and the skills and understanding to undertake the valuations competently.

2. VALUATION STANDARDS

Our valuation has been prepared in accordance with “The RICS Valuation — Global Standards” (effective from 31 January 2025) published by the Royal Institution of Chartered Surveyors (“**RICS**”), The Hong Kong Institute of Surveyors (“**HKIS**”) Valuation Standards and the International Valuation Standards (“**IVS**”) published by the International Valuation Standards Council (effective from 31 January 2025). In valuing the Target Properties, we have complied with all the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. BASIS OF VALUATION

Our valuation has been carried out on market value basis, which is defined by IVS as “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*”.

Market value is also understood as the estimated exchange price of an asset without regard to the seller's costs of sale or the buyer's costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

4. VALUATION METHODOLOGY

The valuations have been conducted by Direct Comparison Method. Direct Comparison Method consists of comparisons based on actual sales transactions and/or asking prices of comparable properties. Comparable properties with similar location, size, and character are selected and then analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of values.

Other than market approach set out above, we have also evaluated the cost approach, income approach and the residual method in this valuation. We considered cost approach not appropriate for valuing the Target Properties, as historical investment does not reflect the economic benefit generated by the Target Properties. We consider income approach not appropriate for valuing the Target Properties, as the relevant parameters and assumptions required for future projection are not easy to be readily and reliably determined. We also considered residual method not appropriate for valuing the Target Properties, as the development of the Target Properties have already been completed.

For Property 1, Property 2, Property 3, Property 5, Property 6 and Property 7, we have mainly benchmarked with asking prices of comparable properties obtained from formal property agencies, which reflect arm's length asking quotations from willing market participants. Asking price of similar asset is prescribed by IVS and RICS as a valid type of price evidence when using market approach. A 10% downward adjustment has been applied to asking prices, to reconcile the differences between asking prices and actual transaction prices in the market. For Property 4, we have mainly benchmarked with price observed from actual transactions.

5. TITLE INVESTIGATION

We have been provided with copies of extracts of title documents relating to the Target Properties. However, we have not conducted land searches on the Target Properties and we have not inspected the original documents to verify ownership or to verify any amendments which may not appear on the copies handed to us. In the course of our valuation, we have relied upon the legal opinion given by the Company's PRC legal adviser 北京市競天公誠律師事務所, regarding the titles of the Target Properties located in the PRC. All documents have been used for reference only.

6. SOURCES OF INFORMATION

We have relied to a considerable extent on the information provided by the Group and have accepted advice on such matters as tenure, particulars of occupancy, interest attributable to the Group and all relevant materials regarding the Target Properties. We

have relied on these areas and have not checked them on site. We have assumed that the areas supplied to us have been measured in accordance with the RICS Code of Measuring Practice.

7. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the Target Properties are sold in the market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which would serve to affect the value of the Target Properties.

In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the Target Properties and no forced sale situation in any manner is assumed in our valuation.

8. VALUATION CONSIDERATIONS

Inspection of the Target Properties was conducted by Mr. Ross X.H. Wang on 26 June 2026. We have inspected the exterior of the Target Properties. We did not notice material parts of the Target Properties that were covered, unexposed or inaccessible.

No structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the Target Properties are free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

We have not carried out detailed on-site measurements to verify the correctness of the area in respect of the Target Properties but have assumed that the area shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Group and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Group and we have relied on your confirmation that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information for us to reach an informed view.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Target Properties or for any expenses or taxation, which may be incurred in effecting a sale.

The responsible valuer is in a position to provide objective and unbiased valuations and is competent to undertake the valuation assignment. Our findings or conclusion of values of the Target Properties in this report are valid only for the stated purpose and at the Valuation Date. We or our personnel shall not be required to give testimony or attendance in court or to any government agency by reason of this report, and the valuer accepts no responsibility whatsoever to any other person.

Unless otherwise stated, it is assumed that the Target Properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

9. CURRENCY

Unless otherwise stated, all money amounts stated herein are in Renminbi (“**RMB**”) and no allowances have been made for any exchange transfers.

10. CONFIRMATION OF INDEPENDENCE

We hereby certify that we neither have any present nor any prospective interest in the Group or the appraised Target Properties or the value reported. We confirm that we do not have any material connection or involvement giving rise to a conflict of interest and are providing an objective and unbiased valuation.

Our summary of value and the valuation certificate are attached herewith.

Yours faithfully,
For and on behalf of
Pinetree Advisory and Valuation Limited

Ross X.H. Wang, MRICS, CFA
Managing Director

Note: Mr. Ross X.H. Wang is a chartered member of the Royal Institution of Chartered Surveyors and a Chartered Financial Analyst. Mr. Wang has over 16 years’ valuation experience in Hong Kong and the mainland PRC.

