THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Sundy Service Group Co. Ltd**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

SUNDY 宋服務

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Sundy Service Group Co. Ltd
宋都服务集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9608)

(1) DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY;
(2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2026 TO 2028; AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Discloseable and Connected Transaction in relation to Acquisition of Property

道勤資本 DILIGENT CAPITAL

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Property Management Agreements

雋匯國際 雋匯國際金融有限公司 Jun Hui International Finance Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 8 to 23 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 24 to 25 of this circular. A letter from Diligent Capital containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Discloseable and Connected Transaction in relation to Acquisition of Property is set out on pages 26 to 45 of this circular, and a letter from Jun Hui International containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the New Property Management Agreements is set out on pages 46 to 68 of this circular.

A notice convening the EGM to be held at Conference Room, 21st Floor, Caihejiaye Building, No. 19 Xintang Road, Shangcheng District, Hangzhou City, Zhejiang Province, PRC on Tuesday, 6 January 2026 at 3:00 p.m. is set out on pages 84 to 86 of this circular.

Whether or not you are able or intend to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned thereof should you so wish.

15 December 2025

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DEFINITIONS

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

"2022 Announcement"	announcement of the Company dated 31 October 2022
"2022 Circular"	circular of the Company dated 24 November 2022
"2022 Supplemental Announcement"	announcement of the Company dated 4 November 2022
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Company"	Sundy Service Group Co. Ltd (宋都服务集团有限公司), incorporated in the Cayman Islands on 5 May 2017 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules, including any person or group of persons who are entitled to exercise 30% or more of the voting power at the general meeting or are in a position to control the composition of a majority of the Board
"Diligent Capital"	Diligent Capital Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the terms of the Letter of Intent and the transaction contemplated thereunder
"Director(s)"	the director(s) of the Company

"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the Letter of Intent and the transactions contemplated thereunder, and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028
"GFA"	gross floor area
"Greenland Holdings"	Greenland Holdings Group Hangzhou Shuangta Real Estate Co., Ltd. (綠地控股集團杭州雙塔置業有限公司), a company established in the PRC with limited liability on 21 January 2015, an associate of Mr. Yu, and is therefore a connected person of the Company
"Group"	the Company and its subsidiaries from time to time
"Hangzhou Hehong"	Hangzhou Hehong Property Service Co., Ltd. (杭州和宏物業服務有限公司), a company established in the PRC with limited liability on 29 July 2022, which is an indirect wholly-owned subsidiary of the Company
"Hechu Enterprise Management"	Hangzhou Hechu Enterprise Management Co., Ltd. (杭州和儲企業管理有限公司), a company established in the PRC with limited liability
" Heqi Supply Chain"	Zhejiang Heqi Supply Chain Management Co., Ltd. (浙江和琪供應鏈管理有限公司), a company established in the PRC with limited liability
"Heye Investment"	Hangzhou Heye Investment Management Co., Ltd. (杭州和業投資管理有限公司), a company established in the PRC with limited liability
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board (which comprises Mr. Zhu Haoxian, Mr. Huang Enze and Ms. Ye Qian, all being independent non-executive Directors) established to advise the Independent Shareholders with regard to the terms of the Letter of Intent and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028

"Independent Shareholders"	Shareholders who are not required to abstain from voting on the relevant resolutions at the EGM due to their material interests in the transactions contemplated under the Letter of Intent and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028
"independent third parties"	individuals or companies who or which are independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders of the Company, its subsidiaries or their respective associates
"Initial Master Purchase Agreement"	the master purchase agreement dated 21 December 2020 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for other members of the Zhizhonghe Group) pursuant to which our Group agreed to purchase food and beverage, including but not limited to alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶)
"Jun Hui International"	Jun Hui International Finance Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the terms of the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028
"Latest Practicable Date"	15 December 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
"Letter of Intent"	the letter of intent dated 19 November 2025 pursuant to which Hangzhou Hehong agrees to acquire and Greenland Holdings agrees to dispose of the Property
"Listing Date"	18 January 2021, the date on which the Shares are listed and from which dealings therein are permitted to take place on the Main Board

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"Master Property Management Agreement"	the master property management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group) for provision of property management services
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers
"Mr. Wu"	Mr. Wu Yaohua (吳耀華), a shareholder with 90% shareholding of Hechu Enterprise Management
"Mr. Yu"	Mr. Yu Jianwu (俞建午), one of the Controlling Shareholders of the Company
"Ms. Guo"	Ms. Guo Yijuan (郭軼娟), spouse of Mr. Yu
"Ms. Yu"	Ms. Yu Aiwen (俞愛文), a shareholder with 10% shareholding of Hechu Enterprise Management
"New Master Property Management Agreement"	the master property management agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group) for provision of property management services
"New Property Management Agreements"	New Yangguang Master Agreement, New Zhizhonghe Master Agreement and New Master Property Management Agreement
"New Yangguang Master Agreement"	the master property management agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Yangguang Kindergarten in relation to provision of property management services

"New Zhizhonghe Master Agreement"	the master property management agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for the benefit of other members of Zhizhonghe Group) in relation to provision of property management services
"PRC"	the People's Republic of China and, except where the context otherwise requires and only for the purpose of this circular, and for geographical reference only, references in this circular to China or the People's Republic of China exclude Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan region
"Previous Acquisition"	the acquisition of 50 parking lots by the Group according to the acquisition of parking lots agreement dated 31 October 2025. For more details, please refer to the announcement of the Company dated 31 October 2025
"Property"	Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC, with a gross floor area of approximately 228.83 sq.m.
"Property Acquisition Agreement"	the acquisition of the Property agreement to be entered into between Hangzhou Hehong and Greenland Holdings
"Property Management Agreements"	collectively, the Master Property Management Agreement, the Zhizhonghe Master Agreement and the Yangguang Master Agreement
"Prospectus"	prospectus of the Company dated 31 December 2020
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
"Share(s)"	ordinary share(s) with a nominal value or par value of US$0.00001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Shares from time to time

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Sundy Heye"	SUNDY HEYE LIMITED (宋都和业有限公司), a company incorporated in the BVI with limited liability on 21 March 2017, one of the Controlling Shareholders of the Company
"Sundy Land"	Sundy Land Investment Co., Ltd. (宋都基業投資股份有限公司), a company established in the PRC with limited liability, an associate of Mr. Yu, and is therefore a connected person of the Company
"Sundy Land Group"	Sundy Land and its subsidiaries
"Sundy Yangguang Kindergarten"	Hangzhou Songdu Sunshine Kindergarten Co., Ltd. (杭州宋都陽光幼兒園有限公司), a company established in the PRC with limited liability, an associate of Mr. Yu, and is therefore a connected person of the Company
"sq.m."	square metres
"US$"	United States dollars, the lawful currency of United States of America
"Xingfu Jian Holdings"	Hangzhou Xingfu Jian Holdings Co., Ltd. (杭州幸福健控股有限公司), a company established in the PRC with limited liability and is a company owned as to approximately 99.01% by Mr. Yu
"Yangguang Master Agreement"	the master property management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Yangguang Kindergarten in relation to provision of property management services
"Zhizhonghe Group"	Zhizhonghe Industry and its subsidiaries
"Zhizhonghe Industry"	ZheJiang Zhizhonghe Industry Co., Ltd. (浙江致中和實業有限公司), a company established in the PRC with limited liability, an associate of Mr. Yu, and is therefore a connected person of the Company

"Zhizhonghe Master Agreement"	the master property management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for the benefit of other members of Zhizhonghe Group) in relation to the provision of property management services
"%"	per cent.

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Sundy Service Group Co. Ltd
宋都服务集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9608)

Executive Directors:
Ms. Yu Yun *(Chairman of the Board)*
Mr. Zhu Yihua *(Chief Executive Officer)*
Mr. Zhu Congyue
Mr. Zhang Zhenjiang

Independent non-executive Directors:
Ms. Ye Qian
Mr. Huang Enze
Mr. Zhu Haoxian

Registered office in the Cayman Islands:
Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
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Cayman Island

Headquarters and principal place of business in the People's Republic of China:
127, Hanghai Road
Shangcheng District
Hangzhou
Zhejiang province
People's Republic of China

Principal place of business in Hong Kong:
Units 1801-08 & 1810, 18/F,
Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

15 December 2025

To the Shareholders,

Dear Sir or Madam,

(1) DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY; (2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2026 TO 2028; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

References are made to:–

(1) the 2022 Announcement in respect of the continuing connected transactions in relation to, among other things, the Property Management Agreements and the revision of annual caps in relation thereto;

(2) the 2022 Supplemental Announcement in respect of, among other things, the Property Management Agreements and the continuing connected transactions contemplated thereunder;

(3) the 2022 Circular in respect of the continuing connected transactions in relation to, among other things, the Property Management Agreements and the revision of annual caps in relation thereto; and

(4) the announcement of the Company dated 19 November 2025 in respect of, among other things, (i) the Letter of Intent and the transactions contemplated thereunder, and (ii) the New Property Management Agreements and the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028.

The purpose of this circular is to provide you with, among other things, (i) further details of the Letter of Intent and the transactions contemplated thereunder; (ii) further details of the New Property Management Agreements and the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028; (iii) a letter from the Independent Board Committee to the Independent Shareholders; (iv) a letter from Diligent Capital to the Independent Board Committee and the Independent Shareholders; (v) a letter from Jun Hui International to the Independent Board Committee and the Independent Shareholders; and (vi) a notice convening the EGM.

1. Discloseable And Connected Transaction in relation to Acquisition of Property

On 19 November 2025 (after trading hours), Hangzhou Hehong (an indirect wholly-owned subsidiary of the Company) entered into the Letter of Intent with Greenland Holdings, pursuant to which Hangzhou Hehong agrees to acquire and Greenland Holdings agrees to dispose of the Property for a consideration of RMB6,648,276.

The principal terms of the Letter of Intent are set out below:

Date:	19 November 2025 (after trading hours)
Parties:	(a) Hangzhou Hehong (an indirect wholly-owned subsidiary of the Company) (as purchaser); and (b) Greenland Holdings (as vendor).
Property:	Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC, with a gross floor area of approximately 228.83 sq.m. During the previous two financial years, the Property had not been listed for rent and had only been listed for sale. No rental income or net profit is attributable to it during this period.
Compliance with Listing Rules:	The parties agree to enter into the Property Acquisition Agreement subject to compliance with the Listing Rules (including but not limited to the requirement for prior approval by the Independent Shareholders at the EGM).
Consideration:	The consideration for the acquisition of the Property is RMB6,648,276, which was determined after arm's length negotiations with reference to, among others, (i) the valuation of the Property as at 30 September 2025 in the aggregate amount of RMB6,710,000, conducted by an independent valuer in Hong Kong using market approach; (ii) the prevailing market prices for the comparable assets in the proximity; and (iii) the prevailing property market condition. The consideration for the acquisition of the Property will be settled by the internal resources of the Group.

Pursuant to the Property Acquisition Agreement, among other terms, the parties agree that: (a) land use rights in the Property shall expire on 19 October 2057; (b) the permitted use of the Property is for commercial or office use; (c) the Group shall pay the consideration of RMB6,648,276 in one lump sum to Greenland Holdings after the date of approval of the Independent Shareholders at the EGM; and (d) Greenland Holdings shall deliver the Property to Hangzhou Hehong before 30 June 2026.

The agreed latest date for the delivery of the Property of 30 June 2026 incorporates a buffer due to the lack of direct control of the Company over certain sequential legal, regulatory and operational procedures handled by Greenland Holdings and local government authorities for the transfer of title and other requisite formalities. This includes but is not limited to the arrival at mutually agreed timelines between the parties for the acquisition of the Property, internal approval procedures by both parties, the execution of a commercial property sales contract, invoice issuance, the preparation and submission of property transfer documentation, fiscal payments, the registration of interests in the Property and the issuance of a real estate ownership certificate. Nonetheless, the Company anticipates that the entire process of registration and transfer of the Property to the Group can be completed within a period of one to three months following the approval of the Independent Shareholders at the EGM.

Such a conservative buffer is in line with recognised market practices to mitigate the risk of a breach of contract due to delays outside the control of the Company, ultimately providing greater certainty for the successful completion of the transaction for the benefit of the Company and its Shareholders as a whole. For the above reasons, having made all reasonable enquiries, the Company considers that the payment and delivery terms of the Property Acquisition Agreement are fair and reasonable.

Reasons for and benefits of the Acquisition of Property

The acquisition of the Property represents a good capital preservation and investment opportunity. The Company considers that this asset is distinguished by its prime location at a landmark building in Hangzhou, and comprehensive supporting facilities, endowing it with strong value retention and appreciation, significant market demand for both purchase and lease, high occupancy rates, and relative liquidity in disposition. The prestige associated with such a landmark building enhances the reputation of the Property, creating a cycle that sustains favourable rental rates and high occupancy levels. It is a preferred location especially for large listed corporations, which affords strategic advantages for industry exchange and collaboration. In particular, such anticipated tenant profile has the potential to lead to predictable and reliable rental yields, generating a consistent income stream. Furthermore, the current downturn in the real estate sector has presented a favorable window for acquisition at a reduced price point. Coupled with the anticipated appreciation driven by its robust foundation, the below-peak acquisition price positions the Property for substantial capital gains.

The Company seeks to enter into the Property Acquisition Agreement with a view to holding the Property as a long-term investment. In particular, in order to optimise the return on the acquisition of the Property, the Company intends to generate a stable stream of rental income from the Property. Notwithstanding the absence of historical rental income in relation to the Property during the preceding two financial years, in addition to the reasons as mentioned above, the Directors consider that the Property possesses significant potential to generate predictable and reliable rental yields of approximately 4% to 5% per annum. This is based on (i) the best knowledge, information and belief of the Company, having made all reasonable enquiries, of an occupancy rate of at least 75% in respect of all floors of the same building which have been sold and delivered as at the Latest Practicable Date; (ii) the Company's ongoing partnerships with local real estate agencies, ensuring extensive channels for leasing promotions; (iii) the Company's experienced commercial management team which specialises in property leasing operations; and (iv) the fact that the Group currently provides property management services to the Hangzhou Century Centre, granting direct access to prime target clientele.

The terms of the Letter of Intent have been arrived at after arm's length negotiations between the parties. The Directors have confirmed that the transactions contemplated under the Letter of Intent are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole.

2. Renewal of the New Property Management Agreements

Background

References are made to the 2022 Announcement, the 2022 Supplemental Announcement and the 2022 Circular in respect of, among other things, the non-exempt continuing connected transactions in relation to the Property Management Agreements, each with a term from 1 January 2023 until 31 December 2025.

