

CONNECTED TRANSACTIONS

OVERVIEW

We have entered into a number of agreements with our connected persons, details of which are set out below. The transactions disclosed in this section will constitute our continuing connected transactions under Chapter 20 of the GEM Listing Rules upon [REDACTED].

OUR CONNECTED PERSONS

Upon [REDACTED], the following entities will become our connected persons:

Zhejiang Panglong and its associates (“ Zhejiang Panglong Connected Persons ”)	Zhejiang Panglong is one of our Controlling Shareholders, thus Zhejiang Panglong and its associates are connected persons of our Company under Chapter 20 of the GEM Listing Rules.
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SUMMARY OF CONTINUING CONNECTED TRANSACTIONS

Nature of Transaction	Applicable GEM Listing Rules	Waiver Sought
(A) Continuing connected transactions fully exempt from the reporting, annual review, announcement and independent Shareholders’ approval requirements		
Property leasing	20.32, 20.50, 20.74	N/A
Procurement of goods and services	20.32, 20.50, 20.74	N/A
(B) Continuing connected transactions subject to the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements		
Provision of property management and value-added services	20.32, 20.33, 20.34, 20.47, 20.50, 20.51, 20.69, 20.103	Reporting, annual review, announcement and independent shareholders’ approval

OUR CONTINUING CONNECTED TRANSACTIONS

Continuing Connected Transactions Fully Exempt from the Reporting, Annual Review, Announcement and Independent Shareholders’ Approval Requirements

Property Leasing

We have entered into (i) a lease agreement (the “**Office Lease**”) dated 20 March 2026 with Zhejiang Jicheng for a property of a construction area of 756.1 sq.m. for office purpose at an annual rental of RMB90 per sq.m. for a term of three years; and (ii) a lease agreement (the “**Staff Dormitory Lease**”, together with the Office Lease, the “**Lease Agreements**”) dated 1 January 2026 with Zhejiang Jicheng for a property of a construction area of 756.1 sq.m. for staff dormitory purpose at an annual rental of RMB87,707.6 for a term of one year. We also used to lease properties owned by Zhejiang Panglong Connected Persons in our managed projects and sublease them to tenants. Since 2025, we have adopted the entrusted management services model for most of the properties operated by us, whereby the

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property owners, including Zhejiang Panglong Connected Persons, entrust us with the authority to manage their properties, and hence we have ceased to lease the properties from the property owners. For details of our entrusted management services model, please see “Business — Our Business Model — Property Management and Value-added Services — Value-added Services — Operational Support Services — Commercial Operation Services”. The total rental payable by us to Zhejiang Panglong Connected Persons pursuant to the relevant lease agreements for property leasing were approximately RMB13.0 million, RMB156,000 and RMB156,000 for FY2024, FY2025 and 1H2026, respectively. The significant decrease in the total rental paid by us to Zhejiang Panglong Connected Persons is mainly due to the change in business model of our commercial operation services as abovementioned. Our Directors confirm that the relevant transactions have been entered into in the ordinary and usual course of business of our Group, are on normal commercial terms and are fair and reasonable and in the interest of our Company and our Shareholders as a whole.

As the applicable percentage ratio under Chapter 20 of the GEM Listing Rules for the Lease Agreements (on an annual basis) are less 5% and the consideration is less than HK\$3 million, such transactions fall within the de minimis threshold under Rule 20.74(1)(c) of the GEM Listing Rules and is exempt from the reporting, annual review and announcement requirements, circular and independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

Procurement of Goods and Services

During the Track Record Period, we procured repair and installation services from Zhejiang Xingchi New Energy Technology Co., Ltd.* (浙江興馳新能源科技有限公司) (“**Zhejiang Xingchi**”), one of Zhejiang Panglong Connected Persons. Our total procurement of goods and services from Zhejiang Xingchi amounted to approximately RMB92,000, RMB24,000 and nil for FY2024, FY2025 and 1H2026, respectively. Our Directors confirm that the relevant transactions have been entered into in the ordinary and usual course of business of our Group, are on normal commercial terms and are fair and reasonable and in the interest of our Company and our Shareholders as a whole.

