

## CONNECTED TRANSACTIONS

Upon [REDACTED], certain transactions between us and our connected persons, which are entered into in our ordinary course of business, will constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules.

### OUR CONNECTED PERSONS

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

Zhong An, and its associates (excluding CNC Connected Persons (as defined below)) (“Remaining Zhong An Connected Person(s)”)	Zhong An is one of our Controlling Shareholders, which will indirectly own approximately [REDACTED]% of our share capital upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised)
China New City, and its associates (“CNC Connected Person(s)”)	China New City is indirectly held as to approximately 66.02% by Zhong An as of the Latest Practicable Date and is therefore an associate of Zhong An. China New City is also directly held as to approximately 1.56% by Whole Good

(Remaining Zhong An Connected Person(s) and CNC Connected Person(s), together, the “Zhong An Connected Persons”)

### SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

Nature of transactions	Connected Person	Applicable Listing Rules	Waiver sought
<b>(A) Fully-exempt continuing connected transactions</b>			
<i>Exempt from the reporting, annual review, announcement, and independent Shareholders’ approval requirements</i>			
1. Trademark licensing	Zhejiang Zhong An	14A.76(1)	N/A
2. Office leasing	(i) Remaining Zhong An Connected Persons (ii) CNC Connected Persons	14A.76(1)	N/A

## CONNECTED TRANSACTIONS

Nature of transactions	Connected Person	Applicable Listing Rules	Waiver sought
<b>(B) Non-exempt continuing connected transactions</b>			
<i>Subject to the reporting, annual review, announcement, circular, and independent Shareholders’ approval requirements</i>			
3. Provision of car parking space sales agency services	(i) Remaining Zhong An Connected Persons (ii) CNC Connected Persons	14A.105	Announcement, independent Shareholders’ approval requirements
4. Provision of property management services	(i) Remaining Zhong An Connected Persons (ii) CNC Connected Persons	14A.105	Announcement, independent Shareholders’ approval requirements
5. Provision of value-added services	(i) Remaining Zhong An Connected Persons (ii) CNC Connected Persons	14A.105	Announcement, independent Shareholders’ approval requirements

### **(A) CONTINUING CONNECTED TRANSACTIONS FULLY EXEMPTED FROM THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS’ APPROVAL REQUIREMENTS**

#### **1. Trademark Licensing**

**Parties**                      Zhejiang Zhong An and our Company

We have historically used the Licensed Trademarks (as defined below) registered by Zhejiang Zhong An. In anticipation of the [REDACTED] and to ensure that our Group will continue to be able to use the Licensed Trademarks, we entered into trademark licensing agreement with Zhejiang Zhong An on [REDACTED] (the “**Trademark Licensing Agreement**”), pursuant to which Zhejiang Zhong An agreed to irrevocably and unconditionally grant to our Group a non-exclusive and non-transferrable license to use certain trademarks registered in the PRC (the “**Licensed Trademarks**”) owned by Zhejiang Zhong An for a perpetual term on a royalty-free basis commencing from the date of the Trademark Licensing Agreement, which is subject to the renewal of the Licensed Trademarks. For details of the Licensed Trademarks, see “Appendix IV—Statutory and General Information—B. Further Information about our Business—2. Intellectual Property of our Group.” The Trademark Licensing Agreement (i) shall automatically terminate upon Zhong An ceasing to be our Controlling Shareholder; and (ii) may be terminated by written consent of the parties thereto.

---

## CONNECTED TRANSACTIONS

---

We consider that the entering into of the Trademark Licensing Agreement will enable the brand of “Zhong An” to be further promoted when our Group markets its property management business by using the Licensed Trademarks, and the use of Licensed Trademarks is expected to further facilitate the market and business expansion of Zhong An and is mutually beneficial to both our Group and the Zhong An Group and their respective shareholders as a whole.

We believe that the entering into of the Trademark Licensing Agreement with a term of more than three years can ensure the stability of our operations, and is beneficial to us and our Shareholders as a whole. The Joint Sponsors are of the view that it is normal business practice for agreement of this type to be of such duration.