As the Property Management Agreements will expire on 31 December 2025, on 19 November 2025, the Company has entered into: (i) the New Master Property Management Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group); (ii) the New Zhizhonghe Master Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group); and (iii) the New Yangguang Master Agreement with Sundy Yangguang Kindergarten, respectively, and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

A. New Master Property Management Agreement

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Master Property Management Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), pursuant to which the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties developed or owned by Sundy Land Group. Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Master Property Management Agreement will commence on 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party thereto may give the other party not less than three months' prior written notice to terminate the New Master Property Management Agreement. The service fees payable by Sundy Land Group to the Group shall be in the form of cash or by any other means annually as agreed by the parties, with a credit period of 6 months. Such payment terms are in line with recognised market practice.

Historical amount

The annual caps under the Master Property Management Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB30.00 million, RMB32.00 million and RMB34.00 million, respectively.

The actual aggregate property management service fees paid to the Group by Sundy Land Group for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB13.79 million, RMB22.75 million and RMB17.25 million, respectively.

B. New Zhizhonghe Master Agreement

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Zhizhonghe Master Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group), pursuant to which the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties owned or operated by Zhizhonghe Group. Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Zhizhonghe Master Agreement will commence from 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party thereto may give the other party not less than three months' prior written notice to terminate the New Zhizhonghe Master Agreement. The service fees payable by Zhizhonghe Group to the Group shall be in the form of cash or by any other means annually as agreed by the parties, with a credit period of 6 months. Such payment terms are in line with recognised market practice.

Historical amount

The annual caps under the Zhizhonghe Master Agreement for each of the years ended/ ending 31 December 2023, 2024 and 2025 are RMB2.00 million, RMB2.00 million and RMB2.00 million, respectively.

The actual aggregate service fees paid to the Group by Zhizhonghe Group for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB7,000, RMB43,000 and RMB16,635, respectively.

C. New Yangguang Master Agreement

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Yangguang Master Agreement with Sundy Yangguang Kindergarten, pursuant to which the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties operated by Sundy Yangguang Kindergarten. Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Yangguang Master Agreement will commence on 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party may give the other party not less than three months' prior written notice to terminate the New Yangguang Master Agreement. The service fees payable by Sundy Yangguang Kindergarten to the Group shall be in the form of cash or by any other means annually as agreed by the parties, with a credit period of 6 months. Such payment terms are in line with recognised market practice.

Historical amount

The annual caps on the maximum aggregated service fee payable under the Yangguang Master Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB90,000, RMB90,000 and RMB90,000, respectively.

The actual aggregate service fee paid to the Group by Sundy Yangguang Kindergarten for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB86,000, RMB86,000 and RMB64,789, respectively.

Pricing policy

The service fees concerned in the New Property Management Agreements will be negotiated by the relevant members of both parties with reference to (i) the size and location of the properties; (ii) budgeted operational expenses including but not limited to the historical labour, administrative, subcontracting and other expenses, for projects with similar size, location and scope of services; (iii) scope and quality of the services proposed; (iv) revenue generating model and targeted profit margins; (v) local government's pricing guidance or regulations on property management fees (the "**Guided Price**") (if applicable); and (vi) the prevailing market price for similar services in the market, and in good faith which will be set out in separate property management agreements in accordance with the terms set out in the New Property Management Agreements. In particular, the said separate property management agreements usually set out the property management fees to be charged per sq.m. per month (the "**unit price**"), pursuant to which, the unit price of the residential properties in certain cities shall not be higher than the relevant service price as set by the Guided Price, if applicable. If the Group considers that Guided Price standards are not aligned with the market prices, the unit price shall be approved by the relevant local government authorities and determined with reference to the aforesaid items (i) to (iv) and (vi), taking into account (a) the service fees charged by the Group in providing similar property management services to independent third parties; and (b) the service fees charged by at least 3 other property management companies for providing similar services based on the Company's market research of at least 3 comparable properties within the same vicinity or in comparable locations.

With regard to the local government's pricing guidance or regulations on property management fees, the National Development and Reform Commission (the "**NDRC**") is responsible for setting out the general guidance on how the price of various services and products should be formulated. Provincial or city level of NDRC and/or Commodity Price Bureau* (物價局) (the "**provincial or city level government authorities**") publish the Guided Price of the relevant provinces and cities on their respective websites. The Guided Price is determined according to (i) the Price Law of the PRC (《中華人民共和國價格法》), which sets out the principles and procedures for the provincial or city level government authorities to follow when formulating the Guided Price; (ii) the Property Management Regulations of the PRC* (《中華人民共和國物業管理條例》) (the "**Regulations**"); and (iii) the Administrative Measures for Property Service Charges (《物業服務收費管理辦法》) (the "**Measures**"). The Regulations and Measures set out the principal scopes and benchmark ranges of the Guided Price. Respective provincial or city level government authorities then assess the economic conditions and real estate industry conditions of their own provinces and cities and formulate the applicable range of the Guided Price according to the assessment and update the Guided Prices from time to time based on the actual situation of their own provinces and cities. The specific property management fee is agreed between the contractual parties within the applicable range of the Guided Price.

Proposed annual caps

The proposed annual caps under the New Property Management Agreements for the three years ending 31 December 2026, 2027 and 2028 are set out below:

	Proposed annual caps for the year ending 31 December		
	2026	**2027**	**2028**
	RMB'000	*RMB'000*	*RMB'000*
New Master Property Management Agreement	35,000	37,000	39,000
New Zhizhonghe Master Agreement	100	100	100
New Yangguang Master Agreement	150	150	150
Aggregated annual cap	35,250	37,250	39,250

Basis of determination of the proposed annual caps

The proposed annual caps under the New Property Management Agreements for the three years ending 31 December 2026, 2027 and 2028 were determined mainly with reference to:

(i) the historical transaction amounts under the Property Management Agreements;

(ii) the number of unsold property units and corresponding GFA that the Group has been currently engaged by Sundy Land Group, Zhizhonghe Group or Sundy Yangguang Kindergarten (as the case maybe) as a property management service provider;

(iii) the number of new projects and corresponding GFA that the Group expects to be engaged by Sundy Land Group, Zhizhonghe Group or Sundy Yangguang Kindergarten (as the case may be) as a property management service provider for each of the years ending 31 December 2026, 2027 and 2028, respectively, taking into account of, among others, the number of pipeline properties and their expected delivery date and the expected sales of such pipeline properties (if applicable);

(iv) in respect of the New Master Property Management Agreement, the demand for property management services based on the estimated pre-sale performance of Sundy Land Group and the development plans of Sundy Land Group for each of years ending 31 December 2026, 2027 and 2028; and

(v) the annual increment in the service fees to be charged by the Group taking into account of, among others, the expected inflation in the PRC and the expected increase in labour costs.

Reasons for and benefits of entering into the New Property Management Agreements

The Group has long-standing business relationships with Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten and has been providing, among others, property management services to properties developed or owned by the Sundy Land Group, properties owned or operated by Zhizhonghe Group and properties operated by Sundy Yangguang Kindergarten, respectively. As the Group is expected to carry on the transactions contemplated under the Property Management Agreements upon their respective expiry, the Directors consider it beneficial to renew the Property Management Agreements to facilitate the continuous provision of such property management services to Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, which could result in stable income streams, satisfactory synergy effects and further promote the business growth of the Group. The Directors consider that through providing quality services to Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, the Group aims to promote its property management service business by raising the brand image and the awareness of the services on offer to properties developed or owned by Sundy Land Group, properties owned or operated by Zhizhonghe Group and properties operated by Sundy Yangguang Kindergarten as well as other property developers and enterprises in the PRC.

Having considered the above pricing policy, basis of determination and reasons for and benefits of entering into the New Property Management Agreements, the Directors are of the view that the New Property Management Agreements, the transactions contemplated and their proposed annual caps are entered into on normal commercial terms in the ordinary and usual course of business of the Group, are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

BOARD'S APPROVAL

Save as Ms. Yu Yun, an executive Director and chairman of the Board, being the daughter, and therefore an associate of Mr. Yu, all of the Directors have confirmed that none of them has any material interest in the Letter of Intent and the New Property Management Agreements. Hence, no Director (except Ms. Yu Yun) is required to abstain from voting at the meeting of the Board to approve the Letter of Intent and the New Property Management Agreements and the transactions contemplated thereunder.

INTERNAL CONTROL

The Company has adopted various internal control measures to monitor the transactions contemplated under the New Property Management Agreements, including:

(i) the general management and administration department of the Company (the "**Administrative Department**") will inspect and regularly collect and evaluate the pricing principles, transaction terms and actual transaction amounts of the New Property Management Agreements on a quarterly basis to ensure that the transactions thereunder are conducted on normal commercial terms or on terms no less favorable than those available from independent third parties and that the total transaction amount will not exceed the proposed annual caps;

(ii) the Company's financial department (the "**Financial Department**") closely monitors the actual transaction amounts under the New Property Management Agreements on a monthly basis. If there is a likelihood that any of the proposed annual caps may be exceeded at any time during the year, the Financial Department will inform the Administrative Department, which will then report to the Board, and the Board (after seeking advice from the audit committee of the Company) will take measures to revise the annual cap amounts (if appropriate) and comply with the relevant announcement and shareholders' approval requirements in accordance with the Listing Rules;

(iii) the Financial Department will review the transactions entered into under the New Property Management Agreements on a quarterly basis and report to the Administrative Department to ensure that the annual caps under the New Property Management Agreements will not be exceeded;

(iv) the Company will conduct internal control reviews and financial audits on an annual basis, and conduct financial monitoring and decision-making analysis on a half-year basis so as to ensure compliance with the terms of the New Property Management Agreements and pricing policies;

(v) the independent non-executive Directors have also reviewed and will continue to review the New Property Management Agreements on a yearly basis and ensure that the New Property Management Agreements, if applicable, are entered on normal commercial terms, fair and reasonable, and carried out pursuant to the terms thereof;

(vi) the auditor of the Company will also conduct annual reviews on the pricing and annual caps of the New Property Management Agreements; and

(vii) the implementation of internal control procedures for the collection of receivables due after the credit period of 6 months, including the issuance of outstanding payment reminder letters by the Company and legal counsel, the initiation of legal proceedings for receivables that have been outstanding for beyond 12 months, or recovery through asset offset arrangements.

By implementing the above pricing policies and internal control procedures, the Directors (including the independent non-executive Directors) consider that the Group has sufficient internal control procedures to ensure that the New Property Management Agreements will be on normal commercial terms and the terms are fair and reasonable and no less favourable to the Group than those available to independent third parties or no less favourable from independent third parties.

GENERAL INFORMATION

Information of the Group

Hangzhou Hehong is a property management company, and the Company is an investment holding company. The Group is an integrated property management service provider in Zhejiang province, principally engaged in the (i) provision of a range of property management services to a variety of properties in the PRC, the majority of which are located in Zhejiang province; (ii) provision of a range of value-added services to non-property owners; (iii) provision of a spectrum of community value-added services; and (iv) other businesses, including a long-term apartment business and a hotel business.

Information of Greenland Holdings

Greenland Holdings is a company with limited liability established in the PRC on 21 January 2015, principally engaged in real estate development and operation.

Information of Sundy Land Group

Sundy Land is a company established in the PRC with limited liability on 22 March 1999. Sundy Land and its subsidiaries are principally engaged in property development and sales of properties.

Information of Zhizhonghe Group

Zhizhonghe Industry is a company established in the PRC with limited liability on 15 December 2010. Zhizhonghe Industry and its subsidiaries are principally engaged in manufacturing and sales of food and beverage, in particular, alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶).

Information of Sundy Yangguang Kindergarten

Sundy Yangguang Kindergarten is a company established in the PRC with limited liability on 16 August 2018. Sundy Yangguang Kindergarten is principally engaged in the provision of preschool education services.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Greenland Holdings is indirectly owned as to 50% by Sundy Land, which is in turn owned as to as to approximately 29.04% by Xingfu Jian Holdings (which was owned as to approximately 99.01% by Mr. Yu), approximately 9.74% by Mr. Yu and approximately 4.51% by Ms. Guo, spouse of Mr. Yu. Mr. Yu is the ultimate beneficial owner of Greenland Holdings as to 19.2%, and is a Controlling Shareholder of the Company. Therefore, Greenland Holdings and Sundy Land, as associates of Mr. Yu, are connected persons of the Company. As such, the transactions contemplated under the Letter of Intent constitutes a connected transaction of the Company, and the transactions contemplated under the New Master Property Management Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, Zhizhonghe Industry is wholly owned by Heye Investment, a company owned as to approximately 99.93% by Hechu Enterprise Management, which was owned as to 90.00% and 10.00% by Mr. Wu (as the ultimate beneficial owner) and Ms. Yu, respectively, on behalf of Mr. Yu. Therefore, Zhizhonghe Industry, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Zhizhonghe Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, Sundy Yangguang Kindergarten is ultimately owned as to 22.5% and 22.5% by Wu Jieqiong (吴洁琼) and Chen Hangmin (陳杭閩), respectively. Sundy Yangguang Kindergarten is directly owned as to 40% by Heqi Supply Chain, which is wholly owned by Xingfu Jian Holdings. Therefore, Sundy Yangguang Kindergarten, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Yangguang Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Acquisition of Property

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Letter of Intent is not less than 0.1% but below 5% on a standalone basis, the entering into of the Letter of Intent and the transactions contemplated thereunder shall be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Reference was made to the announcement of the Company dated 31 October 2025 in respect of the Previous Acquisition. As the transactions contemplated under the Letter of Intent and the Previous Acquisition will be entered into by the Group with parties who are connected with one another within a 12-month period, the transactions shall be aggregated in accordance with Rule 14.22 and Rule 14A.81 of the Listing Rules.

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Letter of Intent (together with the Previous Acquisition on an aggregate basis) is not less than 5% but below 25%, the entering into of the Letter of Intent and the transactions contemplated thereunder shall be subject to the reporting, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

Renewal of the New Property Management Agreements

For the purpose of the New Property Management Agreements, namely (i) the New Master Property Management Agreement; (ii) the New Zhizhonghe Master Agreement; and (iii) the New Yangguang Master Agreement, they are all related to the property management services provided by the Group to associates of Mr. Yu, namely Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, respectively, and the New Property Management Agreements are aggregated for the Listing Rules purposes.

After aggregation, as one or more of the applicable percentage ratios (other than the profits ratio) as defined under the Listing Rules in respect of the largest aggregate annual caps under the New Property Management Agreements is more than 5% and the aggregate amount exceeds HK$10,000,000, the transactions contemplated under the New Property Management Agreements are subject to the requirements of annual review, reporting, announcement, circular (including independent financial advice) and approval by the Independent Shareholders under Chapter 14A of the Listing Rules.

