

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in EverChina Int'l Holdings Company Limited, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

MAJOR AND CONNECTED TRANSACTION AND NOTICE OF GENERAL MEETING

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



A letter from the board of directors of EverChina Int'l Holdings Company Limited (the “**Company**”) is set out on pages 5 to 24 of this circular. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on pages 25 to 26 of this circular. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 27 to 54 of this circular.

A notice convening the general meeting of the Company to be held at Unit 1506, 15/F. Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong on 4 June 2026 at 10:30 a.m. is set out on pages 77 to 78 of this circular. A form of proxy for use at the general meeting of the Company is enclosed with this circular.

Whether or not you are able to attend the general meeting of the Company, you are requested to complete the accompanying form of proxy in accordance with instructions printed thereon and return it to the share registrar of the Company, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not later than 48 hours before the time for holding the general meeting of the Company or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the general meeting of the Company or any adjournment thereof should you so wish.

30 April 2026

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Letter from the Independent Board Committee	25
Letter from the Independent Financial Adviser	27
Appendix I — Financial Information of the Group	55
Appendix II — Property Valuation Report	59
Appendix III — General Information	72
Notice of GM	77

DEFINITIONS

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

“2 nd Extension Letter”	the extension letter dated 31 March 2026 entered into between the Company and the Vendor
“Acquisition”	the acquisition by the Group of the Property pursuant to the terms and conditions of the Provisional Agreement
“associates”	has the meaning ascribed to it under the Listing Rules
“Audited Income”	has the meaning ascribed to it in the sub-section headed “Rental Guarantee” under the section headed “The Provisional Agreement” in the letter from the Board of this circular
“Board”	the board of Directors
“Closing Conditions”	the conditions as set out in the sub-section headed “Consideration” under the section headed “The Provisional Agreement” in the letter from the Board of this circular
“Company”	EverChina Int’l Holdings Company Limited (潤中國國際控股有限公司), a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Stock Exchange
“Completion Valuation”	has the meaning ascribed to it in the sub-section headed “Adjustment to Consideration” under the section headed “The Provisional Agreement” in the letter from the Board of this circular
“Completion Valuation Amount”	has the meaning ascribed to it in the sub-section headed “Adjustment to Consideration” under the section headed “The Provisional Agreement” in the letter from the Board of this circular
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the aggregate consideration of RMB400,000,000 (equivalent to approximately HK\$428,000,000)
“Director(s)”	director(s) of the Company

DEFINITIONS

“Extension Letter”	the extension letter dated 31 December 2025 entered into between the Company and the Vendor
“Formal Agreement”	the formal sale and purchase agreement in relation to the Acquisition signed by the Group and the Vendor
“GM”	the general meeting of the Company to be held at Unit 1506, 15/F, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong on 4 June 2026 at 10:30 a.m. to consider and if thought fit, to approve the Provisional Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Guaranteed Income”	has the meaning ascribed to it in the sub-section headed “Rental Guarantee” under the section headed “The Provisional Agreement” in the letter from the Board of this circular
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board comprising all independent non-executive Directors established to advise the Independent Shareholders in relation to the Provisional Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	Lego Corporate Finance Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed for the purpose of making recommendations to the Independent Board Committee and the Independent Shareholders as to the Provisional Agreement and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholders other than the Vendor and its associates
“Initial Provisional Agreement”	the provisional sale and purchase agreement dated 26 March 2025 entered into between the Company and the Vendor in relation to the Acquisition
“Latest Practicable Date”	27 April 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Subsidiary”	a wholly-owned subsidiary of the Group to be established in the PRC
“Preliminary Valuation Amount”	has the meaning ascribed to it in the sub-section headed “Consideration” under the section headed “The Provisional Agreement” in the letter from the Board of this circular
“Property”	the parcel of land located at 2/4 Hill, Block 482, Pujiang Town, Minhang District, Shanghai (上海市閔行區浦江鎮482街坊2/4丘), PRC, together with the buildings erected and to be erected thereon
“Provisional Agreement”	the Initial Provisional Agreement, as amended and supplemented by the Extension Letter, the 2 nd Extension Letter and the Supplemental Provisional Agreement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Provisional Agreement”	the supplemental provisional agreement dated 27 April 2026 entered into between the Company and the Vendor amending and supplementing the terms of the Provisional Agreement
“Vendor”	Shanghai Pengxin Zhihuiyuan Property Development Company Limited* (上海鵬欣智匯園房地產開發有限公司)
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“%” per cent

“sq. m.” square metre

For the purpose of this circular, all amounts denominated in RMB have been translated (for information only) into HK\$ using the exchange rate of RMB1:HK\$1.07. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rate or any other rates at all.

If there is any inconsistency between the Chinese names of the PRC entities mentioned in this circular and their English translations, the Chinese names shall prevail.

* for identification purpose only



EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

Executive Directors:

Mr. Jiang Xiao Heng Jason (*chairman*)
Mr. Chen Yi, Ethan (*chief executive officer*)
Ms. Wang Xue

Registered office:

Unit 1506, 15/F.,
Capital Centre
151 Gloucester Road
Wanchai, Hong Kong

Independent Non-executive Directors:

Mr. Ho Yiu Yue Louis
Mr. Ko Ming Tung Edward
Mr. Ng Ge Bun

30 April 2026

To the Shareholders

Dear Sirs or Madam,

**MAJOR AND CONNECTED TRANSACTION
AND
NOTICE OF GENERAL MEETING**

INTRODUCTION

The Company announced on 26 March 2025 that it had entered into the Initial Provisional Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Group has conditionally agreed to acquire the Property at an aggregate Consideration of RMB400,000,000 (equivalent to approximately HK\$428,000,000), subject to adjustment.

As the applicable percentage ratios in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules which is subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Vendor is indirectly owned as to (i) approximately 32.3% by Mr. Jiang Zhaobai, a then non-executive Director and the chairman of the Company as at the date of the Initial Provisional Agreement, as well as the father of Mr. Jiang Xiao Heng Jason (being an

LETTER FROM THE BOARD

executive Director and chairman of the Company, as well as a substantial Shareholder interested in 28% of the issued share capital of the Company as at the Latest Practicable Date); (ii) approximately 44.6% by Mr. Jiang Lei, the brother of Mr. Jiang Zhaobai; and (iii) approximately 23.1% by Shanghai Pengxin Asset Management Company Limited* (上海鵬欣資產管理有限公司). Shanghai Pengxin Asset Management Company Limited is indirectly owned as to (a) 99% by Mr. Jiang Zhaobai and (b) 1% by Mr. Jiang Lei. The Vendor is therefore regarded as a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company which is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The purpose of this circular is to provide you with further details of the Provisional Agreement and the transactions contemplated thereunder as well as the notice of the GM.

THE PROVISIONAL AGREEMENT

The Initial Provisional Agreement was signed on 26 March 2025 while (i) the Extension Letter was signed on 31 December 2025 extending the delivery date of the Property from the initial 31 December 2025 to 31 March 2026; and (ii) the 2nd Extension Letter was signed on 31 March 2026 extending the delivery date of the Property to 30 June 2026. The Supplemental Provisional Agreement was signed on 27 April 2026 to amend and supplement, among other matters, the payment terms of the Consideration.

The principal terms of the Provisional Agreement are as follows:

Date and parties

Date	:	26 March 2025 (after trading hours of the Stock Exchange) as regards the Initial Provisional Agreement;
		31 December 2025 as regards the Extension Letter;
		31 March 2026 as regards the 2 nd Extension Letter; and
		27 April 2026 as regards the Supplemental Provisional Agreement
Purchaser	:	the Company
Vendor	:	the Vendor, being Shanghai Pengxin Zhihuiyuan Property Development Company Limited* (上海鵬欣智匯園房地產開發有限公司)

The Vendor is a company established in the PRC and is principally engaged in the provision of property development services in the PRC. It is wholly owned by Shanghai Pengdu Health Technology Development Company Limited* (上海鵬都健康科技發展有限公

LETTER FROM THE BOARD

司), which is a company established in the PRC principally engaged in technical services, technical development, technical consultation, technical exchange, technology transfer, technology promotion, and health consulting services in Shanghai, the PRC.

Shanghai Pengdu Health Technology Development Company Limited is directly owned as to (i) approximately 32.3% by Mr. Jiang Zhaobai, a then non-executive Director and the chairman of the Company as at the date of the Initial Provisional Agreement, as well as the father of Mr. Jiang Xiao Heng Jason (being an executive Director and the chairman of the Company, as well as a substantial Shareholder interested in approximately 28% of the issued share capital of the Company as at the Latest Practicable Date); (ii) approximately 44.6% by Mr. Jiang Lei, the brother of Mr. Jiang Zhaobai; and (iii) approximately 23.1% by Shanghai Pengxin Asset Management Company Limited* (上海鵬欣資產管理有限公司). Shanghai Pengxin Asset Management Company Limited is indirectly owned as to (a) 99% by Mr. Jiang Zhaobai; and (b) 1% by Mr. Jiang Lei, and is principally engaged in the provision of asset management services, equity investment management and investment services in Shanghai, the PRC.

Assets to be acquired

The Property, being the parcel of land located at 2/4 Hill, Block 482, Pujiang Town, Minhang District, Shanghai, (上海市閔行區浦江鎮482街坊2/4丘) the PRC together with the buildings erected and to be erected thereon.

Consideration

The Consideration

The Consideration is RMB400,000,000 (equivalent to approximately HK\$428,000,000) and will be satisfied in cash in instalments as follows:

- (i) 30% of the Consideration (the “**1st Instalment**”), being RMB120,000,000 (equivalent to approximately HK\$128,400,000), shall be payable within seven business days (or such other date as may be agreed by the Company and the Vendor) after:
 - (a) the signing of the Formal Agreement by the PRC Subsidiary and the Vendor; and
 - (b) the Company having received the relevant invoice for payment issued by the Vendor;

LETTER FROM THE BOARD

- (ii) 25% of the Consideration (the “**2nd Instalment**”), being RMB100,000,000 (equivalent to approximately HK\$107,000,000), shall be payable within seven business days (or such other date as may be agreed by the Company and the Vendor) after the fulfilment of the following conditions (the “**Closing Conditions**”) which cannot be waived:
- (a) the passing of all necessary resolution(s) by the Vendor and the Company (including the approval of the Independent Shareholders at the GM) and the fulfilment of any regulatory requirement imposed by regulatory bodies (including those from the Stock Exchange);
 - (b) filing having been made as regards construction completion inspection and that the registration certificate for the construction completion inspection filing (建設工程竣工驗收備案登記證) having been obtained;
 - (c) the Vendor having obtained all relevant real estate title certificates (不動產權證書) in relation to the Property;
 - (d) all obligations on the part of the Vendor under the Provisional Agreement having been performed and there being no material breach of the warranties given by the Vendor in the Provisional Agreement and such warranties not being misleading in all material respects;
 - (e) the Company having received a legal opinion issued by its PRC legal advisers in the form and substance to the satisfaction of the Company, confirming the ownership of the Property, the validity and legality of the land use and the validity of the transaction under the Provisional Agreement;
 - (f) there being no legal restrictions or encumbrances (including mortgages, liens, leases, construction priority rights, or other types of encumbrances) on the land use right, the real property ownership or equipment and facilities of the Property;
 - (g) the Vendor having delivered the Property to the Group, and the registration of the title and land use right transfer of the Property having been made; and
 - (h) the Company having received the relevant invoice for payment issued by the Vendor;
- (iii) 40% of the Consideration (the “**3rd Instalment**”), being RMB160,000,000 (equivalent to approximately HK\$171,200,000), shall be payable within seven business days (or such other date as may be agreed by the Company and the Vendor) after the fulfilment of the following conditions:
- (a) within 6 months after payment of the 2nd Instalment;

LETTER FROM THE BOARD

- (b) the Property having obtained the relevant approval/filing with civil affairs bureau (民政局) to operate as service apartments for senior citizens;
 - (c) the Company having obtained the funding from financial institution in the amount of RMB160,000,000 (equivalent to approximately HK\$171,200,000) and the financial institution having been registered as the first mortgagee of the Property; and
 - (d) the Company having received the relevant invoice for payment issued by the Vendor; and
- (iv) 5% of the Consideration, being RMB20,000,000 (equivalent to approximately HK\$21,400,000), shall be payable on the first business day following the second anniversary after the Closing Conditions having been satisfied (or such other date as may be agreed by the Company and the Vendor).

Basis of Consideration and valuation method

The Consideration was determined after arm's length negotiations between the Company and the Vendor with reference to the market value of the Property of approximately RMB440,000,000 (equivalent to approximately HK\$470,800,000) as at 28 February 2025 (the "**Preliminary Valuation Date**") assuming construction completion having taken place on that date based on the preliminary valuation conducted by an independent property valuer (the "**Preliminary Valuation Amount**"). Set out in appendix II to this circular is a valuation report on the Property issued by Colliers Appraisal & Advisory Services Co., Ltd. (the "**Independent Valuer**"), a firm of independent valuers whereupon the Property was valued at RMB441,000,000 (equivalent to approximately HK\$471,870,000) as at 31 January 2026 assuming construction completion having taken place on that date, adopting the cost approach and market approach.

The Preliminary Valuation Amount was provided by the same firm of valuers issuing the valuation report as set out in appendix II to this circular, adopting the same methodology and approach. In particular, there has been no significant change in the inputs and assumptions between the preliminary valuation and the valuation report set out in appendix II to this circular.

In assessing the fairness and reasonableness of the Consideration, the Board noted that the value of the Property had appreciated from RMB440,000,000 (equivalent to approximately HK\$470,800,000) as at the Preliminary Valuation Date, being 28 February 2025, to RMB441,000,000 (equivalent to approximately HK\$471,870,000) as at 31 January 2026, being the valuation date as set out in the valuation report in appendix II to this circular.

The Directors are of the view that the valuation approach adopted by the Independent Valuer, which is the principal method prescribed under relevant valuation standards (including IVS 105 and HKIS Valuation Standards), is fair and appropriate. As set out in appendix II to

LETTER FROM THE BOARD

this circular, in determining the value of the land portion of the Property, the Independent Valuer adopted the market approach by making reference to comparable market transactions in its assessment of the market value of a property interest, which is commonly used to value assets when reliable sale evidence of similar assets is available. The Directors considered alternative valuation methods, such as income or cost approaches, but found them less suitable than the market approach due to their lack of market reflectivity and verifiable inputs. As set out in appendix II to this circular, for the valuation of the building portion of the Property, the Independent Valuer adopted the cost approach, which is typically used when reliable sale evidence of similar assets is unavailable. The cost approach provides an indication of value based on the economic principle that a buyer will pay no more than the cost of producing the asset. The Directors considered alternative methods, such as the market or income approaches, to be less suitable because the building portion is a new construction lacking comparable market information and do not generate any income. Furthermore, the Directors noted that three comparable transactions involving commercial and hotel properties located in Pudong and Minhang, Shanghai which is near the Property's location have been selected. It considers that the selection scope of comparables put forward by the Independent Valuer were specific and exhaustive, as they are all sourced from verified and well-known platforms, with property type and location, which ensure direct market comparability and valuation accuracy. Please refer to appendix II to this circular for further details on the valuation approach and valuation comparables used by the Independent Valuer in determining the appraised value of the Property.

Furthermore, the Directors consider that the adjustments given by the Independent Valuer to the comparables for differential factors, such as the time, site area, location, remaining land use term and grade as well as plot ratio of the Property, were objectively derived from the Independent Valuer's market evidence, peer transaction analyses and independent legal opinion confirming unencumbered title/transferability under PRC law, which supports that the appraised value of the Property as stated in the valuation report as set out in appendix II to this circular is fair and reliable. The Directors have reviewed the assumptions adopted by the Independent Valuer and have been advised that the key assumptions adopted therein are commonly used in valuing similar companies. There are no irregularities noted by the Directors in relation to the quantitative inputs in such valuation.

Having considered (i) the Independent Valuer is independent from the Company and has relevant experience in conducting the valuation similar to that of the Property; (ii) the adoption of market approach and cost approach for the land portion and the building portion of the Property, is an appropriate valuation methodology; and (iii) the reasonableness of the bases and assumptions adopted in the valuation report as set out in appendix II to this circular, the Directors therefore consider that the key assumptions and methodology adopted in such valuation are fair and reasonable.

LETTER FROM THE BOARD

The 1st Instalment

As at the Latest Practicable Date, the Formal Agreement had been signed and 30% of Consideration, being RMB120,000,000 (equivalent to approximately HK\$128,400,000), had been paid to the Vendor as at the Latest Practicable Date. None of the other instalments of Consideration had been paid as at the Latest Practicable Date.

The amount of the 1st Instalment was determined after arm's length negotiations between the Company and the Vendor with reference to approximately 50% of the carrying value of the Property of approximately RMB227,167,000 (equivalent to approximately HK\$243,069,000) as at the Preliminary Valuation Date. The carrying value of the Property represents the amount incurred by the Vendor in connection with the Property. While the 1st Instalment represents 30% of the Consideration, the Company noted payment of such amount upon signing of the Formal Agreement is in line with market practice in the PRC. In particular, the Company noted there had been instances of deposit payment of such amount for transactions entered into by companies the issued shares of which are listed on the Stock Exchange. Also, the Group had in the past requested deposit payment amounting to 30% of total consideration as regards disposal of its owned properties, such as its disposal of 75% effective interests in Holiday Inn Express Shanghai Wujiaochang in Shanghai, PRC (the "Hotel"), details of which are set out in the Company's circular dated 20 February 2024. Based on the above as well as the refundable nature of the 1st Instalment, the Board considers the amount is fair and reasonable and is interest of the Company and its Shareholders.

Payment of Consideration

Payment of the 1st Instalment was financed by internal resources as well as bank borrowings. Taking into account the cash generated from the Group's operations, the Group has sufficient working capital to support its ongoing operations even after payment of the 1st Instalment.

It is currently expected that subject to fulfilment of the Closing Conditions, the 2nd Instalment will be payable on or around 31 August 2026. As at the Latest Practicable Date, the Company was in talk with placing agent to conduct a placing of new Shares to raise approximately HK\$100,000,000 for payment of the 2nd Instalment. However, as at the Latest Practicable Date, no concrete terms had yet been reached and no agreement had been entered into by the Group in relation thereto. Further announcement will be made by the Company as and when appropriate in compliance with the Listing Rules.

