28 November 2025

To the Independent Board Committee and the Independent Shareholders

Dear Sirs or Mesdames,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS COMMENCING IN 2026 AND THE RENEWAL OF ANNUAL CAPS UNDER THE AMENDED 2023 CR LAND COMMERCIAL OPERATIONAL SERVICES FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2026 CR Land Property Management Services Framework Agreement, Amended 2023 CR Land Commercial Operational Services Framework Agreement, 2026 CR Land Value-added Services Framework Agreement and 2026 CRH Property Management Services Framework Agreement (collectively, the "**Non-exempt Continuing Connected Transactions**") (including the respective proposed annual caps ("**Annual Caps**")), 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 28 November 2025 (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

As set out in the Letter from the Board, (i) each of the 2023 CR Land Property Management Services Framework Agreement, 2023 CR Land Value-added Services Framework Agreement and 2023 CRH Property Management Services Framework Agreement (collectively, the "**2023 Non-exempt Continuing Connected Transactions Agreements**") will expire on 31 December 2025. The Company has entered into the 2026 CR Land Property Management Services Framework Agreement, 2026 CR Land Value-added Services Framework Agreement and 2026 CRH Property Management Services Framework Agreement (collectively, the "**2026 Non-exempt Continuing Connected Transactions Agreements**") to renew the relevant framework agreements; and (ii) the Company will renew the annual caps under the Non-exempt Continuing Connected Transactions for the three years ending 31 December 2028.

As at the Latest Practicable Date, (1) the Company is held as to approximately 70.12% by CR Land; and (2) CR Land is indirectly held as to approximately 59.55% by CRH, which is in turn indirectly wholly owned by CRC. Accordingly, CR Land and CRH and their respective associates are connected persons of the Company under the Listing Rules. As one or more of the applicable percentage ratios for the transactions contemplated under the Non-exempt Continuing Connected Transactions exceed 5%, the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors (namely Mr. LAU Ping Cheung Kaizer, Mr. CHEUNG Kwok Ching, Mr. CHAN Chung Yee Alan and Ms. QIN Hong) has been formed to advise and provide recommendations to the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions (including the respective proposed Annual Caps). We, Maxa Capital, have been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company, its subsidiaries and any other parties that could reasonably be regarded as relevant to our independence in accordance with Rule 13.84 of the Listing Rules and accordingly, were qualified to give independent advice to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions (including the respective proposed Annual Caps). Save for this appointment, there was no other engagement between the Company and us in the past two years. Apart from normal advisory fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have reviewed, among others, (i) the Non-exempt Continuing Connected Transaction Agreements; (ii) the annual reports of the Company for the years ended 31 December 2023 (the "**2023 AR**") and 31 December 2024 (the "**2024 AR**") and the interim report of the Company for the six months ended 30 June 2025 (the "**2025 IR**"); (iii) the basis of calculation of the proposed Annual Caps, including, among others, the estimated transaction amounts to arrive at the proposed Annual Caps (the "**Calculation Worksheet**") and the underlying assumptions; and (iv) the Company's internal control procedures in relation to the Non-exempt Continuing Connected Transactions (including the respective proposed Annual Caps).

We consider that we have reviewed sufficient and relevant information and documents and have taken reasonable steps as required under Rule 13.80 of the Listing Rules to reach an informed view and to provide a reasonable basis for our recommendation. We have relied on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Directors and the management of the Group (the "**Management**"). We have reviewed, inter alia, the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors and the Management. We have assumed that (i) all statements, information and representations provided by the Directors and the Management; and (ii) the information referred to in the Circular, for which they are solely responsible, were true and accurate at the time when they were provided and continued to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, intention and expectation made by the Directors in the Circular were reasonably made after due enquiry and careful consideration.

The Company confirmed that they have, at our request, provided us with all currently available information and documents which are available under present circumstances to enable us to reach an informed view. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the representations and opinions expressed by the Company, its advisers, the Directors and/or the Management. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business and affairs or the future prospects of the Company, CR Land, CRH and each of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Background

1.1 Information of the Group

The Company is a limited liability company incorporated in the Cayman Islands on 18 May 2017 and the Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1209). The Group is mainly engaged in the provision of residential property management services and commercial operational and property management services in the PRC.

Set out below is a summary of the consolidated financial information of the Group for the three years ended 31 December 2022 ("**FY2022**"), 31 December 2023 ("**FY2023**") and 31 December 2024 ("**FY2024**") as extracted from the 2023 AR and 2024 AR.

	For the year ended 31 December		**For the six months ended 30 June**	
	2023	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(unaudited)*	*(unaudited)*
Revenue	**14,766,952**	**17,042,658**	**8,000,297**	**8,523,537**
– Property Management Business	**9,570,834**	**10,682,201**	**5,083,903**	**5,143,925**
– Property management services	6,017,782	6,659,780	3,217,379	3,500,661
– Value-added services to non-property developers	821,016	718,427	336,702	220,050
– Value-added services to property developers	1,088,092	1,175,510	515,028	440,378
– Sales of goods, carparks and others	307,936	307,595	190,322	33,637
– Urban space	1,336,008	1,820,889	824,472	949,199
– Commercial Management Business	**4,717,043**	**5,701,548**	**2,597,546**	**2,913,875**
– Shopping malls	2,789,010	3,636,440	1,637,831	1,911,417
– Office buildings	1,928,033	2,065,108	959,715	1,002,458
– Ecosystem business	**–**	**53,404**	**49,106**	**100,194**
– Rental income	**479,075**	**605,505**	**269,742**	**365,543**
Gross profit	4,694,278	5,609,468	2,721,371	3,165,133
Profit for the year/period	**2,942,640**	**3,730,107**	**1,903,757**	**2,067,759**

FY2023 vs FY2024

As disclosed in the 2024 AR, the Group's business comprises two main businesses for FY2024: (i) commercial management business, which mainly include (a) commercial operational services, property management and other services and commercial subleasing services for shopping malls; and (b) commercial operational services and property management and other services for office buildings; and (ii) property management business, which mainly include (a) property management services and value-added services to community property owners and property developers; and (b) ecosystem business, which mainly include eco-services such as self-owned cosmetics, cultural operation and other businesses.

The increase in total revenue by approximately 15.4% from approximately RMB14,767.0 million for FY2023 to approximately RMB17,042.7 million for FY2024 was mainly due to (i) revenue from property management services for community space amounted to RMB6,659.8 million, representing an increase of 10.7% as compared to FY2023 and accounting for 39.1% of the total revenue. Such increase was attributable to the quality expansion of the scale of property under management. As of 31 December 2024, there were 1,385 community space projects under management, representing an increase of 89 as compared to FY2023; and the aggregate GFA under management was 271.4 million sq.m., representing an increase of 20.4 million sq.m. as compared to FY2023; (ii) revenue from property management services for urban space amounted to RMB1,820.9 million, representing an increase of 36.3% as compared to FY2023, and accounting for 10.7% of total revenue. The increase in revenue was mainly attributable to the market expansion strategy of the Group with a focus on its strategic positioning. By accelerating the process of becoming an urban space operation service provider, the proactive expansion into the market has significantly increased the GFA under management of urban space. As of 31 December 2024, there were 438 managed urban space properties, increasing by 3 properties as compared with last year; and the aggregate GFA under management was 124.9 million sq.m., representing an increase of 20.6 million sq.m. as compared to FY2023; (iii) revenue from the commercial operational and property management services to shopping malls for FY2024 amounted to RMB4,209.2 million, representing an increase of 30.0% as compared to FY2023 and accounting for 24.7% of the total revenue. As of 31 December 2024, the Group provided commercial operational services for 118 opened shopping mall projects with an aggregate GFA of 12.7 million sq.m., among which, the vast majority of shopping malls were provided property management services by the Group at the same time, representing an increase of 20 as compared to that of 2023 and an increase of 2.1 million sq.m., respectively; and (iv) revenue from the commercial operational and property management services to office buildings was RMB2,065.1 million, representing an increase of 7.1% as compared to FY2023, and accounted for 12.1% of the total revenue. The Group provided commercial operational services for 27 office buildings with an aggregate GFA of 1.9 million sq.m., representing an increase of 1 as compared to that of 2023 and an increase of 0.2 million sq.m., respectively, and property management services for 221 office buildings with an aggregate GFA of 16.7 million sq.m. as of 31 December 2024, representing an increase of 26 as compared to that of 2023 and an increase of 1.9 million sq.m., respectively.

The Group recorded profit for the year of approximately RMB3,730.1 million for FY2024, representing an increase of approximately 26.8% as compared to approximately RMB2,942.6 million for FY2023. Such increase was mainly due to a combined effect of (i) increase in gross profit margin of commercial management business of 1.8% as compared to FY2023, mainly due to the expansion of commercial operational services and the improvement in leverage effect and the increase in gross profit margin driven by the increase in revenue as well as cost reduction and efficiency improvement; (ii) increase in other income and gains by approximately 22.2%, which was mainly due to changes in fair value of contingent consideration arising from historical acquisition and merger transactions; and (iii) decrease in gross profit margin of property management business of 0.5% as compared to FY2023, mainly due to the decrease in the proportion of revenue from value-added services to non-property owners (which has a higher gross profit margin) as the community space property management services segment was impacted by the developer industry.