As the applicable percentage ratio under Chapter 20 of the GEM Listing Rules for the procurement of goods and services (on an annual basis) are less than 5% and the consideration is less than HK\$3 million, such transactions fall within the de minimis threshold under Rule 20.74(1)(c) of the GEM Listing Rules and is exempt from the reporting, annual review and announcement requirements, circular and independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

Continuing Connected Transactions Subject to the Reporting, Annual Review, Announcement, Circular and Independent Shareholders’ Approval Requirements

Business Framework Agreement

Background

To the best knowledge of our Directors, as a condition under the relevant land grant contracts, Zhejiang Panglong Connected Persons are required to hold around 20% GFA of certain projects developed by them and such properties are prohibited from sales. Furthermore, according to the project development process, there are properties which are pending sale and/or delivery in the projects developed by Zhejiang Panglong Connected Persons. As a result, we provide property management services as mentioned below for such unsold properties, and/or properties pending sale and/or delivery of Zhejiang Panglong Connected Persons as our ordinary course of our business in our managed projects.

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During the Track Record Period, we provided property management services to Zhejiang Panglong Connected Persons.

On [●] 2026, we entered into the Business Framework Agreement with Zhejiang Panglong, pursuant to which our Group agreed to provide certain services to Zhejiang Panglong Connected Persons.

Principal Terms of the Business Framework Agreement

The table below summarises the principal terms of the Business Framework Agreement:

Date:	[●] 2026
Parties:	(i) Zhejiang Panglong (ii) our Company
Term:	From the [REDACTED] to 31 December 2028
Scope of services provided by us:	<ul style="list-style-type: none"> ● Property Management Services (the “Property Management Services”): provision of (a) basic property management services; and (b) value-added services <ul style="list-style-type: none"> (a) Basic property management services: provision of basic property management services to Zhejiang Panglong Connected Persons in respect of: (i) properties owned by, or with respect to which Zhejiang Panglong Connected Persons have the right of use; and (ii) properties already developed by Zhejiang Panglong Connected Persons but unsold, or properties already developed and sold but undelivered by Zhejiang Panglong Connected Persons, as well as pre-delivery services comprising acceptance inspection services and basic management services prior to the delivery for new projects (the “Basic Property Management Services”) (b) Value-added services: provision of (i) operational support services which comprise (a) commercial operational services to the properties owned by, or with respect to which Zhejiang Panglong Connected Persons have the right of use and (b) property sales support services for the sale of unsold properties of Zhejiang Panglong Connected Persons (together the “Operational Support Services”); (ii) park ancillary services such as in-unit cleaning services and repair services on a pay-per-use basis to the properties owned by, or with respect to which Zhejiang Panglong Connected Persons have the right to use (“Park Ancillary Services”); and (iii) provision of services in relation to the provision of solar energy generation by Huzhou Xingchi New Energy Technology Co., Ltd.* (湖州星馳新能源科技有限公司) (“Huzhou Xingchi”), one of Zhejiang Panglong Connected Persons, in one of our managed properties (the “Energy-related Services”, together with the Operational Support Services and Park Ancillary Services, the “Value-added Services”)

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The Business Framework Agreement will be effective on the [REDACTED] and binding on the parties to the Business Framework Agreement. Relevant entities of both parties will enter into separate agreements which will set out specific provisions which are, in all material aspects, consistent with the binding principles, guidelines, terms and conditions set out in the Business Framework Agreement.

Historical Transaction Amounts

In FY2024, FY2025 and 1H2026, the aggregate historical amounts of service fees received by us from Zhejiang Panglong Connected Persons were RMB7.4 million, RMB21.4 million and RMB11.6 million, representing approximately 10.4%, 26.8% and 28.8% of the revenue of our Group, respectively.

The table below sets forth a breakdown of our historical transaction amounts by types of services for the year indicated:

	FY2024	FY2025	1H2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Property Management Services	7,448	21,369	11,604
— <i>Basic Property Management Services</i>	7,059	11,416	5,308
— <i>Value-added Services</i>	389	9,952	6,296
• Park Ancillary Services	—	404	57
• Energy-related Services	77	786	548
• Operational Support Services	312	8,762	5,691