It is currently expected that subject to fulfilment of the payment conditions to the 3rd Instalment as set out above, the 3rd Instalment will be payable on or around 28 February 2027. Based upon the payment schedule set out above, upon payment of the 2nd Instalment, the Property will have been delivered and title thereto shall have been transferred to the Group. As at the Latest Practicable Date, the Property had been pledged to secure a bank loan for the Vendor. The Group had been in communication with such bank and understood the bank is willing to provide a fresh loan of at least approximately RMB160,000,000 (equivalent to

LETTER FROM THE BOARD

approximately HK\$171,200,000) to the Group which shall be secured by a pledge of the Property upon the latter's delivery so as to secure the Company's payment of the 3rd Instalment.

The Board is of the view that the terms of the Provisional Agreement (including the Consideration) are fair and reasonable and are on normal commercial terms.

Adjustment to Consideration

The Vendor and the Company agreed that an independent valuer approved by the Company shall conduct a valuation of the Property upon construction completion (the "**Completion Valuation**"), which the Vendor guarantees shall be not less than RMB440,000,000 (equivalent to approximately HK\$470,800,000).

In the event the valuation amount set out in the Completion Valuation (the "**Completion Valuation Amount**") is less than the Preliminary Valuation Amount, the Consideration shall be adjusted by the following formula:

$$\text{Consideration} = \text{Completion Valuation Amount} \times 90.91\%$$

The adjustment percentage was determined based on the Consideration (RMB400,000,000) divided by the guaranteed Completion Valuation amount (RMB440,000,000).

The shortfall shall be deducted proportionately from the unpaid instalment(s) of the Consideration.

However, if the Completion Valuation Amount is greater than or equal to the Preliminary Valuation Amount, no adjustment will be made to the Consideration.

Delivery and Registration of Ownership

As set out in the 2nd Extension Letter, the Vendor undertakes to deliver the Property on or before 30 June 2026 (or such other date as may be agreed by the Vendor and the Company) for inspection by the Company.

Pursuant to the Supplemental Provisional Agreement, the Vendor had agreed to compensate the Company for delay in the delivery of the Property from the initial delivery date of 31 December 2025. The Vendor agreed to pay a compensation calculated at 5.8% per annum on the 1st Instalment calculated from the date of payment of the 1st Instalment up to the actual date of delivery of the Property. The compensation was calculated from the date of payment of the 1st Instalment (which took place in the first half of 2025) instead of from 31 December 2025 because the Group would have looked for alternative payment method should it in the first place know that delivery would have happened beyond 31 December 2025.

LETTER FROM THE BOARD

Accordingly, the Directors consider such compensation amount to be fair and reasonable and in the interests of the Independent Shareholders as a whole. The compensation can be deducted from the rest of the instalments of Consideration or by cash payment by the Vendor.

In the event there being any breach of delivery standards as set out by, among other matters, law or in the Provisional Agreement, the Company shall have the right to refuse delivery. The Vendor shall be liable for such breach of contract as set out in the sub-section headed “Breach of the Provisional Agreement” below.

The Vendor also undertakes to cause the ownership registration in respect of all rights in the Property to be transferred to the Company on or before 30 June 2026 (or such other date as may be agreed by the Vendor and the Company).

As at the Latest Practicable Date, the land use for the Property, as specified in Real Estate Ownership Certificate and the Construction Land Planning Permit, is as hotel. Based on the legal advice obtained by the Group, it is understood the current related policies permit the temporary repurpose of the Property for functions such as elderly care services, provided that structural and fire safety are ensured. The Group has also been advised that there is currently no legislation or guidance pointing to any time limit for such temporary repurposing and therefore there is no need to amend the land use purpose before operating the Property as service apartments for senior citizens. For compliance procedures relating to these, please refer to the section headed “Reasons for and benefits of the Acquisition” below.

The Vendor further warranted that the land use purpose of the Property can be amended by the Group to elderly service upon completion of the Property, and that the Vendor shall be liable for all damages if the same cannot be obtained by the Group.

Rental Guarantee

The Vendor guarantees that for the three years commencing from 1 January following transfer of land use rights and title of the Property to the Group, the annual rental income received by the Company derived from the Property shall be not less than RMB20,000,000 (equivalent to approximately HK\$21,400,000) (the “**Guaranteed Income**”). The Vendor and the Company agreed that an accounting firm approved by the Company shall conduct special audit on the annual income derived from the Property. The Vendor shall pay the shortfall (on a dollar-for-dollar basis) to the Company in the event the audited amount of annual income of the Property (the “**Audited Income**”) is less than the Guaranteed Income. Any such shortfall shall be determined on or before 30 April of each year and be payable seven business days thereafter. For the avoidance of doubt, if delivery of the Property happened in mid- 2026, the calculation of the above rental guarantee would commence only from 1 January 2027.

The amount of the Guaranteed Income has been determined after arm’s length negotiations between the Company and the Vendor, based on an expected average annual occupancy rate of 70% with an average rental income of RMB12,000 per room per month. The general market occupancy percentage of similar level of senior apartment in Shanghai

LETTER FROM THE BOARD

amounts to 70%, and the rental income reference was made based on similar apartments offered to senior tenants in the market: the market price of similar level privately-run senior apartments in different districts in Shanghai, including Minhang, Pudong, Jingan, and Changning districts, ranges from RMB6,800 to RMB12,000 per room. Accordingly, the Directors consider that the amount of the Guaranteed Income is fair and reasonable and in the interests of the Independent Shareholders as a whole.

The Company will (i) disclose in its next annual report in compliance with R14A.63(3) of the Listing Rules as to whether the Audited Income meets the Guaranteed Income; and (ii) publish an announcement in compliance with R14A.63(2) of the Listing Rules if the Audited Income fails to meet the Guaranteed Income.

Maintenance

After the delivery of the Property to the Company, the Vendor shall be responsible for the maintenance of certain aspects of the Property (including structural repair, waterproofing, heating and cooling systems, electrical wiring, plumbing and mechanical equipment) and rectifying quality issues caused by product defects, with maintenance periods ranging from two to five years or as stipulated in the relevant documents relating to the facilities.

If the Vendor fails to perform its maintenance obligations, the Company may carry out the repairs on its own at the expense of the Vendor. Such repairing costs and expenses shall be deducted from the last instalment of the Consideration. If the last instalment is insufficient to cover such costs, the Vendor shall pay the balance to the Company within 10 business days upon the receipt of the repair invoice or supporting evidence of expenses.

Although the last instalment of the Consideration falls on the second anniversary of delivery of the Property while some of the warranty periods might fall out of such anniversary date, the Vendor shall still be liable for all costs and expenses in relation to all applicable maintenance repair during those periods. Any deduction from payment of last instalment of Consideration merely acts as a payment method and does not reduce any liability on the part of the Vendor in relation to maintenance repair.

Breach of the Provisional Agreement

In the event that the Company fails to pay any instalment of the Consideration in accordance with the payment schedule, the Company shall be liable to pay a default interest at a rate of 0.03% for the outstanding amounts for each overdue day to the Vendor.

In the event that the Vendor commits a material breach (including failure of delivery of the Property, failure for the Group to commence business on the Property and unilateral termination of the Provisional Agreement by the Vendor) under the Provisional Agreement or

LETTER FROM THE BOARD

there is a breach of the warranties given by the Vendor in the Provisional Agreement which materially affects the Acquisition or may materially affect the Company's rights in the Acquisition, the Company may:

- (a) terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination; or
- (b) require the Vendor to continue performing the Provisional Agreement, whereby the Company shall not be liable for any payment due to the Vendor's breach and shall have the right to determine new payment conditions and timelines.

In the event that the Vendor fails to deliver the Property on or before 30 June 2026 (or such other date as may be agreed by the Vendor and the Company), the parties may agree to extend the delivery date within 30 days from the next day of 30 June 2026 (or such other date as may be agreed by the Vendor and the Company). If no agreement is reached between the parties and such delay is not caused by any breach committed by the Company, the Company may:

- (a) terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination; or
- (b) require the Vendor to continue performing the Provisional Agreement, whereby the Vendor shall pay a default interest at a rate of 0.03% for the amounts paid by the Company for each overdue day.

If the Vendor fails to complete the registration of title transfer of the Property to the Company by 30 June 2026 (or such other date as may be agreed by the Company and the Vendor), the parties may agree to extend the registration date within 30 days from the next day of 30 June 2026 (or such other date as may be agreed by the Vendor and the Company). If no agreement is reached between the parties and such failure to complete the registration is not caused by the failure of the Company to pay the Consideration or to provide any relevant documents, the Company may:

- (a) terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination; or
- (b) require the Vendor to continue performing the Provisional Agreement, whereby the Vendor shall pay a default interest at a rate of 0.03% for the amounts paid by the Company for each overdue day.

LETTER FROM THE BOARD

In the event that the Company fails to obtain Independent Shareholders' approval for the Provisional Agreement and the transactions contemplated thereunder at the GM, the Provisional Agreement shall be terminated immediately. The Vendor shall refund all amounts paid by the Company under the Provisional Agreement within seven business days from the date of termination, without any interest.

In the event of the occurrence of a force majeure event, the party claiming such occurrence shall deliver a written notice with supporting evidence to the other party within 15 days thereafter. Force majeure events include earthquake, typhoon, flood, fire, war, international or national transportation having been suspended, epidemic, strike. The obligations affected by the event shall be suspended without constituting a breach. The parties shall negotiate in good faith to mitigate the impacts. In any event, the Company shall have the unilateral right to terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement within seven business days from the date of termination. The liability for any prior delays including default interest remains enforceable, notwithstanding the occurrence of a force majeure event.

INFORMATION OF THE PROPERTY

The Property is currently under construction with a 12-storey main building and a 3-storey annex building, intended to serve as service apartments targeting senior and elderly residents. The Property has a net floor area of approximately 7,800 sq. m. and an estimated gross floor area of approximately 19,600 sq. m.. As at the Latest Practicable Date, construction of the main structure of the Property had been completed and the pre-interior fitting-out work was in progress. The remaining period of the relevant land use rights of the Property amounts to around 23 years. Upon delivery of the Property, it will feature, among other facilities, 204 units, function rooms, a restaurant and recreational and entertainment facilities.

The Property is located in Minhang District, Shanghai, the PRC. The surrounding resources are well-equipped, close to Pujiang Zhihuiyuan and Pujiang Zhigu Office Area. Nearby medical facilities include Renji Hospital and the Fifth Affiliated Hospital of Fudan University. In addition, the Property is surrounded by urban greening, with Pujiang Country Park to the south, Zhaojialou Scenic Area to the east, and Minhang Citizen Cultural Square to the west. Additionally, the Property is within minutes of walking distance from Metro Line 8 and the Jiangyue Road Bus Hub Station, with the latter having more than 10 bus routes. There is convenient transportation with Shenjia Lake Expressway to the south, and the Outer Middle Ring Road and the North-South Viaduct to the north.

According to the Vendor, as at the Latest Practicable Date, the Property had been pledged to secure bank facilities, which will be released before delivery of the Property.

Based on the information provided by the Vendor, as at 31 January 2026, the carrying value of the Property, representing the original development cost of the Property was approximately RMB236,064,000 (equivalent to approximately HK\$252,588,000), which

LETTER FROM THE BOARD

comprised land costs of RMB16,235,000 (equivalent to approximately HK\$17,371,000), construction costs of RMB189,228,000 (equivalent to approximately HK\$202,474,000) and capitalised interest expenses of RMB30,601,000 (equivalent to approximately HK\$32,743,000).

Set out in appendix II to this circular is a valuation report on the Property issued by the Independent Valuers whereupon the Property was valued at RMB441,000,000 (equivalent to approximately HK\$471,870,000) as at 31 January 2026 assuming construction completion having taken place on that date, adopting the cost approach and market approach.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company, the subsidiaries of which are principally engaged in property investment operation, agricultural operation and natural resources operation. The Group has also maintained a legacy investment interest in the Hotel which has now been re-modeled as service apartments. Relying on its experience in the hospitality business and its current property investment operation, the Company considers the Acquisition can provide a stable income stream, enhance the asset base of the Group and increase the future profitability of the Group.

The Group's hospitality experience

The Group commenced its hospitality business (the “**Hospitality Business**”) in 2014: from 2014 up until January 2024, the Group owned and operated the Hotel. Thereafter, as set out in the circular of the Company dated 20 February 2024, although the Group had disposed of 75% effective interests in the Hotel in 2024, it continues to hold 25% effective interests therein, which has been re-modelled and re-branded into service apartments under the name “Modena by Fraser” (the “**Fraser Service Apartments**”). Mr. Chen Yi, Ethan an executive Director and the chief executive officer of the Company is a director of the company currently holding the Fraser Services Apartments. Accordingly, the Group has never left the Hospitality Business, and believe that investment in and operation of service apartments are the upcoming trend of the hospitality industry.

In terms of the Hotel operation, the Group's subsidiary Loyal Rich International Investment Limited (“**Hotel Owner Subsidiary**”) acted as owner of the Hotel property, while the Group's other subsidiary Tianfu (Shanghai) Hotel Management Company Limited (“**Hotel Operating Subsidiary**”) was responsible for operations of the Hotel. A tenancy agreement was entered into between the Hotel Owner Subsidiary and the Hotel Operating Subsidiary in relation to leasing of the Hotel property. The Group entered into hotel management agreement with the Hotel manager which permitted the Group's use of the “Holiday Inn” brand name as well as the digital booking and operation system adopted across the board by the chain of Holiday Inn hotels worldwide. The Hotel Operating Subsidiary, on the other hand, was responsible for all other aspects of the Hotel operation, including direct hiring of staff (such as back office and accounting staff, front desk staff, house-keeping staff, and catering staff etc.), direct procurement of supplies, and Hotel maintenance etc.. At its height, the Hotel

LETTER FROM THE BOARD

Operating Subsidiary had a team of 60 staff members and was led by Mr. Chen Yi, Ethan, an executive Director and the chief executive officer of the Company. The Hotel maintained a restaurant, three function rooms and a business centre. The Property will be leased out as service apartments (the “**Service Apartment Operations**”), targeting at senior citizens. The Company takes the view that running a block of service apartments is no different from running a hotel, except the occupants of the service apartments will be longer-staying tenants. Accordingly, the Company intends to assemble a team of staff similar to that of the Hotel operations. The Hotel Operating Subsidiary will participate in the Service Apartment Operations and it is expected a team of 50 staff will be directly hired, which, similar to the Hotel operations, shall include back office and accounting staff, front desk staff, house-keep staff and catering staff. Similar to the Hotel, the Property will have a restaurant, fitness centre and other unique facilities such as a communal living room, a reading and relaxation area, a workspace area, a multi-purpose hall, chess and card room, to name a few.

Enhancement of the Group’s property investment operation

The Property will be marketed as service apartments for senior citizens and the Group targets to take in occupants who can live independently with high self-care capability. The Group does not intend to run the Property as an elderly care home which relies heavily on medical and elderly care personnel as well as medical facilities. Rather, it targets at those senior customers who are highly independent but would like to ride on the convenience provided on-site at the Property such as catering, fitness centre and other wellness facilities. The Group will not directly provide any medical or care services to the occupants of the Property. Rather, it will enter into contracts with third-party medical or care service providers such that the occupants can utilise packaged medical or care services (such as on-site nursing service, off-site medical check-ups) provided by such service providers. Currently, it is contemplated that a fixed fee will be paid by the Group to such service providers. The occupants of the Property shall pay additional sum for these add-on services to the Group on top of rental payment. The Group consider that this whole package will provide relatively independent and self-sufficient seniors with quality services by addressing their physiological, psychological and social needs.

Currently, the Group is also engaged in the leasing of investment properties in the PRC. Such investment properties are commercial units located in Beijing and Shanghai and the revenue generated from this segment is rental income. Similarly, the major part of income to be recognised from the Service Apartment Operations will be apartment rental income. Given the general downturn in the conventional property investment business in the PRC, the Company is of the view that by marketing the Properties as service apartments for senior citizens, which combined with its experience in the Hospitality Business, will greatly enhance the competitiveness of the Group.

LETTER FROM THE BOARD

Pre-commencement of operation of the Property

The Group will establish a sales team led by a manager with over ten years of experience in high-end hotel industry who has also served as a senior manager in another high-end continuing care retirement communities project in Shanghai for over ten years. Additionally, the Group will conduct marketing activities through prominent Shanghai social media and online platforms, while engaging with retirement offices of major universities in Shanghai, veteran affairs offices, and the Shanghai Chamber of Commerce. While the Group has maintained reasonable standing in the hospitality business in terms of hotel operation and service apartment investment, these efforts aim to rapidly increase the Group's visibility within Shanghai's elderly care industry and among high-net-worth retirees. It is currently anticipated that customer pre-registration will begin three months prior to the Property's official opening.

The Property is ready for use upon delivery. Accordingly, no significant amount of additional capital expenditure will need to be incurred by the Group. In terms of working capital, it is expected that approximately RMB10,000,000 (equivalent to approximately HK\$10,700,000) will be required before commencement of operations in order to cover marketing expenses, initial administrative expenses, and employee salaries etc.. Such working capital will be funded by the Group's internal resources. It is currently expected that operation of the Property will commence in third quarter of 2026 or first quarter of 2027. To commence operations as service apartments for senior citizens, the Group would need to go through following procedures:

- (a) an application for providing elderly care service (養老申請) be submitted to the local civil affairs bureau (民政局);
- (b) upon the civil affairs bureau (民政局) issuing its committee meeting minutes or notification of decision confirming the use of the Properties as senior citizen apartments, the Group will obtain further confirmation from the local building, fire safety and environmental departments as regards further renovation and property inspection that must comply with the relevant elderly service operations;
- (c) upon completion of such property inspection, an elderly care institution filing (養老機構備案) would need to be made with the civil affairs bureau (民政局);
- (d) the civil affairs bureau (民政局) will issue an acknowledgement receipt of setting up an elderly care institution (設置養老機構備案回執) to the Group;
- (e) thereafter, the Group will be allowed to operate the Property as service apartments for senior citizens.

It is currently estimated that it will take 3 to 6 months to complete the above procedures. Based on the understanding of the Company, successful filing with the civil affairs bureau (民政局) depends on whether the Property's construction complies with the relevant safety and

LETTER FROM THE BOARD

environmental impact assessment, ie., completion of the property inspection set out in item (c) above that relates to item (b) above. While the Group has followed closely with the construction and outfitting of the Property, the Group believes it is unlikely the filing with the civil affairs bureau (民政局) would be rejected. Given the remoteness of such rejection, the Group had no contingency plan relating to the use of the Property in this regard as at the Latest Practicable Date. The Company has also obtained a PRC legal opinion confirming no approval from the China Securities Regulatory Commission is required as regards the Acquisition.