1H2024 vs 1H2025

The increase in total revenue by approximately 6.5% from approximately RMB8,000.3 million for 1H2024 to approximately RMB8,523.5 million for 1H2025 was mainly due to (i) revenue from the commercial operational and management services to shopping malls amounted to RMB2,264.4 million, representing an increase of 19.8% as compared with 1H2024 and accounting for 26.6% of the total revenue. As of 30 June 2025, the Group provided commercial operational services for 120 opened shopping mall projects with an aggregate GFA of 13.1 million sq.m., representing an increase of 15 projects and 1.6 million sq.m. as compared to 1H2024; (ii) revenue from the commercial operational and property management services to office buildings was RMB1,002.5 million, representing an increase of 4.5% as compared with 1H2024, and accounted for 11.7% of the total revenue. As of 30 June 2025, the Group provided commercial operational services for 27 office buildings with an aggregate GFA of 1.9 million sq.m., representing an increase of 2 projects and 0.1 million sq.m. as compared to 1H2024, and property management services for 225 office buildings with an aggregate GFA of 17.8 million sq.m., representing an increase of 19 projects and 2.6 million sq.m. as compared to 1H2024; (iii) revenue from property management services of community space amounted to RMB3,500.7 million, representing an increase of 8.8% as compared with 1H2024 and accounting for 41.1% of the total revenue. As of 30 June 2025, there were 1,412 community space projects under management, representing an increase of 77 as compared with 1H2024; and the aggregate GFA under management was 275.5 million sq.m., representing an increase of 16.0 million sq.m. as compared with 1H2024; and (iv) revenue from property management services for urban space amounted to RMB949.2 million, representing an increase of 15.1% as compared with 1H2024, and accounting for 11.1% of total revenue. As of 30 June 2025, there were 432 urban space properties under management, representing a decrease of 12 properties as compared with 1H2024; and the aggregate GFA under management was 127.2 million sq.m., representing an increase of 3.9 million sq.m. as compared with 1H2024. Revenue growth significantly outpaced the growth in the scale under management, which was attributable to the Group's commitment to a market expansion strategy focused on "quality-driven growth" and the newly acquired high-value projects effectively driving the overall revenue growth.

The Group recorded profit for the period of approximately RMB2,067.8 million for 1H2025, representing an increase of approximately 8.6% as compared to approximately RMB1,903.8 million for 1H2024. Such increase was mainly due to a combined effect of (i) increase in gross profit margin of commercial management business of 5.2% as compared to 1H2024, mainly due to the realisation of the benefits of prior investments in commercial digitalisation strategies, a decrease in operating costs, and the continued expansion of operational services. The operational leverage effect was fully utilised, with the synergistic effects of revenue growth and cost optimisation driving a further increase in gross profit margin; (ii) decrease in gross profit margin of property management business of 0.1% as compared to 1H2024, mainly due to the impact of the real estate market, developers have reduced their land acquisition projects and delivery projects areas, while also adjusted service unit prices, resulting in significant compression on the revenue and profitability of the value-added services to non-property owners and gross profit and gross profit margin experiencing a substantial decline. In the basic property management services for community space, the Group implemented measures such as cost-efficient management and proactive withdrawal from loss-making projects, achieving an increase of 1.4% in gross profit margin. This robust profit foundation effectively offset the downward pressure from the value-added services to non-property owners, thereby ensuring the overall profitability of this business segment remained stable; and (iii) decrease in other income and gains of 48.9% as compared with 1H2024, which was mainly attributable to the recognition of the loss of fair value changes due to the measurement impact brought by the divestiture of secured projects and the passage of discounting time during the contingent consideration period arising from historical acquisition and merger transactions, and the decrease in interest income due to a decline in macro market interest rates.

1.2 Information of CR Land

CR Land is a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1109). CR Land is principally engaged in the development and sales of developed properties, property investments and management, hotel operations and the provision of construction, decoration and other property development related services in the PRC. As of the Latest Practicable Date, the Company is held as to approximately 70.12% by CR Land and CR Land is indirectly held as to approximately 59.55% by CRH, which is in turn indirectly ultimately owned by CRC.

1.3 Information of CRH

As at the Latest Practicable Date, the Company is held as to approximately 70.12% by CR Land and CR Land is indirectly held as to approximately 59.55% by CRH, which is in turn indirectly wholly owned by CRC.

2. Reasons for and benefits of entering into the Non-exempt Continuing Connected Transactions

2.1 2026 CR Land Property Management Services Framework Agreement, Amended 2023 CR Land Commercial Operational Services Framework Agreement and 2026 CR Land Value-Added Services Framework Agreement entered into between the Company and CR Land

As stated in the Letter from the Board, CR Land is the controlling shareholder of the Company, which directly owns approximately 70.12% of the share capital of the Company. With reference to the prospectus published by the Company on 25 November 2020, the Group's business is rooted in the property development and investment business of CR Land. The Group has performed property management and commercial operational services to CR Land for more than 25 years, and has gained a well-established mutual understanding in the business needs of CR Land. Based on our review of the 2024 AR, the Group has been the property management services provider and commercial operational services provider to over 50% of the community space properties and 78% of the shopping malls and office buildings developed by CR Land during FY2024, respectively. Revenue from the Group's five largest customers accounted for 35.2% of the Group's total revenue for FY2024, with 28.6% of the Group's total revenue from CR Land, making CR Land the Group's single largest customer.

In addition, we have reviewed CR Land's annual report for FY2024 and note that CR Land has abundant quality land reserves, which has fueled the growth of the Group's property management and commercial operational services. As of 31 December 2024, CR Land has an aggregate land bank of 51.94 million sq.m. for developing residential properties, office and commercial premises. In 2024, CR Land achieved contracted sales of RMB261.1 billion, accounting for approximately 2.7% of the total commercial housing sales in the PRC. Its ranking in the industry has increased to 3rd place, with market share in 25 major cities remaining amongst the top five. Benefiting from the mutually beneficial and complementary relationship with CR Land, the scale of the Group's business will also grow alongside CR Land's property development and investment business.

In view of the above and given (i) the long history of cooperation between the Group and CR Land; and (ii) the business relationship between the Group and CR Land has been mutually beneficial and complementary, we concur with the Company that the property management services, commercial operational services and value-added services contemplated under the 2026 CR Land Property Management Services Framework Agreement, Amended 2023 Land Commercial Operational Services Framework Agreement and 2026 CR Land Value-Added Services Framework Agreement, respectively, are part of the Group's ordinary and usual course of business, which could facilitate the overall operations and growth of the Group's business, and are in the interests of the Company and the Shareholders as a whole.

2.2 2026 CRH Property Management Services Framework Agreement entered into between the Company and CRH

As stated in the Letter from the Board, CR Land is indirectly held as to approximately 59.55% by CRH. Ranked 79th in the Fortune 500 in 2020, CRH is a key state-owned conglomerate with extensive and industry-leading business presence in retail, healthcare and finance, among other sectors, which match the continuously increasing demand for lifestyle products and services of the property owners and users the Group serve and therefore can be valuable partner for the Group. In addition, the "China Resources" brand commands a high degree of recognition and trust among market participants, businesses, customers and government authorities and empowers the operations of the Group. The proposed Annual Caps under the 2026 CRH Property Management Services Framework Agreement entered into between the Company and CRH would provide more flexibility for the Group to continue its existing arrangements. The entering into the 2026 CRH Property Management Services Framework Agreement would allow the Group to capitalize on the support from and resources of CRH (including CR Land) to expand its business and strengthen its market leading position, particularly in cities where CRH (including CR Land) have already established a business presence and brand recognition, or into regions in which CRH (including CR Land) intends to expand.

In view of the above, we concur with the Company that the property management services contemplated under the 2026 CRH Property Management Services Framework Agreement are part of the Group's ordinary and usual course of business, which could facilitate the overall operations of the Groups' business, and are in the interests of the Company and the Shareholders as a whole.

3. Terms of the Non-exempt Continuing Connected Transactions Agreements and our assessments on the pricing policy

3.1 Amended 2023 CR Land Commercial Operational Services Framework Agreement

Scope of services provided

The commercial operational services include (i) pre-opening management services (such as positioning and design management services, and tenant sourcing and management services) and (ii) operation management services (such as opening preparation services, tenant coaching, consumer management and marketing and publicity and product informationisation services).