EGM AND PROXY ARRANGEMENT

The notice of EGM is set out in pages 84 to 86 of this circular. At the EGM, ordinary resolutions in respect of, among other things, (i) the Letter of Intent and the transactions contemplated thereunder; and (ii) the New Property Management Agreements and the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028 will be proposed.

Pursuant to the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the Latest Practicable Date, Sundy Heye was interested in 2,280,000,000 Shares, constituting approximately 59.38% of the issued share capital of the Company. Sundy Heye is owned as to 100% by Success Base Group Limited, which is indirectly wholly owned by CMB Wing Lung (Trustee) Limited as trustee of The Yu Jianwu Trust and Mr. Yu as settlor. Mr. Yu and his family members are the discretionary beneficiaries of The Yu Jianwu Trust. Accordingly, Sundy Heye is required to abstain from voting on the resolutions to be proposed at the EGM approving the entering into of the New Property Management Agreements and the New Master Service Agreement, the proposed annual caps in relation thereto and the continuing connected transactions contemplated thereunder. Therefore, a total of 2,280,000,000 Shares (representing approximately 59.38% of the issued share capital of the Company) shall abstain from voting at the EGM. There is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon Sundy Heye; and (ii) no obligation or entitlement of Sundy Heye as at the Latest Practicable Date, whereby it has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis. Save for the aforesaid and to the best knowledge, information and belief of the Company having made all reasonable enquiries, no other Shareholder was required under the Listing Rules to abstain from voting on the resolutions.

A form of proxy for use in connection with the EGM is enclosed with this circular. In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 48 hours before the time appointed for holding the EGM or at any adjournment thereof. Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the EGM or at any adjournment should he/she/it so wish.

RECOMMENDATIONS

Your attention is drawn to:

(a) the letter from the Independent Board Committee set out on pages 24 to 25 in this circular which contains its recommendation to the Independent Shareholders in relation to (i) the Letter of Intent and the transactions contemplated thereunder; and (ii) the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028;

(b) the letter from Diligent Capital set on pages 26 to 45 in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Letter of Intent and the transactions contemplated thereunder; and

(c) the letter from Jun Hui International set on pages 46 to 68 in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028.

The Directors (excluding Ms. Yu Yun and including the independent non-executive Directors whose views have been set out in this circular together with the advice of Diligent Capital and Jun Hui International) consider that the Letter of Intent and the New Property Management Agreements have been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms and conditions thereunder (together with the proposed annual caps in relation to the New Property Management Agreements) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors recommend the Independent Shareholders to vote in favour of all the ordinary resolutions to be proposed at the EGM.

MISCELLANEOUS

The translation into the Chinese language of this circular is for reference only. In case of any inconsistency, the English version shall prevail.

By Order of the Board of
Sundy Service Group Co. Ltd
Yu Yun
Chairman

臻 享 幸 福 +

Sundy Service Group Co. Ltd
宋都服务集团有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9608)

15 December 2025

(1) DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY; (2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2026 TO 2028; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING

To the Independent Shareholders,

Dear Sir or Madam,

We refer to the circular dated 15 December 2025 (the "**Circular**") issued by Sundy Service Group Co. Ltd (the "**Company**") to its Shareholders to which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter will have the same meanings as defined in the Circular.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders on whether the Letter of Intent and the transactions contemplated thereunder (collectively named as the "**Acquisition of Property**"), and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028 (collectively named as the "**Renewal of the New Property Management Agreements**") are on normal commercial terms and in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Diligent Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Acquisition of Property, and Jun Hui International Finance Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Renewal of the New Property Management Agreements.

We wish to draw your attention to the letter from the Board, as set out on pages 8 to 23 of the Circular and (i) the text of a letter of advice from Diligent Capital Limited, as set out on pages 24 to 45 of the Circular, which provide details of the Acquisition of Property, and (ii) the text of a letter of advice from Jun Hui International Finance Limited, as set out on pages 46 to 68 of the Circular, which provide details of the Renewal of the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the respective proposed annual caps for 2026, 2027 and 2028.

As members of the Independent Board Committee, we have discussed with the management of the Company in relation to the Acquisition of Property and the Renewal of the New Property Management Agreements, and the basis upon which the respective terms thereunder have been determined and the proposed annual caps for 2026, 2027 and 2028 in relation to the Renewal of the New Property Management Agreements have been calculated. We have also taken into account the principal factors and reasons considered by Diligent Capital Limited and Jun Hui International Finance Limited in forming their opinions in relation to the Acquisition of Property and the Renewal of the New Property Management Agreements, respectively, and have discussed with each of the independent financial advisers their respective letters of advice.

On the basis of the above, we consider, and agree with the view of Diligent Capital Limited and Jun Hui International Finance Limited, that the terms of the Acquisition of Property and the Renewal of the New Property Management Agreements, respectively, are fair and reasonable, on normal commercial terms or on terms no less favourable than those available to or from independent third parties, and shall be entered into on a continuing and regular basis in the ordinary and usual course of business of the Company, and that they are in the interests of the Company and its Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

Yours faithfully,

Independent Board Committee

Ms. Ye Qian	**Mr. Huang Enze**	**Mr. Zhu Haoxian**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the text of a letter of advice from Diligent Capital Limited, which has been prepared for the purpose of incorporation into this circular, setting out its opinion to the Independent Board Committee and the Independent Shareholders in connection with the proposed acquisition of a property.



Diligent Capital Limited
Room 2203, 22/F,
New World Tower 1,
16-18 Queen's Road Central,
Hong Kong

15 December 2025

To the Independent Board Committee and
the Independent Shareholders of
Sundy Service Group Co. Ltd

Dear Sirs and Madams,

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders regarding the proposed acquisition of the Property (the "**Transaction**"), particulars of which are set out in the section headed "Letter from the Board" (the "**Letter**") contained in the circular of the Company to the Shareholders dated 15 December 2025 (the "**Circular**"), of which this letter forms part. Unless the contest requires otherwise, capitalized terms used in this letter shall have the same meanings as ascribed to them under the section headed "Definitions" in the Circular.

1. The Letter of Intent

Reference is made to the Letter.

On 19 November 2025, Hangzhou Hehong, an indirect wholly-owned subsidiary of the Company, entered into the Letter of Intent with Greenland Holdings, pursuant to which Hangzhou Hehong agreed to acquire the Property from Greenland Holdings at a consideration of RMB6,648,276.

2. Implications under the Listing Rules

As of the Latest Practicable Date, Greenland Holdings is indirectly owned as to 50% by Sundy Land. Sundy Land is (a) approximately 29.04% owned by Xingfu Jian Holdings, which is in turn approximately 99.01% owned by Mr. Yu; (b) approximately 9.74% owned by Mr. Yu; and (c) approximately 4.51% owned by Ms. Guo, spouse of Mr. Yu. Mr. Yu is the ultimate beneficial owner of Greenland Holdings as to 19.2%, and is a Controlling Shareholder of the Company. Therefore, Greenland Holdings is an associate of Mr. Yu. As such, the Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Transaction is more than 0.1% but all of the applicable ratios are less than 5% on a standalone basis, the entering into of the Letter of Intent and the transaction contemplated thereunder shall be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

However, the Transaction and the previous acquisition (the "**Aggregated Transactions**") were conducted by the Group with parties connected to one another within 12 months. Consequently, the Aggregated Transactions shall be aggregated in accordance with Rule 14.22 and Rule 14A.81 of the Listing Rules.

As the highest of all applicable percentage ratios (as defined under the Listing Rules) in respect of the Aggregated Transactions is more than 5% but all of the applicable ratios are less than 25%, the Aggregated Transactions shall be subject to the reporting, announcement, circular, and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Zhu Haoxian, Mr. Huang Enze and Ms. Ye Qian, has been established to consider and advise the Independent Shareholders as to whether the terms of the Transaction are (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

In our capacity as the independent financial adviser to the Independent Board Committee and the Independent Shareholders for the purpose of the Listings Rules, our role is to give an independent opinion to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Transaction are (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

OUR INDEPENDENCE

We, Diligent Capital, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard, and such appointment has been approved by the Independent Board Committee pursuant to the Listing Rules.

Diligent Capital is a licensed corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity. Mr. Felix Huen ("**Mr. Huen**") is the person signing off the opinion letter from Diligent Capital contained in the Circular. Mr. Huen has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under the SFO since 2019, and he has participated in and completed various independent financial advisory transactions in Hong Kong.

As at the Latest Practicable Date, we confirmed that there is no relationship or interest between Diligent Capital and the Company or any other parties that could be reasonably be regarded as hindrance to Diligent Capital's independence as set out under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transaction.

We are not associated with and have no significant connection, financial or otherwise, with the Company, its subsidiaries, its associates, or their respective substantial shareholders or associates, and accordingly, are eligible to give independent advice and recommendations. Apart from normal professional fees payable to us in connection with this appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates, or their respective substantial shareholders or associates. We are not aware of any circumstances that would affect our independence, nor of any changes in such circumstances. Diligent Capital did not provide any service to the Company in the last two years. Accordingly, we consider ourselves eligible to provide independent advice on the terms of the Transaction.

BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Transaction, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries (the "**Management**"). We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate, and complete at the time they were made and continued to be true and that all expectations and intentions of the Directors and the Management will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy, and completeness of the information, facts, opinions, and representations provided to us by the Directors and the Management. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration. There are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. We have also sought and received confirmation from the Directors that no material facts have been omitted from the information supplied and opinions expressed.

We consider that we have been provided with, and we have reviewed sufficient information to reach an informed view, to justify relying on the accuracy of the information contained in the Circular and to provide a reasonable basis for our opinion. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors and the Management. We have not, however, conducted any independent verification of the information provided, nor have we conducted any independent investigation into the business, financial condition, and affairs of the Company or its prospects.

Based on the foregoing, we confirm that we have taken all reasonable steps which are applicable to the Transaction, as referred to in Rule 13.80 of the Listing Rules (including the notes thereof) in formulating our opinion and recommendation.

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

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Background of the Transaction

On 19 November 2025 (after trading hours), Hangzhou Hehong, an indirect wholly-owned subsidiary of the Company, entered into the Letter of Intent with Greenland Holdings.

1.1 Information about the Company and the Group

The Company is a company incorporated in the Cayman Islands with limited liability, and the issued Shares of which have been listed on the Main Board of the Stock Exchange. The Company is an investment holding company and the holding company of the Group.

(a) Principal business of the Group

The Group is an integrated property management service provider located in Zhejiang province and is principally engaged in (i) delivering a comprehensive range of property management services for diverse properties the PRC, with a significant concentration in Zhejiang province; (ii) providing a range of value-added services tailored for individuals who do not own property; (iii) offering a spectrum of community-focused value-added services; and (iv) engaging in various other business activities, including long-term apartment leasing and hotel management.

(b) Financial position of the Group

Below is a summary of the Group's (i) audited consolidated financial position as of 31 December 2024, as extracted from the Company's annual report for the year ended 31 December 2024 (the "**2024 Annual Report**"); and (ii) unaudited consolidated financial position as of 30 June 2025, as extracted from the Company's interim report for the six months ended 30 June 2025 (the "**2025 Interim Report**").

	As at 30 June 2025 *RMB'000* (Unaudited)	As at 31 December 2024 *RMB'000* (Audited)
Non-current assets	**26,869**	**37,730**
Current assets		
– Inventories	192	188
– Properties held for sale	149,141	145,461
– Trade and other receivables	174,820	170,273
– Financial assets at fair value through profit or loss	56,020	6,005
– Restricted bank balances	13,073	14,902
– Cash and cash equivalents	135,748	175,033
Total current assets	**528,994**	**511,862**
TOTAL ASSETS	**555,863**	**549,592**
Current liabilities		
– Contract liabilities	35,979	25,940
– Advances from lessees	95	95
– Trade and other payables	114,718	123,013
– Current taxation	5,159	7,376
Total current liabilities	**155,951**	**156,424**
Net current assets	**373,043**	**355,438**
TOTAL ASSETS LESS CURRENT LIABILITIES	**399,912**	**393,168**
NET ASSETS	**399,912**	**393,168**

As presented in the table above, as of 30 June 2025, the Group reported total assets of approximately RMB555.9 million. This total includes fixed assets valued at approximately RMB26.9 million and current assets of approximately RMB529.0 million.

Out of the total, the current assets consist of cash and cash equivalents totaling approximately RMB135.7 million, trade and other receivables totaling approximately RMB174.8 million, and properties held for sale totaling approximately RMB149.1 million. These components represent approximately 25.7%, 33.0%, and 28.2% of the Group's total current assets, respectively.

The current ratio, calculated by dividing current assets by current liabilities, improved from 3.27 times as of 31 December 2024 to 3.39 times as of 30 June 2025. Further indicated in the table above, as of 30 June 2025, the Group did not have any bank loans or other borrowings, nor did it have any material contingent liabilities. Based on this financial standing, the Group is considered to have effectively managed its liquidity risk, with its assets, liability, and other commitment structure well-positioned to meet its funding requirements as needed.

(c) Financial performance of the Group

Below is a summary of the Group's key financial results for the year ended 31 December 2024, as presented in the 2024 Annual Report, and the key financial results for the six months ended 30 June 2025, as presented in the 2025 Interim Report.

	For the six months ended 30 June		**For the year ended 31 December**	
	2025	**2024**	**2024**	**2023**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Revenue				
– Property management services	93,848	92,152	196,186	186,979
– Value-added services to non-property owners	4,544	6,771	12,686	36,342
– Community value-added services	8,822	8,589	18,787	18,555
– Hotel business	8,291	9,137	18,315	18,768
– Others	955	953	1,575	1,718
	116,460	**117,602**	**247,549**	**262,362**
Cost of sales and services rendered	**(85,623)**	**(95,723)**	**(190,117)**	**(217,445)**
Gross profit	**30,837**	**21,879**	**57,432**	**44,917**
Profit before taxation	**11,878**	**5,021**	**12,440**	**17,123**
Profit for the period/year	**6,293**	**4,339**	**7,792**	**11,963**

*For the year ended 31 December 2024 ("**FY2024**") and the year ended 31 December 2023 ("**FY2023**")*

In FY2024, the Group's revenue was primarily generated from three key business segments: (i) property management services; (ii) value-added services specifically designed for individuals without property ownership; and (iii) a diverse range of community-focused value-added services.

In FY2024, the Group reported total revenue of approximately RMB247.5 million, a decline of approximately 5.7% from RMB262.4 million in FY2023.

Within this total revenue, property management services accounted for approximately RMB196.2 million, reflecting a year-on-year increase of 4.9% from RMB187.0 million in FY2023. This segment accounted for approximately 79.3% of the Group's total revenue in FY2024, solidifying its position as the Group's primary source of income. The property management services provided include security, cleaning, gardening, and the repair and maintenance of common areas and facilities. The Group maintains a diverse portfolio comprising both residential and non-residential properties. The revenue growth is primarily attributable to increased income from newly delivered properties under management, which have been priced higher.