Industry trend for service apartment and elderly care services

With the continued acceleration of urbanization in the PRC, the high-end service apartment market is poised for unprecedented development opportunities. The market size of the PRC's high-end service apartment sector reached approximately RMB50 billion in 2025 and is projected to exceed RMB80 billion in 2026. This growth is primarily driven by rising demand from business travel, leisure travel, and long-term rentals, particularly in first-tier cities where the supply-demand imbalance is increasingly pronounced, indicating significant market potential. Data shows that in 2025, the average rent for high-end service apartments in the PRC ranged from approximately RMB150 to 300 per square meter per month, with even higher rates in core areas of first-tier cities. This price level reflects the market's supply-demand dynamics and service value. Shanghai's high-end service apartment market is entering a new stage of high-quality development.

Shanghai is one of the first cities in the PRC that have a significant aging population. According to the 2022 Shanghai Elderly Population and Aging Affairs Monitoring Statistics released by the Shanghai Municipal Health Commission, as of 31 December 2022, there were approximately 5.5 million registered elderly aged 60 and above living in Shanghai, accounting for approximately 36.8% of the total registered population. There is a strong demand for elderly care services.

The Property is positioned as a high-end service apartment provider, offering “one-stop” service to enhance competitiveness in order to meet the needs of retirees who aspire to quality living with a convenient, efficient lifestyle. On the basis of the foregoing, the Board believes the Service Apartment Operations also aligns with the Group's strategic business direction. This initiative will enhance the Group's development capabilities and strengthen its ability to sustain long-term growth, ultimately benefiting the overall interests of the Company and its shareholders.

The terms of the Provisional Agreement have been negotiated on an arm's length basis. The Directors are of view that the terms of the Provisional Agreement are fair and reasonable so far as the Independent Shareholders are concerned, and the Acquisition is in the interest of the Company and the Independent Shareholders as a whole.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE ACQUISITION

Effect on earnings

The main building of the Property has been completed while interior decoration and renovation work is currently underway to meet the delivery requirements. And therefore the Property has not yet generated any revenue. The Vendor guarantees that the annual rental income received by the Company derived from the Property shall be not less than the Guaranteed Income of RMB20,000,000 (equivalent to approximately HK\$21,400,000) for the three years commencing from 1 January following transfer of land use rights and title of the Property to the Group.

Effect on net asset value and gearing (based on the annual report of the Company for the year ended 31 March 2025)

The Group will satisfy the Consideration in cash as to (i) approximately RMB250,000,000 (equivalent to approximately HK\$267,500,000) from bank loan, (ii) approximately RMB100,000,000 (equivalent to approximately HK\$107,000,000) from equity fund raising and (iii) approximately RMB50,000,000 (equivalent to approximately HK\$53,500,000) from internal resources. Upon completion of the Acquisition, the Property will be accounted for as land and buildings in the property, plant and equipment of the Group's non-current assets. According to the relevant accounting standards, the Property is recorded at cost, i.e., RMB400,000,000 (equivalent to approximately HK\$428,000,000). Therefore, the Group's non-current assets will increase by RMB400,000,000 (equivalent to approximately HK\$428,000,000) and the cash and cash equivalent will reduce by approximately RMB50,000,000 (equivalent to approximately HK\$53,500,000). The Group's bank borrowings will increase by approximately RMB250,000,000 (equivalent to approximately HK\$267,500,000) and the share capital of the Company will increase by approximately RMB100,000,000 (equivalent to approximately HK\$107,000,000). The gearing ratio will increase from approximately 0.38 as at 31 March 2025 to approximately 0.57 upon the completion of the Acquisition. The aforesaid bank borrowings of approximately RMB250,000,000 (equivalent to approximately HK\$267,500,000) cover the bank borrowings obtained for part payment of the 1st Instalment as well as the loan to be obtained for payment of the 3rd Instalment.

THE LISTING RULES IMPLICATION

As the applicable percentage ratios in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules which is subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Vendor is indirectly owned as to (i) approximately 32.3% by Mr. Jiang Zhaobai, a then non-executive Director and the chairman of the Company, as well as the father of Mr. Jiang Xiao Heng Jason, an executive Director and chairman of the Company, as well as a

LETTER FROM THE BOARD

substantial Shareholder interested in 28% of the issued share capital of the Company; (ii) approximately 44.6% by Mr. Jiang Lei, the brother of Mr. Jiang Zhaobai; and (iii) approximately 23.1% by Shanghai Pengxin Asset Management Company Limited* (上海鵬欣資產管理有限公司). Shanghai Pengxin Asset Management Company Limited is indirectly owned as to (a) 99% by Mr. Jiang Zhaobai and (b) 1% by Mr. Jiang Lei. The Vendor is therefore regarded as a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company which is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee has been established to advise the Independent Shareholders on the Provisional Agreement and the transactions contemplated thereunder. The Independent Financial Adviser has been appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in this regard.

GM

The Company will seek the Independent Shareholders' approval of the Provisional Agreement and the transactions contemplated thereunder at the GM by way of poll whereby the Vendor and its associates who have a material interest in the Provisional Agreement shall abstain.

As at the Latest Practicable Date, (1) Rich Monitor Limited was beneficially interested in 1,133,300,000 Shares, representing approximately 15.54% of the issued share capital of the Company; and (2) Pengxin Holdings Company Limited was beneficially interested in 908,910,000 Shares, representing approximately 12.46% of the issued share capital of the Company. Both companies are wholly-owned by Mr. Jiang Xiao Heng Jason, an executive Director and the chairman of the Company, and the son of Mr. Jiang Zhaobai. Accordingly, Rich Monitor Limited and Pengxin Holdings Company Limited (beneficially interested in an aggregate of approximately 28% of the issued share capital of the Company) will abstain from voting at the GM. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Shareholder has a material interest in the Provisional Agreement and therefore no other Shareholder is required to abstain from voting on at the GM.

As Mr. Jiang Zhaobai and Mr. Jiang Xiao Heng Jason are considered to have a material interest in the Provisional Agreement, they had abstained from voting at the Board meeting approving the Provisional Agreement. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Director has a material interest in the Provisional Agreement and therefore no other Directors is required to abstain from voting on the Board resolution in relation to the Provisional Agreement.

LETTER FROM THE BOARD

A notice convening the GM to be held at Unit 1506, 15/F. Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong on 4 June 2026 at 10:30 a.m. is set out on pages 77 to 78 of this circular.

A form of proxy for use by the Shareholders at the GM is enclosed with this circular. Whether or not you intend to attend and vote at the GM in person, you are requested to complete the form of proxy and return it to the office of the Company's share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the GM or any adjourned meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the GM or any adjourned meeting should you so wish. In such event, the proxy form shall be deemed to be revoked.

For the purpose of ascertaining and determining the entitlement of the Shareholders to attend and vote at the GM, the register of members of the Company will close from 1 June 2026 to 4 June 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the GM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 29 May 2026.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by poll. Accordingly, the resolution to be considered and, if thought fit, passed at the GM will be put to vote by poll by the Shareholders. The Company will announce the results of the poll in the manner set out in Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the terms of the Provisional Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and that the Acquisition is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the GM to approve the Provisional Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee, the letter from the Independent Financial Adviser and the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
EverChina Int'l Holdings Company Limited
Chen Yi, Ethan
Chief Executive Officer and Executive Director



EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

30 April 2026

To the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION

INTRODUCTION

We refer to the circular dated 30 April 2026 (the “**Circular**”) of EverChina Int’l Holdings Company Limited (the “**Company**”) of which this letter forms part. Terms used in this letter shall have the meanings as defined in the Circular unless the context requires otherwise.

We, being the independent non-executive Directors, have been appointed to form the Independent Board Committee to advise you as to whether the terms of the Provisional Agreement are fair and reasonable so far as the Independent Shareholders are concerned and whether the entering into of the Provisional Agreement is in the interests of the Company and the Shareholders as a whole.

Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the terms of the Provisional Agreement.

We wish to draw your attention to the letter from the Board as set out on pages 5 to 24 of the Circular and the letter from the Independent Financial Adviser as set out on pages 27 to 54 of the Circular which contain, among other things, their recommendations to us regarding the terms of the Provisional Agreement and the principal factors and reasons taken into consideration for their recommendations.

RECOMMENDATION

Having taken into account the recommendations of Independent Financial Adviser and the principal factors and reasons taken into consideration by them in arriving at their opinion, we consider that although the entering into of the Provisional Agreement is not in the ordinary

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

course of business of the Group, the terms of the Provisional Agreement are normal and commercial terms, are fair and reasonable as far as the Independent Shareholders are concerned and the entering into of the Provisional Agreement is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the GM to approve the Provisional Agreement and the transactions contemplated thereunder.

Yours faithfully,

Mr. Ho Yiu Yue, Louis

Mr. Ko Ming Tung, Edward
Independent Board Committee

Mr. Ng Ge Bun

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from the Independent Financial Adviser setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Provisional Agreement and the transactions contemplated thereunder, which has been prepared for the purpose of inclusion in this circular.



30 April 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

MAJOR AND CONNECTED TRANSACTION

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Provisional Agreement, details of which are set out in the letter from the board (the “**Letter from the Board**”) contained in the circular of the Company dated 30 April 2026 (the “**Circular**”), of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

On 26 March 2025 (after trading hours), the Company entered into the Initial Provisional Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Group has conditionally agreed to acquire the Property at an aggregate Consideration of RMB400,000,000 (equivalent to approximately HK\$428,000,000), subject to adjustment.

The Vendor is indirectly owned as to (i) approximately 32.3% by Mr. Jiang Zhaobai, a then non-executive Director and the chairman of the Company as at the date of the Initial Provisional Agreement, as well as the father of Mr. Jiang Xiao Heng Jason (being an executive Director and chairman of the Company, as well as a substantial Shareholder interested in 28% of the issued share capital of the Company as at the Latest Practicable Date); (ii) approximately 44.6% by Mr. Jiang Lei, the brother of Mr. Jiang Zhaobai; and (iii) approximately 23.1% by Shanghai Pengxin Asset Management Company Limited* (上海鵬欣資產管理有限公司). Shanghai Pengxin Asset Management Company Limited is indirectly owned as to (a) 99% by Mr. Jiang Zhaobai and (b) 1% by Mr. Jiang Lei. The Vendor is therefore regarded as a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company which is subject to reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Company will seek the Independent Shareholders' approval of the Provisional Agreement and the transactions contemplated thereunder at the GM by way of poll whereby the Vendor and its associates who have a material interest in the Provisional Agreement shall abstain from voting. As at the Latest Practicable Date, (1) Rich Monitor Limited was beneficially interested in 1,133,300,000 Shares, representing approximately 15.54% of the issued share capital of the Company; and (2) Pengxin Holdings Company Limited was beneficially interested in 908,910,000 Shares, representing approximately 12.46% of the issued share capital of the Company. Both companies are wholly-owned by Mr. Jiang Xiao Heng Jason, an executive Director and the chairman of the Company, and the son of Mr. Jiang Zhaobai. Accordingly, Rich Monitor Limited and Pengxin Holdings Company Limited (beneficially interested in an aggregate of approximately 28% of the issued share capital of the Company) will abstain from voting at the GM. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Shareholder has a material interest in the Provisional Agreement and therefore no other Shareholder is required to abstain from voting at the GM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors namely, Mr. Ho Yiu Yue Louis, Mr. Ko Ming Tung Edward and Mr. Ng Ge Bun has been established to advise the Independent Shareholders in respect of the Provisional Agreement and the transactions contemplated thereunder, and as to how to vote on the relevant resolution to be proposed at the GM in relation to the Provisional Agreement.

We, Lego Corporate Finance Limited, have been appointed by the Company as the Independent Financial Adviser in accordance with the requirement of the Listing Rules to advise the Independent Board Committee and the Independent Shareholders in relation to the Provisional Agreement and to make recommendations as to, among others, whether the terms of the Provisional Agreement are fair and reasonable, are normal commercial terms and in the interests of the Company and the Independent Shareholders as a whole, and as to voting in respect of the relevant resolution at the GM.

OUR INDEPENDENCE

During the past two years, save for the engagement in connection with the Provisional Agreement and the transactions contemplated thereunder, we had not been engaged by the Company for the provision of other services that would affect our independence. Save for our engagement in connection with the Provisional Agreement, we did not have any relationship with, or any interest in, the Company or any other parties that could reasonably be regarded as relevant to our independence. Apart from the normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangements existed whereby we had received or would receive any fees or benefits from the Company or the Vendor. As at the Latest Practicable Date, Lego Corporate Finance Limited did not have any relationships or interests with the Company, the Vendor or any of their respective substantial shareholders, directors or chief executives, or any of their respective associates

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

that could reasonably be regarded as relevant to the independence of Lego Corporate Finance Limited. We are independent under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Provisional Agreement and the transactions contemplated thereunder.

BASIS OF OUR ADVICE

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the Directors and the management of the Group (the “**Management**”); and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular were true at the time they were made and have continued to be true as at the date of the Circular and all such statements of belief, opinions and intention of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truthfulness, accuracy and completeness of the information and representations provided to us by the Directors, the Management, and/or the advisers of the Company. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the Management were true, accurate, complete and not misleading in all material respects at the time they were made and have continued to be so until the date of the Circular.

We consider that we have reviewed the relevant information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company or any of its associates. Our opinion is necessarily based on financial, economic, market and other conditions in effect, and the information made available to us as at the Latest Practicable Date.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Provisional Agreement. Except for its inclusion in the Circular, this letter shall not be quoted or referred to, in whole or in part, nor shall it be used for any other purposes, without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In giving our recommendations to the Independent Board Committee and the Independent Shareholders with respect to the Provisional Agreement and the transactions contemplated thereunder, we have taken into consideration the following principal factors and reasons:

1. Financial information of the Group

The Group is principally engaged in the agricultural farming and sales of crops and cattle raising and sales of cattle in the Plurinational State of Bolivia (the “**Agricultural Operation**”) and the leasing of properties in the PRC (the “**Property Investment Operation**”). The Group also holds a mining licence to conduct construction, production and sales transportation and processing/refinery of manganese ore in Indonesia. Production has not been commenced since the Group acquired the mining rights. The Group was also engaged in hotel operation in the PRC and provision of securities investment and financing operation in Hong Kong and the PRC which had been discontinued.

Set out in Table 1 below is certain financial information of the Group for each of the three years ended 31 March 2023, 2024 and 2025 as extracted from the annual reports of the Company for the year ended 31 March 2024 (the “**Annual Report 2024**”) and the year ended 31 March 2025 (the “**Annual Report 2025**”), and the six months ended 30 September 2024 and 2025 as extracted from the interim report of the Company for the six months ended 30 September 2025 (the “**Interim Report 2025**”), respectively.

Table 1: Financial information of the Group

	For the year ended 31 March			For the six months ended 30 September	
	2023	2024	2025	2024	2025
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue					
— Agricultural Operation	89,749	73,901	78,434	30,829	58,035
— Property Investment Operation	<u>28,028</u>	<u>28,583</u>	<u>29,747</u>	<u>15,301</u>	<u>16,247</u>
Total	<u><u>117,777</u></u>	<u><u>102,484</u></u>	<u><u>108,181</u></u>	<u><u>46,130</u></u>	<u><u>74,282</u></u>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	For the year ended 31 March			For the six months ended 30 September	
	2023	2024	2025	2024	2025
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the year/period attributable to owners of the Company from:					
— Continuing operations	(240,428)	(273,702)	(69,540)	(97,059)	(23,612)
— Discontinued operations	<u>43,884</u>	<u>(46,144)</u>	<u>29,329</u>	<u>29,329</u>	<u>—</u>
Total	<u>(196,544)</u>	<u>(319,846)</u>	<u>(40,211)</u>	<u>(67,730)</u>	<u>(23,612)</u>

	As at 31 March			As at 30 September
	2023	2024	2025	2025
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets	1,766,460	1,087,140	1,180,005	1,220,193
Current assets	791,911	477,536	431,489	200,885
Current liabilities	967,113	336,282	485,459	307,551
Net current assets/ (liabilities)	(175,202)	141,254	(53,970)	(106,666)
Non-current liabilities	69,542	59,617	29,606	30,163
Net assets	1,521,716	1,168,777	1,096,429	1,083,364

For the year ended 31 March 2024

For the year ended 31 March 2024, revenue of the Group amounted to approximately HK\$102.48 million, representing a decrease of approximately 13.0% as compared to that of approximately HK\$117.78 million for the previous year. As set out in Table 1 above, revenue from the Agricultural Operation amounted to approximately HK\$73.90 million for the year ended 31 March 2024, representing a decrease of approximately 17.66% as compared to that of approximately HK\$89.75 million for the previous year. With reference to the Annual Report 2024, such decrease was primarily attributed to the decrease in revenue from the sale of crops and cattle and in particular, the decrease in the average selling price of soybean, being the major crops of the farm, by approximately 21.74% from US\$460/MT to US\$360/MT as resulted from oversupply in the market.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Group's net loss attributable to owners of the Company increased from approximately HK\$196.54 million for the year ended 31 March 2023 to approximately HK\$319.85 million for the year ended 31 March 2024. Based on the Annual Report 2024, it is noted that the increase in loss was primarily due to (i) increase in loss from continuing operations arising from (a) decrease in gross profit by approximately 29.85%, (b) increase in impairment loss in respect of the mining rights by approximately by 219% as a result of the decrease in market demand of manganese ore and (c) impairment loss recognised on property, plant and equipment which amounted to approximately HK\$11,156,000 while no impairment loss was recognised in the previous year; and (ii) the loss from discontinued operations of approximately HK\$46.14 million for the year ended 31 March 2024 as opposed to the profit from discontinued operations of approximately HK\$43.88 million for the previous year which was attributed to (a) that no revenue was generated from hotel operation, (b) absence of gain on change in fair value of financial assets at fair value through profit or loss and (c) tax expense was recognised under securities investment and financing operation for the year ended 31 March 2024.

Based on the Annual Report 2024, (i) the major assets of the Group comprised of investment properties of HK\$718.68 million, property, plant and equipment of HK\$367.03 million and assets classified as held for sale (being the Group's hotel properties) of HK\$391.26 million, which in aggregate accounted for over 94% of total assets of the Group as at 31 March 2024; and (ii) the major liabilities of the Group mainly comprised the bank and other borrowings of HK\$247.17 million as at 31 March 2024, which represents around 62.43% of the total liabilities of the Group. As at 31 March 2024, the net current assets and net assets of the Group amounted to approximately HK\$141.25 million and approximately HK\$1,168.78 million, respectively.