Basis for determining service fees

As at the Latest Practicable Date, as far as the Company is aware there is no guidance price for commercial operational services set by government agencies. Generally speaking, service fees charged will be higher when:

(i) the properties are located in city centers especially in first tier and upper second tier cities, such as Beijing, Shanghai, Guangzhou etc., which would typically involve properties that are higher in value and increased staff costs due to higher standards of living within those cities;

(ii) the properties have larger GFAs, as they typically involve greater levels of coordination and management complexity, generally leading to overall higher operational costs;

(iii) the properties are branded properties or have a high-end market positioning, where customers expect more professional and customized services;

(iv) higher operational costs are anticipated, such as labour costs, material costs and administrative costs, which depend on the specific types of services being provided and the associated underlying costs based on numerous factors including but not limited to the service location(s); and

(v) if the prevailing market rates for similar services for properties in the nearby vicinity are higher, references will be made to prevailing market rates for similar services at properties in the proximity to ensure that the transaction price aligns with the prevailing market conditions.

While the above are common factors in determining the pricing for a certain project, the Company adopts a holistic view on the factor(s) affecting project pricing, taking into account the unique characteristics of each individual project in determining how individual factor(s) would affect project profitability. This procedure is subject to internal review and approval to ensure that the Company is able to attain reasonable profit taking on the project.

3.2 2026 Non-exempt Continuing Connected Transactions Agreements

		2026 CR Land Property Management Services Framework Agreement	**2026 CR Land Value-Added Services Framework Agreement**	**2026 CRH Property Management Services Framework Agreement**
Parties	:	The Company and CR Land	The Company and CR Land	The Company and CRH
Date	:	29 October 2025	29 October 2025	29 October 2025
Term	:	1 January 2026 to 31 December 2028, subject to Independent Shareholders' approval	1 January 2026 to 31 December 2028, subject to Independent Shareholders' Approval	1 January 2026 to 31 December 2028, subject to Independent Shareholders' Approval
Subject	:	The Group may, from time to time, provide property management services to the CR Land Connected Persons for the residential and/or commercial properties and other properties developed and/or owned by them.	The Group may, from time to time, provide value-added services to the CR Land Connected Persons for the residential properties and other non-commercial properties developed and/or owned by them. The value-added services include value-added services to non-property developers (such as community living services and brokerage and assets services) and value-added services to property developers (such as consultancy services, preliminary preparation services and pre-delivery marketing services).	The Group may, from time to time, provide property management services to the CRH Connected Persons for the residential and/or commercial properties and other properties developed and/or owned by them.

	2026 CR Land Property Management Services Framework Agreement	2026 CR Land Value-Added Services Framework Agreement	2026 CRH Property Management Services Framework Agreement
Pricing basis :	Based on the pricing principles under the 2026 CR Land Property Management Services Framework Agreement, parties will enter into specific agreements which shall set out terms and conditions (including the service fee) for the relevant property(ies). The Group will propose a project pricing model for individual projects, which would be reviewed and approved internally. Generally speaking, service fees charged will be higher when: (i) the properties are located in city centres especially in first tier cities and upper second tier cities, such as Beijing, Shanghai, Guangzhou etc., which would typically involve properties that are higher in value and increased staff costs due to higher standards of living within those cities; (ii) the properties have larger GFAs as they typically involve greater levels of coordination and management complexity, generally leading to overall higher operational costs; (iii) the properties are branded properties or have a high-end market positioning, where customers expect more professional and customized services; for example, these properties typically require professional concierge service, frequent maintenance and regular facilities upgrades, enhanced security measures and cleanliness level, etc., which would generally involve higher operational costs such as staff training costs and maintenance costs; (iv) target customer base is more affluent. For example, multinational and/or large corporations are willing to pay a premium for a premium level of property management services for their office premises; (v) higher operational costs are anticipated. Coupled with inflationary forces, the Group normally charges a further premium to price in the inflationary pressures; and (vi) if the prevailing market rate for similar services for properties in the nearby vicinity are higher, references will be made to prevailing market rates for similar services at properties in the proximity to ensure that the service fee levels align with the prevailing market conditions.	Based on the pricing principles under the 2026 CR Land Value-Added Services Framework Agreement, parties will enter into specific agreements which shall set out terms and conditions (including the service fee) for the relevant property(ies). The Group will propose a project pricing model for individual projects, which would be reviewed and approved internally. Generally speaking, service fees charged will be higher when: (i) the properties are located in city centres especially in first tier and upper second tier cities, such as Beijing, Shanghai, Guangzhou etc., which would typically involve properties that are higher in value and increased staff costs due to higher standards of living within those cities; (ii) the properties have larger GFAs as they typically involve greater levels of coordination and management complexity, generally leading to higher operational costs; (iii) the properties are branded properties or have a high-end market positioning, where customers expect more professional and customized services; (iv) higher operational costs are anticipated, such as labour costs, material costs and administrative costs, which depend on the specific types of services being provided and the associated underlying costs based on numerous factors including but not limited to the service location(s); (v) if the prevailing market rates for similar services for properties in the nearby vicinity are higher, references will be made to prevailing market rates for similar services at properties in the proximity to ensure that the transaction price aligns with the prevailing market conditions. While the above are common factors in determining the pricing for a certain project, the Company adopts a holistic view on the factor(s) affecting project pricing, taking into account the unique characteristics of each individual project in determining how individual factor(s) would affect project profitability. This procedure is subject to internal review and approval to ensure that the Company is able to attain reasonable profit for taking on the project.	Based on the pricing basis under the 2026 CRH Property Management Services Framework Agreement, parties will enter into specific agreements which shall set out terms and conditions (including the service fee) for the relevant property. The Group will propose a project pricing model for each project, which would be reviewed and approved internally. Generally speaking, service fees charged will be higher when: (i) the properties are located in city centres especially in first tier and upper second tier cities, such as Beijing, Shanghai, Guangzhou etc., which would typically involve properties that are higher in value and increased staff costs due to higher standards of living within those cities; (ii) the properties have larger GFAs, as they typically involve greater levels of coordination and management complexity, generally leading to higher operational costs; (iii) the properties are branded properties or have a high-end market positioning, where customers expect more professional and customized services; for example, these properties typically require 24-hour concierge service, frequent maintenance and regular facilities upgrades, enhanced security measures and cleanliness level, etc., which would generally involve higher operational costs such as staff training costs and maintenance costs; (iv) target end-customer base is more affluent. For example, multinational and/or large corporations are willing to pay a premium for a premium level of property management services for their office premises; (v) higher operational costs are anticipated. Coupled with inflationary forces, the Group normally charges a further premium to price in the inflationary pressures; and (vi) if the prevailing market rate for similar services in the nearby proximity are higher, references will be made to prevailing market rates for similar services at properties in the proximity to ensure that the service fee levels align with the prevailing market conditions.

2026 CR Land Property Management Services Framework Agreement

The above are common factors in determining the pricing for a certain project. As part of the internal control measures for connected transactions, the Company will also consider (a) historical rates for providing management services for the same property or comparable properties; and (b) recent market prices of property management services provided to Independent Third Parties (if there are comparable transactions) to ensure that the transactions conducted under the relevant framework agreements are conducted in accordance with normal commercial terms or better. The Company adopts a holistic view on the factor(s) affecting project pricing, taking into account the unique characteristics of each individual project in determining how individual factor(s) would affect project profitability. This procedure is subject to internal review and approval to ensure that the Group is able to attain reasonable profit for taking on the project.

Apart from the abovementioned pricing basis, the service fee charged under the 2026 CR Land Property Management Services Framework Agreement shall be determined in accordance with the following basis:

(1) Government-guidance prices or pricing principles: As at the Latest Practicable Date, as far as the Company is aware, government authorities have only imposed guidance pricing principals on property management services for residential properties in certain regions. For example, guidance pricing principles may be promulgated by different authorities in various locations, such as the governing municipal housing authorities, the relevant provincial or city-level price bureaus or the relevant departments of housing and urban-rural development. The Group adheres to the applicable pricing principles and stay informed of any update so as to reflect the same in the pricing process.

2026 CR Land Value-Added Services Framework Agreement

As at the Latest Practicable Date, as far as the Company is aware, there is no applicable government-guidance price for services under the 2026 CR Land Value-Added Services Framework Agreement. However, if the governmental authorities set a government-guidance price or government-guidance price range, the transaction price shall follow the government-guidance price or where there is a government-guidance price range, being set within the range taking into account the factors mentioned above. Where there is no government-guidance price or price range, the transaction price shall be determined based on arm's length negotiation. During the bidding or negotiation process, the Group will take into consideration the factors mentioned above in order to submit a bid with a competitive price or agree on a competitive price, as the case may be, and in each case the bidding price or the agreed price would aim to achieve a reasonable profit for the Group.