Zhejiang Zhong An is indirectly held as to 90% by Zhong An. Zhejiang Zhong An is therefore an associate of Zhong An and a connected person of our Company upon [REDACTED]. Accordingly, the transactions under the Trademark Licensing Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon [REDACTED]. As the right to use the Licensed Trademarks is granted to our Group on a royalty-free basis, the transactions under the Trademark Licensing Agreement will be within the de minimis threshold provided under Rule 14A.76 of the Listing Rules upon [REDACTED] and will be exempted from the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

### 2. Office Leasing

- Parties**
- (i) Zhong An and our Company
  - (ii) China New City and our Company

#### *Principal terms and reasons for the transaction*

During the Track Record Period, our Group has leased certain properties from (i) CNC Connected Persons with an aggregate GFA of approximately 1,100 sq.m. as office for our own use and (ii) Remaining Zhong An Connected Persons as registered office address and as offices for our own use with an aggregate GFA of approximately 1,000 sq.m. (the “Existing Leases”). The Existing Leases are exempt from recognition as right-of-use assets on our statements of financial position under IFRS 16 because they are considered as (i) short-term leases (i.e. leases of 12 months or less) or (ii) leases of low-value assets. Therefore, the rental payment under the Existing Leases were and will be recorded as expenses over the term of the Existing Leases in our statements of profit or loss and other comprehensive income.

## CONNECTED TRANSACTIONS

To avoid disruption to the continued operations of our Group, we will, after the [REDACTED], continue to rent the properties from the Zhong An Connected Persons. In addition, to cater for the development of our businesses, we also expect to lease and/or obtain license to use additional GFA for such purposes from the Zhong An Connected Persons after the [REDACTED].

On [REDACTED], we entered into the office leasing framework agreements with each of Zhong An (the “**Zhong An Office Leasing Framework Agreement**”) and China New City (the “**CNC Office Leasing Framework Agreement**”) to govern the leasing and licensing of properties by the Remaining Zhong An Connected Persons and the CNC Connected Persons to our Group. The specific rent concerned and other relevant matters will be negotiated by the relevant parties to the specific transaction which will be set out in separate lease agreements in accordance with the principles set out in the Zhong An Office Leasing Framework Agreement and the CNC Office Leasing Framework Agreement.

The initial term of the Zhong An Office Leasing Framework Agreement and the CNC Office Leasing Framework Agreement shall commence on the [REDACTED] until December 31, 2024, subject to renewal by mutual consent.

### *Pricing basis*

For the office leasing by our Group, the rent shall be determined after arm’s length negotiations with reference to (i) the location, quality and size of the properties; and (ii) the prevailing market rent of such comparable properties, in particular, the leases offered to our Group by Independent Third Parties for comparable office spaces.

### *Historical transaction amounts*

	For the year ended December 31,		
	2020	2021	2022
		<i>(RMB’000)</i>	
Fees paid or payable by			
Remaining Zhong An			
Connected Persons . . . . .	Nil	17	250
Fees paid or payable by CNC			
Connected Persons . . . . .	259	374	144
Total fees paid by Zhong An			
Connected Persons . . . . .	259	391	394

## CONNECTED TRANSACTIONS

### *Annual caps and basis of caps*

Our Directors estimate that the maximum aggregate annual amounts payable by us under the Zhong An Office Leasing Framework Agreement and the CNC Office Leasing Framework Agreement for the years ending December 31, 2023 and 2024 will not exceed the caps set out below:

	<b>Proposed annual amounts for the year ending December 31,</b>	
	<b>2023</b>	<b>2024</b>
	<i>(RMB'000)</i>	
Fees payable by us to Remaining Zhong An Connected Persons . . . . .	500	600
Fees payable by us to CNC Connected Persons . . . . .	900	950
<b>Proposed annual caps for fees payable by us to Zhong An Connected Persons . . . . .</b>	<b>1,400</b>	<b>1,550</b>

In determining the above caps, our Directors have considered: (i) the historical transaction amounts during the Track Record Period; (ii) any new locations that may be rented by our Group as a result of our Group’s expansion plan and the needs for office spaces in the future; (iii) the expected increment in market rents of similar properties in the vicinity; and (iv) the increase in proposed annual caps as compared to the historical transaction amounts since our Group entered into an additional lease agreement with the Remaining Zhong An Connected Persons after the Track Record Period and as of the Latest Practicable Date.