Additionally, the Group's community value-added services business has emerged as the second largest contributor to the Group's overall revenue. These services include a range of offerings for property owners and residents, including property repair and maintenance, waste removal, utility fee collection, remodeling and decoration, and community space services. In FY2024, revenue from community value-added services amounted to approximately RMB18.8 million, representing a year-on-year increase of approximately 1.1% from RMB18.6 million in FY2023. This segment accounted for approximately 7.6% of the Group's total revenue in FY2024, demonstrating stability through the ongoing provision of sustainable, value-added community services relevant to projects under management.

Furthermore, value-added services to non-property owners contributed approximately RMB12.7 million to the Group's total revenue in FY2024, reflecting a significant decrease of approximately 65.0% compared to approximately RMB36.3 million for FY2023, thereby accounting for approximately 5.1% of the Group's total revenue in FY2024. This decline is attributable to a persistent decrease in the number of new real estate projects entering the pipeline. The value-added services provided in this segment primarily consist of (i) consulting services that advise property developers and owners during the early and construction stages on project planning, design management, and construction management; (ii) sales assistance services that support property developers in showcasing and marketing their properties, including display unit management and visitor reception; and (iii) pre-delivery services that involve unit cleaning prior to delivery, inspection services, and security for completed properties.

In FY2024, the Group experienced an approximately 12.6% reduction in its cost of sales, from approximately RMB217.4 million in FY2023 to approximately RMB190.1 million. This decline was primarily due to a decrease in demand for value-added services for non-property owners, leading to reduced expenditure on human resources and outsourced services. Accordingly, the Group's overall gross profit rose by approximately 28.1%, increasing from approximately RMB44.9 million in FY2023 to approximately RMB57.5 million in FY2024. Furthermore, the gross profit margin improved significantly, rising from approximately 17.1% in FY2023 to approximately 23.2% in FY2024, representing an increase of approximately 6.1%.

In addition to the key financial performance indicators previously outlined, the Group recorded an increase in impairment losses on trade receivables, rising from approximately RMB13.7 million in FY2023 to approximately RMB19.8 million in FY2024. This represents an increase of approximately 44.5%. The primary reason for this rise was the delayed collection of trade receivables during FY2024. Consequently, the Group's net profit declined from approximately RMB12.0 million in FY2023 to approximately RMB7.8 million in FY2024, reflecting a decrease of approximately 35.0%.

*For the six months ended 30 June 2025 ("**1H2025**") and the six months ended 30 June 2024*

In 1H2025, the Group achieved total revenue of approximately RMB116.5 million. This figure represents a slight decline of approximately 1.0% compared to approximately RMB117.6 million during the same period in 2024. The breakdown of revenue for 1H2025 has been presented in the table above.

Among these segments, revenue from value-added services to non-property owners experienced the largest fluctuation, totaling approximately RMB4.5 million, accounting for approximately 3.9% of the Group's total revenue in 1H2025. This figure reflects a decrease of approximately 32.9% compared to approximately RMB6.8 million during the same period in 2024.

Conversely, other business segments demonstrated stable growth. Property management services saw a slight increase of approximately 1.8% compared to approximately RMB92.1 million in the same period of 2024, while community value-added services experienced a modest increase of approximately 2.3% compared to RMB8.6 million in the prior year. This performance indicates a commitment to maintaining stability and growth across the Group's business segments despite the challenges it faces.

Furthermore, the Group's cost of sales for 1H2025 amounted to approximately RMB85.6 million, representing a decrease of approximately 10.6% from approximately RMB95.7 million in the same period of 2024. This reduction can be attributed to the Group's strategic organizational changes, implemented to enhance cost efficiency, elevate service quality, and execute technology-driven projects more efficiently. Additionally, these changes accelerated application and iteration processes and enabled the reinvention of various projects. Consequently, the Group realized gross profit of approximately RMB30.8 million in 1H2025, representing a significant increase of approximately 40.6% from approximately RMB21.9 million in the same period in 2024. Furthermore, during 1H2025, the Group's gross profit margin improved by approximately 7.9%, reaching approximately 26.5% compared to the previous year.

In light of the performance detailed above, the Group achieved a net profit of approximately RMB6.3 million for 1H2025. This represents a notable growth of approximately 46.5% when compared to RMB4.3 million recorded during the same period in 2024.

1.2 Information about Hangzhou Hehong (as the purchaser under the Letter of Intent)

Hangzhou Hehong is a limited liability company established in the PRC on 29 July 2022, primarily engaged in property management services. As of the Latest Practicable Date, Hangzhou Hehong is an indirect wholly-owned subsidiary of the Company.

1.3 Information about Greenland Holdings (as the vendor under the Letter of Intent)

Greenland Holdings is a limited liability company established in the PRC on 21 January 2015, primarily engaged in real estate development and operation.

As of the Latest Practicable Date, Greenland Holdings is indirectly owned as to 50% by Sundy Land. Sundy Land is (a) approximately 29.04% owned by Xingfu Jian Holdings, which is in turn approximately 99.01% owned by Mr. Yu; (b) approximately 9.74% owned by Mr. Yu; and (c) approximately 4.51% owned by Ms. Guo, spouse of Mr. Yu. Mr. Yu is the ultimate beneficial owner of Greenland Holdings as to 19.2%, and is a Controlling Shareholder of the Company (as defined under the Listing Rules). Therefore, Greenland Holdings is an associate of Mr. Yu.

1.4 Information on the Property

The Property is located at Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC, with a gross floor area of approximately 228.83 square meters ("**sq.m.**"). Pursuant to the terms outlined in the Letter of Intent, the Property is permitted for commercial or office use.

The Hangzhou Century Centre is strategically situated in the central area of Hangzhou. This development spans approximately 77,572 sq.m. of planned area, with a total construction area of about 530,000 sq.m.. The Hangzhou Century Centre features two impressive super-tall towers, each rising to 310 meters. The facilities will include office spaces and retail areas and may also include hotels and entertainment venues. As of the Latest Practicable Date, the construction of the Hangzhou Century Centre has been completed, and the commercial properties within the Hangzhou Century Centre are currently available for pre-sale.

2. Reasons for and benefits of the Transaction

2.1 The Board's view

As outlined in the Letter, the acquisition of the Property presents a valuable opportunity to preserve capital and invest. The Property is situated in a prime area within a landmark building in Hangzhou and is supported by comprehensive amenities. These attributes enhance the Property's potential to retain and increase in value, as there is intense market demand for both buying and leasing. Furthermore, the Property benefits from high occupancy rates and good liquidity, making it relatively easy to sell when needed.

Moreover, the prestige of this landmark building greatly enhances the Property's reputation, creating a positive cycle that leads to competitive rental rates and consistently high occupancy levels. Additionally, this location is especially appealing to large publicly traded corporations, providing strategic advantages for industry collaboration and exchange. In particular, the expected tenant profile increases the likelihood of steady, dependable rental income, ensuring a consistent revenue stream. Furthermore, the current downturn in the real estate market presents a unique opportunity to purchase the Property at a lower price. When combined with anticipated appreciation driven by its solid foundation, this below-peak acquisition price positions the Property for significant capital gains.

In light of the above, the Directors have confirmed that the transactions contemplated under the Letter of Intent are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Company and are in the interests of the Company and the Shareholders as a whole.

2.2 Our view

To assess the rationale for the Transaction, we considered two key factors: Hangzhou's economic performance and the Group's strategic business direction.

(a) Hangzhou's economic performance

We evaluated Hangzhou's economic performance using a thorough analysis. The results show that Hangzhou has consistently demonstrated strong GDP growth rates, often exceeding the national average. According to data from the National Bureau of Statistics of China, in 2024, Hangzhou ranked eighth among mainland Chinese cities by GDP.

Specifically, from 2019 to 2024, Hangzhou experienced steady nominal GDP growth, rising from approximately RMB1,537 billion to approximately RMB2,186 billion. By 2024, urban residents' per capita disposable income reached RMB83,356, while rural residents' per capita disposable income reached RMB50,805. These achievements rank Hangzhou second among China's sub-provincial cities in terms of income.

Moreover, we acknowledge that by 2024, the service industry will have emerged as a major contributor to Hangzhou's economic development, with retail sales amounting to approximately RMB915.1 billion. Additionally, in 2024, 1,187 new foreign-funded projects were initiated, including 85 projects with total investments exceeding 30 million US dollars. The actual utilization of foreign capital reached 6.54 billion US dollars, with 4.75 billion dollars allocated to high-tech industries.

Furthermore, in 2024, 138 Fortune Global 500 companies invested in 240 projects in Hangzhou. This data highlights the remarkable growth of Hangzhou's economy, suggesting strong potential demand for commercial workspaces and flexible retail solutions.

Additionally, to enhance the city's competitiveness and promote the clustering of industries related to digital economy and artificial intelligence ("**AI**"), the local government has implemented several strategic policies and initiatives. Among these are the Hangzhou Urban Renewal Plan (2024-2035)* (杭州市城市更新專項規劃(2024年–2035年)), the Core Zone Development Plan for the Global Digital Trade Port (2025 to 2027)* (杭州市推進全球數貿港核心區建設實施方案(2025–2027年)), and the AI Innovation Hub Implementation Plan (2025)* (杭州市加快建設人工智能創新高地實施方案(2025年版)). These initiatives are expected to being significant benefits to the city and create sustained demand for high-end office space in Hangzhou.

Considering this information, it is reasonable to believe that investments in Hangzhou's property market, particularly as it transitions towards a service-oriented, innovation-driven economy, could be well justified.

(b) Intention of the Group

The Group is actively involved in property management within the PRC. After discussions with the Management, it has become evident that a key strategy of the Group is to diversify business development. This will be achieved by expanding market presence and making targeted investments in promising properties. A vital aspect of this strategy is to enhance the Group's property portfolio through carefully selected strategic investments.

The Group is committed to optimizing the integration of its property development activities to improve operational scale and leverage synergies, thereby establishing a solid foundation for sustainable future growth. According to the Group's current plan, the Property will be considered for lease or sale based on its potential to deliver favorable returns. Prior to any such disposal, and in order to optimise the overall return on the Property, the Company intends to generate a stable stream of rental income from the Property.

Through a comprehensive analysis of the Property's location, we have determined that the Hangzhou Century Centre is a mixed-use complex offering a diverse array of amenities for both businesses and residents. This complex includes Grade A office spaces, premium executive offices, upscale retail opportunities, and luxury hotels. Additionally, the Hangzhou Century Centre is a significant landmark, serving as an architectural gateway to the city, particularly along the scenic Qiantang River waterfront.

In light of these attributes, we concur with the Management on the considerable merits of the Property, particularly its strategic location in Hangzhou and its proximity to various amenities, which strongly support the decision to pursue its acquisition.

Conclusion

Following our assessment of the favorable economic outlook for Hangzhou, we believe that the acquisition of the Property constitutes a valuable investment opportunity. This initiative is expected to provide stable rental income and potential capital appreciation. In light of these considerations, we are of the view that the Transaction serves the best interests of the Company and its Shareholders as a whole.

3. Principal terms of the Letter of Intent

Set out below are the principal terms of the Letter of Intent:

Parties:

(a) Hangzhou Hehong; and

(b) Greenland Holdings.

Property:

Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC, with a gross floor area of approximately 228.83 sq.m.

The Property had been listed for sale and had not been leased during the preceding two financial years and no rental income or net profit is attributable to it during this period.

Consideration:

The consideration for the acquisition of the Property is RMB6,648,276 (the "**Consideration**").

The Consideration will be settled using the Group's internal resources.

Basis of Consideration:

The Consideration was determined after arm's length negotiations with reference to, among others, (i) the valuation of the Property as at 30 September 2025 (the "**Valuation**") in the aggregate amount of RMB6,710,000, conducted by Graval Consulting Limited, an independent valuer in Hong Kong (the "**Valuer**") using market approach; (ii) the prevailing market prices for the comparable assets in the proximity; and (iii) the prevailing property market condition.

Pursuant to the Property Acquisition Agreement, among other terms, the parties agree that: (a) land use rights in the Property shall expire on 19 October 2057; (b) the permitted use of the Property is for commercial or office use; (c) the Group shall pay the Consideration in one lump sum to Greenland Holdings after the date of approval of the Independent Shareholders at the EGM; and (d) Greenland Holdings shall deliver the Property to Hangzhou Hehong before 30 June 2026.

The agreed latest date for the delivery of the Property of 30 June 2026 incorporates a buffer due to the lack of direct control of the Company over certain sequential legal, regulatory and operational procedures handled by Greenland Holdings and local government authorities for the transfer of title and other requisite formalities. This includes but is not limited to the arrival at mutually agreed timelines between the parties for the acquisition of the Property, internal approval procedures by both parties, the execution of a commercial property sales contract, invoice issuance, the preparation and submission of property transfer documentation, fiscal payments, the registration of interests in the Property and the issuance of a real estate ownership certificate. Nonetheless, the Company anticipates that the entire process of registration and transfer of the Property to the Group can be completed within a period of one to three months following the approval of the Independent Shareholders at the EGM.

Such a conservative buffer is in line with recognised market practices to mitigate the risk of a breach of contract due to delays outside the control of the Company, ultimately providing greater certainty for the successful completion of the transaction for the benefit of the Company and its Shareholders as a whole. For the above reasons, we have reviewed the Property Acquisition Agreement and made reasonable enquiries, which involved discussions with the Company's management and legal advisers. Based on such enquiries, we concur with the Company that the payment and delivery terms of the Property Acquisition Agreement are fair and reasonable.

Evaluation of the basis of the Consideration

In our assessment of the fairness and reasonableness of the basis for determining the Consideration, we have noted that the Consideration was determined based on the results of the Valuation. To gain further insight, we obtained the valuation report prepared by the Valuer (the "**Valuation Report**"). As at 30 September 2025, the Valuation results indicated an estimated value of approximately RMB6,710,000. Based on this Valuation, we have conducted the following analysis.

(a) Review of the valuation approach of the Valuation

Following our discussions with the Valuer, we recognize that three valuation approaches were considered: the cost approach, the market approach, and the income approach. We agree with the Valuer's assessment that the cost approach is not suitable for the Valuation, as it does not account for the Property's potential future economic benefits. Additionally, we concur that the income approach is inappropriate due to the Property's lack of operating history and the uncertainties associated with assumptions about future cash flows.