In identifying the prevailing market rates for value-added services, the Group will obtain the rates of similar services (in terms of scope and standard) offered to similar properties (in terms of type, location and floor area) in the market by collecting marketing information via research. Where comparable properties of a similar nature exist, the Group will refer to prevailing market rates and select the option most favourable to the Group, aiming to strike a balance between market competitiveness and commercial interests. In the absence of comparable properties, the Group will refer to historical transaction amounts and, depending on the specific circumstances, adopt one or a combination of the following pricing approaches: (i) cost-oriented pricing; (ii) demand-oriented pricing; (iii) strategy-oriented pricing; or (iv) differential pricing, to form a comprehensive pricing decision. For example, when specific or tailor-made community value-added services are required, the Group would

2026 CRH Property Management Services Framework Agreement

The above are common factors in determining the pricing for a certain project. As part of the internal control measures for connected transactions, the Company will also consider (a) historical rates for providing management services for the same property or comparable properties; and (b) recent market prices of property management services provided to Independent Third Parties (if there are comparable transactions) to ensure that the transactions conducted under the relevant framework agreements are conducted in accordance with normal commercial terms or better. The Company adopts a holistic view on the factor(s) affecting project pricing, taking into account the unique characteristics of each individual project in determining how individual factor(s) would affect project profitability. This procedure is subject to internal review and approval to ensure that the Group is able to attain reasonable profit for taking on the project.

Apart from the abovementioned pricing basis, the service fee charged under the 2026 CRH Property Management Services Framework Agreement shall be determined in accordance with the following basis:

(1) Government-guidance prices or pricing principles: As at the Latest Practicable Date, as far as the Company is aware, government authorities have only imposed guidance pricing principles on property management services for residential properties in certain regions. For example, guidance pricing principles may be promulgated by different authorities in various locations, such as the governing municipal housing authorities, the relevant provincial or city-level price bureaus or the relevant departments of housing and urban-rural development. The Group will adhere to the applicable pricing principles and stay informed of any update so as to reflect the same in the pricing process.

2026 CR Land Property Management Services Framework Agreement	2026 CR Land Value-Added Services Framework Agreement	2026 CRH Property Management Services Framework Agreement
(2) Where there is no government-guidance price or pricing principles, the transaction price shall be determined based on bidding process or arm's length negotiation with reference to the considerations listed above and historical transaction amounts. Whether there is a bidding process for the relevant services depending on the type of properties. Most of the property management services for residential properties and other non-commercial properties were subject to bidding process while most of the property management services for commercial properties were subject to arm's length negotiation. For projects involving a bidding process, usually the lowest bidder has more comparative advantages to be awarded the project. Hence, in addition to the previously mentioned consideration factors, the Group would also take into account the potential competition from other bidders to ensure a competitive pricing strategy. In contrast, price competitiveness may not be as decisive factor for projects that involve negotiation, as price may not be the sole or primary consideration for the Group's customers. In both scenarios, when determining either the bidding price or the agreed price, the Group would aim to achieve a reasonable profit. In identifying the prevailing market rates, the Group will generally obtain the rates of similar services (in terms of scope and/or standard) offered to one to three similar properties (in terms of type, location, size, branding and/or positioning) in the market through publicly available data and/or interviews and site visits conducted by the local business teams in the vicinity of the relevant property. For services offered to certain non-commercial properties (such as stadiums) where fees offered to similar properties may not be readily available, the Group will primarily make reference to its historical rates.	adopt the demand-based pricing. When it is considered that the service project has strategic value to the Company, the Company would adopt the strategically-oriented pricing. Taking into account the factors mentioned in the foregoing paragraph, the business teams shall propose a project pricing model. The functional teams shall then review the reasonableness of the pricing model in determining the most suitable pricing basis for a project while at the same time comparing the pricing with the prevailing market rates, and such pricing shall be subject to the internal approval procedure of the Company.	(2) Where there is no government-guidance price or price range, the transaction price shall be determined based on bidding/selection process or arm's length negotiation with reference to the considerations listed above and historical transaction amounts. Whether there is a bidding process for the relevant services depend on the type of properties. Most of the property management services for residential properties and other non-commercial properties were subject to bidding process while most of the property management services for commercial properties were subject to arm's length negotiation. For projects involving a bidding process, usually the lowest bidder has more competitive advantages to be awarded the projects. Hence, in addition to the previously mentioned consideration factors, the Group would also take into account the potential competition from other bidders to ensure a competitive pricing strategy. In contrast, price competitiveness may not be as prominent factor for projects that involve negotiation, as price may not be the sole or primary consideration for the Group's customers. In both scenarios, when determining either the bidding price or the agreed price, the Group would aim to achieve a reasonable profit. In identifying the prevailing market rates, the Group will generally obtain the rates of similar services (in terms of scope and/or standard) offered to one to three similar properties (in terms of type, location and/or size) in the market through publicly available data and interviews and site visits conducted by the local business teams in the vicinity of the relevant property. For services offered to certain non-commercial properties (such as industrial parks and stadiums) where fees offered to similar properties may not be readily available, the Group will primarily make reference to its historical rates.

In assessing the terms of the Non-exempt Continuing Connected Transactions Agreements, we noted that, save for the extension of the term and amendment of annual caps, all other terms and conditions of the Non-exempt Continuing Connected Transactions Agreements remain the same as those of the 2023 Non-exempt Continuing Connected Transactions Agreements and 2023 CR Land Commercial Operational Services Framework Agreement.

In respect of the pricing policy, we have obtained and reviewed eight sets of randomly selected sample contracts during FY2023 and up to the Latest Practicable Date (the "**Relevant Period**") regarding each type of property management services and value-added services under the 2023 Non-exempt Continuing Connected Transactions Agreements and 2023 CR Land Commercial Operational Services Framework Agreement (i.e. two sample contracts of property management services with CR Land, two sample contracts of commercial operational services with CR Land, two sample contracts of property management services with CRH, and two sample contracts of value-added services with CR Land) and eight sets of comparable transaction contracts entered into between the Group and independent third parties for the provision of similar services to the Group during such period. We have reviewed and compared the abovementioned documents and noted that (i) such historical transactions are on similar and normal commercial terms; and (ii) the principal terms offered by the Group to CR Land Connected Persons or CRH are no less favourable to the Group than those provided by the Group to independent third parties. In particular, we note that (i) the prices offered to CR Land/CRH are not less favourable to the Group than the prices offered to independent third parties; and (ii) the prices offered to CR Land/CRH are in line with the internal pricing policy of the Group.

Based on the above, we are of the view that the principal terms of the Non-exempt Continuing Connected Transactions Agreements are fair and reasonable so far as the Independent Shareholders are concerned.

4. Proposed Annual Caps

4.1 Historical Amount, Existing and Proposed Annual Caps

The following table sets forth (i) the historical transaction amounts for the two years ended 31 December 2024 and six months ended 30 June 2025; (ii) the existing annual caps for each of the three years ended/ending 31 December 2025; and (iii) the proposed Annual Caps for each of the three years ending 31 December 2028.

Table 1 Historical Amount, Existing and Proposed Annual Caps

RMB Million (except for utilisation rates)		Existing Annual Caps for the years ended/ending 31 December			Proposed Annual Caps for the years ending 31 December		
		2023	**2024**	**2025**	**2026**	**2027**	**2028**
1. 2026 CR Land Property Management Services Framework Agreement							
Property management fees received/to be received by the Group (for commercial properties)	Annual Caps	1,300	1,450	1,600	**1,035**	**1,150**	**1,265**
	Historical Amounts	671	764	591 *Note 1*	–	–	–
	Utilisation Rates	52%	53%	37% *Note 2*	–	–	–
Property management fees received/to be received by the Group (for residential properties and other non-commercial properties)	Annual Caps	525	725	1,015	**690**	**690**	**690**
	Historical Amounts	313	464	427 *Note 1*	–	–	–
	Utilisation Rates	60%	64%	42% *Note 2*	–	–	–
2. Amended 2023 CR Land Commercial Operational Services Framework Agreement							
Commercial operational services fees received /to be received by the Group	Annual Caps	3,000	4,000	5,000	**3,795**	**4,025**	**4,370**
	Historical Amounts	2,077	2,647	2,392 *Note 3*	–	–	–
	Utilisation Rates	69%	66%	48% *Note 3*	–	–	–
3. 2026 CR Land Value-Added Services Framework Agreement							
Fees received/to be received by the Group for the value-added services to non-property owners	Annual Caps	300	450	700	**633**	**690**	**748**
	Historical Amounts	161	259	241 *Note 1*	–	–	–
	Utilisation Rates	54%	58%	34% *Note 2*	–	–	–
Fees received/to be received by the Group for the value-added services to property developers	Annual Caps	1,250	1,550	1,850	**575**	**575**	**575**
	Historical Amounts	577	596	323 *Note 1*	–	–	–
	Utilisation Rates	46%	38%	17% *Note 2*	–	–	–

RMB Million (except for utilisation rates)		Existing Annual Caps for the years ended/ending 31 December			Proposed Annual Caps for the years ending 31 December		
		2023	**2024**	**2025**	**2026**	**2027**	**2028**
4. 2026 CRH Property Management Services Framework Agreement							
Property management fees received/to be received by the Group (for commercial properties)	Annual Caps	295	395	495	**345**	**403**	**460**
	Historical Amounts	175	197	218[Note 1]	–	–	–
	Utilisation Rates	59%	50%	44%[Note 2]	–	–	–
Property management fees received/to be received by the Group (for residential properties and other non-commercial properties)	Annual Caps	570	1,000	1,250	**633**	**748**	**863**
	Historical Amounts	290	364	378[Note 1]	–	–	–
	Utilisation Rates	51%	36%	30%[Note 2]	–	–	–

Notes:

1. Unaudited, being the actual transaction amounts for the period from 1 January 2025 to the 31 October 2025.

2. The utilisation rate for the year ending 31 December 2025 is computed based on the historical amounts for the period from 1 January 2025 to 31 October 2025.