Pricing Terms

- Property Management Services
- (a) Basic Property Management Services

The service fees that we charge Zhejiang Panglong Connected Persons for the Basic Property Management Services under the Business Framework Agreement have been determined after arm's length negotiations and taking into account, among other factors, (i) the nature, size and location of the properties; (ii) the scope of the services; (iii) the expected operational costs (including labour costs, materials costs and administrative costs) in relation to the provision of the Property Management Services; (iv) the fees charged by us to Independent Third Parties for similar services; and (v) the fees charged by other service providers for similar services in respect of similar types of properties in the market. For details of the pricing method of the Basic Property Management Services, please see the section headed “Business — Our Revenue Model — Property Management and Value-added Services — Basic Property Management Services — Pricing policy”. The fees charged by our Group shall not be higher than the standard fees designated by the relevant regulatory authorities (if applicable), and the terms offered by our Group to Zhejiang Panglong Connected Persons shall not be less favourable to our Group than terms offered by our Group to Independent Third Parties for the same or similar type and scope of services.

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(b) Value-added Services

In respect of the commercial operation services, we used to provide such services to the owners of our managed properties including Zhejiang Panglong Connected Persons on a sublease model, whereby we leased the properties from property owners and subleased units within the properties to subtenants. Since January 2025, most of the properties were operated by us under the entrusted management services model, whereby property owners including Zhejiang Panglong Connected Persons entrust us with the authority to manage their properties while we, in turn, collect service fees, representing the premium of the actual rent paid by the tenants over the designated floor price retained by the property owners.

In respect of the property sales support services, we provide property sales support services to Zhejiang Panglong Connected Persons which mainly include provision of assistance including preliminary business planning, marketing and promotion, back-office support for property viewings and facilitating property handover procedures, and charge a service fee as a percentage of sale price.

The service fees that we charge Zhejiang Panglong Connected Persons for the Operational Support under the Business Framework Agreement have been determined after arm’s length negotiations and taking into account, among other factors, (i) the nature, size and location of the properties; (ii) the scope of the services; (iii) the expected operational costs (including labour costs, materials costs and administrative costs) in relation to the provision of the Operational Support; and (iv) the fees charged by other service providers for similar services in respect of similar types of properties in the market. The terms (including the fees charged) offered by our Group to Zhejiang Panglong Connected Persons shall not be less favourable to our Group than terms offered by our Group to Independent Third Parties for the same or similar type and scope of services.

The service fees that we charge Zhejiang Panglong Connected Persons for the Park Ancillary Services under the Business Framework Agreement have been determined after arm’s length negotiations and taking into account, among other factors, (i) the nature, size and location of the properties; (ii) the scope of the services; (iii) the expected operational costs (including labour costs, materials costs and administrative costs) in relation to the provision of the Park Ancillary Services; (iv) the fees charged by us to Independent Third Parties for similar services; and (v) the fees charged by other service providers for similar services in respect of similar types of properties in the market. The fees charged by our Group shall not be higher than the standard fees designated by the relevant regulatory authorities (if applicable), and the terms offered by our Group to Zhejiang Panglong Connected Persons shall not be less favourable to our Group than terms offered by our Group to Independent Third Parties for the same or similar type and scope of services.

During the Track Record Period, Huzhou Xingchi provided solar energy generation services in one of our managed projects (i.e. Nanxun Shuanglin Jicheng Industrial Park (南潯雙林吉成產業園)). In respect of Energy-related Services, Huzhou Xingchi installed solar stations on the rooftops of our managed properties and sold electricity generated therefrom to the residents in our managed properties. We share profits of Huzhou Xingchi in the solar energy project, which represents the difference of the electricity charge and the predetermined unit cost according to the service agreement. We also receive a

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fee from Huzhou Xingchi for use of the rooftop space for installation of the solar energy station. For details, please see “Business — Business Model — Property Management and Value-added Services — Value-added Services — Energy-related Services”.

The service fees that we charge Huzhou Xingchi for the Energy-related Services under the Business Framework Agreement have been determined after arm’s length negotiations and taking into account, among other factors, (i) the expected operational costs (including labour costs, materials costs and administrative costs) in relation to the provision of the Energy-related Services; (ii) the price of electricity announced by national electric grids and (iii) the fees charged by other service providers for similar services in respect of similar types of properties in the market. The terms offered by our Group to Zhejiang Panglong Connected Persons shall not be less favourable to our Group than terms offered by our Group to Independent Third Parties for the same or similar type and scope of services.