As none of the applicable percentage ratios under the Listing Rules in respect of the aggregated annual caps are expected to be more than 5% and the total consideration is less than HK\$3 million on an annual basis, the transactions under the Zhong An Office Leasing Framework Agreement and the CNC Office Leasing Framework Agreement will be exempted from the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

---

## CONNECTED TRANSACTIONS

---

### (B) CONTINUING CONNECTED TRANSACTIONS SUBJECT TO THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS’ APPROVAL REQUIREMENTS

#### 3. Provision of car parking space sales agency services

- Parties**
- (i) Zhong An and our Company
  - (ii) China New City and our Company

#### *Principal terms*

On [REDACTED], we have entered into car parking space sales agency services framework agreement with each of Zhong An (the “**Zhong An Car Parking Space Sales Agency Services Framework Agreement**”) and China New City (the “**CNC Car Parking Space Sales Agency Services Framework Agreement**”), pursuant to which our Group would provide agency services for the sales of unsold car parking space, including marketing and advertising services, on an exclusive basis, for such unsold car parking space owned by the Remaining Zhong An Connected Persons and the CNC Connected Persons and located at property projects of the Remaining Group that are currently managed by us or expected to be provided for our management.

The specific service fees concerned and other relevant matters will be negotiated by the relevant parties in good faith which will be set out in separate service agreements in accordance with the principles set out in the Zhong An Car Parking Space Sales Agency Services Framework Agreement and the CNC Car Parking Space Sales Agency Services Framework Agreement.

The initial term of the Zhong An Car Parking Space Sales Agency Services Framework Agreement and the CNC Car Parking Space Sales Agency Services Framework Agreement shall commence on the [REDACTED] until December 31, 2024, subject to renewal by mutual consent.

#### *Pricing basis*

The fees payable to our Group under the Zhong An Car Parking Space Sales Agency Services Framework Agreement and the CNC Car Parking Space Sales Agency Services Framework Agreement will be determined on arm’s length basis with reference to (i) the nature and location of the relevant property projects; (ii) the scope of the car parking space sales agency services; (iii) our expected operational costs (including, among others, labor costs and administrative costs) in relation to the provision of the car parking space sales agency services; and (iv) the fees charged by other service providers for similar services in the market. The terms offered by us

## CONNECTED TRANSACTIONS

to the Remaining Zhong An Connected Persons and the CNC Connected Persons shall not be less favorable to our Group than terms offered by us to our independent customers for the same or similar type and scope of car parking space sales agency services.

### *Historical transaction amounts*

	For the year ended December 31,		
	2020	2021	2022
	<i>(RMB'000)</i>		
Fees paid or payable by Remaining Zhong An Connected Persons . . . . .	3,208	14,589	21,321
Fees paid or payable by CNC Connected Persons . . . . .	Nil	2,623	1,811
Total fees paid by Zhong An Connected Persons . . . . .	3,208	17,212	23,132

*Note:* During the year ended December 31, 2020, we did not provide car parking space sales agency services to the CNC Connected Persons.