4.2 *Basis of determination of the proposed Annual Caps and our assessment*

4.2.1 2026 CR Land Property Management Services Framework Agreement

As advised by the Management, the Group mainly provides property management services including security, cleaning, greening and repair and maintenance services for (i) commercial properties such as shopping malls and office buildings developed/owned by CR Land Connected Persons; and (ii) residential properties and other non-commercial properties developed/owned by CR Land Connected Persons prior to their delivery.

As set out in the Letter from the Board, in determining the proposed Annual Caps in relation to the 2026 CR Land Property Management Services Framework Agreement, the factors that have been taken into account include:

(1) as at 30 June 2025, the Group had a total contracted GFA of 17.65 million sq.m. of commercial, residential and other non-commercial properties with CR Land's Connected Persons, representing an increase of approximately 10.0% as compared with 30 June 2024;

(2) the historical transaction amount for the two years ended 31 December 2024 and the ten months ended 31 October 2025 under the 2023 CR Land Property Management Services Framework Agreement and their actual utilization rates for the respective period. After reviewing the utilization rates for latest period, the Company has accordingly lowered the annual caps for the three years ending 31 December 2028 as compared with the previous three years;

(3) the expected increase in scope and standard of services required by CR Land Connected Persons leading to the expected increase in operational costs (including but not limited to inflation and increase in labour costs) to be incurred by the Group;

In respect of property management services for commercial properties specifically

(4) as at 30 June 2025, CR Land's shopping mall projects had a total 10.7 million sq.m. GFA under management, with a total contracted GFA of 12.6 million sq.m. in aggregate, while the office building projects had a total contracted GFA reached 10.2 million sq.m. in aggregate, with a total GFA of 13.0 million sq.m. of property under management in aggregate;

(5) in 2026, 2027 and 2028, CR Land estimates that it will open five, six and five shopping malls, representing a total GFA of 0.9 million sq.m., 0.8 million sq.m., and 1.0 million sq.m., respectively;

(6) the Group's effort to further promote other comprehensive services such as office area sanitation, green plant rental and reception services from 2026 to 2028; and

In respect of property management services for residential properties and other non-commercial properties specifically

(7) for property management fees for residential and other non-commercial properties specifically: (a) the estimated GFA of the unsold residential properties for the years ending 31 December 2026, 2027 and 2028, based on the estimated additional total GFA under management for residential properties of approximately 30 million sq.m. being delivered by CR Land Connected Persons; (b) as at 30 June 2025, the total GFA of CR Land's urban public space under management reached 2.4 million sq.m., with a total contracted GFA reaching 2.6 million sq.m. of property under management; and (c) the estimated fees per sq.m. at which management services will be charged.

Property management services for commercial properties

In assessing the fairness and reasonableness of the proposed Annual Caps for the property management fees to be received by the Group (for commercial properties):

(i) we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 represent year-on-year growth rates of approximately -35%, 11% and 10%, respectively. The Proposed Annual Caps for the three years ending 31 December 2028 are lower than the Existing Annual Caps for three years ended 31 December 2025; and (ii) the historical transaction amounts were approximately RMB671.2 million for FY2023 and RMB764.0 million for FY2024, representing year-on-year growth rate of approximately 14%. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below;

(ii) we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for property management services (commercial properties) and discussed with the Management on the basis and assumptions used in such calculation. We note that the proposed Annual Caps for the property management services (commercial properties) is mainly projected based on the transaction amounts under the corresponding commercial properties of CR Land expected to be managed by the Group for each of the years ending 31 December 2028. In 2026, 2027 and 2028, CR Land estimates that it will open five, six and five new shopping malls, representing a total GFA of 0.9 million sq.m., 0.8 million sq.m., and 1.0 million sq.m., respectively;

(iii) based on our review of (a) the list of commercial properties of CR Land and their aggregate transaction amount for the three years ending 31 December 2028; and (b) the opening plan of shopping malls from CR Land and internal pricing policy of the Group, we note that the number of newly opened shopping malls and the corresponding property management fees to be received by the Group per shopping mall adopted in the Calculation Worksheet are consistent with the aforementioned supporting documents, and we are satisfied that the proposed Annual Caps have been calculated in accordance with the methodology mentioned above and are adequate; and

(iv) in addition, we have reviewed the 2024 AR and note that the property management services for shopping malls provided by the Group to CR Land has demonstrated substantial growth over the past two years. Set out below is a summary of the commercial operational services and property management services provided by the Group to CR Land as extracted from the 2024 AR:

Table 2 Summary of services provided by the Group to CR Land

Property type	**Service type**	**GFA under management (sq.m. in thousands)**			**Number of projects**		
		2024	**2023**	**Change**	**2024**	**2023**	**Change**
Shopping malls	Commercial operational services and property management services	10,720	9,221	*16.3%*	92	78	*17.9%*
Office buildings	Commercial operational services	1,392	1,255	*10.9%*	21	20	*5.0%*
	Property management services	10,183	9,375	*8.6%*	105	95	*10.5%*
Community space properties	Property management services	150,790	134,588	*12.0%*	708	605	*17.0%*
Urban space properties	Property management services	2,355	2,610	*-9.8%*	22	22	*0.0%*

we note from Table 2 that, as of 31 December 2024, the number of opened shopping malls and office buildings developed by CR Land for which property management services were provided by the Group amounted to 92 and 105, respectively, representing an increase of approximately 17.9% and 10.5%, respectively, as compared to those of 2023. As a result, the aggregate GFA under management for the provision of property management services for shopping malls increased by approximately 16.3% to 10.7 million sq.m. as of 31 December 2024 and increased by approximately 8.6% to 10.1 million sq.m. as of 31 December 2024 for office buildings. The increase in the proposed Annual Caps for the three years ending 31 December 2028 is aligned with the historical growth trajectory of the property management services provided by the Group to CR Land.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the 2026 CR Land Property Management Services Framework Agreement regarding property management services for commercial properties are at an appropriate level, and therefore are fair and reasonable so far as the Independent Shareholders are concerned.

Property management services for residential properties and other non-commercial properties

In assessing the fairness and reasonableness of the proposed Annual Caps for the property management fees to be received by the Group (for residential properties and other non-commercial properties):

(i) we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 represent year-on-year growth rates of approximately -32%, 0% and 0%, respectively. The Proposed Annual Caps for the three years ending 31 December 2028 are lower than the existing annual caps for FY2024 and the year ending 31 December 2025; and (ii) the historical transaction amounts were approximately RMB312.6 million for FY2023 and RMB464.3 million for FY2024, representing year-on-year growth rate of approximately 49%. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below;

(ii) we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for property management services (residential properties and other non-commercial properties) and discussed with the Management on the basis and assumptions used in such calculation. We note that the proposed Annual Caps for property management services (residential properties and other non-commercial properties) is mainly projected based on (a) the expected transaction amount in respect of property management services for the year ending 31 December 2025 calculated by actual transaction amount for 1H2025 and a growth rate of 10% to the second half of 2025; and (b) the estimated incremental transaction amounts for the three years ending 31 December 2028 calculated based on the expected delivery area of CR Land for the three years ending 31 December 2028, the expected increase in property management fees per sq.m. of 5% per year and the historical average vacancy rate for residential properties of 8%. It is estimated that the additional total GFA under management for residential properties being delivered by CR Land Connected Persons will be approximately 30 million sq.m.;

(iii) as advised by the Management, we understand that (a) the annual growth rate of 10% is adopted by reference to the increase in the Group's revenue from property management services for FY2024. As set out in the section headed "1.1 Information of the Group" above, the Group's revenue from the property management business segment for FY2024 increase by 12% as compared to FY2023; (b) the delivery area of CR Land adopted in the calculated model is consistent with the estimated delivery area of CR Land for the three years ending 31 December 2028; (c) the expected increase in average property management fees of 5% is adopted taking into account the inflation rate and increase in the average property management fees. Data from the National Bureau of Statistics showed that, China's consumer price index (CPI), a main gauge of inflation, was up 0.2% year on year in October 2025. The core CPI, which excludes food and energy prices, increased by 1.2% year on year, marking the sixth consecutive month of acceleration in growth pace. In addition, the gross domestic product of the PRC reached nearly RMB135 trillion in FY2024, representing a year-on-year increase of 5%. As discussed with the Management, the Company also committed to enhancing service quality comprehensively and its strategy to deepen engagement in regional markets and intensify market penetration in core cities, which are anticipated to contribute to an increase in average property management fees in the future given the properties located in first tier cities and upper second tier cities, such as Beijing, Shanghai, Guangzhou etc. would typically involve properties that are higher in value and increased staff costs due to higher standards of living within those cities. We have reviewed the internal pricing policy of the Group and note that the property management fees will be adjusted upward in accordance with improvements in service standards. Accordingly, we consider the 5% increase in average property management fees adopted in the Calculation Worksheet is consistent with the combined effect of inflation and higher service fees resulting from enhanced service quality; and (d) in respect of the historical average vacancy rate of 8%, we have conducted research on the website of the National Bureau of Statistics of the PRC and note that the historical average vacancy rate adopted in the Calculation Worksheet aligns with the vacancy rate for 1H2025 as derived from increase in floor space of residential properties for sale and increase in floor space of residential properties completed during such period; and