Ultimately, the Valuer opted for the market approach. This method evaluates prices recently paid for comparable assets, applying necessary adjustments to account for the condition and utility of the subject property in relation to these market comparables. The market approach is founded on the premise that relevant market transactions serve as the most reliable indicators of value, allowing for extrapolation to similar assets, while taking into consideration various influencing factors. This approach is widely recognized and frequently utilized within industry for valuing properties of this nature. Therefore, we concur with the Valuer that the market approach is the most suitable method for the Valuation.

(b) Review of the valuation methodology and assumptions of the Valuation

The Valuation was conducted by the Valuer using the direct comparison method. We thoroughly reviewed the methodology along with the underlying basis and assumptions of the Valuation in consultation with the Valuer. The Valuer explained the use of the direct comparison method, which involves analyzing prices achieved or current asking prices of comparable properties. Through our discussions, we gained valuable insights into how the Valuation was determined and how comparable properties, similar in size, character, and location, were evaluated in terms of their respective advantages and disadvantages.

Furthermore, we have engaged with the Valuer to discuss the Valuation computation and reviewed the comparables provided. After the discussion, we understood that the Valuer assessed the Property's value on the assumption that it would be acquired in its current condition. Additionally, we understood that the Valuation was based on an analysis of comparable sales in the relevant market. The criteria used for selecting comparable properties included:

(i) the location is within the same area, specifically in Qianjiang Century City;

(ii) classification of multi-storey office developments;

(iii) the completion dates for the comparable properties range from 2022 to 2024;

(iv) building structures with open views; and

(v) list dates that occurred within one month of the valuation date (i.e., 30 September 2025) (the "**Valuation Date**").

After enquiring with the Valuer, we believe the above selection process ensures that the Valuation reflects current market conditions and the characteristics of comparable properties.

Furthermore, we observed that, in general, property listing should be dated closely to or prior to the Valuation Date. However, since the valuation assessment was conducted in late October 2025, there was limited availability of comparables listed before the Valuation Date. Therefore, we concur with the Valuer that the consideration of comparables listed after the Valuation Date is an alternative method, having considered that this approach is common and generally accepted in the valuation industry.

Based on the aforesaid established criteria, the Valuer established an exhaustive list of five comparable transactions related to the Property. During our interview with the Valuer, we were informed that these comparable transactions are sufficient for comparison purposes and for determining the Valuation.

The following sets forth the summary of the comparable transactions related to the Property:

	Comparable 1	**Comparable 2**	**Comparable 3**	**Comparable 4**	**Comparable 5**
Location	Hangzhou Century Centre* (杭州世紀中心), Qianjiang Century City* (錢江世紀城)	Run'ao Business Center* (潤奧商務中心), Qianjiang Century City* (錢江世紀城)	Run'ao Business Center* (潤奧商務中心), Qianjiang Century City* (錢江世紀城)	Run'ao Business Center* (潤奧商務中心), Qianjiang Century City* (錢江世紀城)	Hangzhou Wangchao Center* (杭州望朝中心), Qianjiang Century City* (錢江世紀城)
Usage	Office	Office	Office	Office	Office
Year of Completion	2022	2024	2024	2024	2023
Floor Level	Low level of 63-storey building	Low level of 43-storey building	Low level of 43-storey building	Low level of 43-storey building	Low level of 62-storey building
View	Open/Building	Open/Building	Open/Building	Open/Building	Open/Building
Interior Condition	Simple	Simple	Good	Good	Bare shell
Facility	Very Good	Good	Good	Good	Good
Management	Very Good	Good	Good	Good	Good
Gross Floor Area *(sq.m.)*	437	417	428	1,000	426
Listing Date	21 October 2025	21 October 2025	16 October 2025	16 October 2025	5 October 2025
Listing Price *(RMB)*	15,290,000	11,250,000	11,000,000	28,000,000	11,500,000
Listing Unit Rate *(RMB/sq.m.)*	34,989	26,978	25,701	28,000	26,995
Nature of Transaction Adjustment	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%
Quantum Adjustment	0.7%	0.6%	0.7%	2.6%	0.7%
Building Age Adjustment	0.0%	-0.8%	-0.8%	-0.8%	-0.4%
Interior Condition Adjustment	0.0%	0.0%	-10.0%	-10.0%	5.0%
Facility Adjustment	0.0%	10.0%	10.0%	10.0%	10.0%
Management Adjustment	0.0%	10.0%	10.0%	10.0%	10.0%
Total Adjustment	-9.3%	9.8%	-0.1%	1.8%	15.3%
Adjusted unit rate *(RMB per sq.m.)*	31,735	29,622	25,675	28,504	31,125

We have conducted an independent analysis of the comparable properties by reviewing publicly available asking prices and listing information from reputable sources, including Anjuke.com and a recognised online platform in the PRC, of which we identified the same comparables selected by the Valuer, paying particular attention to their respective locations, land use terms, and site areas.

Our findings indicate that these comparables exhibit strong correlations with the Property in terms of geographic positioning and accessibility. Additionally, the land-use terms applied in line with prevailing market practice.

To ensure the reliability of our analysis, we verified the details of the comparables, examining various attributes, such as locational characteristics, floor levels, building quality and site areas. We also understand that the Valuer made necessary adjustments and analyses to account for any differences in location, size and other relevant characteristics between the comparables and the Property to determine an appropriate unit rate. After careful consideration of these factors, we concur with the Valuer's perspective that the methodologies adopted are appropriate, fair and reasonable.

Additionally, we acknowledged that the Valuer conducted the Valuation based on the following assumptions:

(i) the Property owner has free and uninterrupted rights to use the property interest of the Property (the "**Property Interest**") for the whole of the unexpired term as granted and is entitled to transfer the Property Interest with the residual term without payment of any further premium to the government authorities or any third parties;

(ii) the Property owner sells the Property Interests on the open market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements, or any similar arrangements which would serve to affect the values of the Property Interests;

(iii) no account has been taken of any option or right of pre-emption concerning or affecting the sale of the Property, and no forced sale situation in any manner is assumed in the Valuation;

(iv) no allowance has been made in the Valuation for any charges, mortgages or amounts owing on the Property Interests valued nor for any expenses or taxation which may be incurred in effecting a transaction;

(v) the Property Interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values;

(vi) all consents, approvals, and licenses from relevant government authorities for the Property Interests have been granted without any onerous conditions or undue time delay, which might affect their values;

(vii) all the required licenses, consents, or other legislative or administrative authority from any local, provincial, or national government, private entity, or organization either have been or can be obtained or renewed for any use which the Valuation Report covers;

(viii) all applicable zoning and use regulations and restrictions have been complied with unless nonconformity has been stated, defined, and considered in the Valuation Report; and

(ix) the utilization of the Property Interest and improvements are within the boundaries of the Property Interest described, and that no encroachment or trespass exists, unless noted in the Valuation Report.

We believe we have taken reasonable steps to review the Valuation computation, and we did not use alternative valuation methodologies to assess the value of the Property.

(c) Review of the competency of the Valuer

For our due diligence purposes, we have reviewed and enquired into (i) the terms of engagement of the Valuer, (ii) the Valuer's qualification and experience in relation to the preparation of the Valuation Report, and (iii) the steps and due diligence measures taken by the Valuer for conducting the Valuation. From the engagement letter and other relevant information provided by the Valuer, and based on our interview with it, we are satisfied with the terms of engagement of the Valuer, as well as its qualifications and experience for the preparation of the Valuation Report.

(d) Result of the assessment in relation to the Valuation

Following our discussion with the Valuer, we have not identified any significant factors that would raise concerns regarding the fairness and reasonableness of the principal bases, the assumptions adopted, or the information utilized in the Valuation.

Conclusion

We acknowledge that the Consideration has been determined based on the Valuation provided by the Valuer. After thorough evaluation of the above work, we are of the opinion that the Consideration is both fair and reasonable, and aligns with the best interests of the Company and its Shareholders as a whole.

4. Possible financial effect of the Transaction

Upon the completion of the Transaction, the Group will secure an interest in the Property. The market value of the Property will be accurately reflected in the Group's consolidated financial statements. This will either involve an increase in the inventory of properties available for sale or an enhancement in the value of investment properties, depending on the intended use of the Property by the Group.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that the terms of the Letter of Intent are (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; (iii) fair and reasonable; and (iv) in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend that the Independent Board Committee recommend to the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Transaction, and we recommend that the Independent Shareholders vote in favour of the resolution in this regard.

Yours faithfully
For and on behalf of
Diligent Capital Limited
Felix Huen
Director

The following is the text of the letter of advice from Jun Hui International Finance Limited, the independent financial adviser, to the Independent Board Committee and the Independent Shareholders in respect of the New Property Management Agreements, which has been prepared for the purpose of inclusion in this circular.



Jun Hui International Finance Limited
1601-02, Hing Yip Commercial Centre,
272-284 Des Voeux Road Central,
Sheung Wan, Hong Kong

15 December 2025

To: the Independent Board Committee and the Independent Shareholders of
Sundy Service Group Co. Ltd

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2026 TO 2028 IN RESPECT OF THE NEW PROPERTY MANAGEMENT AGREEMENTS

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the New Property Management Agreements, 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 15 December 2025 (the "**Circular**") to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

Reference is made to the Letter from the Board in relation to the renewal of continuing connected transactions for 2026 to 2028. As the Property Management Agreements will expire on 31 December 2025, on 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) has entered into (i) the New Master Property Management Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group); (ii) the New Zhizhonghe Master Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group); and (iii) the New Yangguang Master Agreement with Sundy Yangguang Kindergarten, and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, (i) Sundy Land is owned as to approximately 29.04% by Xingfu Jian Holdings (which was owned as to approximately 99.01% by Mr. Yu), approximately 9.74% by Mr. Yu and approximately 4.51% by Ms. Guo, spouse of Mr. Yu. Mr. Yu is a Controlling Shareholder of the Company; (ii) Zhizhonghe Industry is wholly owned by Heye Investment, a company owned as to approximately 99.93% by Hechu Enterprise Management, which was owned as to 90.00% and 10.00% by Mr. Wu (as the ultimate beneficial owner) and Ms. Yu, respectively, on behalf of Mr. Yu; and (iii) Sundy Yangguang Kindergarten is ultimately owned as to 22.5% and 22.5% by Wu Jieqiong (吴洁琼) and Chen Hangmin (陳杭閩), respectively. Sundy Yangguang Kindergarten is directly owned as to 40% by Heqi Supply Chain, which is wholly owned by Xingfu Jian Holdings. Therefore, each of Sundy Land, Zhizhonghe Industry and Sundy Yangguang Kindergarten, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Master Property Management Agreement, the New Zhizhonghe Master Agreement and the New Yangguang Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

For the purpose of the New Property Management Agreements, namely (i) the New Master Property Management Agreement; (ii) the New Zhizhonghe Master Agreement; and (iii) the New Yangguang Master Agreement, they are all related to the property management services provided by the Group to associates of Mr. Yu, namely Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, respectively, and the New Property Management Agreements are aggregated for the Listing Rules purposes. After aggregation, as one or more of the applicable percentage ratios (other than the profits ratio) as defined under the Listing Rules in respect of the largest aggregate annual caps under the New Property Management Agreements is more than 5% and the aggregate amount exceeds HK$10,000,000, the transactions contemplated under the New Property Management Agreements are subject to the requirements of annual review, reporting, announcement and circular (including independent financial advice) and approval by the Independent Shareholders under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Zhu Haoxian, Mr. Huang Enze and Ms. Ye Qian, has been formed to advise the Independent Shareholders as to (i) whether the terms of the New Property Management Agreements are fair and reasonable, and the continuing connected transactions (including the annual caps in relation thereto) contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole; and (ii) how to vote at the EGM, after taking into account the recommendations of the independent financial adviser. We, Jun Hui International, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard with respect to the New Property Management Agreements. Our appointment as the independent financial adviser in respect of the New Property Management Agreements and the connected transactions contemplated thereunder has been approved by the Independent Board Committee.

OUR INDEPENDENCE

Save for this appointment as the independent financial adviser in respect of the New Property Management Agreements and the connected transactions contemplated thereunder, there was no other engagement between the Company and us in the past two years.

As at the Latest Practicable Date, we were not aware of any relationships or interest between Jun Hui International and the Company, Sundy Land Group, Zhizhonghe Group, Sundy Yangguang Kindergarten or any other parties that could reasonably be regarded as relevant to our independence. Apart from normal professional fees payable to us for this appointment, no arrangement exists whereby we will receive any fees or benefits from any party abovementioned. We are not aware of the existence of or change in any circumstances that would affect our independence. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules and are eligible to give independent advice in respect of the New Property Management Agreements.

We do not, by this letter, warrant the merits of the New Property Management Agreements and the continuing connected transactions contemplated thereunder, other than to form an opinion, for the purpose of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the information, opinions and representations contained or referred to in the Circular (or otherwise provided to us by the Directors and the management of the Group (the "**Management**")), and have assumed that all information, opinions and representations contained or referred to in the Circular (or otherwise provided to us by the Directors and the Management) were true, accurate and complete in all respects at the time when they were made and up to the date of this letter. We have also assumed that all statements of belief, opinions and intention made by the Directors in the Circular (or otherwise provided to us by the Directors and the Management) are reasonably made after due and careful enquiry. We have no reason to doubt that any relevant information has been withheld or omitted, nor are we aware of any fact or circumstance which would render the information, opinions and representations provided or made to us untrue, inaccurate, or misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained or referred to in the Circular (or otherwise provided to us by the Directors and the Management) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions and representations expressed in the Circular (or otherwise provided to us by the Directors and the Management) have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. We consider that we have received sufficient information to enable us to reach an informed view, and have performed all the necessary steps as required under Rule 13.80 of the Listing Rules to justify our reliance on the information, opinions and representations provided or made to us so as to form a reasonable basis for our opinion and recommendation, which include, among other things:

(a) reviewed the announcements of the Company in relation to the renewal of continuing connected transactions for 2026 to 2028, the Letter from the Board, the annual reports of the Company for the years ended 31 December 2023 and 2024 ("**Annual Report 2023**" and "**Annual Report 2024**" respectively) and its interim report for the six months ended 30 June 2025 ("**Interim Report 2025**");

(b) obtained and reviewed the information and documents in relation to the New Property Management Agreements; and

(c) discussed with the Directors and the Management regarding, among other things, the background, reasons for and benefits of the entering into of the New Property Management Agreements, the business information of the Group, its business relationship and historical transaction with Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, the basis of the principal terms of the New Property Management Agreements and the respective annual caps.