Proposed Annual Caps and Basis of Annual Caps

In FY2026, FY2027 and FY2028, it is expected that the aggregate annual caps of the revenue receivable by us under the Business Framework Agreement will be RMB27.4 million, RMB24.8 million and RMB23.2 million, respectively. The table below sets forth a breakdown of the annual caps by types of services to be provided by us to Zhejiang Panglong Connected Persons for the years indicated:

	FY2026	FY2027	FY2028
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Property Management Services	27,371	24,760	23,188
— <i>Basic Property Management Services</i>	<i>12,790</i>	<i>13,040</i>	<i>12,760</i>
— <i>Value-added Services</i>	<i>14,581</i>	<i>11,720</i>	<i>10,428</i>

In arriving at the above proposed annual caps, our Directors have considered, among others, the following factors:

- the historical transaction amounts of different types of services during the Track Record Period. The fluctuations of the proposed annual caps as compared to the historical amounts during the Track Record Period were primarily because:
 - (i) the increase in the proposed annual caps as compared to the historical amounts for the Basic Property Management Services mainly due to the increase in the GFA estimated to be held by our Parent Group (comprising self-held GFA and GFA pending sale) in our existing and expected new managed projects. The aggregate GFA to be held by our Parent Group in our existing and new managed projects is estimated to be approximately 596,746.2 sq.m., 759,875.7 sq.m. and 514,935.0 sq.m. for FY2026, FY2027 and FY2028 respectively as compared to the aggregate GFA held by our Parent Group in our managed projects of approximately 465,911.5 sq.m. and 457,577.9 sq.m. for FY2024 and FY2025 respectively; and
 - (ii) the increase in the proposed annual caps as compared to the historical amounts for the Value-added Services mainly due to the estimated transaction amount for property sales support services provided to our Parent Group in respect of the New Projects and the unsold area of one existing managed project. It is estimated that the aggregate GFA to be sold of the aforesaid projects will amount to approximately 134,000.0 sq.m., 59,000.0 sq.m. and 22,000.0 sq.m. with a unit sale price range of RMB2,100 to RMB3,000 per sq.m. for FY2026, FY2027 and FY2028 respectively.

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- in respect of the Basic Property Management Services, the transaction amounts directly relate to the GFA of properties of Zhejiang Panglong Connected Persons managed by us which in turn relate to the self-held GFA of Zhejiang Panglong Connected Persons (for properties Zhejiang Panglong Connected Persons owns or has the right of use) and the sales progress of properties developed by Zhejiang Panglong Connected Persons (for GFA held by Zhejiang Panglong Connected Persons before delivery, as well as the new projects expected to be delivered to us for management). Our Directors have considered the following factors in arriving at the above annual caps for the Basic Property Management Services which are considered to be reasonable and justifiable in the circumstances:
 - (i) the projected transaction amounts in respect of the properties developed by Zhejiang Panglong Connected Persons for which we are engaged to provide the Basic Property Management Services under the existing contracts;
 - (ii) the estimated GFA and the projected transaction amounts in respect of the properties developed by Zhejiang Panglong Connected Persons for which we anticipate we may be engaged to provide the Basic Property Management Services based on the property development plan and delivery schedule of Zhejiang Panglong Connected Persons. Based on new project contracts signed with and our understanding of the business plan of Zhejiang Panglong Connected Persons, it is estimated that there will be three additional projects, namely Linxiang Jicheng International Outdoor Leisure Industrial Park (臨湘吉成國際戶外休閒產業城) (“**Linxiang Project**”), Guangdong Yangjiang Jicheng Smart Home Industrial Park (廣東陽江吉成智能家居產業園) (“**Yangjiang Project**”), and Xinchang Jicheng Innovative Manufacturing Industrial Park (新昌吉成創新製造產業園) (“**Xinchang Project**”, together with Linxiang Project and Yangjiang Project, the “**New Projects**”), delivered for our management within the next three years.
 - (iii) one-off service fees for the pre-delivery services for the New Projects.
- in respect of the Value-added Services, the transaction amounts of commercial operation services directly relate to the GFA of properties of Zhejiang Panglong Connected Persons entrusted to us for leasing as well as the rent-out situation of the entrusted properties, while the transaction amounts of property sales support services mainly relate to the sales progress of developed properties of Zhejiang Panglong Connected Persons as well as the sales condition of the properties. Our Directors have considered the following factors in arriving at the above annual caps for the Value-added Services which are considered to be reasonable and justifiable in the circumstances:
 - (i) for commercial operation services, (a) the projected transaction amounts in respect of the properties entrusted to us by Zhejiang Panglong Connected Persons under the existing contracts; and (b) the estimated GFA and the projected transaction amounts in respect of the properties developed by Zhejiang Panglong Connected Persons for which we anticipate we may be entrusted to provide the commercial operation services based on the property development plan and delivery schedule of Zhejiang Panglong Connected Persons.
 - (ii) for property sales support services, the estimated GFA and the projected transaction amounts in respect of the properties developed by Zhejiang Panglong Connected Persons for which we anticipate we may be engaged to provide property sales support services based on the property development plan and delivery schedule of Zhejiang