### *Annual caps and basis of caps*

Our Directors estimate that the maximum aggregate annual amounts payable to us under the Zhong An Car Parking Space Sales Agency Services Framework Agreement and the CNC Car Parking Space Sales Agency Services Framework Agreement for the years ending December 31, 2023 and 2024 will not exceed the caps set out below:

	Proposed annual amounts for the year ending December 31,	
	2023	2024
	<i>(RMB'000)</i>	
Fees payable by Remaining Zhong An Connected Persons	46,500	62,000
Fees payable by CNC Connected Persons . .	7,500	11,000
<b>Proposed annual caps for fees payable by Zhong An Connected Persons . . . . .</b>	<b>54,000</b>	<b>73,000</b>

---

## CONNECTED TRANSACTIONS

---

In determining the above caps, our Directors have considered the following factors:

- (i) the historical transaction amounts during the Track Record Period;
- (ii) the estimated service fee based on the service fee charged by us under existing contracts as of Latest Practicable Date;
- (iii) the number of unsold car parking spaces owned by the Remaining Zhong An Connected Persons and sold by the Group for the three years ended December 31, 2022 were 85, 648 and 796 spaces, respectively, while the number of unsold car parking spaces owned by the CNC Connected Persons and sold by the Group for the three years ended December 31, 2022 were nil, 82 and 65 spaces, respectively;
- (iv) the expected annual increase in the total fees payable by the Zhong An Connected Persons for our car parking space sales agency services for the two years ending December 31, 2024, with reference to the following:
  - (a) the estimated number of unsold car parking spaces owned by the Zhong An Connected Persons and to be sold with the assistance of our Group for the two years ending December 31, 2024. Such estimate is based on (1) number of unsold parking spaces owned by the Zhong An Connected Persons and located at property projects of the Remaining Group that are currently managed by us, which amounts to approximately 1,400 and 1,300 unsold car parking spaces for the two years ending December 31, 2024, respectively, and approximately 50 and 50 unsold motorcycle parking spaces for the two years ending December 31, 2024, respectively; and (2) estimated number of unsold car parking spaces owned by the Zhong An Connected Persons and located at property projects of the Remaining Group that are expected to be delivered to us for our management, which amounts to approximately 1,100 and 2,300 for the two years ending December 31, 2024, respectively, and is in line with the increase in the expected delivered GFA of the Zhong An Connected Persons for the two years ending December 31, 2024 based on its future development plan;
  - (b) the expected increase in the service fees to be charged by our Group considering the expected inflation and increment in the operational costs as incurred by us; and

---

## CONNECTED TRANSACTIONS

---

- (v) the substantial increase in the proposed annual caps as compared to the historical transaction amounts was due to the increased efforts of our Group to develop its car parking space sales agency services. Such service offering only commenced in May 2020 and relate only to one property management project. Based on Zhong An’s and China New City’s future development plan and their respective delivery schedule of property projects, it is estimated that the number of property management projects which our Group would provide car parking space sales agency services will amount to 27 and 32 projects for the year ending December 31, 2023 and 2024, respectively. The proposed annual caps increased substantially from the year ending December 31, 2023 to December 31, 2024 due to (i) the estimation of an additional five property management projects which our Group would provide car parking space sales agency services for the year ending December 31, 2024 and (ii) among the 12 additional property management projects to be delivered by the Zhong An Connected Persons for the year ending December 31, 2023, nine of which are expected to be delivered in the second half of 2023 and it is therefore expected that our Group would provide car parking space sales agency services for the corresponding period in 2023 and the full year of 2024.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the annual caps are expected to be more than 5% on an annual basis, the transactions under the Zhong An Car Parking Space Sales Agency Services Framework Agreement and the CNC Car Parking Space Sales Agency Services Framework Agreement will be subject to the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

#### 4. Provision of property management services

- Parties**
- (i) Zhong An and our Company
  - (ii) China New City and our Company

#### *Principal terms*

On [REDACTED], we have entered into the provision of property management services framework agreements with each of Zhong An (the “**Zhong An Property Management Services Framework Agreement**”) and China New City (the “**CNC Property Management Services Framework Agreement**”), pursuant to which our Group would provide property management services to the Remaining Zhong An Connected Persons and the CNC Connected Persons in respect of residential and non-residential property units that are unsold or undelivered. The scope of property management services includes (i) security services; (ii) cleaning services; (iii) gardening and landscaping services; (iv) repair and maintenance services and/or (v) car park management services.

## CONNECTED TRANSACTIONS

The specific service fees concerned and other relevant matters will be negotiated by the relevant parties in good faith which will be set out in separate service agreements in accordance with the principles set out in the Zhong An Property Management Services Framework Agreement and the CNC Property Management Services Framework Agreement.