For the year ended 31 March 2025

For the year ended 31 March 2025, revenue of the Group amounted to approximately HK\$108.18 million, representing an increase of approximately 5.56% as compared to that of approximately HK\$102.48 million for the previous year. As shown in Table 1 above, the increase in revenue was primarily resulted from a rise in revenue from the Agricultural Operation which grew from approximately HK\$73.90 million to HK\$78.43 million, representing an increase of approximately 6.13% from the previous year. With reference to the Annual Report 2025, the increase in income from the sale of crops was mainly attributable to a 25% rise in the average selling price of soybeans, which reached approximately US\$450/MT for the year ended 31 March 2025 from approximately US\$360/MT as recorded for the previous year.

The Group's net loss attributable to owners of the Company has narrowed from approximately HK\$319.85 million for the year ended 31 March 2024 to approximately HK\$40.21 million for the year ended 31 March 2025, showing a decrease by approximately 87.43%. Based on the Annual Report 2025, it is noted that the decrease in loss was primarily resulted from the net effect of (i) a decrease in loss on change in fair

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

value of the Group's investment properties by approximately 56.43% from approximately HK\$151.65 million to HK\$66.08 million; (ii) absence of loss on early repayment of amount due to a related company; (iii) absence of impairment loss in respect of mining rights, while the relevant impairment loss amounting to approximately HK\$52.95 million was recognised in the previous year; (iv) a decrease in impairment loss recognised on property, plant and equipment by approximately 90.32% from approximately HK\$11.16 million to HK\$1.08 million; (v) an increase in tax expenses by approximately 10.28 times; and (vi) a profit of approximately HK\$29.33 million from discontinued operations as a result of tax credit as opposed to a loss of approximately HK\$46.14 million for the previous year.

Based on the Annual Report 2025, (i) the major assets of the Group comprised of investment properties of HK\$634.69 million, property, plant and equipment of HK\$352.85 million and cash and cash equivalents of HK\$312.62 million as at 31 March 2025; and (ii) the major liabilities of the Group mainly comprised the bank and other borrowings of HK\$413.31 million as at 31 March 2025. The absence of assets classified as held for sale as at 31 March 2025 was resulted from the completion of the disposal of the hotel properties of the Group on 11 April 2024, which in turn led to an increase in the Group's cash balance as at 31 March 2025. As the Group raised new bank borrowings of approximately HK\$178.15 million during the year ended 31 March 2025, the bank and other borrowings and therefore the bank balance of the Group as at 31 March 2025 have increased accordingly. As at 31 March 2025, the net current liabilities and net assets of the Group amounted to approximately HK\$53.97 million and approximately HK\$1,096.43 million, respectively.

For the six months ended 30 September 2025

For the six months ended 30 September 2025, revenue of the Group amounted to approximately HK\$74.28 million, representing an increase of approximately 61.02% as compared to that of approximately HK\$46.13 million for the previous corresponding period. As shown in Table 1 above, the increase in revenue was primarily resulted from a rise in revenue from the Agricultural Operation which grew from approximately HK\$30.83 million to HK\$58.04 million, representing a significant increase of approximately 88.26% from the previous corresponding period. With reference to the Interim Report 2025, the increase in income from the sale of crops was mainly attributable to a further 59% rise in the average selling price of soybeans, which reached approximately US\$540/MT for the six months ended 30 September 2025, as resulted from the rising global demand and supply of soybeans.

The Group's net loss attributable to owners of the Company has narrowed from approximately HK\$67.73 million for the six months ended 30 September 2024 to approximately HK\$23.61 million for the six months ended 30 September 2025, showing a decrease by approximately 65.14%. Based on the Interim Report 2025, the decrease in loss was primarily resulted from the net effect of (i) an increase in gross profit by 1.9

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

times from approximately HK\$15.92 million to approximately HK\$46.16 million due to the increase in revenue from Agricultural Operation; (ii) decrease in loss on change in the fair value of the Group's investment property by approximately 94%; (iii) recognition of reversal of expected credit loss on other receivable net of approximately HK\$5.12 million due to the fact that the Group received the repayment of outstanding receivables during the six months ended 30 September 2025; (iv) an increase in loss arising on changes in fair value less costs to sell on biological assets by approximately 2.6 times from approximately HK\$5.63 million to approximately HK\$20.44 million; (v) a decrease in finance costs by approximately 37.36% from approximately HK\$14.48 million to approximately HK\$9.07 million due to decrease in interest expenses on bank and other borrowings; and (vi) absence of gain from discontinued operations for the six months ended 30 September 2025.

Based on the Interim Report 2025, (i) the major assets of the Group comprised of investment properties of HK\$647.32 million, property, plant and equipment of HK\$347.04 million as at 30 September 2025; and (ii) the major liabilities of the Group mainly comprised the bank and other borrowings of HK\$250.67 million as at 30 September 2025. The decrease in bank and other borrowings of the Group as at 30 September 2025 was due to the repayment of other secured borrowings during the six months ended 30 September 2025. As at 30 September 2025, the net current liabilities and net assets of the Group amounted to approximately HK\$106.67 million and approximately HK\$1,083.36 million, respectively.

The investment properties held by the Group in the PRC have been one of the major assets of the Group, generating considerable income to the Group in the past years. In light of the consecutive loss-making performance of the Group, the Company has been consistently exploring various suitable business opportunities to potentially improve the profitability of the Group. It is expected that the acquisition of the Property will strengthen and further diversify the asset portfolio of the Group to cover service apartments for senior citizen in addition to the Group's commercial properties in the PRC, and will provide a stable income stream to the Company following delivery of the Property.

2. Background information on the Vendor

As disclosed in the Letter from the Board, the Vendor is a company established in the PRC and is principally engaged in the provision of property development services in the PRC. It is wholly owned by Shanghai Pengdu Health Technology Development Company Limited* (上海鵬都健康科技發展有限公司), which is a company established in the PRC principally engaged in technical services, technical development, technical consultation, technical exchange, technology transfer, technology promotion, and health consulting services in Shanghai, the PRC.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Shanghai Pengdu Health Technology Development Company Limited is directly owned as to (i) approximately 32.3% by Mr. Jiang Zhaobai, a then non-executive Director and the chairman of the Company as at the date of the Initial Provisional Agreement, as well as the father of Mr. Jiang Xiao Heng Jason, an executive Director, the chairman of the Company and a substantial Shareholder interested in approximately 28% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 44.6% by Mr. Jiang Lei, the brother of Mr. Jiang Zhaobai; and (iii) approximately 23.1% by Shanghai Pengxin Asset Management Company Limited* (上海鵬欣資產管理有限公司). Shanghai Pengxin Asset Management Company Limited is indirectly owned as to (a) 99% by Mr. Jiang Zhaobai; and (b) 1% by Mr. Jiang Lei, and is principally engaged in the provision of asset management services, equity investment management and investment services in Shanghai, the PRC.

3. Information of the Property

The Property comprised of the parcel of land located at 2/4 Hill, Block 482, Pujiang Town, Minhang District, Shanghai, (上海市閔行區浦江鎮482街坊2/4丘) the PRC together with the buildings erected and to be erected thereon. With reference to the Letter from the Board, the Property is currently under construction with a 12-storey main building and a 3-storey annex building, intended to serve as service apartments targeting senior and elderly residents. The Property has a net floor area of approximately 7,800 sq. m. and an estimated gross floor area of approximately 19,600 sq. m.. As at the Latest Practicable Date, construction of the main structure of the Property had been completed and the pre-interior fitting-out work was in progress. The remaining period of the relevant land use rights of the Property amounts to around 23 years. Upon delivery of the Property, it will feature, among other facilities, 204 units, function rooms, a restaurant and recreational and entertainment facilities.

The Property is located in Minhang District, Shanghai, the PRC. The surrounding resources are well-equipped, close to Pujiang Zhihuiyuan and Pujiang Zhigu Office Area. Nearby medical facilities include Renji Hospital and the Fifth Affiliated Hospital of Fudan University. In addition, the Property is surrounded by urban greening, with Pujiang Country Park to the south, Zhaojialou Scenic Area to the east, and Minhang Citizen Cultural Square to the west. Additionally, the Property is within minutes of walking distance from Metro Line 8 and the Jiangyue Road Bus Hub Station, with the latter having more than 10 bus routes. There is convenient transportation with Shenjia Lake Expressway to the south, and the Outer Middle Ring Road and the North-South Viaduct to the north.

Based on the information provided by the Vendor, as at 31 January 2026, the carrying value of the Property, representing the original development cost of the Property was approximately RMB236,064,000 (equivalent to approximately HK\$252,588,000), which comprised land costs of RMB16,235,000 (equivalent to approximately HK\$17,371,000), construction costs of RMB189,228,000 (equivalent to approximately HK\$202,474,000) and capitalised interest expenses of RMB30,601,000 (equivalent to approximately HK\$32,743,000).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, the land use for the Property, as specified in Real Estate Ownership Certificate and the Construction Land Planning Permit, is as hotel. Based on the legal advice obtained by the Group, it is understood the current related policies permit the temporary repurpose of the Property for functions such as elderly care services, provided that structural and fire safety are ensured. The Group has also been advised that there is currently no legislation or guidance pointing to any time limit for such temporary repurposing and therefore there is no need to amend the land use purpose before operating the Property as service apartments for senior citizens.

4. Reasons for and benefit of the entering into of the Provisional Agreement

With reference to the Letter from the Board, the Property will be occupied as a serviced apartment for elderly and provide seniors with quality services by addressing their physiological, psychological and social needs. In addition to one of the Group's principal business being property investment operation in the PRC, the Group has also maintained a legacy investment interest in the Hotel (as defined below) which has now been re-modeled as service apartments. Given that the Group has been engaged in the leasing of investment properties in the PRC and with almost ten years' experience in operating hotel operation in Shanghai, the PRC, the Group believed that it should have sufficient operating experience and human resources to support the business. The Management considers that the Acquisition is in line with the Group's strategy in investing in income-generating property with potential capital appreciation in the long term. Relying on its experience in the hospitality business and its current property investment operation, the Company considers the Acquisition would provide a stable income stream, while enhancing the asset base of the Group.

In consideration of the entering into of the Provisional Agreement, we have primarily taken into account the general outlook of serviced apartment providing elderly care services in the PRC and Shanghai in particular, where the Property is located.

With reference to “2024 National Report on the Development of Elderly Care in the PRC*” (2024年度國家老齡事業發展公報) published by the Ministry of Civil Affairs of the PRC and the China National Committee on Ageing on 24 July 2025, the proportion of the national population aged 60 and above in the PRC showed a consecutive growing trend during the past decade which increased significantly from 16.1% in 2015 to 22.0% in 2024, the proportion of the national population aged 65 and above increased from 10.5% in 2015 to 15.6% in 2024, while the elderly dependency ratio based on the population aged 65 and above over the population aged 15 to 64 increased from 14.3% to 22.8% during the same period. It is also stressed that the PRC government will continue to actively promote the sustainable development of the elderly care industry by taking ongoing efforts to support the operation of elderly care institutions. According to an article published on 21 April 2025 by Zhiyan Consulting* (智研諮詢) (<http://chyxx.com>), a PRC research website established in 2008 providing market research, industry analysis and economic insights across a wide range of sectors in the PRC, among the home-based, community and institutional care models, the proportion of home-based care accounted for approximately 52.9%, followed by community

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

care homes at approximately 26.5% and institutional care homes at approximately 20.6%, respectively. It is also stated that community care homes may not meet the quantity and quality demand of the elderly and they have started to seek for higher quality care options. Service apartments targeting senior citizens which are positioned as mid-to-high-end form of institutional care and provide comprehensive services covering living, dining, hygiene, cultural entertainment and healthcare, are therefore gradually gaining popularity among seniors. Further, as the aging in society deepens, the demand for service apartments targeting senior citizens in the PRC has continued to grow, with market size increasing from RMB36 billion in 2017 to RMB80 billion in 2024, showing a compound annual growth rate of 12.08% and is expected to further expand.

According to the latest published statistics released by the Shanghai Civil Affairs Bureau on 15 April 2023, 6 July 2024 and 19 May 2025 respectively, there were approximately 5.5 million, 5.7 million and 5.8 million elderly aged 60 and above living in Shanghai, accounted for 36.8%, 37.4% and 37.6% of the total population in Shanghai as of 31 December 2022, 2023 and 2024, respectively, among which, the population of elderly aged 60 and above in Minhang District, Shanghai where the Property is located accounted for 31.8%, 32.0% and 31.9% of the total population in Shanghai as of 31 December 2022, 2023 and 2024, respectively, which are above the national average proportion of 22.0% in 2024 as described in the above paragraph, signalling a more severe aging population in Shanghai. As outlined in the “Policy Measures to Promote High-Quality Development of the Silver Economy in Shanghai*” (上海市推動銀髮經濟高品質發展若干政策措施) issued by the General Office of the Shanghai Municipal People’s Government in December 2024, with the aim to boost silver economy and improve the quality of life among the elderly community, it is the primary focus of the local government to, among others, accelerate the diversification of elderly care services, while elderly care institutions are urged to increase the supply of nursing beds and beds for elderly with cognitive impairment. As mentioned in the aforesaid measures, to improve the living conditions of the elderly and increase the supply of elderly care service, incentives shall be offered for the construction of new housing for elderly care project; while for existing industrial and warehousing facilities, senior-friendly renovations shall be encouraged.

The Group’s experience in hospitality business and property leasing business

As disclosed in the Letter from the Board, the Group commenced its hospitality business (the “**Hospitality Business**”) in 2014 and has been running up until January 2024, where the Group owned and operated the Holiday Inn Express Shanghai Wujiaochang in Shanghai, PRC (the “**Hotel**”). Thereafter, the Group had disposed of 75% effective interests in the Hotel in 2024, while continues to hold 25% effective interests therein, which has been re-modelled and re-branded into service apartments under the name “Modena by Fraser” (the “**Fraser Service Apartments**”). Mr. Chen Yi, Ethan an executive Director and the chief executive officer of the Company is a director of the company currently holding the Fraser Services Apartments. Accordingly, the Group has never left the Hospitality Business, and believe that investment in and operation of service apartments are the upcoming trend of the hospitality industry.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In terms of the Hotel operation, the Group's subsidiary Loyal Rich International Investment Limited ("**Hotel Owner Subsidiary**") acted as owner of the Hotel property, while the Group's other subsidiary Tianfu (Shanghai) Hotel Management Company Limited ("**Hotel Operating Subsidiary**") was responsible for operations of the Hotel. A tenancy agreement was entered into between the Hotel Owner Subsidiary and the Hotel Operating Subsidiary in relation to leasing of the Hotel property. The Group entered into hotel management agreement with the Hotel manager which permitted the Group's use of the "Holiday Inn" brand name as well as the digital booking and operation system adopted across the board by the chain of Holiday Inn hotels worldwide. The Hotel Operating Subsidiary, on the other hand, was responsible for all other aspects of the Hotel operation, including direct hiring of staff (such as back office and accounting staff, front desk staff, house-keeping staff, and catering staff etc.), direct procurement of supplies, and Hotel maintenance etc.. At its height, the Hotel Operating Subsidiary had a team of 60 staff members and was led by Mr. Chen Yi, Ethan, an executive Director and the chief executive officer of the Company. The Hotel maintained a restaurant, three function rooms and a business centre.

The Property will be leased out as service apartments (the "**Service Apartment Operations**"), targeting at senior citizens. Given that the services required for hotels and service apartments are of similar nature except that the occupants of service apartments will be longer-staying tenants, we understand that the Company intends to assemble a team of staff similar to that of the Hotel operations. The Hotel Operating Subsidiary will participate in the Service Apartment Operations and it is expected a team of 50 staff will be directly hired, which, similar to the Hotel operations, shall include back office and accounting staff, front desk staff, house-keeping staff and catering staff. Similar to the Hotel, the Property will have a restaurant, fitness centre and other unique facilities such as a communal living room, a reading and relaxation area, a workspace area, a multi-purpose hall, chess and card room, etc. As our independent assessment, we have enquired with the Management and obtained the resume of the manager leading the sales team for the Property's key operation, outlining his work experience which demonstrated strong sales performance in terms of sales volumes and occupancy rates, with a track record of over 9 years holding senior position in marketing and sales management for a number of high-end elderly-focused community projects in Shanghai. The manager is primarily responsible for formulating sales plans and strategies and client relationship management, and we understand that he will regularly and directly report to the Company. In addition, based on our review of the team members' portfolio, we learnt that all of them possessed practical experience in sales or marketing related to elderly serviced apartments and/or high-end senior care institutions, with an average year of experience of 8 years. Accordingly, we are of the view that the Group possesses the necessary experience and expertise in carrying out the Service Apartment Operations. Additionally, the Group will conduct marketing activities through prominent Shanghai social media and online platforms, while engaging with retirement offices of major universities in Shanghai, veteran affairs offices and the Shanghai Chamber of Commerce. It is expected that such efforts would rapidly increase the Group's visibility within Shanghai's elderly care industry and among high-net-worth retirees. It is currently anticipated that customer pre-registration will begin three months prior to the Property's official opening. It is currently expected that operation of the Property

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

will commence in the third quarter of 2026 or the first quarter of 2027. Given the experience and network accumulated by the Group from its property investment operation in Shanghai and the set-up of a seasoned team responsible for operating the Property, we are of the view that the Group would be capable to carry out its plan for the Service Apartment Operations as expected.

The Property will be marketed as service apartments for senior citizens and the Group targets to take in occupants who can live independently with high self-care capability. As stated in the Letter from the Board, the Group does not intend to run the Property as an elderly care home which relies heavily on medical and elderly care personnel as well as medical facilities. Rather, it targets at those senior customers who are highly independent but would like to ride on the convenience provided on-site at the Property such as catering, fitness centre and other wellness facilities. The Group will not directly provide any medical or care services to the occupants of the Property. Rather, it will enter into contracts with third-party medical or care service providers such that the occupants can utilise packaged medical or care services (such as on-site nursing service, off-site medical check-ups) provided by such service providers. Currently, it is contemplated that a fixed fee will be paid by the Group to such service providers. The occupants of the Property shall pay additional sum for these add-on services to the Group on top of rental payment. The Group consider that this whole package will provide relatively independent and self-sufficient seniors with quality services by addressing their physiological, psychological and social needs.

On the other hand, the Group is also engaged in the leasing of investment properties in the PRC. Such investment properties are commercial units located in Beijing and Shanghai and the revenue generated from this segment is rental income. Similarly, the major part of income to be recognised from the Service Apartment Operations will be apartment rental income. Given the general downturn in the conventional property investment business in the PRC, the Company is of the view that by marketing the Property as service apartments for senior citizens, which combined with its experience in the Hospitality Business, will greatly enhance the competitiveness of the Group.