SUMMARY OF VALUE

Target Properties held by the Group for sale:

No.	Property	Market Value in existing state as at 30 April 2026 <i>RMB</i>	Equity Interest Attributed to the Group	Value Attributed to the Group <i>RMB</i>
1	Property 1 Unit 3101&3102, the Palace, 59-6 Linjiang Avenue, Tianhe District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市天河區臨江大道 59號之六天鑾3101房及3102房	RMB57,100,000	33.33%	RMB19,000,000
2	Property 2 66 car parking space, located at the Palace, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市天河區珠江新城 天鑾66個車位	RMB22,300,000	33.33%	RMB7,430,000
3	Property 3 242 car parking spaces, located at Basement 4 of Zone C, Tianying Plaza, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區天盈廣場 C座負4層242個車位	RMB60,000,000	33.33%	RMB20,000,000
Subtotal		RMB139,400,000		RMB46,430,000

SUMMARY OF VALUE

Target Properties held by the Group for operation:

No.	Property	Market Value in existing state as at 30 April 2026 <i>RMB</i>	Equity Interest Attributed to the Group	Value Attributed to the Group <i>RMB</i>
4	Property 4 Conrad Hotel, Floor 1 to 6 and Floor 9 to 25, Unit 106, No.222 Xingmin Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區興民路 222號 106 (1–6 層、9–25 層)康萊 德酒店	RMB677,000,000	33.33%	RMB225,600,000
5	Property 5 Various units of IGC Mall, located at Basement 1 to 2 and Floor 1 to 6, No.222 Xingmin Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區興民路 222號天匯廣場地下一至二層，地 上一至六層商場	RMB1,498,000,000	33.33%	RMB499,300,000
6	Property 6 1151 carparking spaces, located at Zone C of Tianying Plaza, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區天盈廣場 C區1151個車位	RMB353,000,000	33.33%	RMB117,700,000
7	Property 7 Unit 201, 59 Linjiang Avenue, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區臨江大道 59號201房	RMB7,910,000	33.33%	RMB2,640,000
Subtotal		RMB2,535,910,000		RMB845,240,000
TOTAL		RMB2,675,310,000		RMB891,670,000

VALUATION CERTIFICATE

Target Properties held by the Group for sale, including Property 1 to Property 3, located in the PRC:

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026
1	Unit 3101&3102, the Palace, 59-6 Linjiang Avenue, Tianhe District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市天河區臨江大道59號之六天鑾3101房及3102房	Property 1 is a part of the Palace, which in turn a part of Tianhui Square. The construction of the Palace was completed in 2013. As informed, Property 1 comprises two apartments of the Palace with a total gross floor area of approximately 528.77 sqm. Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	As informed, the property was occupied by the EJV Company for sale.	RMB57,100,000 (Renminbi FIFTY-SEVEN MILLION ONE HUNDRED THOUSAND) 33.33% interest to the Group RMB19,000,000

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm have been granted to Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use. As advised by the Company and per our investigation, there is no separate land use right granted for Property 1 or the Palace.
- (2) We have been provided with a legal opinion regarding interest of Property 1 by the Group's PRC legal adviser, which contains, *inter alia*, the following:
 - a. Guangzhou Fujing Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 1;
 - b. The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.; and
 - c. Property 1 is free from seizure, mortgage and encumbrances.

- (3) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 1 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (4) In arriving at our opinion of the value of Property 1, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 1. We have taken into account reference comparable properties based on the following criteria: (i) the use of the comparables properties are high-end apartments, i.e. similar to Property 1; and (ii) comparable properties are located in Zhujiang New Town, Guangzhou. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C
Project Name	The Palace	Jiayu	The Palace
Location	Linjiang Avenue	Huacheng Avenue	Linjiang Avenue
Transaction situation	Asking price	Asking price	Asking price
Year Built	2013	2015	2013
Gross Floor Area (sqm)	264.57	155.08	214.11
Floor	Low	Low	Low
Adjustment unit rate (RMB/sqm)	117,785	107,187	100,096

Based on the analysis of the comparable properties, an adjusted unit rate of RMB108,000 per sqm has been adopted for valuation of Property 1.

- (5) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 1, save for routine general maintenance works.
- (6) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 1.
- (7) Based on our investigation, as well as our discussion with the Group:
- We did not observe any environmental issue such as breach of environmental regulations; and
 - We did not notice material options or rights of pre-emption concerning or affecting Property 1.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026
2	66 car parking space, located at the Palace, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市天河區珠江新城天鑾66個車位	Property 2 is a part of the Palace, which in turn a part of Tianhui Square. The construction of the Palace was completed in 2013. As informed, Property 2 comprises 66 car parking space of the Palace with a total gross floor area of approximately 863.60 sqm. Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	As informed, the property was occupied by the EJV Company for sale.	RMB22,300,000 (Renminbi TWENTY-TWO MILLION THREE HUNDRED THOUSAND) 33.33% interest to the Group RMB7,430,000

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm. have been granted to Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use. As advised by the Company and per our investigation, there is no separate land use right granted for Property 2 or the Palace.
- (2) We have been provided with a legal opinion regarding interest of Property 2 by the Group's PRC legal adviser, which contains, *inter alia*, the following:
 - a. Guangzhou Fujing Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 2;
 - b. The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.; and
 - c. Property 2 is free from seizure, mortgage and encumbrances.

- (3) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 2 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (4) In arriving at our opinion of the value of Property 2, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 2. We have taken into account reference comparable properties based on the following criteria: (i) comparable properties are located in Zhujiang New Town, Guangzhou; and (ii) the nature of the comparable properties are car parking spaces, i.e. similar to Property 2. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C
Project Name	Li Xun Shang Zhu 力迅上築	Gao De Gong Guan 高德公館	Nan Guo Garden 南國花園
Location	Hai Ming Road	Huacheng Avenue	Ping Yue Road
Transaction situation	Asking price	Asking price	Asking price
Year Built	2005	2008	2006
Gross Floor Area (sqm)	12.50	12.10	10.95
Floor	Basement 1	Basement 1	Basement 1
Adjustment unit rate (RMB/CPS)	351,000	312,000	354,200

Based on the analysis of the comparable properties, an adjusted unit rate of RMB340,000 per car parking space on Basement 1 has been adopted. Also, after adjustment for floor factor with a correction factor of 0.9, an adjustment unit rate of RMB324,000 per car parking space on Basement 2 has been adopted.