The initial term of the Zhong An Property Management Services Framework Agreement and the CNC Property Management Services Framework Agreement shall commence on the [REDACTED] until December 31, 2024, subject to renewal by mutual consent.

### *Pricing basis*

The fees payable to our Group under the Zhong An Property Management Services Framework Agreement and the CNC Property Management Services Framework Agreement will be determined on arm’s length basis with reference to (i) the nature, size and location of the relevant properties; (ii) the scope of the property management services; (iii) our expected operational costs (including, among others, labor costs, material costs and administrative costs) in relation to the provision of the property management services; and (iv) the fees charged by other property management service providers for similar services in respect of similar types of properties in the market. The fees charged by us to the Remaining Zhong An Connected Persons and the CNC Connected Persons shall not be higher than the standard fees designated by the relevant regulatory authorities (if applicable), and the terms offered by us to the Remaining Zhong An Connected Persons and the CNC Connected Persons shall not be less favorable to our Group than terms offered by us to our independent customers for the same or similar type and scope of property management services.

### *Historical transaction amounts*

	For the year ended December 31,		
	2020	2021	2022
		<i>(RMB'000)</i>	
Fees paid or payable by			
Remaining Zhong An			
Connected Persons . . . . .	13,856	10,502	10,152
Fees paid or payable by CNC			
Connected Persons . . . . .	23,902	23,494	22,715
<b>Total fees paid by Zhong An</b>			
<b>Connected Persons . . . . .</b>	<b>37,758</b>	<b>33,996</b>	<b>32,867</b>

## CONNECTED TRANSACTIONS

### *Annual caps and basis of caps*

Our Directors estimate that the maximum aggregate annual amounts payable to us under the Zhong An Property Management Services Framework Agreement and the CNC Property Management Services Framework Agreement for the years ending December 31, 2023 and 2024 will not exceed the caps set out below:

	<b>Proposed annual amounts for the year ending December 31,</b>	
	<b>2023</b>	<b>2024</b>
	<i>(RMB'000)</i>	
Fees payable by Remaining Zhong An Connected Persons .....	18,000	25,000
Fees payable by CNC Connected Persons ..	30,000	38,000
<b>Proposed annual caps for fees payable by Zhong An Connected Persons .....</b>	<b>48,000</b>	<b>63,000</b>

In determining the above caps, our Directors have considered the following factors:

- (i) the historical transaction amounts during the Track Record Period;
- (ii) the expected increase in GFA of property units developed by the Zhong An Connected Persons and to be managed by our Group that are unsold and undelivered and expected increase in the demand for our services, taking into account the following:
  - (a) for the years ending December 31, 2023 and 2024, the estimated GFA of property units to be delivered by the Zhong An Connected Persons and to be managed by our Group amounts to approximately 1.5 million sq.m., and 2.3 million sq.m., respectively, which is estimated based on existing contracts on hand as of December 31, 2022 and the delivery schedule of the Zhong An Connected Persons;

---

## CONNECTED TRANSACTIONS

---

- (b) according to Zhong An’s annual report in 2020, 2021 and 2022 the land reserve of the Remaining Group increased from approximately 9.4 million sq.m. in 2020 to approximately 10.5 million sq.m. in 2021 then to approximately 10.1 million sq.m., representing a CAGR increase of approximately 3.7%, and such increase in land reserve is expected to continue for the two years ending December 31, 2024. The contracted sales GFA of the Remaining Group also increased from approximately 1.1 million sq.m. in 2020 to approximately 1.2 million sq.m. in 2021. Although the contracted sales GFA of the Remaining Group decreased to approximately 0.8 million sq.m. in 2022, according to Zhong An's annual report in 2022, the Remaining Group maintained a steady growth in contracted sales. It is expected that such increases will have a positive impact on the increase in our contracted GFA and GFA under management of properties developed by the Zhong An Connected Persons in respect of property management contracts which we may be engaged by the Zhong An Connected Persons, including a property management contract with an estimated service fee amounted to approximately RMB5 million which we may be engaged by CNC Connected Persons for the year ending December 31, 2024, based on our high tender success rate throughout the Track Record Period;
- (c) the estimated service fee to be received from the Zhong An Connected Persons based on the estimated fees per sq.m. at which similar services will be charged and the historical percentage of property management service fee attributable to Zhong An Connected Persons; and
- (d) the expected increase in the service fees to be charged by our Group considering the expected inflation and increment in the operational costs as incurred by us.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the aggregated annual caps are expected to be more than 5% on an annual basis, the transactions under the Zhong An Property Management Services Framework Agreement and the CNC Property Management Services Framework Agreement will be subject to the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