In light of that (i) the business model for operating the Property is similar to the Group's Hospitality Business and property leasing business in terms of management, personnel, services and facilities required; (ii) the services to be provided for the Property represents an extension of the Group's existing services to cover service apartments targeted at self-sufficient senior residents in the PRC; (iii) the Group possessed the necessary experience and expertise for operating the Property having reviewed the track record portfolio of the relevant team members; and (iv) the marketing efforts to be deployed by the Group on promoting the Property, we are of the view that the Group would be able to leverage on its experience and expertise to operate the Property following completion of the Acquisition.

In view of (i) the growing proportion of senior citizens to the national population; (ii) the supportive national policies and generally positive outlook of elderly care services market in the PRC targeting to increase the quality and living conditions for elderly; (iii) the Group

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

would leverage on its experience in running hospitality business and property leasing business accumulated over the past decade into running the Property following completion of the Acquisition; (iv) the Company's plan to operate the Property including the recruitment plan and service offering; and (v) it is intended that upon delivery of the Property, the Group would be able to obtain secured financing by mortgaging the same to the financial institutions, we are of the view that the Acquisition represents a strategic opportunity for the Group to tap into and ride on the potential growth of the elderly care services market in Shanghai by offering elderly serviced apartment in return of rental income, thereby diversifying the income streams of the Group. We therefore concur with the Director's view that the entering into of the Provisional Agreement is fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

5. Principal terms of the Provisional Agreement

On 26 March 2025 (after trading hours of the Stock Exchange), the Company entered into the Initial Provisional Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Group has conditionally agreed to acquire the Property on a completion basis at an aggregate Consideration of RMB400,000,000 (equivalent to approximately HK\$428,000,000), subject to adjustment.

Extension of delivery of the Property

The Company and the Vendor subsequently entered into the Extension Letter and the 2nd Extension Letter pursuant to which the Vendor undertakes to deliver the Property on or before 30 June 2026 (or such other date as may be agreed by the Vendor and the Company) for inspection by the Company.

The Supplemental Provisional Agreement was signed on 27 April 2026 pursuant to which the Vendor had agreed to compensate the Company for delay in the delivery of the Property from the initial delivery date of 31 December 2025. The Vendor agreed to pay a compensation calculated at 5.8% per annum on the 1st Instalment calculated from the date of payment of the 1st Instalment (which took place in the first half of 2025) up to the actual date of delivery of the Property. The compensation can be deducted from the rest of the instalments of Consideration or by cash payment by the Vendor.

For further details of the principal terms of the Initial Provisional Agreement, the Extension Letter, the 2nd Extension Letter and the Supplemental Provisional Agreement, please refer to the section headed "The Provisional Agreement" in the Letter from the Board.

In assessing the fairness and reasonableness of the compensation arrangement in respect of the extension of delivery of the Property under the Provisional Agreement, as the payment of the 1st Instalment was financed by internal resources as well as bank borrowings, we have primarily compared the compensation interest of 5.8% per annum against (i) the Group's funding cost of its existing borrowings; and (ii) the prevailing

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

bank deposit rates. With reference to the Interim Report 2025, we noted that the bank and other borrowings of the Group bear fixed interest rates ranging from 5.25% to 5.8% per annum as at 30 September 2025. As the cash and bank balances of the Group is substantially denominated in RMB, we have referred to the latest published RMB saving rates with tenor of 2 year or less as observed from Bank of China, a major Chinese bank, which ranged from 0.65% to 1.05% per annum.

Given that (i) the Vendor had agreed to compensate the Company for the delay in the delivery of the Property from the initial delivery date of 31 December 2025 at a rate of 5.8% per annum in respect of the instalment of Consideration already paid by the Company, calculated from the date of payment of the 1st Instalment (which took place in the first half of 2025); (ii) the underlying compensation to the Company is at a rate sufficient enough to cover the costs of fund of the Group's existing borrowings; (iii) the interest accrual period is calculated from the date of payment of the 1st Instalment by the Company; and (iv) the Company may terminate the Provisional Agreement in the event that the Vendor fails to deliver the Property on or before 30 June 2026 (or such other date as may be agreed by the Vendor and the Company) and no agreement is reached between the parties on such delivery date, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination, we are of the view that the extension (including the compensation arrangement) is on normal commercial terms and fair and reasonable.

Payment terms

The Consideration will be satisfied in cash in four instalments. As at the Latest Practicable Date, the Formal Agreement had been signed and 30% of Consideration, being RMB120,000,000 (equivalent to approximately HK\$128,400,000), had been paid to the Vendor as at the Latest Practicable Date. None of the other instalments of Consideration had been paid as at the Latest Practicable Date. Further details of the payment terms are set out in the Letter from the Board.

As disclosed in the Letter from the Board, the amount of the 1st Instalment was determined after arm's length negotiations between the Company and the Vendor with reference to approximately 50% of the carrying value of the Property of approximately RMB227,167,000 (equivalent to approximately HK\$243,069,000) as at 28 February 2025 (the "**Preliminary Valuation Date**"). The carrying value of the Property represents the amount incurred by the Vendor in connection with the Property.

Notwithstanding the 1st Instalment of RMB120 million represents around 50.83% of the carrying value of the Property of RMB236,064,000 as at 31 January 2026, the 1st Instalment represents 30% of the total amount of the Consideration. In this regard, we have, on a best-effort basis, identified and reviewed the payment terms of 37 circulars published by listed issuers in Hong Kong involving acquisitions (excluding acquisitions (1) of listed securities through open market; (ii) by way of tender bid; (iii) involving

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

settlement of consideration other than cash; and/or (iv) involving subscription of investment products) during 2025 which represents an exhaustive list. Among the circulars reviewed, it is observed that under 15 circulars, purchaser is required to make payment or deposit prior to or upon execution of the relevant provisional agreement or sale and purchase agreement, at a portion of the total consideration ranging from 4.3% to 50%. Taking into account that (i) the deposit payment arrangement is not uncommon in the market; (ii) the Group had in the past requested deposit payment amounting to 30% of total consideration in relation to disposal of its owned properties; and (iii) the refundable nature of the 1st Instalment, we concur with the Board that the payment of the 1st Instalment is on normal commercial terms, fair and reasonable and is in the interest of the Company and its Shareholders.

With reference to the Letter from the Board, to commence operations as service apartments for senior citizens, the Group would need to go through certain procedures including obtaining all necessary approvals for operating the Property as service apartments for senior citizens, which is currently estimated to take 3 to 6 months to complete. Please refer to the Letter from the Board for details of such procedures. Based on the understanding of the Company, successful filing with the civil affairs bureau (民政局) depends on whether the Property's construction complies with the relevant safety and environmental impact assessment, i.e., completion of the property inspection. While the Group has followed closely with the construction and outfitting of the Property, the Group believes it is unlikely the filing with the civil affairs bureau (民政局) would be rejected. Given the remoteness of such rejection, the Group had no contingency plan relating to the use of the Property in this regard as at the Latest Practicable Date. The Company has also obtained a PRC legal opinion confirming no approval from the China Securities Regulatory Commission is required as regards the Acquisition. To mitigate the risk that may arise in the event that the Company could not obtain the required approvals, the Vendor agreed that the payment of the 3rd Instalment and the last instalment of Consideration payable by the Company, which in aggregate amounting to 45% of the Consideration, would be conditional on, among others, the Property having obtained the relevant approval/filing from civil affairs bureau (民政局) to operate as service apartments for senior citizens. As such, the Company shall not be obliged to pay such instalments of Consideration to the Vendor. Further, the Vendor warranted that the land use purpose of the Property can be amended by the Group to elderly service upon completion of the Property, and that the Vendor shall be liable for all damages if the same cannot be obtained by the Group.

On the basis that (i) as advised by the PRC legal adviser of the Company, upon compliance with the relevant structural and fire safety requirement, the Property is allowed to operate as service apartments for senior citizens; and (ii) the payment mechanism, including (a) the refundable nature of the 1st Instalment; and (b) that the 3rd Instalment and final instalment of the Consideration would be subject to, among other things, the obtaining of the relevant approval/filings for operating the Property which serves to protect the Company against the potential risk of any delay in commencement

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

of operation of the Property as planned, we consider the absence of contingency plan is justifiable, and the payment terms of the Consideration is fair and reasonable and the Acquisition is in the interest of the Company and its Shareholders as a whole.

Termination

As disclosed in the Letter from the Board, In the event that the Vendor commits a material breach (including failure of delivery of the Property, failure for the Group to commence business on the Property and unilateral termination of the Provisional Agreement by the Vendor) under the Provisional Agreement or there is a breach of the warranties given by the Vendor in the Provisional Agreement which materially affects the Acquisition or may materially affect the Company's rights in the Acquisition, the Company may:

- (a) terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination; or
- (b) require the Vendor to continue performing the Provisional Agreement, whereby the Company shall not be liable for any payment due to the Vendor's breach and shall have the right to determine new payment conditions and timelines.

In the event that the Vendor fails to deliver the Property on or before 30 June 2026 (or such other date as may be agreed by the Vendor and the Company), the parties may agree to extend the delivery date within 30 days from the next day of 30 June 2026 (or such other date as may be agreed by the Vendor and the Company). If no agreement is reached between the parties and such delay is not caused by any breach committed by the Company, the Company may:

- (a) terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination; or
- (b) require the Vendor to continue performing the Provisional Agreement, whereby the Vendor shall pay a default interest at a rate of 0.03% for the amounts paid by the Company for each overdue day.

If the Vendor fails to complete the registration of title transfer of the Property to the Company by 30 June 2026 (or such other date as may be agreed by the Company and the Vendor), the parties may agree to extend the registration date within 30 days from the next day of 30 June 2026 (or such other date as may be agreed by the Vendor and the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company). If no agreement is reached between the parties and such failure to complete the registration is not caused by the failure of the Company to pay the Consideration or to provide any relevant documents, the Company may:

- (a) terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement with interest at an annual rate of 5.8% within seven business days from the date of termination; or
- (b) require the Vendor to continue performing the Provisional Agreement, whereby the Vendor shall pay a default interest at a rate of 0.03% for the amounts paid by the Company for each overdue day.

In the event that the Company fails to obtain Independent Shareholders' approval for the Provisional Agreement and the transactions contemplated thereunder at the GM, the Provisional Agreement shall be terminated immediately. The Vendor shall refund all amounts paid by the Company under the Provisional Agreement within seven business days from the date of termination, without any interest.

In the event of the occurrence of a force majeure event, the party claiming such occurrence shall deliver a written notice with supporting evidence to the other party within 15 days thereafter. Force majeure events include earthquake, typhoon, flood, fire, war, international or national transportation having been suspended, epidemic, strike. The obligations affected by the event shall be suspended without constituting a breach. The parties shall negotiate in good faith to mitigate the impacts. In any event, the Company shall have the unilateral right to terminate the Provisional Agreement, whereby the Vendor shall refund all amounts paid by the Company under the Provisional Agreement within seven business days from the date of termination. The liability for any prior delays including default interest remains enforceable, notwithstanding the occurrence of a force majeure event.

Having considered that (i) the Company has the right to terminate the Provisional Agreement in the event that the Vendor commits a material breach and/or any delays including failure to deliver the Property to the Company and/or complete the registration of title transfer of the Property to the Company by the mutually agreed date and no agreement is reached between the parties thereafter on such delivery/registration date(s); (ii) upon such termination by the Company, the Vendor shall refund all amounts already paid by the Company with interest as protection to the Company in case the transaction cannot proceed; (iii) the interest at the rate of 5.8% per annum is fair and reasonable which serves as compensation for the cost of funds which may be incurred by the Company as described in the above sub-paragraph headed "Extension of delivery of the Property"; and (iv) if the Provisional Agreement is terminated due to the Company's failure to obtain the Independent Shareholders' approval, the Vendor shall refund all amounts paid by the Company without interest and the Company is not required to pay

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

any penalty to the Vendor in such event, we are of the view that the terms relating to the termination of the Provisional Agreement (including the compensation interest arrangement thereof) are normal commercial terms and fair and reasonable.

Consideration

As set out in the Letter from the Board, the Consideration was determined after arm's length negotiations between the Company and the Vendor with reference to the market value of the Property of approximately RMB440,000,000 (equivalent to approximately HK\$470,800,000) as at the Preliminary Valuation Date assuming construction completion having taken place on that date based on the preliminary valuation conducted by an independent property valuer (the "**Preliminary Valuation Amount**"). Considering that (i) the Preliminary Valuation Amount was provided by the same firm of valuers issuing the Valuation Report adopting the same methodology and approach; (ii) there has been no significant change in the inputs and assumptions between the preliminary valuation and the Valuation Report (as defined below); (iii) the change in the respective appraised values of the Property as at the Preliminary Valuation Date and the Valuation Date (as defined below) of around 0.23% was minimal; and (iv) the Valuation Report (as defined below) represents a more recent and up-to-date valuation of the Property taking into account the latest market condition and available comparable transactions, we have therefore relied on the Valuation Report and have not reviewed the workings underlying the Preliminary Valuation Amount for the purpose of our assessment of the Consideration.

The main building of the Property has been completed while interior decoration and renovation work is currently underway to meet the delivery requirements. Upon completion, it shall comprise of the parcel of land (the "**Land Portion**") and the two buildings erected thereon (the "**Buildings Portion**") for senior apartment use. According to the valuation report (the "**Valuation Report**") prepared by Colliers Appraisal & Advisory Services Co., Ltd. (the "**Independent Valuer**") as set out in Appendix II to the Circular, the appraised market value of the Property on a completion basis was approximately RMB441,000,000 (equivalent to approximately HK\$471,870,000) as at 31 January 2026 (the "**Valuation Date**").

Assessment of the Consideration

In assessing the fairness and reasonableness of the Consideration, we have primarily made reference to the appraised value of the Property, which formed the primary basis of the Consideration. As part of our due diligence, we have reviewed the Valuation Report and discussed with the Independent Valuer regarding, among others, its relevant qualifications and experiences, independence, principal bases and assumptions and the methodology adopted in the Valuation Report.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Independent Valuer's experiences and qualifications and its independence

According to the information provided by the Independent Valuer and our independent research conducted from the public domain, the Independent Valuer is a professional appraisal and advisory firm offering a full range of valuation services across various commercial property types in the PRC. We further learnt that Mr. Kin Ming Woo James, being the qualified registered professional responsible for signing off the Valuation Report, has accumulated over 25 years of experience in property and asset valuation and consulting across the PRC, Hong Kong, Singapore and other Asian markets focusing on providing independent and comprehensive valuation and consulting services to clients from various industries covering both domestic and international, and is a fellow member of the Royal Institution of Chartered Surveyors. We also understand that the Independent Valuer has relevant experience in conducting valuation of fair market value of similar properties in particular senior apartment elderly home, as well as properties on completion basis.

The Independent Valuer confirmed that it is an independent third party to the Company, the Vendor and their respective core connected persons as at the Latest Practicable Date. In addition, we have reviewed the terms of the engagement letter of the Independent Valuer with respect to the Valuation Report and noted that the scope of work is appropriate to the opinion required to be given and we are not aware of any limitation on the scope of work which might have an adverse impact on the degree of assurance given by the Valuation Report.

Valuation standards and assumptions

As confirmed by the Independent Valuer, during the course of valuation, it has complied with the latest edition of the Royal Institution of Chartered Surveyors (RICS) Global Valuation Professional Standards, incorporating the International Valuation Standards of the International Valuation Standards Council (IVSC), and the requirement under Chapter 5, Chapter 14, Chapter 14A and Practice Note 12 of the Listing Rules. During our review, we noted that the valuation of the Property was conducted based on the major assumptions including that the full and proper ownership title of the Property has been obtained and all payable land premium or land-use rights fees have been settled in full, the owner can sell the Property on a completion basis in the open market without the benefit of deferred terms contracts, leasebacks, joint ventures, management agreements or any similar arrangements that would serve to affect the value of the Property, and that the Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value. As our independent assessment and on a best-effort basis, we have identified property valuation reports contained in 27 circulars ("**Property Circulars**") in respect of notifiable transactions involving property published by listed issuers on the Stock Exchange during 2025 which represents an exhaustive list. Based on our review, it is noted that such major assumptions under the Valuation Report are also commonly adopted in the property valuation reports underlying

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

the Property Circulars. As such, it is observed that the major assumptions adopted in the Valuation Report are broadly in line with valuation of properties conducted by other listed issuers in Hong Kong. Further, the Property is valued on the basis that it will be developed and completed in accordance with the latest development proposal and there will be no major adverse factors affecting the construction schedule, that for the planned use(s) of the Property as senior apartment, any and all required licences, permits, certificates, and authorisations have been obtained, and it is assumed that the construction costs required to complete the Property were fully paid as at the Valuation Date. We have discussed with the Independent Valuer regarding the assumptions adopted in the Valuation Report and were given to understand that such assumptions are generally adopted in valuing properties comparable to the Property, and in line with the general market practice in valuing properties on a completion basis. We also noted that such assumption was also adopted in other property valuation reports based on our review of the Property Circulars. In view of such and considering that the Property is valued on a completion basis where the required approval from/filing with the relevant governmental authorities to operate as service apartments for senior citizens shall have been obtained, among other things, we are of the view that the assumption that any and all required licences, permits, certificates, and authorisations have been obtained as at the Valuation Date is fair and reasonable. As at the Valuation Date, construction cost amounted to approximately RMB189,228,000 was incurred. As advised by the Company, the outstanding construction cost will be used on the interior fit-out works and will be borne by the Vendor. Considering that (i) the outstanding construction cost will be borne by the Vendor; and (ii) the Property is agreed to be transferred on completion basis and the total construction cost will be fully settled, we are of the view that the assumptions that the Property will be developed and completed in accordance with the development schedule and construction costs required to complete the Property were fully paid as at the Valuation Date are fair and reasonable.

Valuation methodology

As noted from the Valuation Report, the Independent Valuer has adopted a combination of valuation methodologies where market approach is adopted in appraising the Land Portion and cost approach is adopted in appraising the Buildings Portion. Based on our review of International Valuation Standards of the International Valuation Standards Council, the market approach should be applied and afforded significant weight if (i) the subject asset has recently been sold in a transaction appropriate for consideration under the basis of value; (ii) the subject asset or substantially similar assets are actively publicly traded; and/or (iii) there are frequent and/or recent observable transactions in substantially similar assets. As advised by the Independent Valuer, given that reliable sales evidence of land properties with similar nature were available in the market in the past years, in particular, actual transactions for comparable land properties in Shanghai from 2023 to 2025, the market approach was adopted in valuing the Land Portion. Based on our independent research, we noted that the market approach has been commonly adopted for valuing assets including properties of other listed companies in

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Hong Kong. In particular, based on our review of the Property Circulars, we noted that 21 of the property valuation reports included in the Property Circulars adopted the market approach and it is of normal market practice to adopt the market approach for property valuation in the event that there is publicly available transacted price of comparable properties.