- (5) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 2, save for routine general maintenance works.
- (6) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 2.
- (7) Based on our investigation, as well as our discussion with the Group:
- We did not observe any environmental issue such as breach of environmental regulations; and
 - We did not notice material options or rights of pre-emption concerning or affecting Property 2.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026
3	242 car parking spaces, located at Basement 4 of Zone C, Tianying Plaza, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區天盈廣場C座負4層242個車位	Property 3 is a part of the Tianying Plaza, which in turn a part of Tianhui Square. The construction of the Tianying Plaza was completed in 2017. As informed, Property 3 comprises 242 car parking space of the Tianying Plaza with a total gross floor area of approximately 3,279 sqm. Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	As informed, the property was occupied by the EJVC Company for sale.	RMB60,000,000 (Renminbi SIXTY MILLION) 33.33% interest to the Group RMB20,000,000

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm. have been granted to Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use. As advised by the Company and per our investigation, there is no separate land use right granted for Property 3 or the Tianying Plaza.
- (2) We have been provided with a legal opinion regarding interest of Property 3 by the Group's PRC legal adviser, which contains, *inter alia*, the following:
 - a. Guangzhou Fujing Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 3;
 - b. The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.; and
 - c. Property 3 is free from seizure, mortgage and encumbrances.

- (3) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 3 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (4) In arriving at our opinion of the value of Property 3, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 3. We have taken into account reference comparable properties based on the following criteria: (i) comparable properties are located Zhujiang New Town, Guangzhou; and (ii) the nature of the comparable properties are car parking spaces, i.e. similar to Property 3. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C
Project Name	Li Xun Shang Zhu 力迅上築	Gao De Gong Guan 高德公館	Nan Guo Garden 南國花園
Location	Hai Ming Road	Huacheng Avenue	Ping Yue Road
Transaction situation	Asking price	Asking price	Asking price
Year Built	2005	2008	2006
Gross Floor Area (sqm)	12.50	12.10	10.95
Floor	Basement 1	Basement 1	Basement 1
Adjustment unit rate (RMB/CPS)	351,000	312,000	354,200

Based on the analysis of the comparable properties, an adjusted unit rate of RMB340,000 per car parking space on Basement 1 has been adopted. Also, after adjustment for floor factor with a correction factor of 0.73, an adjustment unit rate of RMB248,000 per car parking space on Basement 4 has been adopted.

- (5) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 3, save for routine general maintenance works.
- (6) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 3.
- (7) Based on our investigation, as well as our discussion with the Group:
- We did not observe any environmental issue such as breach of environmental regulations; and
 - We did not notice material options or rights of pre-emption concerning or affecting Property 3.

VALUATION CERTIFICATE

Target Properties held by the Group for operation, including Property 4 to Property 7, located in the PRC:

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026
4	Conrad Hotel, Floor 1 to 6 and Floor 9 to 25, Unit 106, No.222 Xingmin Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區興民路 222號 106 (1-6 層、9-25 層)康萊德酒店	Conrad Guangzhou is a part of the Tianhui Square. The construction of Conrad Guangzhou was completed in 2017. As informed, Conrad Guangzhou comprises a hotel building with a total gross area of approximately 48,467.07 sqm, with 309 rooms. Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	As informed, the property was operated by Conrad as hotel.	RMB677,000,000 (Renminbi SIX HUNDRED AND SEVENTY-SEVEN MILLION) 33.33% interest to the Group RMB225,600,000

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm. have been granted to Guangzhou Fuming Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use. As advised by the Company and per our investigation, there is no separate land use right granted for Property 4 or Conrad Guangzhou.
- (2) Pursuant to Real State Title Certificate (Yue 2017 Guangzhou City Real Estate No.00067570) dated 8 September 2017, the property with a gross floor area of approximately 48,467.07 sqm. is owned by Guangzhou Fuming Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司), the land use rights of the property have been granted for a term of 40 years commencing on 9 September 2011 for hotel use.
- (3) We have been provided with a legal opinion regarding interest of Property 4 by the Group's PRC legal adviser, which contains, *inter alia*, the following:
 - a. Guangzhou Fuming Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 4;

- b. The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.;
 - c. Property 4 has been mortgaged to Industrial and Commercial Bank of China Co., Ltd., Guangzhou Tianhe branch (中國工商銀行股份有限公司廣州天河支行); and
 - d. Other than that, Property 4 is free from seizure and encumbrances.
- (4) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 4 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (5) In arriving at our opinion of the value of Property 4, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 4. We have taken into account reference comparable properties based on the following criteria: (i) comparable properties are located in the core of first-tier cities of the Greater Bay Area; (ii) comparable properties are operated by international five-star brand operators; and (iii) the nature of the comparable properties are similar to Property 4. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C	D
Hotel Name	Shenzhen Hualuxe	Shenzhen Marriott Hotel	Guangzhou Langham	Sheraton Panyu
Location	Baoan Shenzhen	Long Gang Shenzhen	Haizhu Guangzhou	Panyu Guangzhou
Transaction situation	2025/12/30	2026/5/28	Asking price	Asking price
Year Built	2024	2017	2013	2020
No. of Room	242	325	488	274
Average Room Size (sqm)	126	126	139	160
Adjustment unit rate (RMB/room)	2,483,680	1,728,786	2,865,571	1,675,426

Based on the analysis of the comparable properties, an adjusted unit rate of RMB2,190,000 per room has been adopted for valuation of Property 4.