(iv) in addition, with reference to Table 2, as of 31 December 2024, the number of community space properties developed by CR Land for which property management services were provided by the Group amounted to 708, representing an increase of approximately 17.0% as compared to that of 2023. As a result, the aggregate GFA under management for the provision of property management services increased by approximately 12% to 150.8 million sq.m. as of 31 December 2024 for community space properties. Accordingly, we consider the increase in proposed Annual Caps for the three years ending 31 December 2028 is aligned with the historical growth trajectory of the property management services provided by the Group to CR Land.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the 2026 CR Land Property Management Services Framework Agreement regarding property management services for residential properties and other non-commercial properties are at an appropriate level, and therefore are fair and reasonable so far as the Independent Shareholders are concerned.

4.2.2 Renewed Annual caps under the Amended 2023 CR Land Commercial Operational Services Framework Agreement

As advised by the Management, the Group mainly provides commercial operational services including (i) pre-opening management and operation management services for shopping malls; and (ii) tenant sourcing, operational services and opening preparation services for office buildings.

As set out in the Letter from the Board, the proposed Annual Caps in relation to the 2026 CR Land Commercial Operational Services Framework Agreement are determined mainly with reference to:

(1) the existing contracts and the number of existing pipeline projects with the CR Land Connected Persons as at the Latest Practicable Date. As at 30 June 2025, the Group had 94 CR Land operating shopping malls under its management, with a total gross GFA of 11.1 million sq.m.;

(2) in 2026, 2027 and 2028, CR Land estimates that it will open five, six and five shopping mall projects (with a total GFA of 0.9 million sq.m., 0.8 million sq.m., and 1.0 million sq.m., respectively);

(3) the historical transaction amount for the two years ended 31 December 2024 and the ten months ended 31 October 2025 and the actual utilization rates during the respective periods. After reviewing the utilization rates for latest period, the Company has accordingly lowered the annual caps for the three years ending 31 December 2028 as compared with the previous three years;

(4) the expected increase in operational costs to be incurred by the Group; and

(5) the expected financial performance of the commercial properties to which the commercial operational services are/will be provided.

In assessing the fairness and reasonableness of the proposed Annual Caps for the commercial operational services contemplated under the Amended 2023 CR Land Commercial Operational Services Framework Agreement:

(i) we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 represent year-on-year growth rates of approximately -24%, 6% and 9%, respectively. The proposed annual cap for the year ending 31 December 2026 is lower than the existing annual caps for FY2024 and the year ending 31 December 2025; (ii) the historical transaction amounts in respect of the commercial operational services were approximately RMB2,076.6 million for FY2023 and RMB2,647.2 million for FY2024, representing year-on-year growth rate of approximately 27%. In addition, based on the historical transaction amount of approximately RMB2,392 million as of 31 October 2025, the annualised historical transaction amounts for the commercial operational services would be approximately RMB2,871 million as of 31 December 2025. We note that the proposed annual cap for the year ending 31 December 2026 represents an increase of approximately 32% over the annualised transaction amount for 2025, which is consistent with the growth of approximately 27% recorded for FY2024 as mentioned above; and (iii) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 are close to the historical transaction amounts for the year ended 31 December 2024. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below;

(ii) we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for commercial operational services and discussed with the Management on the basis and assumptions used in such calculation. We understand from the Calculation Worksheet that the proposed Annual Caps for commercial operational services is mainly projected based on the list of shopping malls and office buildings of CR Land Connected Persons expected to be operated by the Group and their aggregate transaction amount for the three years ending 31 December 2028, which is mainly determined with reference to (a) the estimated newly opened shopping malls of CR Land for the three years ending 31 December 2028. It is estimated that CR Land will open five, six and five shopping malls in 2026, 2027 and 2028, with a total GFA of 0.9 million sq.m., 0.8 million sq.m., and 1.0 million sq.m., respectively; and (b) the associated operational cost including but not limited to the designing fees, business management fees, operation service fees and trademark fee. Based on our review of the opening plan of shopping malls of CR Land and the internal pricing policy of the Group, we note that the number of newly opened shopping malls and the operational cost associated per shopping mall adopted in the Calculation Worksheet are consistent with the aforementioned supporting documents. Based on the above, we are satisfied that the proposed Annual Caps is calculated in accordance with the methodology mentioned above and are adequate; and

(iii) in addition, we consider the proposed Annual Caps for the commercial operational services contemplated under the Amended 2023 CR Land Commercial Operational Services Framework Agreement also aligns with (a) the expanding operating scale of CR Land. With reference to Table 2, as of 31

December 2024, the number of opened shopping malls and office buildings developed by CR Land for which commercial operational services were provided by the Group amounted to 92 and 21, respectively, representing an increase of approximately 17.9% and 5.0%, respectively, as compared to those of 2023. As a result, the aggregate GFA under management for the provision of commercial operational services for shopping malls increased by approximately 16.3% to 10.7 million sq.m. as of 31 December 2024 and increased by approximately 10.9% to 1.4 million sq.m. as of 31 December 2024 for office buildings. As set out in CR Land's annual report for FY2024, the retail sales from CR Land's shopping malls reached RMB195.3 billion in FY2024, accounting for approximately 0.4% of the total national retail sales of consumer goods and increased by approximately 19.2% as compared to that for FY2023. In addition, we understand from the Management that, CR Land will accelerate its expansion by deploying its asset management business and continue to explore opportunities for mergers and acquisitions in the commercial field. These initiatives will enable the Group to secure additional projects in respect of its commercial operational services and reinforce its sustainable growth; and (b) the recent development in the retail sector. As discussed with Management, the performance of the Group's commercial operational business remains closely aligned with overall consumer market trends. According to the National Bureau of Statistics of the PRC, the gross domestic product of the PRC reached nearly RMB135 trillion in FY2024, representing a year-on-year increase of 5.0%, and the total retail sales of consumer goods increased by 3.5% year-on-year to RMB48.8 trillion, showing strong development resilience. In addition, to stabilize the property market and reverse its downturn, on 29 September 2024, China's central bank instructed commercial banks to reduce interest rates for existing housing loans, including first and second home mortgages, by no lower than 30 basis points below the loan prime rate to ease financial burdens on property owners, which has restored market confidence and rekindled demand. Accordingly, we consider the increase in proposed Annual Caps for the three years ending 31 December 2028 is consistent with the historical growth trajectory of the commercial operational services provided by the Group to CR Land.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the Amended 2023 CR Land Commercial Operational Services Framework Agreement are at an appropriate level, and therefore are fair and reasonable so far as the Independent Shareholders are concerned.

4.2.3 2026 CR Land Value-Added Services Framework Agreement

As advised by the Management, the Group mainly provides value-added services to community property owners including community living services and brokerage and assets services, and value-added services to property developers including consultancy services, preliminary preparation services and pre-delivery marketing services to CR Land Connected Persons for the residential properties and other non-commercial properties developed and/or owned by them.

As set out in the Letter from the Board, in determining the proposed Annual Caps in relation to the 2026 CR Land Value-Added Services Framework Agreement, the factors that have been taken into account include:

In respect of value-added services provided to property developers specifically

(1) the existing contracts as at the Latest Practicable Date;

(2) the historical transaction amount for two years ended 31 December 2024 and the ten months ended 31 October 2025 and the actual utilization rates during the respective periods. After reviewing the utilization rates for latest period, the Company has accordingly lowered the annual caps for the three years ending 31 December 2028 as compared with the previous three years;

(3) the expected increase in the operational costs as incurred by the Group;

(4) in 2026, 2027 and 2028, CR Land Connected Persons are expected to deliver about 30 million sq.m. of GFA under management of new residential property projects. According to CR Land's 2025 interim report, as at 30 June 2025 CR Land had a land bank of 41.19 million sq.m (among which, 33.43 million sq.m. are for development purpose and 7.76 million sq.m. are for investment purpose), which is sufficient for the next three to five years' development;

In respect of value-added services provided to communities specifically

(5) the existing contracts as of the Latest Practicable Date; and

(6) The Group plans to expand its community value-added services, with the core business currently consisting of maintenance services provided to CR Land and its connected persons. Significant growth is anticipated in categories such as home repairs, engineering renovation, engineering consultancy, and facilities and equipment management.