With reference to the Valuation Report and based on our enquiry with the Independent Valuer, the cost approach provides an estimated cost incurred by a buyer for purchasing or constructing an asset with similar utility to those of the appraised asset as at the valuation reference date, by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and other forms of obsolescence. As advised by the Independent Valuer, there is a lack of direct market comparables of brand new fully fitted elderly homes in the vicinity with similar characteristics and functionalities being transacted on completion basis, making market approach less applicable in such context. Moreover, considering that the cost approach is usually adopted for valuing property with unique nature and that the main structure of the Buildings Portion has been completed as at the Valuation Date which offers a higher degree of reliability of the assumptions such as the total estimated construction costs and development schedule, the Independent Valuer has adopted the cost approach in valuing the Buildings Portion. Based on our review of the latest version of Internal Valuation Standards effective 31 January 2025 published by the International Valuation Standards Council (IVSC), it is set out that the cost approach is generally applied to valuation of real property interests when there is either no evidence of transaction prices for similar property or no identifiable actual or notional income stream that would accrue to the owner of the relevant interest. The cost approach should be applied and afforded significant weight when the asset being valued is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible. We therefore consider that the adoption of cost approach in valuing the Buildings Portion is appropriate, fair and reasonable. Further, the Independent Valuer considered that the income approach is not suitable for the purpose of valuing the Property as, upon discussion with the Management, there is currently no accurate projections of the amount and timing of future income to be generated from the Property.

During our review of the Valuation Report and discussions with the Independent Valuer, we have not identified any other major factors which cause us to doubt the fairness and reasonableness of the principal basis and assumptions adopted for or the information used in the valuation of the Property. Nevertheless, Shareholders should note that valuation of property usually involves assumptions and therefore the valuation of the Property may or may not reflect the true market value of the Property accurately. Further details of the basis and assumptions of the valuation of the Property are included in the Valuation Report as set out in Appendix II to the Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Property

In respect of the Buildings Portion, the Independent Valuer has taken into account the estimated total construction cost for completing the development of the Property and cross-verified the reasonableness of the estimated cost through publicly available construction cost research reports, and the cost of capital for the construction of the Property. In this regard, we have obtained and reviewed the Quarterly Construction Cost Update Report for September 2025 issued by Rider Levett Bucknall, a global leading quantity surveying consultancy firm in real estate and construction industry, and noted that the respective unit construction costs for 3-star hotel and 5-star hotel in Shanghai region ranged from RMB10,600 to RMB14,300 and RMB15,200 to RMB19,900 or above. The unit construction cost adopted in respect of the Buildings Portion therefore falls within the aforesaid range of unit construction costs for 3-star hotel. As the Property will be operated as high-end senior service apartments, featuring, among other facilities, 204 units, function rooms, a restaurant and recreational and entertainment facilities, we consider referencing to unit construction costs for 3-star hotel is a prudent and conservative approach in valuing the Buildings Portion. We noted that the estimated construction cost of approximately RMB273.52 million adopted in the valuation was based on the contract sums under the construction contracts with respect to development of the Property as provided by the Company which is in turn provided by the Vendor. As our independent assessment, we have obtained the full list of signed construction contracts and conducted sample check by reviewing 10 signed construction contracts, the aggregate contract amount of which represents over 50% of the total contract sums. Therefore, we are of the view that the estimated construction cost adopted in the valuation is appropriately supported by signed contracts. In estimating the cost of capital, the Independent Valuer has considered (1) the finance cost by assuming half of the construction costs are financed externally, which reflects typical leverage arrangement for similar property construction projects as advised by the Independent Valuer, as well as (2) the developer's profit by taking the average developer's profit of listed commercial real estate companies in the PRC, and after factoring in the inherent risks that may involve such as project delays and cost overruns during the construction process. As confirmed by the Independent Valuer, the adoption of finance costs and developer's profit are typically considered in arriving at the replacement cost under the cost approach. As part of our independent assessment, we note that (i) the use of finance costs and developer's profit are in accordance with the latest valuation standards; and (ii) finance costs and developer's profit are normally considered under valuation of property using cost approach based on our review of precedent circulars of other listed issuers in Hong Kong. Further, having considered that (i) the rate of finance cost is based on the latest 1-year loan prime rate (LPR) as at the Valuation Date being the benchmark interest rate published by the People's Bank of China; and (ii) the rate of developer's profit is below the market rate according to a journal headed "Approaches to developer returns in appraisals" published by the Royal Institution of Chartered Surveyors (RICS) which

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

described that the required profit margin ranged from 15% to 20% in most cases, we are of the view that the respective rates adopted in respect of the finance costs and developer's profit are appropriate, fair and reasonable.

In respect of the Land Portion, the Independent Valuer has made reference to the latest available comparable sale transactions in the market which (i) are transacted within three years prior to the Valuation Date; (ii) are within close proximity to the Property; (iii) have the same designated land use as the Property; and (iv) have the same permitted term of land use rights. We have discussed these criteria with the Independent Valuer which were considered fair and reasonable as the characteristics of the selected comparables are similar to the Property in terms of location, land use and are transacted within the past three years prior to the Valuation Date. As part of our independent assessment, out of the property valuation reports contained in the 21 Property Circulars which adopted the market approach as described above, we noted that 8 of which adopted selection criteria that captured comparable transactions during the period from more than 1 year to around 7 years prior to the valuation date, among which one of them adopted selection criteria that the transaction date of the comparable references occurred within three years prior to the valuation date, being the same review period as adopted in the Valuation Report, while the valuation reports under the remaining 13 Property Circulars involved a review period of less than 1 year. On this basis and having considered that (i) transaction date adjustment (as described below) is made to reflect changes in market conditions over time; and (ii) the comparable transactions adopted by the Independent Valuer are actual transactions that took place, we are of the view that the review period of three years is fair and reasonable. Further, as the Property is located at the junction of Minhang and Pudong districts, comparable transactions of property located in Pudong have also been taken into consideration. As hotel land is categorised as commercial land according to land classification of the PRC, the comparable sale transactions with commercial land use have been identified for valuation purpose. Given that the comparable transactions identified by the Independent Valuer are (i) within the districts surrounding the Property; (ii) transacted within the past three years from 2023 to 2025; and (iii) related to commercial land use which is the same as the Property, we consider that the comparable transactions identified by the Independent Valuer to be fair and reasonable. We further noted that the Independent Valuer has made certain adjustments to the unit price of the comparable transactions before arriving at the adopted unit rate for the Property, considering the differences in, among others, remaining land use term as at the Valuation Date, transaction date, site area and plot ratio between those of the comparable transactions and the Property. Upon enquiry with the Independent Valuer, we understand that such adjustments are in line with the market practice. The adjusted unit rates of the comparable transactions are then averaged to give the adopted unit rate for the Land Portion. We understand that the relevant adjustment parameters namely land use term, transaction date, location, site area, plot ratio and land grade were considered, with adjustments made to differentiate the characteristics between the Property and the comparable properties, which followed the general rationale that (i) if the comparable is superior to the Property, a downward adjustment would be made to adjust down the unit

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

rate of that comparable; or (ii) if the comparable is inferior to or less desirable than the Property, an upward adjustment would be made to adjust up the unit rate of that comparable. As such, we consider the adjustment parameters are commonly considered based on our review of the 21 of the property valuation reports included in the Property Circulars which adopted the market approach, and the adjustments to be logical and able to reflect different attributes between the Property and the comparable properties. Based on our review of the Property Circulars, we noted that such adjustment parameters and basis of adjustments are generally in line with other property valuations.

Based on our assessment in connection with the Valuation Report and the experiences, qualifications, independence of the Independent Valuer as well as the appropriateness of its scope of work in performing the appraisal of the Property, we consider that the valuation methodologies, basis and assumptions in arriving at the appraised value of the Property are fair and reasonable. In light of the above and having considered that the Consideration of RMB400,000,000 represents a discount of approximately 9.30% to the appraised value of the Property of RMB441,000,000 as at the Valuation Date, we are of the view that the Consideration is fair and reasonable.

Adjustment to Consideration

The Vendor and the Company agreed that an independent valuer approved by the Company shall conduct a valuation of the Property upon construction completion (the “**Completion Valuation**”), which the Vendor guarantees shall be not less than RMB440,000,000 (equivalent to approximately HK\$470,800,000).

In the event the valuation amount set out in the Completion Valuation (the “**Completion Valuation Amount**”) is less than the Preliminary Valuation Amount, the Consideration shall be adjusted by the following formula:

$$\text{Consideration} = \text{Completion Valuation Amount} \times 90.91\%$$

The adjustment percentage was determined based on the Consideration (RMB400,000,000) divided by the guaranteed Completion Valuation Amount (RMB440,000,000). The shortfall shall be deducted proportionately from the unpaid instalment(s) of the Consideration. However, if the Completion Valuation Amount is greater than or equal to the Preliminary Valuation Amount, no adjustment will be made to the Consideration.

Considering that the final Consideration payable by the Company with reference to the Completion Valuation Amount would align with the fair value of the Property at the time of completion; (ii) the downward adjustment of 90.91%, which is based on the ratio of the Consideration of RMB400,000,000 and the Preliminary Valuation Amount of RMB440,000,000 reflecting the agreed magnitude of discount to the Preliminary Valuation Amount at the time of entering into the Provisional Agreement between the Vendor and the Company, will be applied in deriving the final Consideration when the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Completion Valuation is less than the Preliminary Valuation Amount and therefore an adjustment mechanism favourable to the Company; and (iii) no upward adjustment shall be made in the event the Completion Valuation Amount is greater than the Preliminary Valuation Amount, we are of the view that the Consideration and the adjustment mechanism thereof are on normal commercial terms and fair and reasonable.

Rental guarantee

Pursuant to the Provisional Agreement, the Vendor guaranteed the Guaranteed Income such that the annual rental income received by the Company derived from the Property shall be not less than RMB20,000,000 (equivalent to approximately HK\$21,400,000) for the three years commencing from 1 January following transfer of land use rights and title of the Property to the Group. The Vendor and the Company agreed that an accounting firm approved by the Company shall conduct special audit on the annual income derived from the Property. The Vendor shall pay the shortfall (on a dollar-for-dollar basis) to the Company in the event the audited amount of annual income of the Property is less than the Guaranteed Income. Any such shortfall shall be determined on or before 30 April of each year and be payable seven business days thereafter. For the avoidance of doubt, if delivery of the Property happened in mid-2026, the calculation of the above rental guarantee would commence only from 1 January 2027.

We understand from the Management that the monthly rental income to be charged to the tenants would be the major source of revenue deriving from the Property, and the guaranteed rental income of RMB20,000,000 was determined after arm's length negotiations between the Company and the Vendor based on an expected average annual occupancy rate of 70% and an estimated average monthly rental income of RMB12,000 per room. As part of our independent assessment, we have conducted desktop search on other similar serviced apartments targeting seniors in Shanghai focusing on self-sufficient elderly residents with hotel-like service features like housekeeping, maintenance, meals and recreational facilities etc, and identified three similar communities of privately-run senior serviced apartments, namely China Taiping Wutong Renjia (中國太平梧桐人家), Golden Sunshine (上海金色陽光頤養院) and Taikang Home Jinxiu Fu (泰康之家錦繡府), all located in Pudong district, Shanghai. Based on our review, we noted that the average monthly rent adopted in determination of the guaranteed rental income falls within those offered by the aforesaid serviced apartments which ranged from RMB6,800 to RMB15,000 per month. Further, with reference to publicly available data, the occupancy rates of the aforesaid named serviced apartments ranged from 70% to 85%. As such, we are of the view that the average monthly rent and average occupancy rate adopted in determination of the guaranteed rental income are fair and reasonable.

Having considered that (i) the rental guarantee arrangement is negotiated as an additional safeguard to the Company's investment in the Property following completion of the Acquisition which in turn provides a stable income stream to the Company during the post-construction and the initial stage of operation of the Property; (ii) despite the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Property has yet to commence operation, the determination of the guaranteed income is fair and reasonable with reference to the market; (iii) the shortfall would be compensated to the Company on a dollar-to-dollar basis; and (iv) the Vendor provided the guarantee to the Company, signalling their confidence on the income and cash flow potential of the Property, we are of the view that the rental guarantee arrangement under the Provisional Agreement is in the interests of the Company and the Independent Shareholders as a whole.

Based on the above, we are of the view that the principal terms of the Provisional Agreement (including the payment terms, conditions precedent, the Company's right of termination, Consideration and its adjustment, and rental guarantee) and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

6. Financial effects of the Acquisition

As disclosed in the Letter from the Board, payment of the 1st Instalment was financed by internal resources as well as bank borrowings, while payment of the remaining instalments of the Consideration will be financed by external resources (including but not limited to bank borrowings and equity fund raising) and internal resources of the Group. As advised by the Management, the Group currently planned to satisfy the Consideration as to (i) RMB250,000,000 (equivalent to approximately HK\$267,500,000) by bank loan; (ii) RMB100,000,000 (equivalent to approximately HK\$107,000,000) by equity fund raising; and (iii) RMB50,000,000 (equivalent to approximately HK\$53,500,000) by internal resources, respectively. Accordingly, upon completion of the Acquisition, the Property will be accounted for as land and buildings in the property, plant and equipment of the Group's non-current assets. According to the relevant accounting standards, the Property is recorded at cost, i.e. RMB400 million (equivalent to approximately HK\$428 million). Therefore, the non-current assets of the Group will increase by RMB400 million (equivalent to approximately HK\$428 million) and the cash and cash equivalents of the Group will reduce, whereas the bank borrowings of the Group will increase and/or the share capital of the Company will increase as a result of equity fund raising, subject to the final financing structure. As such, the gearing ratio of the Group is expected to increase following completion of the Acquisition.

While any income from the Property would be recorded as rental income of the Group, it is expected that the Acquisition will not have any material impact on the earnings of the Group immediately following completion of the Acquisition.

Shareholders should note that the above analyses are for illustrative purpose only and do not purport to represent the financial performance and position of the Group upon completion of the Acquisition.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATIONS

Having taken into consideration the factors and reasons as stated in this letter, we are of the view that while the Provisional Agreement and the Acquisition are not conducted in the ordinary and usual course of business of the Group, the terms of the Provisional Agreement are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the relevant resolution to be proposed at the GM to approve the Provisional Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Lego Corporate Finance Limited
Billy Tang
Managing Director

Mr. Billy Tang is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in the accounting and investment banking industries.

* *For identification purposes only*

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the years ended 31 March 2023, 2024 and 2025 as well as for the six months ended 30 September 2025 are disclosed in the Company's annual reports for the years ended 31 March 2023, 2024 and 2025 as well as the interim report for the six months ended 30 September 2025. All of these financial statements have been published on the website of the Stock Exchange at www.hkex.com.hk and the Company's website at www.everchina202.com.hk:

- (1) annual report of the Company for the year ended 31 March 2023 published on 26 July 2023 (pages 78 to 168)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0726/2023072600684.pdf>)
- (2) annual report of the Company for the year ended 31 March 2024 published on 16 July 2024 (pages 77 to 170)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0716/2024071600385.pdf>)
- (3) annual report of the Company for the year ended 31 March 2025 published on 28 July 2025 (pages 74 to 168)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0728/2025072800299.pdf>)
- (4) interim report of the Company for the six months ended 30 September 2025 published on 16 December 2025 (pages 5 to 35)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1216/2025121600540.pdf>)

2. INDEBTEDNESS

As at the close of business on 31 March 2026 (being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular), the Group had outstanding indebtedness of approximately HK\$259,961,000. The indebtedness was comprised of (i) secured and unguaranteed bank borrowings of approximately HK\$258,154,000; (ii) unsecured and unguaranteed other borrowings of approximately HK\$1,000,000 and (iii) unsecured and unguaranteed lease liabilities with carrying amount of approximately HK\$807,000. As at 31 March 2026, the secured and unguaranteed bank borrowings were secured by the Group's investment properties.

Save as disclosed above and part from intra-group liabilities, the Group did not have any (i) debt securities issued and outstanding, authorised or otherwise created but unissued, term loans, distinguishing between guaranteed, unguaranteed, secured and unsecured; (ii) other borrowings or indebtedness in the nature of borrowing; (iii) mortgages and charges; and (iv) any contingent liabilities or guarantees as at the close of business of 31 March 2026.

3. FINANCIAL AND TRADING PROSPECTS

The Company is an investment holding company. The Group is principally engaged in property investment operation, agricultural operation and natural resources operation. For the year ended 31 March 2025, the Group recorded total audited consolidated revenue of approximately HK\$108,181,000, of which approximately HK\$78,434,000 was contributed by the agricultural operation and approximately HK\$29,747,000 was contributed by the property investment operation during the period.

Agricultural operation

The Group's agricultural operation engages in agricultural farming and cattle raising in Bolivia. As at 30 September 2025, the Group totally operated approximately 17,500 hectares of farmland in Bolivia with carrying value of approximately HK\$324,444,000. As at 30 September 2025, the Group raised cattle of 2,825 heads. During the six months ended 30 September 2025 (the "Period"), revenue generated from agricultural operation increased by 88% to approximately HK\$58,035,000, which accounted for 78% of total revenue of the Group. The major crops on the farm are soybean and rice. During the Period, approximately 4,100 hectares of soybeans were planted. The average yield was approximately 2.4 tons per hectare, resulting in a grain production of approximately 9,700 tons. The average selling price of soybeans was US\$540 per metric ton, representing an increase of 59% compared to the same period of the previous year. Throughout 2025, soy prices in Bolivia had surged due to a combination of supply constraints, higher production costs, and macroeconomic instability. In regions like Santa Cruz, Bolivia, where most soy is grown, limited diesel availability has raised operational risks and reduced production efficiency — forcing buyers to pay higher prices to secure limited supply. During the Period, the farm improved some of the soil suitable for rice cultivation and successfully increased rice production. During the Period, approximately 950 hectares of rice were planted. The average yield was approximately 2.8 tons per hectare, with a grain production of approximately 2,700 tons. The average selling price of rice was US\$470 per metric ton, representing an increase of 62% compared to the same period last year. This segment recorded a profit of approximately HK\$4,831,000.

As the Group's core business, this segment carries a crucial strategic mission. The Company will focus its resources on quality improvement and efficiency optimisation, aiming at achieving high-quality and sustainable growth. The Company is confident that this segment will continue to make a stable contribution to the Group's revenue and cash flow in the future.