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Panglong Connected Persons, which mainly relate to the New Projects and the unsold area of one existing managed project, namely Jiangshan Jicheng Intelligent Manufacturing Industrial Park (江山吉成智能製造產業園).

- (iii) in respect of the Park Ancillary Services, similar to Basic Property Management Services, the transaction amounts directly relate to the GFA of properties of Zhejiang Panglong Connected Persons managed by us which in turn relate to the self-held GFA of Zhejiang Panglong Connected Persons (for properties Zhejiang Panglong Connected Persons owns or has the right of use) and the sales progress of properties developed by Zhejiang Panglong Connected Persons (for GFA held by Zhejiang Panglong Connected Persons before delivery, as well as the new projects expected to be delivered to us for management).
- (iv) in respect of the Energy-related Services, the transaction amounts directly relate to the volume of electricity generated from the solar stations installed by Huzhou Xingchi for solar energy generation services and the size of rooftop space used by Huzhou Xingchi for installation of solar stations .

Listing Rules Implications

Zhejiang Panglong is one of our Controlling Shareholders and therefore Zhejiang Panglong and its associates are connected persons of our Company under the GEM Listing Rules. Accordingly, the transactions under the Business Framework Agreement will constitute continuing connected transactions of our Company under Chapter 20 of the GEM Listing Rules upon [REDACTED].

As it is expected that the applicable percentage ratios under the GEM Listing Rules in respect of the total annual caps for Business Framework Agreement pursuant to the GEM Listing Rules will be more than 5%, the transactions under the Business Framework Agreement shall be subject to the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

Application for Waiver

The transactions described under the Business Framework Agreement constitute our continuing connected transactions subject to the reporting, annual review, announcement and independent Shareholders’ approval requirements (“**Non-Exempt CCTs**”) under the GEM Listing Rules. In respect of the Non-Exempt CCTs, pursuant to Rule 20.103 of the GEM Listing Rules, we have applied for, and the Stock Exchange [has granted], waivers exempting us from strict compliance with the announcement, the circular and the independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules, subject to the condition that the aggregate amounts of the Non-Exempt CCTs for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

If any terms of the transactions contemplated under the abovementioned agreements are altered or if our Company enters into any new agreements with any connected persons in the future, we will fully comply with the relevant requirements under Chapter 20 of the GEM Listing Rules unless we apply for and obtain a separate waiver from the Stock Exchange.

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Directors’ View

Our Directors (including our independent non-executive Directors) consider that all the continuing connected transactions of our Company including the Non-Exempt CCTs have been and will be carried out: (i) in the ordinary and usual course of our business, (ii) on normal commercial terms or better and (iii) in accordance with the respective terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

Our Directors (including our independent non-executive Directors) are also of the view that the annual caps or daily cap, as applicable of the Non-Exempt CCTs are fair and reasonable and are in the interests of our Shareholders as a whole.

Sole Sponsor’s View

The Sole Sponsor is of the view (i) that the continuing connected transactions of our Company including the Non-Exempt CCTs have been and will be entered into in the ordinary and usual course of our business, on normal commercial terms or better, and each of their terms are fair and reasonable and in the interests of our Company and our Shareholders as a whole; and (ii) that the proposed annual caps of the Non-Exempt CCTs are fair and reasonable and in the interests of our Company and our Shareholders as a whole.