- (6) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 4, save for routine general maintenance works.
- (7) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 4.
- (8) Based on our investigation, as well as our discussion with the Group:
- a. We did not observe any environmental issue such as breach of environmental regulations; and
 - b. We did not notice material options or rights of pre-emption concerning or affecting Property 4.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026																				
5	Various units of IGC Mall, located at Basement 1 to 2 and Floor 1 to 6, No.222 Xingmin Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區興民路 222號天匯廣場地下一至二層，地上一至六層商場	Property 5 is a part of the IGC Mall, which in turn a part of Tianhui Square. The construction of the IGC Mall was completed in 2017. As informed, Property 5 comprises various commercial units with a total gross floor area of approximately 97,001.34 sqm. The details are set out as follows: <table><thead><tr><th>Floor</th><th>GFA(sqm)</th></tr></thead><tbody><tr><td>Floor 1</td><td>8,855.91</td></tr><tr><td>Floor 2</td><td>15,924.07</td></tr><tr><td>Floor 3</td><td>16,314.08</td></tr><tr><td>Floor 4</td><td>18,938.23</td></tr><tr><td>Floor 5</td><td>17,463.9</td></tr><tr><td>Floor 6</td><td>1,883.58</td></tr><tr><td>Basement 1</td><td>12,559.11</td></tr><tr><td>Basement 2</td><td>5,062.46</td></tr><tr><td>Total</td><td>97,001.34</td></tr></tbody></table> Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	Floor	GFA(sqm)	Floor 1	8,855.91	Floor 2	15,924.07	Floor 3	16,314.08	Floor 4	18,938.23	Floor 5	17,463.9	Floor 6	1,883.58	Basement 1	12,559.11	Basement 2	5,062.46	Total	97,001.34	As informed, the property was operated by the EJV Company as shopping mall.	RMB1,498,000,000 (Renminbi ONE BILLION FOUR HUNDRED AND NINETY-EIGHT MILLION) 33.33% interest to the Group RMB499,300,000
Floor	GFA(sqm)																							
Floor 1	8,855.91																							
Floor 2	15,924.07																							
Floor 3	16,314.08																							
Floor 4	18,938.23																							
Floor 5	17,463.9																							
Floor 6	1,883.58																							
Basement 1	12,559.11																							
Basement 2	5,062.46																							
Total	97,001.34																							

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm. have been granted to Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use. As advised by the Company and per our investigation, there is no separate land use right granted for Property 5 or the IGC Mall.
- (2) Pursuant to eleven “Real State Title Certificates” dated 8 September 2017, the property with a gross floor area of approximately 97,001.34 sqm and a net floor area of approximately 65,952.49 sqm are owned by Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司), the land use rights of the property have been granted for a term of 40 years commencing on 9 September 2011 for commercial use.
- (3) Details of the gross floor area breakdown of Property 5 are listed as follows:

Certificate No.	Unit	GFA (sqm)	NFA (sqm)	Use
Yue 2017 Guangzhou City Real Estate No.00067569	Unit 101, 222 Xingmin Road	8,855.91	5,727.04	Commercial
Yue 2017 Guangzhou City Real Estate No.00067568	Unit 201, 222 Xingmin Road	15,924.07	11,249.59	Commercial (Commercial, catering and cinema)
Yue 2017 Guangzhou City Real Estate No.00067567	Unit 301, 222 Xingmin Road	16,314.08	11,862.46	Commercial (Catering)
Yue 2017 Guangzhou City Real Estate No.00067566	Unit 401, 222 Xingmin Road	18,938.23	13,762.90	Commercial (Commercial, catering and cinema)
Yue 2017 Guangzhou City Real Estate No.00067565	Unit 501, 222 Xingmin Road	17,463.9	12,010.58	Commercial (Catering)
Yue 2017 Guangzhou City Real Estate No.00067561	Unit 601, 222-2 Xingmin Road	421.12	229.21	Commercial (Catering)
Yue 2017 Guangzhou City Real Estate No.00067563	Unit 601, 222 Xingmin Road	840.95	656.54	Commercial (Catering)
Yue 2017 Guangzhou City Real Estate No.00067562	Unit 602, 222-2 Xingmin Road	282.76	153.90	Commercial (Catering)
Yue 2017 Guangzhou City Real Estate No.00067564	Unit 602, 222 Xingmin Road	338.75	264.47	Commercial (Catering)
Yue 2017 Guangzhou City Real Estate No.00067572	B101, Basement 1, 222 Xingmin Road	12,559.11	6,223.94	Commercial (Catering)

Certificate No.	Unit	GFA (sqm)	NFA (sqm)	Use
Yue 2017 Guangzhou City Real Estate No.00067573	B201, Basement 2, 222 Xingmin Road	5,062.46	3,811.86	Commercial (Supermarket)
Total		<u>97,001.34</u>	<u>65,952.49</u>	