Property Investment Operation

The Group's property investment operation mainly comprise two investment properties located in the centre of Beijing and Shanghai (collectively referred to as the "**Beijing Property**" and "**Shanghai Property**") respectively. At 30 September 2025, the Beijing Property was valued at approximately HK\$403,067,000 and the Shanghai Property was valued at approximately HK\$244,250,000. Based on the independent valuation performed, loss on changes in fair value of investment properties of approximately HK\$1,962,000 was recorded

for the six months ended 30 September 2025. The property market continues to gradually stabilize during the Period. For the Period, rental income generated from property investment operation increased by 6% to approximately HK\$16,247,000, which accounted for 22% of total revenue of the Group. As at 30 September 2025, the average occupancy rate of the Beijing Property and the Shanghai Property reached 90% and 89% respectively. The segment profit amounted to approximately HK\$11,229,000.

The Group is planning to renovate the investment properties with a view to increasing its rental income. The Company will also closely monitor the market condition and will not eliminate the possibility of realising part of the investment properties in order to enhance the Group's working capital if necessary and when timing is appropriate.

Looking ahead, the political and economic instability, the business outlook will remain difficult and challenging. To cope with the challenging environments, the Group will continue to adopt a prudent approach in managing its existing businesses and investment strategies, as well as strengthen risk control to ensure the steady development of the Group.

The Property and Service Apartment Operations

With the continued acceleration of urbanization in the PRC, the high-end service apartment market is poised for unprecedented development opportunities. The market size of the PRC's high-end service apartment sector reached approximately RMB50 billion in 2025 and is projected to exceed RMB80 billion in 2026. This growth is primarily driven by rising demand from business travel, leisure travel, and long-term rentals, particularly in first-tier cities where the supply-demand imbalance is increasingly pronounced, indicating significant market potential. Data shows that in 2025, the average rent for high-end service apartments in the PRC ranged from approximately RMB150 to 300 per square meter per month, with even higher rates in core areas of first-tier cities. This price level reflects the market's supply-demand dynamics and service value. Shanghai's high-end service apartment market is entering a new stage of high-quality development.

According to statistics, by the end of 2024, 19 provinces in the PRC had population with an age of 65 and above accounting for more than 14% of their total populations, and 20 provinces had population with the age of 60 and above accounting for more than 20%. These figures indicate that the PRC has entered a moderately aging society, providing a solid demographic foundation for the development of the silver economy. Since the concept of "Developing the Silver Economy" was first introduced in the 14th Five-Year Plan for National Economic and Social Development and further emphasised in the 15th Five-Year Plan for National Economic and Social Development, the PRC has elevated the silver economy to a key position among national strategic emerging industries. The Property will operate high-end senior service apartments, marking the Group's first step in developing the silver economy. It is expected that the demand for high-end senior service apartments will continue to be strong. The Board is of the view that the Property represents a good investment opportunity for the Group and will become a major asset in its property portfolio following completion of the Acquisition. Please refer to the section headed "Reasons for and Benefits of the Acquisition".

Pursuant to the Provisional Agreement, the Vendor guarantees an annual rental income of no less than RMB 20,000,000 for each of the following three years after completion. The Group holds positive view towards investing in the Property in the long run, as this segment would bring solid revenue base and positive cash flow to the Group.

Looking ahead, the Group will continue to strive for business growth and seize opportunities in order to bring greater returns to the Shareholders.

4. WORKING CAPITAL

As set out in the Company's unaudited interim condensed consolidated financial statements for the six months ended 30 September 2025, out of the approximately HK\$250,671,000 of short-term bank and other borrowings. As at 30 September 2025, the Group's cash and cash equivalents amounted to approximately HK\$61,095,000. The above condition indicated the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In preparing the working capital forecast for the Group for the 12 months from the date of this Circular, the Group is carrying out the following measures for the purpose of ensuring there are sufficient working capital for at least the next 12 months from the date of the Circular:

- (i) The Group has approximately HK\$78,535,000 unutilised banking facility available to finance the Group's existing financial obligations and operations;
- (ii) The management is currently soliciting other financing arrangements and fund-raising alternatives to further support the funding needs of the Group; and
- (iii) The Group will continue to search for potential buyer(s) for disposal of certain commercial properties of the Group and investment in associate to further enhance its liquidity position.

Taking into considerations of item (i) to (iii) above, the Directors, are of the opinion that the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

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

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 March 2025, the date to which the latest published audited consolidated financial statements of the Company were made up.

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this circular received from Colliers Appraisal & Advisory Services Co., Ltd., an independent valuer, in connection with its opinion of market value on a completion basis as at 31 January 2026 of the property interest of the target company held by the Group.



Our Ref: 25-13943

Colliers Appraisal & Advisory Services Co., Ltd.
Suite 507, Block A, Gemdale Plaza,
No. 91 Jianguo Road,
Chaoyang District, Beijing

30 April 2026

EverChina Int'l Holdings Company Limited

Unit 1506, 15/F., Capital Centre
151 Gloucester Road, Wanchai, Hong Kong

Dear Sir or Madam,

Re: Valuation of Sakura Senior Apartment located at Hill 2/4, Block 482, Pujiang Town, Minhang District, Shanghai, the People's Republic of China (the "Property")

INSTRUCTIONS

We refer to the instructions from EverChina Int'l Holdings Company Limited (the "**Company**") and its subsidiaries (hereafter together referred to as the "**Group**") for us to assess the Market Value of the Property, we confirm that we have carried out inspections, made relevant enquires and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the Market Value of the Property on a completion basis as at 31 January 2026 (the "**Valuation Date**"), for the purpose of incorporating in the public document.

BASIS OF VALUATION

Our valuation is provided on the basis of Market Value, which we would define 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 understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

This estimate specifically excludes an estimated price inflated or deflated by special considerations or concessions granted by anyone associated with the sale, or any element of special value.

VALUATION STANDARDS

In valuing the property interests, we have fully followed and complied with the latest edition of the Royal Institution of Chartered Surveyors (RICS) Global Valuation Professional Standards, the International Valuation Standards of the International Valuation Standards Council (IVSC), and the requirements met out in Chapter 5, Chapter 14, Chapter 14A and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

QUALIFICATIONS OF THE VALUER

This valuation has been prepared by Kin Ming Woo (James Woo) (RICS Registration No.: 0837243). James Woo is a Fellow member of the Royal Institution of Chartered Surveyors. James is an Executive Director of Valuation and Advisory Services, China at Colliers. He is suitably qualified to carry out the valuation and has over 25 years' experience in the valuation of properties of this magnitude and nature in China.

James is acting as an independent valuer as defined in the latest "RICS Global Valuation Standards" published by the RICS, which incorporates with the IVS.

Neither the valuer nor Colliers Appraisal & Advisory Services Co., Ltd. are aware of any pecuniary interest or conflict that could reasonably be regarded as being capable of affecting the ability to give an unbiased and objective, opinion of the value of the Property.

VALUATION APPROACHES

The Property is under development and is to be held for by the Group as elderly home. In accordance with the specific instructions of the Company, we have valued the Property on a hypothetical assumption that the Property was completed as at the Valuation Date.

In determining the market value of the Property, we have valued the Property by using the Cost Approach and Market Approach. Due to the nature of the buildings in which they are situated, there are unlikely to be relevant market comparable sales readily available, the buildings of the Property have been valued by the cost approach.

Cost Approach provides an indication of value by 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 approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and make deductions for physical deterioration and all other relevant forms of obsolescence.

In valuing the land portion of the property the Market Approach is used. Market Approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. By analysing such sales, which qualify as ‘arms-length transactions’, between willing buyers and sellers, adjustments are made for size, location, amenities and other relevant factors when comparing such sales prices to assess the value of the subject asset. This approach is commonly used to value assets where reliable sales evidence of assets of a similar nature is available.

The market value determined represents the entire complex or development as a single, unified entity, with no consideration given to piecemeal transactions involving individual parts of the complex or development.

SOURCES OF INFORMATION

Although we have made independent enquires as much as possible, we have relied to a very considerable extent on the information provided by the Group and the Group’s legal advisor in respect of the titles of the Property in the PRC. We also have accepted such information given to us as being true and correct for valuation purposes. This has included such matters as ownership title, site and floor areas, easements, tenure, the identification of the property interests and all other relevant matters.

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

TITLE DOCUMENTS

We have been provided with copies or extracts of some title documents relating to the Property and have made relevant enquiries where possible. Due to the nature of the land registration system in the PRC, we have not examined the original documents to verify the existing titles to the property interests the PRC or any material encumbrances that might be attached to the property interests or any lease amendments. We have made assumptions that the full and proper ownership title of the Property has been obtained and all payable land premium or land-use rights fees have been fully settled.

We have relied on the advice given by the Company's legal adviser, Grandall Law Firm (Shanghai) (國浩律師(上海)事務所), regarding the titles of the Property in the PRC. We do not accept liability for any interpretation that we have placed on such information, which is more properly placed within the sphere of the legal adviser.

All legal documents disclosed in this letter and the valuation particulars are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the Property set out in this letter and the valuation particulars.

ASSUMPTIONS AND CAVEATS

Our valuations have been made on the assumption that the owner can sell the Property on a completion basis in the open market without the benefit of deferred terms contracts, leasebacks, joint ventures, management agreements or any similar arrangements that would serve to affect the value of the Property.

No allowance has been made in our valuations for any charges, mortgages or amounts owing either on the Property or for any expense or taxation that may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.

We have conducted the valuation assuming that:

- the information as set out in the section headed "Sources of Information" above about the titles of the Property provided by the Company and the Company's legal adviser, Grandall Law Firm (Shanghai) (國浩律師(上海)事務所) is true and correct;
- the property interests are free from contamination and environmental problems or hazards;
- for any use(s) of the Property upon which this valuation report is based, any and all required licences, permits, certificates, and authorisations have been obtained;
- We value the Property on the basis that it will be developed and completed in accordance with the latest development proposal provided to us and that there will be no major adverse factors affecting the construction programme; and
- We have also assumed that the construction costs required to complete the Property were fully paid as at the Valuation Date as the Property will be transacted on a completion basis.

ESG CONSIDERATION

Where our advice is based on International Valuation Standards (IVS), we have had regard to i) those significant environmental, social and governance (ESG) factors which were readily apparent to us from our inspection of the property, if undertaken and ii) which we

consider significantly impact our advice. This is a requirement of the IVS. In our advice we have endeavoured to analyse whether any significant ESG factors affect the value assessed. For your acknowledge, we are property valuers and that we do not have any expertise in conducting environmental audits or any audits regarding the compliance of any entity associated with the subject property in relation to their social responsibility or corporate governance. Such an assessment is beyond the scope and purpose of our advice. You should seek specific advice in relation to these matters, given that our observations are of a very general nature.

SITE MEASUREMENT

We have not carried out on-site measurements to verify the correctness of the site areas in respect of the Property but have assumed that the areas shown on the documents and plans provided to us are true and correct in all respects. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

SITE INSPECTION

We have inspected the Property exterior and, where possible, the interior of the Property by our Gladys Liu (Manager), member of CREA on 27 January 2026. In the course of our inspections, we did not note any serious defects. However, we have not carried out a structural survey nor have we inspected woodwork or other parts of the structures which are covered, unexposed or inaccessible and we are therefore unable to report that any such parts of the Property are free from defect. No tests were carried out on any of the services.

Please be advised we have not carried out investigations to determine the suitability of the ground conditions and the services etc. for the development. Our valuations have been prepared on the assumption that these aspects are satisfactory.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuation particulars are attached hereto.

Yours faithfully,
For and on behalf of
Colliers Appraisal & Advisory Services Co., Ltd.

Kin Ming Woo James

FRICS AICFC

Executive Director

Valuation and Advisory Services I China

Note: Mr. James Woo is a Registered and independent Valuer with over 25 years' experience in real estate industry and assets valuation sector. His experience on valuation covers Mainland China. Mr. Woo is a Fellow member of the Royal Institution of Chartered Surveyors.

VALUATION PARTICULARS

PROPERTY HELD BY THE GROUP UNDER DEVELOPMENT

PROPERTY	DESCRIPTION AND TENURE	PARTICULARS OF OCCUPANCY	MARKET VALUE AS IF COMPLETED AS AT 31 JANUARY 2026												
Sakura Senior Apartment (櫻花台康養公寓), located at Hill 2/4, Block 482, Pujiang Town, Minhang District, Shanghai, PRC	<p>The Property, known as Sakura Senior Apartment, is located south of Lianhang Road (聯航路) and west of Sanlu Highway (三魯公路) in Minhang District. It is about 1.2km to Lianhang Road Station (聯航路站) on Metro Line 8. The locality is surrounded by residential areas and business parks, and it is served by public facilities and a convenient public transportation network.</p> <p>The Property will comprise two buildings, including a 12-storey main building and a 3-storey auxiliary building for senior apartment use. The Property will have a proposed gross floor area (GFA) of 19,692.69 sq m upon completion with a total site area of 7,838 sq m. At the date of our inspection and as advised, the main structure of the Property has been completed. The completion acceptance examination of the main structure was completed in April 2025, and the interior fitting-out work is currently in progress. The interior fitting-out work is scheduled to be completed on or before 30 April 2026. Upon completion, the Property will feature, among other facilities, 204 units, function rooms, a restaurant and recreational and entertainment facilities. The Property is held for owner occupation.</p> <p>Detailed proposed GFA of the Property is listed below:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Portions</th> <th style="text-align: left;">Level</th> <th style="text-align: right;">GFA (sq m)</th> </tr> </thead> <tbody> <tr> <td>Aboveground</td> <td>1-12F</td> <td style="text-align: right;">15,776.00</td> </tr> <tr> <td>Underground</td> <td>B1</td> <td style="text-align: right;"><u>3,916.69</u></td> </tr> <tr> <td>Total</td> <td></td> <td style="text-align: right;"><u><u>19,692.69</u></u></td> </tr> </tbody> </table> <p>Pursuant to the Real Estate Ownership Certificate provided, the land-use rights of the Property have been granted for a term expiring on 19 August 2049 for hotel uses.</p>	Portions	Level	GFA (sq m)	Aboveground	1-12F	15,776.00	Underground	B1	<u>3,916.69</u>	Total		<u><u>19,692.69</u></u>	<p>At the date of our inspection, the main structure of the Property was completed. The interior of the Property is in a bare shell state. According to the information provided, the completion acceptance of the main structure was completed, and the pre-interior decoration works are currently in progress. As advice by the Company, the Property intended to serve as service apartments targeting senior and elderly residents.</p>	RMB441,000,000
Portions	Level	GFA (sq m)													
Aboveground	1-12F	15,776.00													
Underground	B1	<u>3,916.69</u>													
Total		<u><u>19,692.69</u></u>													

Notes:

1) Pursuant to the Provisional Agreement dated 26 March 2025 entered between the Company and Shanghai Pengxin Zhihuiyuan Property Development Company Limited 上海鵬欣智匯園房地產開發有限公司 (the “Vendor”), the Vendor has conditionally agreed to sell and the Group has conditionally agreed to acquire the Property on completion basis at an aggregate Consideration of RMB400,000,000.

2) Pursuant to the Business License issued by the Minhang District Market Supervision Administration Bureau of Shanghai, the basic information of the Vendor a connected person of the Company is as follows:

Enterprise Names:	Shanghai Pengxin Zhihuiyuan Property Development Company Limited 上海鵬欣智匯園房地產開發有限公司
Social Credit Code	913101126941653190
License Number	12000000202003160245
Type	Limited Liability Company (sole proprietorship of a legal entity that is not invested in or controlled by a natural person)
Legal Representative	Peng Yimin
Registered Capital	RMB100,000,000
Date of Establishment	2 September 2009
Operating Period	From 2 September 2009, to long-term
Address	No. 115, 1st Floor, Building 1, No. 58, Lane 719, Sanlu Highway, Minhang District, Shanghai
Scope of Business	Permitted Projects: Real estate development and operation. (Projects requiring approval by relevant authorities must be approved before commencing operations, and specific business projects are subject to approval documents or licenses issued by relevant authorities.) General Projects: Elderly care services; health consultation services (excluding medical diagnosis and treatment services); enterprise management; enterprise management consulting; marketing planning; corporate image planning; etiquette services; conference and exhibition services; hotel management; property management; sales of hardware, electrical appliances; parking lot services; property management; domestic services; cleaning services; nutritional health consultation services; tourism consultation services. (Except for projects requiring approval, the company may independently carry out business activities in accordance with its business license.)

3) Pursuant to the Construction Land Planning Permit Hu Min Di (2008) 12081111E01426 Hao dated 11 November 2008, 上海鵬欣(集團)有限公司 was permitted to use a parcel of land with a site area of 12,487 sq m for hotel uses.

4) Based on the Supplementary Contract of the Shanghai State-Owned Land Use Rights Grant Contract Hu Min Gui Tu (2009) Chu Rang He Tong Bu Zi Di 1 Hao dated 20 August 2009, 上海鵬欣(集團)有限公司 acquired the land for the “智匯園” project in Pujiang Town through the transfer of construction-in-progress. The Shanghai Minhang Planning and Land Administration Bureau and the transferee 上海鵬欣(集團)有限公司 signed a supplementary agreement regarding adjustments to the land use conditions: The adjusted land

transfer area is 79,763.5 sq m, including 65,878.4 sq m for residential use, 6,046.9 sq m for serviced apartment office use, and 7,838.2 sq m for hotel use. The land tenure adjusted to 50 years for serviced apartment office use and 40 years for hotel use, counted from the date of signing the supplementary contract.

As advised, the site area of the Property for hotel use was adjusted from 12,487 sq m to 7,838.2 sq m.

- 5) According to the Supplementary Contract of the Shanghai State-Owned Land Use Rights Grant Contract Hu Min Gui Tu (2009) Chu Rang He Tong Bu Zi Di 15 Hao dated 8 September 2009, the transferee was changed from 上海鵬欣(集團)有限公司 to 上海鵬欣智匯園房地產開發有限公司.
- 6) Pursuant to the Real Estate Ownership Certificate Hu Fang Di Min Zi (2009) Di 056390 Hao dated 14 September 2009, the land use rights of the Property with a site area of 7,838.00 sq m have been granted to 上海鵬欣智匯園房地產開發有限公司 for a term due to expire on 19 August 2049 for hotel uses.
- 7) Pursuant to the Construction Works Planning Permit Hu Min Jian (2019) FA310112201908120 dated 16 December 2019, the construction scale of the Property is 19,692.69 sq m including 3,916.69 sq m underground GFA. The capacity GFA is 15,676 sq m and the non-plot ratio GFA is 100 sq m.
- 8) Pursuant to the Construction Works Commencement Permit No. 1902MH0533D01 dated 18 December 2019, the construction works of the Property with a construction scale of 19,692.69 sq m were permitted for commencement.
- 9) Pursuant to the Construction Comprehensive Completion Acceptance, the construction work with a construction scale of 19,527 sq m of the Property was completed in April 2025.
- 10) As advised by the Company, the total estimated construction cost for the Property was approximately RMB273,516,000 and the incurred construction cost for the Property as at the valuation date was approximately RMB189,228,000. As advised by the Company, the outstanding construction cost will be used on the interior fit-out works and will be borne by the Vendor.
- 11) The general description and market information of the Property are summarized below:

Location

The Property is located south of Lianhang Road (聯航路) and west of Sanlu Highway (三魯公路) in Minhang District, Shanghai.