    The provision of property value-added services by the Group is correlated with the number of properties under its management and the corresponding gross floor area. Compared to 2023, as at 31 December 2024, the number of managed community spatial properties and the total gross floor area under management obtained from CR Land and its connected persons increased from 605 projects and 134,588,000 square metres as at 31 December 2023, to 708 projects and 150,790,000 square metres as at 31 December 2024, representing year-on-year growth rates of approximately 17% and 12%, respectively.

With the delivery of new projects by CR Land in future years and the growing demand for renovation of existing projects, needs for housing maintenance and third-party repair services are expected to be steadily realised. Against this backdrop, the Group anticipates that decoration services will maintain a stable growth trend, while engineering renovation business is also projected to achieve significant growth in the coming years. Taking into comprehensive consideration the above factors, the Group considers the proposed annual caps for the years ending 31 December 2028 to be reasonable.

Value-added services to community property owners

In assessing the fairness and reasonableness of the proposed Annual Caps for the value-added services to community property owners contemplated under the 2026 CR Land Value-Added Services Framework Agreement:

(i) we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 represent year-on-year growth rates of approximately -10%, 9% and 8%, respectively; and (ii) the historical transaction amounts were approximately RMB161.0 million for FY2023 and RMB259.5 million for FY2024, representing year-on-year growth rate of approximately 61%. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below;

(ii) we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for value-added services to community property owners and discussed with the Management on the basis and assumptions used in such calculation. We understand from the Calculation Worksheet that the proposed Annual Caps for value-added services to community property owners is mainly projected based on (a) the estimated transaction amount for the year ending 31 December 2025 calculated by the actual transaction amount for 1H2025 and a growth rate of 10% to the second half of 2025; and (b) the expected increase in transaction amounts in relation to value-added services to community property owners for the three years ending 31 December 2028;

(iii) as advised by the Management, we understand that (a) the annual growth rate of 10% is adopted by reference to the increase in the Group's revenue from property management business segment for FY2024. As set out in the section headed "1.1 Information of the Group" above, the Group's revenue from the property management business segment for FY2024 increase by 12% as compared to FY2023; (b) the aforementioned expected increase in transaction amounts has mainly taken into consideration of the development plan and budget on, among others, security, repair and maintenance services and parking space services and the expected delivery area of CR Land for the three years ending 31 December 2028. In addition to the maintenance services to be provided by the Group to CR Land Connected Persons, the Group will also provide services such as household repair services, engineering remake services and customer-end renovation services going forward. We have obtained and reviewed above-mentioned supporting documents and are satisfied that the proposed Annual Caps is calculated in accordance with the methodology mentioned above and are adequate; and

(iv) we also understand from the Management that the provision of property value-added services by the Group is correlated with the number of properties under its management and the corresponding gross floor area. We have obtained and reviewed records kept by the Company's finance department regarding transaction with CR Land Connected Persons and the 2024 AR and note that, compared to 2023, as at 31 December 2024, the number of managed community spatial properties and the total gross floor area under management obtained from CR Land and its connected persons increased from 605 projects and 134,588,000 square metres as at 31 December 2023, to 708 projects and 150,790,000 square metres as at 31 December 2024, representing year-on-year growth rates of approximately 17% and 12%, respectively. With the delivery of new projects by CR Land in future years and the growing demand for renovation of existing projects, needs for housing maintenance and third-party repair services are expected to be steadily realised. Accordingly, the decoration and engineering renovation services of the Group under the value-added services to community property owners will maintain a stable growth in the coming years. Meanwhile, as discussed with the Management, we understand that the Company will continue to explore its value-added services to community property owners in the future. Based on our review of the 2024 AR, driven by the continued exploration of value-added services, the transformation and upgrading of traditional businesses, as well as the successful piloting of innovative business models that fueled expansion, the Group recorded revenue generated from value-added services to property owners for community space of RMB1,515.9 million for FY2024, representing an increase of 6.3% as compared with the corresponding period last year. In addition, the historical transaction amounts in respect of the value-added services of the Group under the 2026 CR Land Value-Added Services Framework Agreement increased by approximately 61% to RMB259 million for FY2024 from that for FY2023. We consider the increase in proposed Annual Caps for the value-added services to community property owners aligns with its development in value-added services as well as the historical growth rate of approximately 61% for FY2024 in the Group's value-added services to community property owners under the 2026 CR Land Value-Added Services Framework Agreement.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the 2026 CR Land Value-Added Services Framework Agreement regarding value-added services to community property owners are at an appropriate level, and therefore are fair and reasonable so far as the Independent Shareholders are concerned.

Value-added services to property developers

In assessing the fairness and reasonableness of the proposed Annual Caps for the fees to be received by the Group for the value-added services to property developers contemplated under the 2026 CR Land Value-Added Services Framework Agreement:

(i) we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 represent year-on-year growth rates of approximately -69%, 0% and 0%, respectively. The Proposed Annual Caps for the three years ending 31 December 2028 are lower than the Existing Annual Caps for the three years ending 31 December 2025; (ii) the historical transaction amounts were approximately RMB576.5 million for FY2023 and RMB596.5 million for FY2024, representing year-on-year growth rate of approximately 3%; and (iii) the historical transaction amounts for the year ended 31 December 2024 is higher than the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below;

(ii) we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for value-added services to property developers and discussed with the Management on the basis and assumptions used in such calculation. We understand from the Calculation Worksheet that the proposed Annual Caps for the value-added services to property developers is mainly projected based on (a) the estimated transaction amount for the year ending 31 December 2025 calculated by the actual transaction amount for 1H2025 and a growth rate of 20% to the second half of 2025; and (b) the estimated changes in transaction amounts of value-added services to property developers for the three years ending 31 December 2028. It is estimated that the additional total GFA under management for new residential properties being delivered by CR Land Connected Persons will be approximately 30 million sq.m.;

(iii) as advised by the Management, we understand that (a) the annual growth rate of approximately 20% has been adopted to reflect the anticipated increase in projects delivered by CR Land during the second half of 2025 as compared to 1H2025 and to take into account the increase of approximately 12% in the Group's revenue from property management business segment in FY2024 compared to FY2023; and (b) the estimated changes in transaction amounts of value-added services to property developers for the three years ending 31 December 2028 is mainly determined with reference to the development plan and budget on, among others, pre-delivery marketing services, preliminary preparation services and consultancy services and the expected delivery area and booked GFA of CR Land for the three years ending 31 December 2028. We have obtained and reviewed above-mentioned supporting documents and are satisfied that the proposed Annual Caps is calculated in accordance with the methodology mentioned above and are adequate; and

(iv) in addition, as discussed with the Management, we understand that the Group's revenue from value-added services to property developers increased by approximately 6% to RMB1,516 million for FY2024 from that for FY2023. We consider the increase in proposed Annual Caps for the value-added services to property developers also aligns with the revenue growth in the Group's value-added services to property developers.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the 2026 CR Land Value-Added Services Framework Agreement regarding value-added services to property developers are at an appropriate level, and therefore are fair and reasonable so far as the Independent Shareholders are concerned.

4.2.4 2026 CRH Property Management Services Framework Agreement

As advised by the Management, the Group mainly provides property management services including security, cleaning, greening and repair and maintenance services (i) for commercial properties such as shopping malls and office buildings developed/owned by CRH; and (ii) for residential properties and other non-commercial properties developed/owned by CRH prior to their delivery.

As set out in the Letter from the Board, in determining the proposed Annual Caps in relation to the 2026 CRH Property Management Services Framework Agreement, the factors that have been taken into account include:

(1) the historical transaction amounts for the two years ended 31 December 2024 and the ten months ended 31 October 2025 and the actual utilization rates during the respective periods. After reviewing the utilization rates for latest period, the Company has accordingly lowered the annual caps for the three years ending 31 December 2028 as compared with the previous three years;

(2) the expected increase in scope and standard of services required by CRH Connected Persons leading to the expected increase in operational costs (primarily labour costs) to be incurred by the Group;

In respect of property management services for commercial properties specifically

(3) the existing shopping mall project contracts with the CRH Connected Persons;

(4) during the period between 2026 to 2028, an estimated additional two million sq.m. of GFA under management will be contracted from CRH Connected Persons;

(5) further promotion of the Group's other comprehensive services such as office area sanitation, green plant rental, reception services from 2026 to 2028; and

In respect of property management services for residential properties and other non-commercial properties specifically

(6) the GFA under management for residential properties and other non-commercial properties of approximately 42.8 million sq.m. as at 30 June 2025, and the Company's estimation of additional GFA that will be under management based on CRH Connected Persons' land bank and the pipeline project, which will contribute an additional 10.0 million sq.m. of GFA under management each year during the period between 2026 to 2028, which the Group is expected to be asked to provide property management services (in respect of residential properties and other non-commercial properties) to CRH Connected Persons; and the average monthly property management fees remaining relatively stable.