- (4) We have been provided with a legal opinion regarding interest of Property 5 by the Group's PRC legal adviser, which contains, *inter alia*, the following:
- Guangzhou Fujing Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 5;
 - The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.;
 - Part of Property 5 (Unit 101, 201, 301, 401, 501, Unit 601, 222-2 Xingmin Road) has been mortgaged to Industrial and Commercial Bank of China Co., Ltd., Guangzhou Tianhe branch (中國工商銀行股份有限公司廣州天河支行); and
 - Other than that, Property 5 is free from seizure and encumbrances.
- (5) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 5 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (6) In arriving at our opinion of the value of Property 5, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 5. We have taken into account reference comparable properties based on the

following criteria: (i) comparable properties are located in Zhujiang New Town, Guangzhou; and (ii) the nature of the comparable properties are commercial facilities, i.e. similar to Property 5. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C
Project Name	Fu Li Ying Tong 富力盈通	Fu Li Ying Tai 富力盈泰	Jinghui Huating 中海環暉華庭
Location	Huaxia Road	Liede Road	Jinsui Road
Transaction situation	Asking price	Asking price	Asking price
Year Built	2013	2009	2007
Floor	1/F	1/F	1/F
Gross Floor Area (sqm)	150	320	200
Net Floor Area (sqm)	110	291	190
Adjustment unit rate (RMB/sqm) on NFA	51,530	53,605	52,029

Based on the analysis of the comparable properties, an adjusted unit rate of RMB52,400 per sqm on net floor area (“NFA”) has been adopted for Floor 1 of Property 5. Floor level adjustments are applied to each floor and the adjusted unit rates on NFA are set out below:

Level	GFA (sqm)	NFA (sqm)	Unit Rate (RMB/sqm)
Floor 1	8,855.91	5,727.04	52,400
Floor 2	15,924.07	11,249.59	24,200
Floor 3	16,314.08	11,862.46	20,800
Floor 4	18,938.23	13,762.9	16,000
Floor 5	17,463.9	12,010.58	15,500
Floor 6	1,883.58	1,304.12	15,000
Basement 1	12,559.11	6,223.94	26,000
Basement 2	5,062.46	3,811.86	24,000
Total	97,001.34	65,952.49	

The value of Property 5 is concluded by multiplying the NFA of each floor by the corresponding unit rate, then summing up all the resulting values.

- (7) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 5, save for routine general maintenance works.
- (8) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 5.
- (9) Based on our investigation, as well as our discussion with the Group:
 - a. We did not observe any environmental issue such as breach of environmental regulations; and
 - b. We did not notice material options or rights of pre-emption concerning or affecting Property 5.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026
6	1,151 carparking spaces, located at Zone C of Tianying Plaza, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區天盈廣場C區1151個車位	Property 6 is a part of the Tianying Plaza, which in turn a part of the Tianhui Square. The construction of the Tianying Plaza was completed in 2017. As informed, Property 6 comprises 1,151 car parking spaces of the Tianying Plaza with a total gross floor area of approximately 16,722.34 sqm. Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	As informed, the property was operated by the EJVC Company.	RMB353,000,000 (Renminbi THREE HUNDRED AND FIFTY-THREE MILLION) 33.33% interest to the Group RMB117,700,000

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm. have been granted to Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use.

As advised by the Company and per our investigation, there is no separate land use right granted for Property 6 or the Tianying Plaza.

- (2) We have been provided with a legal opinion regarding interest of Property 6 by the Group's PRC legal adviser, which contains, *inter alia*, the following:
- Guangzhou Fujing Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 6;
 - The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.; and
 - Property 6 is free from seizure, mortgage and encumbrances.

- (3) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 6 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (4) Details of the floor breakdown of the car parking spaces of Property 6 are set out as follows:

Floor	No. of CPS
Basement 1	209
Basement 2	347
Basement 3	477
Basement 4	118
Total	1,151

- (5) In arriving at our opinion of the value of Property 6, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 6. We have taken into account reference comparable properties based on the following criteria: (i) comparable properties are located in Zhujiang New Town, Guangzhou; and (ii) the nature of the comparable properties are similar to Property 6. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C
Project Name	Li Xun Shang Zhu 力迅上築	Gao De Gong Guan 高德公館	Nan Guo Garden 南國花園
Location	Hai Ming Road	Huacheng Avenue	Ping Yue Road
Transaction situation	Asking price	Asking price	Asking price
Year Built	2005	2008	2006
Gross Floor Area (sqm)	12.50	12.10	10.95
Floor	Basement 1	Basement 1	Basement 1
Adjustment unit rate (RMB/sqm)	351,000	312,000	354,200

Based on the analysis of the comparable properties, an adjusted unit rate of RMB340,000 per car parking space on Basement 1 has been adopted. Also, after adjustment for floor factor with a correction factor of 0.9 per floor immediately below, adjustment unit rates of RMB306,000, RMB275,000 and RMB248,000 per car parking space on Basement 2, Basement 3 and Basement 4 have been adopted. Corresponding adjustments are also made with reference to the size of each car parking space. The overall value after adjustments is set out as follows:

Floor	No. of CPS	Value (RMB)	Average Unit Rate (RMB)
Basement 1	209	80,700,000	386,124
Basement 2	347	106,200,000	306,052
Basement 3	477	137,100,000	287,421
Basement 4	118	29,300,000	248,000
Total	1,151	353,000,000	

The average unit rate is marginally different from the adjusted unit rate mentioned in above Note (5), primarily attributable to the presence of large-sized tandem parking spaces within the shopping mall.