Transportation

It is about 1.2 km to Lianhang Road Station (聯航路站) on Metro Line 8. The locality is surrounded by residentials, business parks and served by public facilities and convenient public transportation network. Shanghai Pudong International Airport (上海浦東國際機場) is located approximately 28 km from the Property. Also, taxi and bus are readily available in the locality.

Nature of Surrounding Area

The Property is located in Pujiang Town, surrounded by residentials areas and business parks. The area comprises National 863 Software Professional Incubator Base (國家863軟體專業孵化器基地), Pujiang Intelligence Valley (浦江智谷), Pujiang Zhidi Boutique Business Park (浦江智地精品商務園), Pengxin Zhihuiyuan (鵬欣智匯園), Sanxian Golden Joy Time (三弦金悅時光), Shen Mansion (複地申公館), and CIFI Pujiang International (旭輝浦江國際) etc.

- 12) We have been provided with a legal opinion on the Property prepared by the Company's PRC legal advisor, Grandall Law Firm (Shanghai) (國浩律師(上海)事務所), which contains, inter alia, the following information:
- i. 上海鵬欣智匯園房地產開發有限公司 has paid the full land price of the Property in accordance with the conditions of Shanghai State-Owned Land Use Rights Grant Contract;
 - ii. The Property is located at Qiu 2/4, Jiefang 482, Pujiang Town, classified as state-owned land use rights. 上海鵬欣智匯園房地產開發有限公司 has obtained the real estate ownership certificate Hu Fang Di Min Zi (2009) Di 056390 Hao, which confirms the legitimate right to utilize the land of the Property. This legal title allows 上海鵬欣智匯園房地產開發有限公司 to engage in development, construction, and disposal activities in compliance with PRC law;
 - iii. During the remaining land tenure of the land use rights, the Purchaser is entitled to lawfully utilize, benefit from, and dispose of the subject property in accordance with PRC law;
 - iv. The Property has been mortgaged to Shanghai Branch of China Hua Xia Bank Co., Ltd. (華夏銀行股份有限公司上海分行) for a loan of RMB220,760,000 for a term from 18 May 2021 to 18 May 2031. Once the procedures for deregistering the mortgage are completed, the mortgage rights established on the Property will be extinguished. The Property will no longer be subject to mortgage restrictions and can be legally transferred;
 - v. 上海鵬欣智匯園房地產開發有限公司 has legally owned the relevant land use rights of the Property. During the term of the above-mentioned land use rights, 上海鵬欣智匯園房地產開發有限公司 shall have the right to develop the Property, and also have the right to dispose of the Property by transferring, leasing, remortgage or other legal means;
 - vi. The title documents — Real Estate Ownership Certificate and the Construction Land Planning Permit for the Property indicate its land use as hotel. However, the Property upon completion is intended to operate as a senior apartment. This change in use aligns with current Shanghai's policies supporting the elderly care industry. Considering the compliance requirements for actual operational use, it is advised to register and file the completed property with relevant departments such as the Civil Affairs Bureau promptly. Approval must be obtained following a comprehensive evaluation and review by the district government followed by the issuance of the Registration of elderly care institutions by the Shanghai Civil Affairs Bureau before operations can commence to ensure that there are no significant legal risks in the compliant operation of the Property;
 - vii. Although the land use for the Property, as specified in Real Estate Ownership Certificate and the Construction Land Planning Permit, is permitted as hotel, the current related policies permit the temporary repurpose of the building for functions such as elderly care services. This applies to retail, office, or community-use properties, provided that structural and fire safety are ensured, and the planning permit and land use remain unchanged. New construction or expansion is prohibited.
- 13) The property is located at the junction of Minhang and Pudong districts, so comparable cases from both Minhang and Pudong will be taken into consideration. In land classification of China Mainland, hotel land is categorized as commercial land with a land use term of 40 years. We have conducted a land transaction inquiry through the China Land Market Network, with all information therein prepared, disclosed, and promulgated by the competent natural resources authorities at the respective administrative levels. Commercial land transactions concluded in Pudong and Minhang over the past three years were reviewed, and three land comparables have been identified on an exhaustive basis. The average unit rate of accommodation value for commercial land of the selected comparable location in Minhang and Pudong as at the Valuation Date is in the range of RMB7,200 per sq m to RMB13,400 per sq m. In the course of our valuation, we have considered the relevant adjustment factors such as transaction date, site area, location,

remaining land use term land grade and plot ratio etc. to determine the unit price of accommodation value for the land portion of the Property. The land value was derived by multiplying the unit rate of accommodation value by the aboveground GFA.

	Comparable 1	Comparable 2	Comparable 3
Property Name	Block 01-03 and 01-06, Unit 02PD-0003, Northern Section of Shanghai International Tourism and Resort Zone, Pudong New Area	Block C05A-17, Unit PDP0-0706, Pudong New Area	Block 19A-05A, Unit MHP0-0402, Zhuanqiao Community, Minhang District
District/County	Pudong New Area, Shanghai	Pudong New Area, Shanghai	Minhang, Shanghai
Detail Address	East to Block 01-08, South to Beiweichang River, West to Block 01-02, and North to Block 01-05	East to Plot C05A-18, south to Xiuchuan Road, west to Plot C05A-14, and north to Plot C05A-16	East to 19A-06A, south to Liannong Road, west to Zhuangwei Road, and north to 19A-07A in Zhuanqiao Town, Minhang District
Transaction Date	17 August 2023	24 November 2025	24 September 2025
Site Area (sq. m.)	133,227.30	10,708.03	2,701.72
Land Use	Commercial	Commercial	Commercial
Accommodation Value (RMB)	13,325	7,254	7,530

The major adjustments made to comparables are as follows:

	Comparable 1	Comparable 2	Comparable 3
Land use term	Downward	Downward	Downward
Transaction Date	Upward	No adjustment	Upward
Location	No adjustment	Upward	Upward
Site Area	Upward	Upward	Downward
Plot Ratio	Downward	Downward	No adjustment
Land Grade	No adjustment	Downward	No adjustment
Adjusted Unit Price (RMB/sq m)	9,216	7,701	7,543
Weight	33%	33%	33%
Weighted value (RMB/sq m)	3,072	2,567	2,514
Adopted weighted Unit Price (RMB/sq m)	8,150		
Land Value			RMB128,000,000

The adjustments applied to the comparable transactions were determined as follows:

Land Use Term: Downward adjustments were made for all comparables to reflect shorter land use tenure of the Property.

Transaction Date: Upward adjustments were applied where the transaction occurred earlier, to account for subsequent market inflation; no adjustment was made where the transaction date was sufficiently recent.

Location: Upward adjustments were applied where the Property enjoys superior locational advantages including public facilities and surrounding infrastructure.

Site Area: Upward adjustments were made where larger site areas, and downward adjustments on the smaller site.

Plot Ratio: Downward adjustments were made where comparables had lower plot ratios.

Land Grade: Downward adjustment was applied where the land grade of Property was inferior to the comparable.

14) Detailed calculation of the Property is tabulated as follows:

	GFA <i>(sq m)</i>	Adopted Rate	Valuation
Building Portion			
Construction Cost	19,692.69	RMB13,890/sq m	RMB273,500,000
Finance Charge		3.0% of construction cost (i)	RMB12,400,000
Profit		10.0% of construction cost (ii)	RMB27,350,000
		Sub-total	RMB313,000,000
			(rounded to the nearest million)
Land Portion			
Land Value	15,676.00	RMB8,150/sq m	RMB128,000,000
		Sub-total	<u>RMB313,000,000</u>
		Total	<u><u>RMB441,000,000</u></u>

- (i) The rate of the finance charge is made reference to 1 to 5-year Loan Prime Ratio (“LPR”) of 3.0% published by National Interbank Funding Center under the authorization of the People’s Bank of China on 22 December 2025. In calculating the finance charge, we assume that the construction costs incurred evenly throughout the estimated 3-year construction period. Because construction costs are incurred evenly over time, the average construction cost expenditure occurs at the midpoint of the construction period, meaning funds are outstanding for half of the duration on average and finance charges are therefore calculated over half the construction period. As such, finance charge is calculated at 3% per annum compounded adjustment to construction cost over 1.5 years.
- (ii) The profit rate is determined by benchmarking against the cost-profit ratios of commercial real estate companies listed in mainland China with the average rate being around 11.5%. A profit rate of 10% has been adopted after considering prevailing market conditions.

- 15) For reference purposes, the breakdown of our valuation of the Property into land and building is summarized as follows:

	Market Value as if completed as at 31 January 2026
Land Portion	RMB128,000,000
Building Portion	RMB313,000,000

- 16) In the course of our valuation, we have accessed the market value of the Property as if completed as at the Valuation Date. The basis of our valuation is in line with the Provisional Agreement dated 26 March 2025 entered between the Company and Shanghai Pengxin Zhihuiyuan Property Development Company Limited 上海鵬欣智匯園房地產開發有限公司 (the “**Vendor**”) that the Property will be transferred on completion basis and the total construction cost is fully settled. For the Company’s management reference purpose, we would advise that the market value of the Property in existing state as at 31 January 2026 was RMB345,000,000. The construction cost incurred for the Property was approximately RMB189,228,000 as of the Valuation Date, which has been taken into account in our valuation of market value in existing state.

- 17) The status of the title and grant of major approvals and licences in accordance with the information provided by the Company are as follows:

State-Owned Land Use Rights Grant Contract	Yes
Construction Land Planning Permit	Yes
Construction Work Planning Permit	Yes
Construction Work Commencement Permit	Yes
Construction Comprehensive Completion Acceptance	Yes
Real Estate Ownership Certificate	Yes
Business License	Yes

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 Group. 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

(a) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or chief executive was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:

Name	Name of company in which interests or short positions were held	Nature of interests	Number of Shares	Approximate percentage of shareholding
Jiang Xiao Heng Jason	The Company	Interest in controlled corporation	2,042,210,000 Shares (L) <i>(Note)</i>	28.00%

(L) denotes the long position held in the Shares

Note: These Shares included the 1,133,300,000 Shares held by Rich Monitor Limited and 908,910,000 Shares held by Pengxin Holdings Company Limited, both of which are wholly and beneficially owned by Mr. Jiang Xiao Heng Jason (“**Mr. Jason Jiang**”), an executive Director and the chairman of the Company. Therefore, he is deemed to be interested in 2,042,210,000 Shares under the SFO.

Save as disclosed above, none of the Directors or chief executive of the Company had, as at the Latest Practicable Date, any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company

and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or chief executive was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange.

(b) Persons having 5% or more shareholding

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the issued voting shares of any other member of the Group or had options in respect of such capital:

Name	Name of company in which interests or short positions were held	Nature of interests	Number of Shares	Approximate percentage of shareholding
Rich Monitor Limited	The Company	Beneficial owner	1,133,300,000 Shares (L) <i>(Note 1)</i>	15.54%
Pengxin Holdings Company Limited	The Company	Beneficial owner	908,910,000 Shares (L) <i>(Note 1)</i>	12.46%
Ansheng Holdings Co., Ltd.	The Company	Beneficial owner	1,088,835,000 Shares (L) <i>(Note 2)</i>	14.93%
Tong Yung Ling	The Company	Interest in controlled corporation	1,088,835,000 Shares (L) <i>(Note 2)</i>	14.93%

(L) denotes the long position held in the Shares

Notes:

1. Rich Monitor Limited and Pengxin Holdings Company Limited are wholly and beneficially owned by Mr. Jason Jiang, an executive Director.
2. Ansheng Holdings Company Limited is wholly and beneficially owned by Mr. Tong Yung Ling. Therefore, he is deemed to be interested in 1,088,835,000 shares of the Company under the SFO.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or who had any options in respect of such capital.

3. SERVICE CONTRACT

As at the Latest Practicable Date, there was no service contract or any proposed service contract between any of the Directors or proposed Directors and the Company or any member of the Group, excluding contracts expiring or determinable by the Group within a year without payment of any compensation (other than statutory compensation)

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors or proposed Directors or their respective close associates had any interests in any business which competed or might compete with the business of the Group as at the Latest Practicable Date.

5. MATERIAL INTERESTS

As at the Latest Practicable Date, save for the Acquisition in which Mr. Jiang Xiao Heng Jason (an executive Director) was deemed to be interested, none of the Directors had any direct or indirect interest in the assets which had been, since 31 March 2025, being the date to which the latest audited consolidated accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, save for the Provisional Agreement in which Mr. Jiang Xiao Heng Jason (an executive Director) was deemed to be interested, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the business of the Group.

6. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, were entered into by the Group within two years immediately preceding the date of this circular:

- (a) the joint venture agreement dated 28 May 2024 entered into between the Hotel Operating Subsidiary, and Shanghai Pengqirun Management Consultancy Partnership Enterprise (Limited Partnership)* (上海鵬啟潤管理顧問合夥企業(有限合夥)), Shanghai Rongze Commercial Trading Company Limited* (上海榕澤商貿有限公司) and Shanghai Pengchirun (Limited Partnership) Management Consultancy

Partnership Enterprise (Limited Partnership)* (上海鵬馳潤管理顧問合夥企業(有限合夥)) in relation to the formation of Shanghai Pengyuanrun New Energy Technology Company Limited* (上海鵬源潤新能源科技有限公司), with the contribution of RMB6,800,000 (equivalent to approximately HK\$7,276,000) to be made by Shanghai Tianfu;

- (b) the Initial Provisional Agreement;
- (c) the equity transfer agreement dated 22 May 2025 entered into between Beijing Boya Hongyuan Advisory Company Limited* (北京博雅宏遠諮詢有限公司) (“**Beijing Boya**”), an indirect wholly-owned subsidiary of the Company and Cheng Jianling in relation to the acquisition of 20% equity interest in Daka Robotics (Beijing) Company Limited* (大咖機器人(北京)有限責任公司) (“**Beijing Daka**”) at the consideration of RMB200,000 (equivalent to approximately HK\$217,000); and
- (d) the capital increase agreement dated 22 May 2025 entered into between Beijing Boya and Beijing Daka in relation to the injection of capital of RMB30,000,000 (equivalent to approximately HK\$32,100,000) in Beijing Daka as capital contribution;
- (e) the Extension Letter;
- (f) the 2nd Extension Letter; and
- (g) the Supplemental Provisional Agreement.

* *For identification purpose only*

7. LITIGATION

As at the Latest Practicable Date, so far as the Directors were aware, neither the Company nor any member of the Group was engaged in any litigation nor or were these claims of material importance pending or threatened against any member of the Group.

8. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the experts who has given its advice and recommendation which are included in this circular:

Name	Qualification
Lego Corporate Finance Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Colliers Appraisal & Advisory Services Co., Ltd.	professional valuers

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with its opinion included in the form and context in which it is included and the references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above experts had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did they have any direct or indirect interest in any assets which had been, since 31 March 2025, being the date to which the latest audited consolidated accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

9. MISCELLANEOUS

- (a) The registered office and head office of the Company is at Unit 1506, 15/F., Capital Centre 151 Gloucester Road, Wanchai, Hong Kong.
- (b) The share registrar and transfer office of the Company is Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (c) The secretary of the Company is Mr. Lau Chi Lok who is a member of Hong Kong Institute of Certified Public Accountants and CPA Australia.
- (d) The English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS ON DISPLAY

Copy of the following document published on the Stock Exchange's website and the Company's website at www.everchina202.com.hk, from the date of this circular up to and including the date of the GM, being a period of not less than 14 days:

- (a) the Initial Provisional Agreement;
- (b) the Extension Letter;
- (c) the 2nd Extension Letter; and
- (d) the Supplemental Provisional Agreement.



EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

NOTICE IS HEREBY GIVEN THAT the general meeting (the “GM”) of EverChina Int’l Holdings Company Limited (the “Company”) will be held at Unit 1506, 15/F. Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong on 4 June 2026 at 10:30 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the provisional agreement dated 26 March 2025, as supplemented by the extension letters dated 31 December 2025 and 31 March 2026, as well as the supplemental provisional agreement dated 27 April 2026 (together, the “**Provisional Agreement**”, a copy of each of which has been produced to this meeting marked “A” and initialed by the chairman of the meeting for the purpose of identification) all entered into between EverChina Int’l Holdings Company Limited (the “**Company**”) as purchaser and Shanghai Pengxin Zhihuiyuan Property Development Company Limited* (上海鵬欣智匯園房地產開發有限公司) as vendor in relation to the sale and purchase of the parcel of land located at 2/4 Hill, Block 482, Pujiang Town, Minhang District, Shanghai (上海市閔行區浦江鎮482街坊2/4丘), People’s Republic of China, together with the buildings erected and to be erected thereon at the aggregate consideration of RMB400,000,000, subject to adjustment, be and is hereby approved, confirmed and ratified; and
- (b) the directors of the Company be and are hereby authorised on behalf of the Company to do all such things and sign, seal, execute, perfect and deliver all such documents as they may in their discretion consider necessary, desirable or

* *For identification purpose only*

NOTICE OF GM

expedient, for the purposes of or in connection with the implementation and/or give effect to any matters relating to the Provisional Agreement and the transactions contemplated thereunder.”

By order of the Board
EverChina Int’l Holdings Company Limited
Chen Yi, Ethan
Chief Executive Officer and Executive Director

Hong Kong, 30 April 2026

Registered office:
Unit 1506, 15/F.,
Capital Centre
151 Gloucester Road
Wanchai, Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any share of the Company (the “**Share**”), any one such persons may vote at the meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company’s share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. As at the date of this notice, the executive directors of the Company are Mr. Jiang Xiao Heng Jason, Mr. Chen Yi, Ethan and Ms. Wang Xue; and the independent non-executive directors of the Company are Mr. Ho Yiu Yue Louis, Mr. Ko Ming Tung Edward and Mr. Ng Ge Bun.
5. For the purpose of ascertaining and determining the entitlement of the Shareholders to attend and vote at the GM, the register of members of the Company will close from 1 June 2026 to 4 June 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the GM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged for registration with the Company’s share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 29 May 2026.