We have not, however, for the purpose of this exercise, conducted any independent detailed verification or audit into the businesses or future prospects of the Group, Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, or their respective subsidiaries or associates, nor have we investigated the legal title or any liabilities against the subject matters relating to the New Property Management Agreements or the transactions contemplated thereunder. Our opinion was necessarily based on the legal, financial, economic, market and other conditions in effect, and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the New Property Management Agreements, we have considered the following principal factors and reasons:

I. Financial information of the Group

The following table summarises the results of operation of the Group for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025:

	For the year ended 31 December			For the six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000* (unaudited)
Revenue:					
– property management services	188,216	186,979	196,186	92,152	93,848
– value-added services to non-property owners	39,491	36,342	12,686	6,771	4,544
– community value-added services	26,544	18,555	18,787	8,589	8,822
– other businesses *(Note 1)*	14,330	20,486	19,890	10,090	9,246
Total revenue	**268,581**	**262,362**	**247,549**	**117,602**	**116,460**
Revenue derived from property management services:					
– properties solely developed and co-developed by Sundy Land Group *(Note 2)*	143,989	150,696	164,464	74,259	78,832
– properties developed by independent third-party property developers	44,227	36,283	31,722	17,893	15,016
Total segment revenue	188,216	186,979	196,186	92,152	93,848
Profit for the year/period	**33,800**	**11,963**	**7,792**	**4,339**	**6,293**

Notes:

1. Other businesses include hotel business and long-term rental apartment business of the Group as disclosed in Annual Report 2023 and Annual Report 2024, and mainly include hotel business of the Group as disclosed in Interim Report 2025.

2. Sundy Land Group includes Sundy Land Investment Co., Ltd. and its subsidiaries as referred to Annual Report 2023, Annual Report 2024 and Interim Report 2025.

Source: Annual Report 2023, Annual Report 2024 and Interim Report 2025 published by the Company on the website of the Stock Exchange

(a) Financial results for the year ended 31 December 2022 compared with the year ended 31 December 2023

During the years ended 31 December 2022 and 2023, the Group's revenue was approximately RMB268.6 million and RMB262.4 million, respectively, which remained generally stable. During the year ended 31 December 2023, the Group's net profit was approximately RMB12.0 million, comparing to the net profit of approximately RMB33.8 million for the year ended 31 December 2022, which was mainly due to the increase in impairment loss on trade and other receivables as disclosed in Annual Report 2023.

The Group's revenue generated from property management services was approximately RMB188.2 million and RMB187.0 million for the years ended 31 December 2022 and 2023, respectively, which remained generally stable. During the year ended 31 December 2023, such revenue derived from properties solely developed and co-developed by Sundy Land Group accounted to around 80.6% of the segment revenue, and amounted to approximately RMB150.7 million which increased by approximately 4.7% from that of approximately RMB144.0 million for the year ended 31 December 2022.

The Group's revenue generated from value-added services to non-property owners decreased slightly by approximately 8.1% from approximately RMB39.5 million for the year ended 31 December 2022 to approximately RMB36.3 million for the year ended 31 December 2023, which was primarily due to the decrease in revenue generated from consulting services and pre-delivery services during the period.

The Group's revenue generated from community value-added services decreased by approximately 29.8% from approximately RMB26.5 million for the year ended 31 December 2022 to approximately RMB18.6 million for the year ended 31 December 2023, which was primarily due to the decrease in revenue generated from property repair and maintenance.

The Group's revenue generated from other businesses was approximately RMB14.3 million and RMB20.5 million for the years ended 31 December 2022 and 2023, respectively.

(b) Financial results for the year ended 31 December 2023 compared with the year ended 31 December 2024

The Group's revenue decreased slightly by approximately 5.6% from approximately RMB262.4 million for the year ended 31 December 2023 to approximately RMB247.5 million for the year ended 31 December 2024, which was mainly due to the decrease in revenue generated from its value-added services to non-property owners. During the year ended 31 December 2024, the Group's net profit was approximately RMB7.8 million, comparing to the net profit of approximately RMB12.0 million for the year ended 31 December 2023, which was mainly due to the increase of the impairment loss on trade receivables as disclosed in Annual Report 2024.

The Group's revenue generated from property management services increased by approximately 4.9% from approximately RMB187.0 million for the year ended 31 December 2023 to approximately RMB196.2 million for the year ended 31 December 2024, which was primarily due to the newly-delivered properties under management with higher pricing policies as referred to Annual Report 2024. During the year ended 31 December 2024, such revenue derived from properties solely developed and co-developed by Sundy Land Group accounted to around 83.8% of the segment revenue, and amounted to approximately RMB164.5 million which increased by approximately 9.2% from that of approximately RMB150.7 million for the year ended 31 December 2023.

The Group's revenue generated from value-added services to non-property owners decreased by approximately 65.0% from approximately RMB36.3 million for the year ended 31 December 2023 to approximately RMB12.7 million for the year ended 31 December 2024, which was primarily due to the continuing declining trend in the number of the newly-entered real estate projects in the pipeline.

The Group's revenue generated from community value-added services remained generally stable at approximately RMB18.6 million and RMB18.8 million for the years ended 31 December 2023 and 2024, respectively, as a result of the sustainable community value-added services to the projects under management.

The Group's revenue generated from other businesses was approximately RMB20.5 million and RMB19.9 million for the years ended 31 December 2023 and 2024, respectively.

(c) Financial results for the six months ended 30 June 2024 compared with the six months ended 30 June 2025

The Group's revenue was approximately RMB117.6 million and RMB116.5 million for the six months ended 30 June 2024 and 2025, respectively, which remained generally stable. During the six months ended 30 June 2025, the Group's net profit slightly increased to approximately RMB6.3 million, from the net profit of approximately RMB4.3 million for the six months ended 30 June 2024. As referred to Interim Report 2025, the higher net profit for the six months ended 30 June 2025 was mainly due to reduced cost of sales, the shift away from potentially loss-making projects and retention of premium projects, and streamlined organisational structure of the Group.

The Group's revenue generated from property management services remained generally stable at approximately RMB92.2 million and RMB93.8 million for the six months ended 30 June 2024 and 2025, respectively. In terms of the gross floor area (the "**GFA**") under management, the Group had approximately 9.0 million sq.m. and 8.5 million sq.m as at 30 June 2024 and 2025, respectively, as well as 49 and 47 projects under management as at the same dates, respectively. The increase in revenue generated from property management services was, however, mainly due to increased property management fees for some projects, and the Group's focus on the operation of high-priced premium projects during the six months ended 30 June 2025. During the six months ended 30 June 2025, such revenue derived from properties solely developed and co-developed by Sundy Land Group accounted to around 84.0% of the segment revenue, and amounted to approximately RMB78.8 million which increased by approximately 6.1% from that of approximately RMB74.3 million for the six months ended 30 June 2024.

The Group's revenue generated from value-added services to non-property owners decreased by approximately 32.9% from approximately RMB6.8 million for the six months ended 30 June 2024 to approximately RMB4.5 million for the six months ended 30 June 2025, which was primarily due to the adjustment of the Group's business strategies to ease the negative impact from Chinese property developers as disclosed in Interim Report 2025.

The Group's revenue generated from community value-added services remained generally stable at approximately RMB8.6 million and RMB8.8 million for the six months ended 30 June 2024 and 2025, respectively. Referring to Interim Report 2025, the slightly increase in revenue from community value-added services during 30 June 2025 was mainly due to the approach of the Group's subsidiaries to operations, which focused on products and brand, and enhanced their service quality and competitiveness in the market.

The Group's revenue generated from other businesses was approximately RMB10.1 million and RMB9.2 million for the six months ended 30 June 2024 and 2025, respectively.

II. Business information of the Group, Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten

The Group is an integrated property management service provider in Zhejiang Province, the PRC. Referring to the Interim Report 2025, it has three decades of experience in the property management service industry in the PRC. The Group has four business lines, namely (i) property management services, including security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services to residential properties and non-residential properties; (ii) value-added services to non-property owners, primarily property developers, including consulting services, sales assistance services and pre-delivery services; (iii) community value-added services to customers, primarily property owners and residents, including property repair and maintenance, waste cleaning, utility fee collection and community space services; and (iv) other businesses mainly including hotel business.

Sundy Land is a company established in the PRC with limited liability on 22 March 1999, and Sundy Land Group is principally engaged in property development and sales of properties in the PRC.

Zhizhonghe Industry is a company established in the PRC with limited liability on 15 December 2010. Zhizhonghe Group is principally engaged in manufacturing and sales of food and beverage, in particular, alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶) in the PRC. As advised by the Directors, Zhizhonghe Group has an office located in Zhejiang Province, the PRC for its business operations which requires property management services.

Sundy Yangguang Kindergarten is a company established in the PRC with limited liability on 16 August 2018. It is principally engaged in the provision of preschool education services in the PRC. As advised by the Directors, Sundy Yangguang Kindergarten has a kindergarten located in Zhejiang Province, the PRC for its business operations which requires property management services.

III. Reasons for and benefits of entering into of the New Property Management Agreements

As stated in the Letter from the Board, the Group has long-standing business relationships with Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, and has been providing property management services to properties developed or owned by Sundy Land Group, properties owned or operated by Zhizhonghe Group and properties operated by Sundy Yangguang Kindergarten, respectively in its ordinary course of business. The Group is expected to carry on transactions contemplated under the Property Management Agreements upon their respective expiry.

As advised by the Directors, the Group has been in the property management service industry for three decades and the aforementioned services will continue to be the Group's business focuses. And hence the service scopes under the New Property Management Agreements are line with the Group's existing business.

We are advised by the Directors that the Group has been providing property management services to Sundy Land Group since 1998, to Zhizhonghe Group since 2018 and to Sundy Yangguang Kindergarten since around 2019. The Group has maintained stable and long-term business relationship with each of them.

From income perspective, the Directors considered that the renewal of the Property Management Agreements could benefit the Group by providing a stable income stream to it. Referring to the sections headed "Principal terms of the New Property Management Agreements" below, we note that revenue derived from provision of property management services under the Property Management Agreements were approximately RMB13.9 million and RMB22.9 million, representing approximately 7.4% and 11.7% of the Group's revenue of property management services, for the years ended 31 December 2023 and 2024 respectively.

From the cost perspective, the Directors considered the established communication channels between the Group and each of Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten as a result from the long-term business cooperation, enabled the Group to be more familiar with each of their service requirements and standards, which allowed the Group to respond to their service requests in a more cost and time efficient way than to new customers.

Having considered that (i) the service scopes under the New Property Management Agreements are in line with the Group's existing business; (ii) the Group has maintained stable and long-term business relationships with Sunday Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten; and (iii) the income and cost benefits to the Group derived from the renewal of the Property Management Agreements, we concur with the Directors that the entering into of the New Property Management Agreements is in the interests of the Company and the Shareholders as a whole, which is also in the ordinary and usual course of business of the Group.

IV. Principal terms of the New Property Management Agreements

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Master Property Management Agreement, the New Zhizhonghe Master Agreement and the New Yangguang Master Agreement with Sundy Land (for itself and as trustee for other members of Sundy Land Group), Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group) and Sundy Yangguang Kindergarten, respectively.

The table below summarises the existing annual caps, actual transaction amount and utilisation rate under the Property Management Agreements:

	Existing annual caps			Actual transaction amount			Utilisation rate		
	For the year ended/ending 31 December			For the year ended 31 December		For the nine months ended 30 September	For the year ended 31 December		For the year ending 31 December
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*%*	*%*	*%*
				(audited)	(audited)	(unaudited)			
• The Master Property Management Agreement for 2023-2025	30,000	32,000	34,000	13,792	22,748	17,247	46.0%	71.1%	50.7% as at 30 September 2025 (or annualised: 67.6% *(Note 2)*)
• The Zhizhonghe Master Agreement for 2023-2025	2,000	2,000	2,000	7 *(Note 1)*	43	17	0.4%	2.2%	0.9% as at 30 September 2025 (or annualised: 1.1% *(Note 2)*)
• The Yangguang Master Agreement for 2023-2025	90	90	90	86	86	65	95.6%	95.6%	72.2% as at 30 September 2025 (or annualised: 96.3% *(Note 2)*)
Aggregate amount	**32,090**	**34,090**	**36,090**	**13,885**	**22,877**	**17,329**	**–**	**–**	**–**

Notes:

1. As disclosed in Annual Report 2023, Zhizhonghe Industry and its subsidiaries were no longer related parties as at 21 December 2022, but they became the related parties as at 22 November 2023. The audited transaction amount for the year ended 31 December 2023 under the Zhizhonghe Master Agreement is calculated based on the number of calendar days elapsed from 22 November 2023. Therefore the number of calendar days elapsed was 42 as at 31 December 2023.

2. The utilisation rate of the existing annual cap is annualised based on actual transaction amount for the nine months ended 30 September 2025 for illustrative purpose only.

The table below sets out the proposed annual caps under the New Property Management Agreements:

	Proposed annual caps For the year ending 31 December		
	2026	**2027**	**2028**
	RMB'000	*RMB'000*	*RMB'000*
• New Master Property Management Agreement (the "**MPM Annual Caps**")	35,000	37,000	39,000
• New Zhizhonghe Master Agreement (the "**Zhizhonghe Annual Caps**")	100	100	100
• New Yangguang Master Agreement (the "**Yangguang Annual Caps**")	150	150	150
Aggregate amount	**35,250**	**37,250**	**39,250**

The principal terms and factors considered in our analysis for each of the New Property Management Agreements are set out below:

(a) The New Master Property Management Agreement

Service scope

Under the New Master Property Management Agreement, the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties developed or owned by Sundy Land Group for a term commencing on 1 January 2026 and expiring on 31 December 2028 (both dates inclusive). We have reviewed the service scope under the New Master Property Management Agreement and note that such scope falls within the Group's ordinary and usual course of business.

Service fees

Referring to the Letter from the Board, the service fees under the New Master Property Management Agreement for 2026-2028 will be determined by both parties with reference to (i) the size and location of the properties; (ii) budgeted operational expenses including but not limited to the historical labour, administrative, subcontracting and other expenses, for projects with similar size, location and scope of services; (iii) scope and quality of the services proposed; (iv) revenue generating model and targeted profit margins; (v) local government's pricing guidance or regulations on property management fees (if applicable); and (vi) the prevailing market price for similar services in the market.

We are advised by the Directors that (i) the determination basis of the service fees and pricing policies under the New Master Property Management Agreement for 2026-2028 are consistent with those adopted in the Master Property Management Agreement for 2023-2025; and (ii) the corresponding internal control mechanism will be in place to ensure the pricing of service fees under the New Master Property Management Agreement 2026-2028 shall not be more favourable than the terms for similar transactions between the Group and the independent third parties.

To examine the reasonableness and fairness of the service fees, we have randomly selected and reviewed three existing contracts entered between the Group and each of Sundy Land Group and independent third parties in provision of property management services during the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025. From the comparison, we note that the pricing of service fees under the New Master Property Management Agreement is not more favourable than that for similar transactions between the Group and the independent third parties.