- (6) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 6, save for routine general maintenance works.
- (7) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 6.
- (8) Based on our investigation, as well as our discussion with the Group:
 - a. We did not observe any environmental issue such as breach of environmental regulations; and
 - b. We did not notice material options or rights of pre-emption concerning or affecting Property 6.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 April 2026
7	Unit 201, 59 Linjiang Avenue, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區臨江大道59號201房	Property 7 is a part of the Palace, which in turn a part of the Tianhui Square. The construction of the Palace was completed in 2013. As informed, Property 7 comprises a clubhouse of the Palace with a total gross floor area of approximately 543.59 sqm. Developments in the vicinity mainly dominated by office buildings and large-scale shopping arcades. The locality is well served by public facilities and transportation network, surrounded by commercial landmarks such as K11, Guangzhou CTF Finance Centre, Guangzhou International Finance Center. The Tianhui Square occupies a parcel of land with a site area of approximately 71,175 sqm. The land-use rights of the Tianhui Square have been granted for Commercial and Financial use with a term of 40 years commencing on 9 September 2011.	As informed, the property was operated by the EJV Company as clubhouse.	RMB7,910,000 (Renminbi SEVEN MILLION NINE HUNDRED AND TEN THOUSAND) 33.33% interest to the Group RMB2,640,000

Notes:

- (1) Pursuant to a Certificate of State-owned Land Use Rights — Sui Fu Guo Yong 2011 No.01100044, the land use rights of the Tianhui Square with a site area of approximately 71,175 sqm. have been granted to Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司) for a term of 40 years commencing from 9 September 2011 for Commercial and Financial use. As advised by the Company and per our investigation, there is no separate land use right granted for Property 7 or the Palace.
- (2) Pursuant to “Real State Title Certificate” — Yue Fang Di Quan Zheng Sui No.0120602904, dated 24 September 2014, the property with a gross floor area of approximately 543.59 sqm and a net floor area of approximately 274.80 sqm is owned by Guangzhou Fujing Real Estate Development Co., Ltd. (廣州市富景房地產開發有限公司), the land use rights of the property have been granted for a term of 40 years commencing on 9 September 2011 for commercial use.
- (3) We have been provided with a legal opinion regarding interest of Property 7 by the Group’s PRC legal adviser, which contains, *inter alia*, the following:
 - a. Guangzhou Fujing Real Estate Development Co., Ltd. is in possession of a proper legal title to Property 7;
 - b. The Group indirectly holds 33.33% of the shareholding interest of Guangzhou Fujing Real Estate Development Co., Ltd.; and

- c. Property 7 is free from seizure, mortgage and encumbrances.
- (4) With the consideration of the above legal opinion, our valuation is based on an assumption that the land use rights of Property 7 are all with proper titles, and the owner/prospective buyer entitles to occupy, use, mortgage, lease, and transfer the property during the remaining land use rights term without any additional land premium, grant fee or other onerous payment to the relevant authorities.
- (5) In arriving at our opinion of the value of Property 7, we have adopted direct comparison method and identified and analyzed various relevant sales evidence within the locality which have similar characteristics as Property 7. We have taken into account reference comparable properties based on the following criteria: (i) comparable properties are located in Zhujiang New Town, Guangzhou; and (ii) the nature of the comparable properties are similar to Property 7. We have exhaustively examined the available market comparables and identified the below comparable properties to fulfill the criteria. Some details of the comparable properties are set out below:

Comparable	A	B	C
Project Name	Fu Li Ying Tong 富力盈通	Fu Li Ying Tai 富力盈泰	Jinghui Huating 中海環暉華庭
Location	Huaxia Road	Liede Road	Jinsui Road
Transaction situation	Asking price	Asking price	Asking price
Year Built	2013	2009	2007
Gross Floor Area (sqm)	150	320	200
Net Floor Area (sqm)	110	291	190
Adjustment unit rate (RMB/sqm) on NFA	51,530	53,605	52,029

Based on the analysis of the comparable properties, an adjusted unit rate of RMB52,400 per sqm on NFA has been adopted for Floor 1. As Property 7 is located on Floor 2, floor level adjustments are applied and the adjusted unit rate of Property 7 is RMB28,800 per sqm on NFA. The value of Property 7 is concluded by multiplying such adjusted unit rate and the 274.80 sqm NFA.

- (6) Based on our investigation, as at the Valuation Date, no material construction, renovation, improvement or redevelopment plans were in place for Property 7, save for routine general maintenance works.
- (7) Based on our investigation, as well as our discussion with the Group, we have not observed any material restrictions on development which is not included in this report. We have not noticed any material special or general conditions affecting the development of Property 7.
- (8) Based on our investigation, as well as our discussion with the Group:
- a. We did not observe any environmental issue such as breach of environmental regulations; and
- b. We did not notice material options or rights of pre-emption concerning or affecting Property 7.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company and/or their respective close associates 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 (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long positions in Shares and underlying Shares

Name of Director	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests	Total	Approximate % of the issued share capital ⁽¹⁾
KONG Jianmin	—	—	1,594,749,652 ⁽³⁾	399,053,500 ⁽²⁾⁽³⁾	1,993,803,152	58.32%
KONG Jiantao	—	—	256,804,687 ⁽⁴⁾	1,443,385,000 ⁽²⁾⁽⁴⁾	1,700,189,687	49.73%
KONG Jiannan	—	—	144,338,500 ⁽⁵⁾	1,553,761,500 ⁽²⁾⁽⁵⁾	1,698,100,000	49.67%
CAI Fengjia	347,222	112,000 ⁽⁶⁾	—	—	459,222	0.01%
TAM Chun Fai	30,000	—	—	—	30,000	0.00%