---

## CONNECTED TRANSACTIONS

---

### 5. Provision of value-added services

- Parties**
- (i) Zhong An and our Company
  - (ii) China New City and our Company

#### *Principal terms*

On [REDACTED], we have entered into the value-added services framework agreement with each of Zhong An (the “**Zhong An Value-added Services Framework Agreement**”) and China New City (the “**CNC Value-added Services Framework Agreement**”), pursuant to which our Group would provide value-added services to the Remaining Zhong An Connected Persons and the CNC Connected Persons. The scope of value-added services under the Zhong An Value-added Services Framework Agreement and the CNC Value-added Services Framework Agreement includes (i) sales office management services mainly including provision of property management services at property sales venues and display units of property developers, (ii) preliminary planning and design consultancy services to property developers and (iii) pre-delivery inspection services.

The specific service fees concerned and other relevant matters will be negotiated by the relevant parties in good faith which will be set out in separate service agreements in accordance with the principles set out in the Zhong An Value-added Services Framework Agreement and the CNC Value-added Services Framework Agreement.

The initial term of the Zhong An Value-added Services Framework Agreement and the CNC Value-added Services Framework Agreement shall commence on the [REDACTED] until December 31, 2024, subject to renewal by mutual consent.

#### *Pricing basis*

The fees payable by the Remaining Zhong An Connected Persons and the CNC Connected Persons to our Group under the Zhong An Value-added Services Framework Agreement and the CNC Value-added Services Framework Agreement will be determined on arm’s length basis with reference to (i) the scope of the value-added services; (ii) our expected operational costs (including, among others, labor costs, material costs and administrative costs) in relation to the provision of the value-added services; and (iii) the fees charged by other pre-delivery service providers for similar services in the market. The terms offered by us to the Remaining Zhong An Connected Persons and the CNC Connected Persons shall not be less favorable to our Group than terms offered by us to our independent customers for the same or similar type and scope of value-added services.

## CONNECTED TRANSACTIONS

### *Historical transaction amounts*

	For the year ended December 31,		
	2020	2021	2022
	<i>(RMB'000)</i>		
Fees paid or payable by			
Remaining Zhong An			
Connected Persons . . . . .	26,806	39,234	40,718
Fees paid or payable by CNC			
Connected Persons . . . . .	1,034	4,221	7,144
<b>Total fees paid by Zhong An</b>			
<b>Connected Persons . . . . .</b>	<b>27,840</b>	<b>43,455</b>	<b>47,862</b>

### *Annual caps and basis of caps*

The maximum aggregate annual amounts payable to us under the Zhong An Value-added Services Framework Agreement and the CNC Value-added Services Framework Agreement for the years ending December 31, 2023 and 2024 shall not exceed the caps set out below:

	Proposed annual amounts for the year ending December 31,	
	2023	2024
	<i>(RMB'000)</i>	
Fees payable by Remaining Zhong An		
Connected Persons . . . . .	76,000	79,800
Fees payable by CNC Connected Persons . .	4,000	4,200
<b>Proposed annual caps for fees payable by</b>		
<b>Zhong An Connected Persons . . . . .</b>	<b>80,000</b>	<b>84,000</b>

---

## CONNECTED TRANSACTIONS

---

In determining the above caps, our Directors have considered the following factors:

- (i) the historical transaction amounts and the growth trend thereof during the Track Record Period. In particular, the historical transaction amounts for such services increased by approximately 56.1% from the year ended December 31, 2020 to the year ended December 31, 2021, and approximately 10.1% from the year ended December 31, 2021 to the year ended December 31, 2022;
- (ii) the expected annual increase in the total fees payable by the Zhong An Connected Persons for our value-added services for the three years ending December 31, 2024, with reference to the following:
  - (a) the number of property projects which amounted to 30 and 34, respectively based on existing contracts as of December 31, 2021 and 2022;
  - (b) the estimated duration of the service period of the expected projects based on the average duration of the existing projects;
  - (c) the estimated number of staff based on the average number of staff assigned to each existing project;
  - (d) the estimated service fees based on the average service fee charged per staff for the existing projects; and
  - (e) the expected increase in the service fees to be charged by our Group considering the expected inflation and increment in the operational costs as incurred by us;
- (iii) the significant increase in the proposed annual caps as compared to the historical transaction amounts is primarily due to the strategic expansion of the Remaining Group in property development which resulted in a significant increase in total number of property projects under development or held for development in the PRC. According to Zhong An’s annual report in 2020, 2021 and 2022, the land reserve of the Remaining Group increased from approximately 9.4 million sq.m. in 2020 to 10.5 million sq.m. in 2021 then to approximately 10.1 million sq.m., representing a CAGR increase of approximately 3.7%. Besides, in 2020, 2021 and 2022, the Remaining Group acquired a total of 21, 12 and seven land parcels with a total GFA of approximately 2.3 million sq.m., 1.9 million sq.m., and 0.5 million sq.m. respectively. Based on the above, its proposed expansion plan in property development and its expected delivery schedule, we expect that the number of projects for which we may

---

## CONNECTED TRANSACTIONS

---

be engaged by Zhong An Connected Persons to provide value-added services will be approximately 45 and 50 for the years ending December 31, 2023 and 2024, as compared to the number of projects of the Zhong An Connected Persons which we provided value-added services for the three years ended December 31, 2022, which amounted to 20, 30 and 34, respectively.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the aggregated annual caps are expected to be more than 5% on an annual basis, the transactions under the Zhong An Value-added Services Framework Agreement and the CNC Value-added Services Framework Agreement will be subject to the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

### APPLICATION FOR WAIVER

The transactions described under “—(B) Continuing Connected Transactions Subject to the Reporting, Annual Review, Announcement and Independent Shareholders’ Approval Requirements” above constitute our continuing connected transactions under the Listing Rules which are subject to the reporting, annual review, announcement and independent Shareholders’ approval requirements of the Listing Rules.

In respect of these continuing connected transactions, pursuant to Rule 14A.105 of the Listing Rules, we have applied for, and the Stock Exchange has granted, waivers exempting us from strict compliance with the announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in “—(B) Continuing Connected Transactions Subject to the Reporting, Annual Review, Announcement and Independent Shareholders’ Approval Requirements” above, subject to the condition that the aggregate amounts of the continuing connected transactions for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

### DIRECTORS’ VIEWS

Our Directors (including our independent non-executive Directors) consider that all the continuing connected transactions described under “—(B) Continuing Connected Transactions Subject to the Reporting, Annual Review, Announcement and Independent Shareholders’ Approval Requirements” above 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 of the view that the annual caps of the continuing connected transactions under “—(B) Continuing Connected Transactions which are Subject to the Reporting, Annual Review, Announcement and

## CONNECTED TRANSACTIONS

---

Independent Shareholders’ Approval Requirements” above are fair and reasonable and are in the interests of our Shareholders as a whole.

### JOINT SPONSORS’ VIEW

The Joint Sponsors are of the view (i) that the continuing connected transactions described in “—(B) Continuing Connected Transactions which are subject to the Reporting, Annual Review, Announcement and Independent Shareholders’ Approval Requirements” above have been and will be entered into in the ordinary and usual course of our business, on normal commercial terms or better, that 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 such continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.