Annual caps

The MPM Annual Caps are set at RMB35.0 million, RMB37.0 million and RMB39.0 million for the years ending 31 December 2026, 2027 and 2028, respectively. Referring to the Letter from the Board, we note that such annual caps were determined by the Directors mainly with reference to (i) the historical transaction amounts under the Master Property Management Agreement; (ii) the number of unsold property units and corresponding GFA that the Group has been currently engaged by Sundy Land Group as a property management service provider; (iii) the number of new projects and corresponding GFA that the Group expects to be engaged by Sundy Land Group as a property management service provider for each of the years ending 31 December 2026, 2027 and 2028, respectively, taking into account of, among others, the number of pipeline properties and their expected delivery date and the expected sales of such pipeline properties (if applicable); (iv) the demand for property management services based on the estimated pre-sale performance of Sundy Land Group and the development plans of Sundy Land Group for each of the years ending 31 December 2026, 2027 and 2028; and (v) the annual increment in the service fees to be charged by the Group taking into account of, among others, the expected inflation in the PRC and the expected increase in labour costs. To further assess the reasonableness of the MPM Annual Caps, we have performed the following analysis, among others:

(i) Review on the historical transaction amount

The Group's revenue derived from the provision of property management services to Sundy Land Group under the Master Property Management Agreement was approximately RMB13.8 million, RMB22.7 million and RMB17.2 million for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025, respectively. We note that the utilisation rate of the existing annual caps under the Master Property Management Agreement was approximately 46.0% for the year ended 31 December 2023, which was mainly due to delays in construction for certain property projects developed by Sundy Land Group as advised by the Company. Starting from 2024, the Group's property management services to Sundy Land Group gradually picked up and maintained stable. The existing annual caps under the Master Property Management Agreement has been/will be utilised at around/close to 70% for the year ended 31 December 2024 and the year ending 31 December 2025 (if annualised), which indicated the existing annual caps under the Master Property Management Agreement for 2023-2025 had been reasonably estimated by the Directors.

(ii) Review on the Company's estimation basis

Referring to Annual Report 2024 and Interim Report 2025, we note the Group has provided property management services to properties solely developed and co-developed by Sundy Land Group for GFA of approximately 7.3 million sq.m., 6.7 million sq.m. and 6.8 million sq.m. as at 31 December 2023 and 2024 and 30 June 2025, respectively. We are confirmed by the Company that the services relating to the aforesaid GFA under management were rendered under the Master Property Management Agreement. In provision of similar scope of property management services to Sundy Land Group under the New Master Property Management Agreement, the Group has been advised by Sundy Land Group that there expected to be steady growth in demand for the Group's property management services based on Sundy Land Group's estimated pre-sale performance and the development plans for each of the years ending 31 December 2026, 2027 and 2028.

We are advised by the Company with a list of the unsold property units currently engaged by Sundy Land Group and new projects which expects to be engaged by Sundy Land Group for 2026 to 2028. The total GFA engaged and to be engaged by Sundy Land Group will be approximately 6.9 million sq.m., 7.2 million sq.m. and 7.3 million sq.m., respectively for the years ending 31 December 2026, 2027 and 2028.

As aforementioned under the paragraph of "Service fees", for the list of unsold property units currently engaged by Sundy Land Group, we have randomly selected and reviewed three existing contracts entered between the Group and each of Sundy Land Group and independent third parties in provision of property management services. We note that the pricing of service fees contained in existing contracts under the Master Property Management Agreement for 2023-2025 is not more favourable than that for similar transactions between the Group and the independent third parties. We note that the list containing information about the projects and the GFA has also been confirmed and agreed by Sundy Land Group.

For the list of new property management projects to be engaged by Sundy Land Group for the years ending 31 December 2026 to 2028, it has been confirmed and agreed by Sundy Land Group, which contained information about the number, expected sales and delivery dates of pipeline properties, the GFA to be awarded to the Group, and estimations of project fees. We are provided with the calculation and note that the estimation basis of such list was in line with the basis used under the annual caps of the Master Property Management Agreement for 2023-2025.

Taking into account that (i) with around/close to 70% of utilisation rate of the existing annual caps under the Master Property Management Agreement for the year ended 31 December 2024 and the year ending 31 December 2025 (if annualised), it is justifiable for the Directors to adopt similar estimation basis for the MPM Annual Caps as the one that had been used in existing annual caps; (ii) the total GFA currently engaged and to be engaged by Sundy Land Group have been supported by existing contracts and/or confirmation from Sundy Land Group and the pricing policies is in line with the Master Property Management Agreement for 2023-2025; (iii) the historical high bidding success rate of 100% for new property projects solely developed by Sundy Land Group, as confirmed by Sundy Land Group; and (iv) with the total GFA of unsold property units and new projects, the total service fees to be received by the Group will be approximately RMB31 million, RMB34 million and RMB37 million for the years ending 31 December 2026 to 2028, accounting to more than 90% of the MPM Annual Caps respectively, we consider that the Company's estimation on the MPM Annual Caps are justifiable.

Conclusion

Having considered that (i) the service scope under the New Master Property Management Agreement falls within the Group's ordinary and usual course of business; (ii) the pricing and service fees for transactions contemplated under the New Master Property Management Agreement shall not be more favourable than those to be entered with independent third parties; (iii) such pricing policies will be implemented and governed by corresponding internal control mechanism during the term of the New Master Property Management Agreement; (iv) the utilisation rate of the existing annual caps under the Master Property Management Agreement reached at around/close to 70% for the year ended 31 December 2024 and the year ending 31 December 2025 (if annualised); (v) the estimation basis on the MPM Annual Caps is considered to be justifiable; and (vi) the reasons for and benefits of entering into of the New Property Management Agreements as discussed earlier in this letter, we are of the view that the terms of the New Master Property Management Agreement are on normal commercial terms and are fair and reasonable.

(b) The New Zhizhonghe Master Agreement

Service scope

Under the New Zhizhonghe Master Agreement, the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties owned or operated by Zhizhonghe Group for a term commencing on 1 January 2026 and expiring on 31 December 2028 (both dates inclusive). We have reviewed the service scope under the New Zhizhonghe Master Agreement and note that such scope falls within the Group's ordinary and usual course of business.

Service fees

Referring to the Letter from the Board, the service fees under the New Zhizhonghe Master Agreement will be determined by both parties with reference to (i) the size and location of the properties; (ii) budgeted operational expenses including but not limited to the historical labour, administrative, subcontracting and other expenses, for projects with similar size, location and scope of services; (iii) scope and quality of the services proposed; (iv) revenue generating model and targeted profit margins; (v) local government's pricing guidance or regulations on property management fees (if applicable); and (vi) the prevailing market price for similar services in the market.

We are advised by the Directors that (i) the determination basis of the service fees and pricing policies under the New Zhizhonghe Master Agreement are consistent with those adopted in the Zhizhonghe Master Agreement for 2023-2025; and (ii) the corresponding internal control mechanism will be in place to ensure the pricing of service fees under the New Zhizhonghe Master Agreement shall not be more favourable than the terms for similar transactions between the Group and the independent third parties.

To examine the reasonableness and fairness of the service fees, we have randomly selected and reviewed three existing contracts/invoices entered between the Group and each of Zhizhonghe Group and independent third parties in provision of property management services for offices during the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025. From comparison, we note that the pricing of service fees under the New Zhizhonghe Master Agreement is not more favourable than that for similar transactions between the Group and the independent third parties.

Annual caps

The Zhizhonghe Annual Caps are set at RMB100,000 for each of the three years ending 31 December 2028. As discussed with the Company, we note that such annual caps were determined with reference to mainly (i) the historical transaction amounts under the Zhizhonghe Master Agreement; (ii) the GFA that the Group has been currently engaged by Zhizhonghe Group as a property management service provider; (iii) the GFA that the Group expects to be engaged by Zhizhonghe Group as a property management service provider for each of the years ending 31 December 2026, 2027 and 2028 based on the development plan of Zhizhonghe Group; and (iv) the annual increment in the service fees to be charged by the Group taking into account of, among others, the expected inflation in the PRC and the expected increase in labour costs. To further assess the reasonableness of the Zhizhonghe Annual Caps, we have performed the following analysis, among others:

(i) Review on the historical transaction amount

The Group's revenue derived from the provision of property management services to Zhizhonghe Group under the Zhizhonghe Master Agreement was approximately RMB7,000, RMB43,000 and RMB17,000 for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025, respectively. We note that the utilisation rate of the existing annual caps under the Zhizhonghe Master Agreement was/would be generally low at approximately 0.4%, 2.2% and 1.1% (if annualised) for the years ended 31 December 2023 and 2024 and the year ending 31 December 2025 respectively, mainly due to the reason that the Group has ceased to provide property management services to factories operated by Zhizhonghe Group but only retained services to their office during the period as advised by the Company.

(ii) Review on the Company's estimation basis

We are furnished by the Company with the project list and contract/invoices relating to the provision of property management services to Zhizhonghe Group, and note that the Group is currently engaged by Zhizhonghe Group to provide property management services to its office with a GFA of approximately 879 sq.m.. The Directors advised us that they expected similar scope of property management services with a larger GFA of around 1,504 sq.m to be engaged by Zhizhonghe Group under the New Zhizhonghe Master Agreement for the three years ending 31 December 2028 after their discussion with and confirmation from Zhizhonghe Group. It is also noted that the total fee anticipated to be received by the Group is estimated to be approximately RMB94,000 for each of the three years ending 31 December 2028, which shall account for more than 90% of the Zhizhonghe Annual Caps correspondingly.

Taking into account that (i) the Directors have largely downward adjusted the Zhizhonghe Annual Caps after considering the historical transaction amount and low utilisation rate of the existing annual caps; and (ii) the Zhizhonghe Annual Caps are determined based on the project list, relevant contract/invoices and agreed service scope with Zhizhonghe Group, we consider that the Company's estimation on the Zhizhonghe Annual Caps are justifiable.

Conclusion

Having considered that (i) the service scope under the New Zhizhonghe Master Agreement falls within the Group's ordinary and usual course of business; (ii) the pricing and service fees for transactions contemplated under the New Zhizhonghe Master Agreement shall not be more favourable than those to be entered with the independent third parties; (iii) such pricing policies will be implemented and governed by corresponding internal control mechanism during the term of the New Zhizhonghe Master Agreement; (iv) the estimation basis on the Zhizhonghe Annual Caps is considered to be justifiable; and (v) the reasons for and benefits of entering into of the New Property Management Agreements as discussed earlier in this letter, we are of the view that the terms of the New Zhizhonghe Master Agreement are on normal commercial terms and are fair and reasonable.

(c) The New Yangguang Master Agreement

Service scope

Under the New Yangguang Master Agreement, the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties operated by Sundy Yangguang Kindergarten for a term commencing on 1 January 2026 and expiring on 31 December 2028 (both dates inclusive). We have reviewed the service scope under the New Yangguang Master Agreement and note that such scope falls within the Group's ordinary and usual course of business.

Service fees

Referring to the Letter from the Board, the service fees under the New Yangguang Master Agreement will be determined by both parties with reference to (i) the size and location of the properties; (ii) budgeted operational expenses including but not limited to the historical labour, administrative, subcontracting and other expenses, for projects with similar size, location and scope of services; (iii) scope and quality of the services proposed; (iv) revenue generating model and targeted profit margins; (v) local government's pricing guidance or regulations on property management fees (if applicable); and (vi) the prevailing market price for similar services in the market.

We are advised by the Directors that (i) the determination basis of the service fees and pricing policies under the New Yangguang Master Agreement are consistent with those adopted in the Yangguang Master Agreement for 2023-2025; and (ii) the corresponding internal control mechanism will be in place to ensure the pricing of service fees under the New Yangguang Master Agreement shall not be more favourable than the terms for similar transactions between the Group and the independent third parties.

To examine the reasonableness and fairness of the service fees, we have randomly selected and reviewed three existing contracts/invoices entered between the Group and each of Sundy Yangguang Kindergarten and independent third parties in provision of property management services for offices during the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025. From comparison, we note that the pricing of service fees under the New Yangguang Master Agreement is not more favourable than the terms for similar transactions between the Group and the independent third parties.

Annual caps

The Yangguang Annual Caps are set at RMB150,000 for each of the three years ending 31 December 2028. As discussed with the Company, we note that such annual caps were determined with reference to mainly (i) the historical transaction amounts under the Yangguang Master Agreement; (ii) the GFA that the Group has been currently engaged by Sundy Yangguang Kindergarten as a property management service provider; (iii) the GFA that the Group expects to be engaged by Sundy Yangguang Kindergarten as a property management service provider for each of the years ending 31 December 2026, 2027 and 2028 based on the development plan of Sundy Yangguang Kindergarten; and (iv) the annual increment in the service fees to be charged by the Group taking into account of, among others, the expected inflation in the PRC and the expected increase in labour costs. To further assess the reasonableness of the Yangguang Annual Caps, we have performed the following analysis, among others:

(i) Review on the historical transaction amount

The Group's revenue derived from the provision of property management services to Sundy Yangguang Kindergarten under the Yangguang Master Agreement was approximately RMB86,000, RMB86,000 and RMB65,000 for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025, respectively. We note that the utilisation rate of the existing annual caps under the Yangguang Master Agreement was approximately 95.6% and 95.6% for the years ended 31 December 2023 and 2024, respectively and would maintain high at 96.3% (if annualised) for the year ending 31 December 2025. The existing annual caps under the Yangguang Master Agreement have been/will be fully utilised.

(ii) Review on the Company's estimation basis

We are furnished by the Company with the project list and contract/invoices relating to the provision of property management services to Sundy Yangguang Kindergarten, and note that the Group is currently engaged by Sundy Yangguang Kindergarten to provide property management services to a kindergarten operated by Sundy Yangguang Kindergarten with a GFA of approximately 2,478 sq.m.. The Directors advised us that they expected similar scope of property management services with a larger GFA of around 4,217 sq.m. to be engaged by Sundy Yangguang Kindergarten under the New Yangguang Master Agreement for the three years ending 31 December 2028 after their discussion with and confirmation from Sundy Yangguang Kindergarten. It is noted that the total fee anticipated to be received by the Group is estimated to be close to RMB150,000 for each of the three years ending 31 December 2028.

Taking into account that (i) the existing annual caps under the Yangguang Master Agreement have been/will be fully utilised; and (ii) the Yangguang Annual Caps are determined based on the project list, relevant contract/invoices and agreed service scope with Sundy Yangguang Kindergarten, we consider that the Company's estimation on the Yangguang Annual Caps is justifiable.