Notes:

- The approximate percentages were calculated based on 3,418,883,945 Shares in issue as at the Latest Practicable Date.
- On 30 December 2018, Plus Earn Consultants Limited (“**Plus Earn**”), a company wholly-owned by Mr. KONG Jianmin and directly holds 1,299,046,500 Shares; Right Rich Consultants Limited (“**Right Rich**”), a company wholly-owned by Mr. KONG Jiantao and directly holds 254,715,000 Shares; and Peace Kind Investments Limited (“**Peace Kind**”), a company wholly-owned by Mr. KONG Jiannan and directly holds 144,338,500 Shares, entered into a shareholders’ agreement (the “**Shareholders’ Agreement**”) to regulate their dealings in the Shares. As such, each party to the Shareholders’ Agreement was deemed to have interest in the shares and/or underlying shares held by the other parties pursuant to the Shareholders’ Agreement under Section 317(1)(a) of the SFO.

3. Mr. KONG Jianmin is deemed to be interested in a total of 1,993,803,152 Shares including (i) 1,299,046,500 Shares held by Plus Earn which is wholly-owned by Mr. KONG Jianmin; (ii) 295,703,152 Shares held by Hero Fine Group Limited (“**Hero Fine**”) which is wholly-owned by Mr. KONG Jianmin; and (iii) 254,715,000 Shares held by Right Rich and 144,338,500 shares held by Peace Kind pursuant to the Shareholders’ Agreement.
4. Mr. KONG Jiantao is deemed to be interested in a total of 1,700,189,687 Shares including (i) 254,715,000 Shares held by Right Rich which is wholly-owned by Mr. KONG Jiantao; (ii) 1,109,587 Shares held by Excel Wave Investments Limited (“**Excel Wave**”) which is wholly-owned by Mr. KONG Jiantao; (iii) 980,100 Shares held by Wealth Express Investments Limited (“**Wealth Express**”) which is wholly-owned by Mr. KONG Jiantao; and (iv) 1,299,046,500 Shares held by Plus Earn and 144,338,500 Shares held by Peace Kind pursuant to the Shareholders’ Agreement.
5. Mr. KONG Jiannan is deemed to be interested in a total of 1,698,100,000 Shares including (i) 144,338,500 Shares held by Peace Kind which is wholly-owned by Mr. KONG Jiannan; and (ii) 1,299,046,500 Shares held by Plus Earn and 254,715,000 Shares held by Right Rich pursuant to the Shareholders’ Agreement.
6. These Shares were held by Mr. CAI Fengjia’s spouse.

(ii) Interests in debentures of the Company

Name of Director	Capacity/Nature of Interest	Amount of Debentures Interested
KONG Jiantao	Interest of a controlled corporation ⁽¹⁾	US\$2,000,000
	Interest of spouse ⁽²⁾	US\$9,650,000
KONG Jianmin	Interest of a controlled corporation ⁽³⁾	US\$6,650,000

Notes:

1. Excel Wave, a company wholly-owned by Mr. KONG Jiantao, held US\$2,000,000 of US\$300,000,000 7.40% senior notes of the Company due 2024. Accordingly, Mr. KONG Jiantao is deemed to be interested in the aforesaid amount of the senior note held by Excel Wave under the SFO.
2. The spouse of Mr. KONG Jiantao held totally US\$9,650,000 senior notes including (i) US\$3,000,000 of US\$300,000,000 7.40% senior notes of the Company due 2024 and (ii) US\$6,650,000 of US\$794,925,800 6.0% senior notes of the Company due 2024. Accordingly, Mr. KONG Jiantao is deemed to be interested in the aforesaid amount of the senior notes held by his spouse under the SFO.
3. Hero Fine, a company wholly-owned by Mr. KONG Jianmin, held US\$6,650,000 of US\$794,925,800 6.0% senior notes of the Company due 2024. Accordingly, Mr. KONG Jianmin is deemed to be interested in the said amount of senior note held by Hero Fine under the SFO.

(iii) Long positions in the shares of associated corporations

Name of Director	Name of Associated Corporations	Capacity	Number of shares held	% of issued voting shares
KONG Jianmin	Plus Earn	Beneficial owner	1,000	100%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or their respective close associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at the Latest Practicable Date, so far as known to the Directors or chief executive of the Company, the interests and short positions of the substantial shareholders of the Company or other persons (other than the Directors or chief executive of the Company) in the Shares and underlying shares of the Company, which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long positions in shares and underlying shares of the Company:

Name of Substantial Shareholder	Number of Shares held			Approximate % of the issued share capital ⁽¹⁾
	Beneficial Owner	Other Interests	Total	
Plus Earn ⁽²⁾⁽⁷⁾	1,299,046,500	399,053,500 ⁽⁶⁾	1,698,100,000	49.67%
Hero Fine ⁽³⁾⁽⁷⁾	295,703,152	—	295,703,152	8.65%
Right Rich ⁽⁴⁾⁽⁷⁾	254,715,000	1,443,385,000 ⁽⁶⁾	1,698,100,000	49.67%
Peace Kind ⁽⁵⁾⁽⁷⁾	144,338,500	1,553,761,500 ⁽⁶⁾	1,698,100,000	49.67%

Notes:

- The approximate percentages were calculated based on 3,418,883,945 Shares in issue as at the Latest Practicable Date.
- Plus Earn is legally and beneficially owned as to 100% by Mr. KONG Jianmin. Pursuant to the SFO, Plus Earn is interested and deemed to be interested in a total of 1,698,100,000 Shares including (i) 1,299,046,500 Shares directly held by it; (ii) 254,715,000 Shares held by Right Rich and 144,338,500 Shares held by Peace Kind pursuant to the Shareholders' Agreement.