Property management services for commercial properties

In respect of the property management fees to be received by the Group (for commercial properties such as shopping malls and office buildings), we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December

2026, 2027 and 2028 represent year-on-year growth rates of approximately -30%, 17% and 14%, respectively. The proposed annual cap for the year ending 31 December 2026 is lower than the existing annual caps for FY2024 and the year ending 31 December 2025; and (ii) the historical transaction amounts were approximately RMB174.5 million for FY2023 and RMB196.7 million for FY2024, representing year-on-year growth rate of approximately 13%. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below.

In assessing the fairness and reasonableness of the proposed Annual Caps for the property management fees to be received by the Group (for commercial properties) contemplated under the 2026 CRH Property Management Services Framework Agreement, we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for property management services (for commercial properties) provided by the Group to CRH and discussed with the Management on the basis and assumptions used in such calculation. We noted from the Calculation Worksheet that the proposed Annual Caps for the property management services (for commercial properties) is mainly projected based on the transaction amounts under the corresponding commercial properties of CRH expected to be managed by the Group for each of the years ending 31 December 2028. For each of 2026, 2027 and 2028, an estimated additional two million sq.m. of GFA under management will be contracted from CRH Connected Persons. We have obtained and reviewed the list of commercial properties of CRH and their aggregate transaction amount for the three years ending 31 December 2028 and we are satisfied that the proposed Annual Caps have been calculated in accordance with the methodology mentioned above and are adequate.

In addition, as discussed with the Management, we understand that, the Group provided property management services for 55 office buildings of CRH as of 30 June 2025, representing an increase of 12 projects as compared to that as at 31 December 2024. The aggregate GFA reached approximately 3.3 million sq.m. as at 30 June 2025, representing an increase of approximately 15% as compared to that as at 31 December 2024. We consider the increase in proposed Annual Caps for the property management services for commercial properties also aligns with the historical growth trajectory in the property management services provided by the Group to CRH.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the 2026 CRH Property Management Services Framework Agreement regarding the property management services for commercial properties are at an appropriate level and are fair and reasonable so far as the Independent Shareholders are concerned.

Property management services for residential properties and other non-commercial properties

In assessing the fairness and reasonableness of the proposed Annual Caps for the property management fees to be received by the Group (for residential properties and other non-commercial properties) contemplated under the 2026 CRH Property Management Services Framework Agreement:

(i) we noted from Table 1 that (i) the proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 represent year-on-year growth rates of approximately -49%, 18% and 15%, respectively. The Proposed Annual Caps for the three years ending 31 December 2028 are lower than the existing annual caps for FY2024 and the year ending 31 December 2025; and (ii) the historical transaction amounts were approximately RMB289.9 million for FY2023 and RMB363.8 million FY2024, representing year-on-year growth rate of approximately 25%. In addition, based on the historical transaction amount of approximately RMB378 million as of 31 October 2025, the annualised historical transaction amounts for the property management services would be approximately RMB454 million as of 31 December 2025. We note that the proposed annual cap for the year ending 31 December 2026 represents an increase of approximately 39% over the annualised transaction amount for 2025, which we consider to be consistent with the growth of approximately 27% recorded for FY2024 as mentioned above. As advised by the Management, in formulating the proposed Annual Caps, the Company has taken into consideration the relatively low historical utilisation rates and scaled down the proposed Annual Caps based on the Group's development plan as detailed below;

(ii) we have obtained the Calculation Worksheet and reviewed the detailed calculation of the proposed Annual Caps for property management services (for residential properties and other non-commercial properties) and discussed with the Management on the basis and assumptions used in such calculation. We understand from the Calculation Worksheet that the proposed Annual Caps for the property management services (for residential properties and other non-commercial properties) is mainly projected based on (a) the expected contracted GFA and transaction amount for the year ending 31 December 2025; and (b) the expected delivery area of CRH for any additional projects for the three years ending 31 December 2028, which is determined with reference to the expected delivery area of CRH for the year ending 31 December 2025 and an annual growth rate of 10% for the year ending 31 December 2026. Based on CRH Connected Persons's land bank and the pipeline projects in respect of property management services for residential properties and other non-commercial properties, it is estimated that the additional GFA under management will be 10.0 million sq.m. during 2026 to 2028;

(iii) as discussed with the Management, we understand that (a) the expected contracted GFA and transaction amount for the year ending 31 December 2025 is by annualizing the actual contracted GFA and transaction amount with CRH as of 30 June 2025; and (b) the annual growth rate of 10% is adopted by reference to the increase in the Group's revenue from property management services for FY2024. As set out in the section headed "1.1 Information of the Group" above, the Group's revenue from the property management business segment for FY2024 increase by 12% as compared to FY2023. Based on the above and our review of the supporting documents including but not limited to additional GFA under management during 2026 to 2028 and internal pricing policy, we are satisfied that the proposed Annual Caps have been calculated in accordance with the methodology mentioned above and are adequate; and

(iv) in addition, we have obtained the aggregate GFA of CRH under management of the Group and note that, the aggregate GFA of CRH under management of the Group increased by approximately 16% as of 30 June 2025 as compared to that as at 31 December 2024. We consider the increase in proposed Annual Caps for the property management services for commercial properties also aligns with the historical growth trajectory in the property management services provided by the Group to CRH.

Based on the above, we concur with the Management that the proposed Annual Caps in relation to the 2026 CRH Property Management Services Framework Agreement regarding property management services for residential properties and other non-commercial properties are at an appropriate level and are fair and reasonable so far as the Independent Shareholders are concerned.

5. Internal Control

The Company has established a comprehensive internal control system and has formulated a series of internal control measures and procedures in order to ensure the pricing mechanism and the terms of the Non-exempt Continuing Connected Transactions Agreements are fair and reasonable and no less favourable to the Company than those available to independent third parties, and in the interest of the Company and its Shareholders as a whole, details of which are included in the section headed "V. INTERNAL CONTROL MEASURES" in the Letter from the Board. We (i) have reviewed such internal control measures and procedures of the Company, including but not limited to the Guidelines on Compliance Management of the Connected Transactions of China Resources Mixc Lifestyle, as well as obtained and reviewed relevant documentations regarding the authorisations from the Company's legal department and finance department in the internal approval system prior to entering the agreements with connected persons; and (ii) understand from the Management that the Company's finance department prepares a database to record and monitor the aggregate transaction amounts under the continuing connected transactions from time to time and confirms that the Group has sufficient annual caps for carrying out relevant continuing connected transactions, and we are of the view that such internal control measures and procedures are sufficient to ensure that the transactions contemplated under the Non-exempt Continuing Connected Transactions Agreements are on normal commercial terms and do not exceed the respective proposed Annual Caps. We are of the view that such internal control measures and procedures are sufficient to ensure that the Non-exempt Continuing Connected Transactions Agreements are on normal commercial terms and do not exceed the proposed Annual Caps.

Further to the above, in respect of pricing policy, we have obtained and reviewed six randomly selected service contracts entered into by the Group with CR Land/CRH covering different types of services under the Non-exempt Continuing Connected Transactions Agreements (i.e. two sample contracts of property management services with CR Land, two sample contracts of property management services with CRH, and two sample contracts of value-added services with CR Land) and six randomly selected service contracts entered into by the Group with independent third parties covering similar types of services during Relevant Period and compared the key terms in such contracts and note that the commercial terms in the contracts between the Group and CR Land/CRH are not less favourable to the Group than those between the Group and the independent third parties. Based on our review of the abovementioned documents, including but not limited to, records of relevant authorisations from the Company's legal department and finance department in respect of the continuing connected transactions and the service contracts entered into by the Group with CR Land/CRH, we are not aware of any internal control deficiency under the Non-exempt Continuing Connected Transactions.

Pursuant to Rules 14A.55 and 14A.56 of the Listing Rules, the independent non-executive Directors and auditor of the Company will conduct annual review and issue confirmations regarding the Non-exempt Continuing Connected Transactions of the Company each year. We noted from the 2023 AR and 2024 AR that the independent non-executive Directors and the auditor of the Company have reviewed the Non-exempt Continuing Connected Transactions and provided their relevant confirmations. As confirmed with the Company, the Company will continue to comply with the relevant annual review requirement under the Listing Rules on an on-going basis.

Based on the above, we concur with the Company that the Group has effective internal control policies in place to continue to monitor the Non-exempt Continuing Connected Transactions, and therefore the interests of the Company and its Shareholders would be safeguarded.

RECOMMENDATION

Having considered the above factors and reasons, we are of the opinion that (i) the Non-exempt Continuing Connected Transactions are conducted in the ordinary and usual course of business of the Group and on normal commercial terms; and (ii) the terms of the Non-exempt Continuing Connected Transactions (including the proposed Annual Caps thereto) are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend and we also recommend the Independent Shareholders to vote in favour of the resolution in relation to the Non-exempt Continuing Connected Transactions and the Annual Caps to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Maxa Capital Limited

Michael Fok
Managing Director

Mr. Michael Fok is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Maxa Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 24 years of experience in the corporate finance industry.