3. Hero Fine is legally and beneficially owned as to 100% by Mr. KONG Jianmin.
4. Right Rich is legally and beneficially owned as to 100% by Mr. KONG Jiantao. Pursuant to the SFO, Right Rich is interested and deemed to be interested in a total of 1,698,100,000 Shares including (i) 254,715,000 Shares directly held by it; and (ii) 1,299,046,500 Shares held by Plus Earn and 144,338,500 Shares held by Peace Kind pursuant to the Shareholders' Agreement.
5. Peace Kind is legally and beneficially owned as to 100% by Mr. KONG Jiannan. Pursuant to the SFO, Peace Kind is interested and deemed to be interested in a total of 1,698,100,000 Shares including (i) 144,338,500 Shares directly held by it; and (ii) 1,299,046,500 Shares held by Plus Earn and 254,715,000 Shares held by Right Rich pursuant to the Shareholders' Agreement.
6. On 30 December 2018, Plus Earn, Right Rich and Peace Kind entered into the Shareholders' Agreement to regulate their dealings in the Shares. As such, each party to the Shareholders' Agreement was deemed to have interest in the shares and/or underlying shares held by the other parties pursuant to the Shareholders' Agreement under Section 317(1)(a) of the SFO.
7. Mr. KONG Jianmin is the sole director of Plus Earn and Hero Fine, Mr. KONG Jiantao is the sole director of Right Rich and Mr. KONG Jiannan is the sole director of Peace Kind.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified of any other interests and short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective close associates had any interest in a business that competed or was likely to compete with the businesses of the Group.

5. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OR ARRANGEMENTS

Save for the (i) 2022 Property Lease Agreements II, 2024 Property Lease Agreements III, 2025 Property Lease Agreements I, 2025 Property Lease Agreements II and 2025 Extension Agreement (all as defined in pages 56 to 57 of the 2025 annual report of the Company) entered into by the Group as lessor where Mr. KONG Jiantao, an executive Director, is the ultimate beneficial owner of the lessees (collectively, the "**Lease Agreements**") (the aggregate annual caps for the two years ending 31 December 2027 being RMB10,461,882 and RMB216,123, respectively); and (ii) the property lease framework agreement dated 11 December 2025 (the annual caps for the three years ending 31 December 2028 being RMB17,000,000, RMB17,000,000 and RMB17,000,000, respectively) entered into between the Company and KWG Living Group Holdings Limited ("**KWG Living**" and together with its subsidiaries, "**KWG Living Group**"), under which the Group will lease certain properties and car parking lots to KWG Living Group and in which each of Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan, all being

executive Directors, is considered as having a material interest, as at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been 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 since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

Save for the residential property management services framework agreement entered into by the Company and KWG Living on 11 December 2025 (as supplemented by a supplemental agreement dated 12 February 2026), the commercial operational and value-added services framework agreement entered into by the Company and KWG Living on 11 December 2025, as supplemented by a supplemental agreement dated 12 February 2026 and the commercial property management services framework agreement entered into by the Company and KWG Living on 11 December 2025, as supplemented by a supplemental agreement dated 12 February 2026, and the Lease Agreements, in which each of Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan, all being executive Directors, is considered as having a material interest, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

7. MATERIAL CONTRACTS

The following are contracts (not being contracts entered into in the ordinary course of business) entered into by the members of the Group within the two (2) years immediately preceding the Latest Practicable Date and are or may be material:

- (i) the Agreement; and
- (ii) the restructuring support agreement dated 15 June 2026 between the Company and certain initial participating creditors in relation to the offshore debt restructuring of the Company.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, save for the Petition, there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has given its opinion or advice contained in this circular:

Name	Qualification
Pinetree Advisory and Valuation Limited	Independent professional valuer

As at the Latest Practicable Date, the above expert:

- (i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name, in the form and context in which it appears;
- (ii) did not have any 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; and
- (iii) did not have any direct or indirect interest in any assets which had been since 31 December 2025 (the date to which the latest published audited consolidated financial statements of the Company were made up), acquired, 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.

10. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.kwggroupholdings.com for a period of fourteen (14) days from the date of this circular:

- (i) the Agreement;
- (ii) the letter of consent referred to in the paragraph headed “Expert and Consent” in this appendix; and
- (iii) the valuation report on the equity interests of the Target Company as set out in Appendix II to this circular.

11. GENERAL

- The company secretary of the Company is Mr. Chan Sze Yin. He is a member of the Hong Kong Institute of Certified Public Accountants.
- The registered office of the Company is situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

- The Company's principal place of business in Hong Kong is situated at Room 1301, 13th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.
- The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong.
- In case of any inconsistency, the English version of this circular shall prevail over the Chinese version.