Conclusion

Having considered that (i) the service scope under the New Yangguang Master Agreement falls within the Group's ordinary and usual course of business; (ii) the pricing and service fees for transactions contemplated under the New Yangguang Master Agreement shall not be more favourable than those to be entered with the independent third parties; (iii) such pricing policies will be implemented and governed by corresponding internal control mechanism during the term of the New Yangguang Master Agreement; (iv) the existing annual caps for the recent periods have been/will be fully utilised; (v) the estimation basis on the Yangguang Annual Caps is considered to be justifiable; and (vi) the reasons for and benefits of entering into of the New Property Management Agreements as discussed earlier in this letter, we are of the view that the terms of the New Yangguang Master Agreement are on normal commercial terms and are fair and reasonable.

Shareholders should note that the proposed annual caps under the New Property Management Agreements shall not be regarded as any indication directly or indirectly as to the respective revenue, profitability or trading prospects of the Group, Sundy Land Group, Zhizhonghe Group or Sundy Yangguang Kindergarten.

V. Internal control policies of the Group

Referring to the Letter from the Board, the Company has adopted various internal control measures to monitor the transactions contemplated under the New Property Management Agreements, including:

(i) the general management and administration department of the Company (the "**Administrative Department**") will inspect and regularly collect and evaluate the pricing principles, transaction terms and actual transaction amounts of the New Property Management Agreements on a quarterly basis to ensure that the transactions thereunder are conducted on normal commercial terms or on terms no less favourable than those available from independent third parties and that the total transaction amount will not exceed the proposed annual caps;

(ii) the Company's financial department (the "**Financial Department**") closely monitors the actual transaction amounts under the New Property Management Agreements on a monthly basis. If there is a likelihood that any of the proposed annual caps may be exceeded at any time during the year, the Financial Department will inform the Administrative Department, which will then report to the Board, and the Board (after seeking advice from the audit committee of the Company) will take measures to revise the annual cap amounts (if appropriate) and comply with the relevant announcement and shareholders' approval requirements in accordance with the Listing Rules;

(iii) the Financial Department will review the transactions entered into under the New Property Management Agreements on a quarterly basis and report to the Administrative Department to ensure that the annual caps under the New Property Management Agreements will not be exceeded;

(iv) the Company will conduct internal control reviews and financial audits on an annual basis, and conduct financial monitoring and decision-making analysis on a half-year basis so as to ensure compliance with the terms of the New Property Management Agreements and pricing policies;

(v) the independent non-executive Directors have also reviewed and will continue to review the New Property Management Agreements on a yearly basis and ensure that the New Property Management Agreements, if applicable, are entered on normal commercial terms, fair and reasonable, and carried out pursuant to the terms thereof;

(vi) the auditor of the Company will also conduct annual reviews on the pricing and annual caps of the New Property Management Agreements; and

(vii) the implementation of internal control procedures for the collection of receivables due after the credit period of 6 months, including the issuance of outstanding payment reminder letters by the Company and legal counsel, the initiation of legal proceedings for receivables that have been outstanding for beyond 12 months, or recovery through asset offset arrangements.

We have reviewed the Group's internal control policy setting out the above details. We note that the conduct of the transactions contemplated under the New Property Management Agreements will be monitored by different departments of the Group with segregation of duties and reporting mechanism to ensure the compliance of the transactions with the terms and conditions of the New Property Management Agreements, the Group's pricing policy and relevant requirements under the Listing Rules.

Referring to Annual Report 2024, we note that the independent non-executive Directors and the auditors of the Company have conducted review of the continuing connected transactions under the Property Management Agreements and provided confirmations required under Rules 14A.55 and 14A.56 of the Listing Rules. The Company also confirmed to us that the transactions contemplated under the Property Management Agreements for 2023-2025 have been in compliance with the relevant internal control measures and annual review requirements under the Listing Rules, and the Group will continue to comply with the relevant measures and requirements during the term of the New Property Management Agreements. We therefore consider that the internal control measures could ensure the transactions contemplated under the New Property Management Agreements to be conducted on normal commercial terms and in compliance with the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

OPINION AND RECOMMENDATION

Having considered the abovementioned principal factors and reasons, we are of the view that (i) the terms of the New Property Management Agreements are fair and reasonable and on normal commercial terms; and (ii) the entering into of the New Property Management Agreements is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole. We therefore advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the New Property Management Agreements and the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028.

Yours faithfully,
For and on behalf of
JUN HUI INTERNATIONAL FINANCE LIMITED

Tina Tian	**Karol Hui**
Managing Director	*Executive Director*

Note: Ms. Tina Tian and Ms. Karol Hui are licensed persons registered with the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and have over 17 years and 14 years of experience in corporate finance industry respectively.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

2.1 Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

None of the Directors or chief executives of the Company had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be maintained pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

2.2 Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares

So far as the Directors and the chief executives of the Company are aware, as at the Latest Practicable Date, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register of the Company required to be maintained pursuant to section 336 of the SFO:

Names	*Note*	Capacity/Nature of interest	Number of shares	Long/short position	Approximate percentage of shareholding in the Company
Mr. Yu		Settlor of a trust	2,280,000,000	Long position	59.38%
CMB Wing Lung (Trustee) Limited ("**CMB Wing Lung**")	*(1)*	Trustee	2,280,000,000	Long position	59.38%
Success Base Group Limited ("**Success Base**")	*(1)*	Interest of a controlled corporation	2,280,000,000	Long position	59.38%
Sundy Heye	*(1)*	Beneficial owner	2,280,000,000	Long position	59.38%
Wang Xiangyu* (王翔宇)	*(2)*	Interest of a controlled corporation	307,190,000	Long position	8.00%

Names	*Note*	Capacity/Nature of interest	Number of shares	Long/short position	Approximate percentage of shareholding in the Company
Shanghai Mingjin International Trade Co., Ltd.* (上海明堇國際貿易有限公司) ("**Shanghai Mingjin International**")	*(2)*	Interest of a controlled corporation	307,190,000	Long position	8.00%
Shanghai Mingjin New Energy Development Co., Ltd.* (上海明堇新能源開發有限公司) ("**Shanghai Mingjin New Energy**")	*(2)*	Interest of a controlled corporation	307,190,000	Long position	8.00%
Fuyang Mingjin New Energy Development Co., Ltd.* (阜陽明堇新能源開發有限公司) ("**Fuyang Mingjin New Energy**")	*(2)*	Beneficial Owner	307,190,000	Long position	8.00%
Lin Mingqing (林明清)	*(3)*	Interest of a controlled corporation	300,000,000	Long position	8.00%
Southeast Ming and Qing Supply Chain (Xiamen) Co., Ltd.* (東南明清供應鏈(廈門)有限公司) ("**Southeast Xiamen**")	*(3)*	Interest of a controlled corporation	300,000,000	Long position	8.00%
Southeast Ming Qing Supply Chain (Fuyang) Co., Ltd.* (東南明清供應鏈(阜陽)有限公司) ("**Southeast Fuyang**")	*(3)*	Beneficial Owner	300,000,000	Long position	8.00%

Notes:

1. Sundy Heye is wholly owned by Success Base, which is indirectly wholly owned by CMB Wing Lung. CMB Wing Lung is the trustee of a discretionary trust established by Mr. Yu with CMB Wing Lung (i.e. The Yu Jianwu Trust), which holds the entire issued share capital in Sundy Heye through its nominee companies on trust for the benefit of Mr. Yu and his family members.

2. Fuyang Mingjin New Energy was wholly owned by Shanghai Mingjin New Energy, which was in turn wholly owned by Shanghai Mingjin International, and Shanghai Mingjin International was owned as to 90% by Wang Xiangyu. Accordingly, Shanghai Minjin New Energy, Shanghai Mingjin International and Wang Xiangyu are deemed or taken to be interested in the Shares in which Fuyang Mingjin New Energy is interested pursuant to the SFO.

3. Southeast Fuyang was wholly owned by Southeast Xiamen, which was in turn owned as to 90% by Lin Mingqing. Accordingly, Southeast Xiamen and Lin Mingqing are deemed or taken to be interested in the Shares in which Southeast Fuyang is interested pursuant to the SFO.

Save as disclosed above, as at the Latest Practicable Date, to the best knowledge of the Directors, no other person had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register referred to in section 336 of the SFO.

As at the Latest Practicable Date, to the best knowledge of the Directors, no Director or supervisor is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SERVICE CONTRACTS

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

4. INTEREST IN ASSETS AND/OR CONTRACTS AND OTHER INTERESTS

As of the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2024, being the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to, or are proposed to be acquired or disposed of by or leased to, the Group.

As of the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting which is significant in relation to the business of the Group.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of his/her respective close associates was considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Group were made up.

7. LITIGATION AND CLAIMS

As at the Latest Practicable Date, none of members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. QUALIFICATION AND CONSENT OF EXPERTS

Name	Qualification
Diligent Capital Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Jun Hui International Finance Limited	a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO
Graval Consulting Limited	independent property valuer

As at the Latest Practicable Date, Diligent Capital Limited, Jun Hui International Finance Limited and Graval Consulting Limited have given and have not withdrawn their written consent to the issue of this circular with the inclusion of their respective statements, letters, reports and opinions (as the case may be) as set out in this circular and references to their respective names in the form and context in which they are included.

As at the Latest Practicable Date, each of Diligent Capital Limited, Jun Hui International Finance Limited and Graval Consulting Limited (i) did not have any shareholding directly or indirectly in any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) did not have any direct or indirect interest in any assets which have been, since 31 December 2024, the date of the latest published audited accounts of the Group, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

9. GENERAL

a. The registered office of the Company is situated at Conyers Trust Company (Cayman) Limited Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

b. The headquarters and principal place of business in the PRC of the Company is 127, Hanghai Road, Shangcheng District, Hangzhou, Zhejiang province, PRC.

c. The principal place of business in Hong Kong of the Company is Units 1801-08 & 1810, 18/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong.

d. The branch share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

e. The joint company secretaries of the Company are Ms. Xu Xiaoli and Mr. Tsang Ho Yin. Mr. Tsang Ho Yin is a solicitor admitted to practice in Hong Kong.

f. The English text of this circular shall prevail over the Chinese text for the purpose of interpretation, except that if there is any inconsistency between the Chinese names of PRC entities, departments, facilities or titles mentioned in this circular and their English translation, the Chinese version shall prevail.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the Stock Exchange's website (www.hkexnews.com.hk) and the Company's website (http://songduwuye.com) for a period of not less than 14 days from the date of this circular:

(i) the Letter of Intent;

(ii) the property valuation report, the text of which is set out in Appendix II to this circular;

(iii) the New Master Property Management Agreement;

(iv) New Zhizhonghe Master Agreement;

(v) New Yangguang Master Agreement;

(vi) the letter of advice from Diligent Capital Limited to the Independent Board Committee and the Independent Shareholders, the text of which is set out in the section headed "Letter from Diligent Capital" of this circular;

(vii) the letter of advice from Jun Hui International Finance Limited to the Independent Board Committee and the Independent Shareholders, the text of which is set out in the section headed "Letter from Jun Hui International" of this circular;

(viii) the respective letters of consent from the experts referred to under the section headed "Qualification and Consent of Experts" in this appendix; and

(ix) this circular.

The following is the text of letter and valuation report, prepared for the purpose of incorporation in this circular, received from Graval Consulting Limited, an independent property valuer, in connection with their valuation as at 30 September 2025 of the property interests to be acquired by the Group in the People's Republic of China.

Graval Consulting Limited
Suites 2401–02, 24/F,
Shui On Centre, 6–8 Harbour Road,
Wanchai, Hong Kong

15 December 2025

The Board of Directors
Sundy Service Group Company Limited
Units 1801-08 & 1810, 18th Floor,
Gloucester Tower, The Landmark,
No. 15 Queen's Road Central,
Hong Kong

Dear Sirs and Madams,

Re: Valuation of Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Subdistrict, Xiaoshan District, Hangzhou, Zhejiang Province, the People's Republic of China (the "**Property**")

INSTRUCTIONS

We refer to your instruction for us to value the property interests to be acquired by Sundy Service Group Company Limited (the "**Company**") or its subsidiaries (together referred as the "**Group**") located in the People's Republic of China (the "**PRC**"). We confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property in existing state as at 30 September 2025 (the "**Valuation Date**") for the purpose of incorporation into the circular issued by the Company on the date hereof.

This letter which forms part of our valuation report explains the basis and methodology(ies) of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

BASIS OF VALUATION

The valuation is our opinion of the market value ("**Market Value**") which is defined by the Hong Kong Institute of Surveyors as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

VALUATION STANDARDS

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited ("**Listing Rules**"), and the HKIS Valuation Standards 2024 Edition published by the Hong Kong Institute of Surveyors ("**HKIS**"), the RICS Valuation – Global Standards (Effective on 31 January 2025) published by the Royal Institution of Chartered Surveyors ("**RICS**") and the International Valuation Standards published by International Valuation Standards Council ("**IVSC**") (Effective on 31 January 2025).

VALUATION METHODOLOGY(IES)

According to the RICS Valuation – Global Standards (Effective on 31 January 2025), there are three generally accepted valuation approaches: market approach, income approach and cost approach.

Market approach is an approach that provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available.

Income approach is an approach that provides an indication of value by converting future cash flows to a single current capital value.

Cost approach is an approach that provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or construction.

In valuing the Property, we have adopted the Market approach as there is sufficient market information of the similar assets in the locality.

TITLE INVESTIGATION

We have been shown copies of various documents relating to the property interest. However, we have not examined the original documents to verify the existing title to the property interest or to ascertain any amendment which does not appear on the copies handed to us. We have assumed that the copies of the documents obtained are consistent with their originals. All documents have been used for reference only. We have relied considerably on the information given by the Group's PRC legal advisers, 北京天馳君泰(杭州)律師事務所 (Beijing Tianchi Juntai (Hangzhou) Law Firm*), concerning the validity of the title to the property interest located in the PRC.

AREA MEASUREMENT AND INSPECTION

Our Mr. Dennis Wong (BSc) has inspected the Property on 3 December 2025. In the course of our inspections, we did not note any serious structural defects. However, no structural survey has been made and we are therefore unable to report whether the Property are free from rot infestation or any other defects. No tests were carried out on any of the services.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the Property but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

Moreover, we have not carried out investigations on site to determine the suitability of the ground conditions and the services etc., for any future development. Nor did we undertake archaeological, ecological or environmental surveys for the Property. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

No environmental impact study has been ordered or made. Full compliance with applicable national, provincial and local environmental regulations and laws is assured unless otherwise stated, defined and considered in the valuation report.

Our valuation has been made on the basis that there is no substantial change in the physical conditions of the Property between the Valuation Date and the date of our inspection.

VALUATION ASSUMPTION

In valuing the property interests, we have assumed that the owner has free and uninterrupted rights to use the property interest for the whole of the unexpired term as granted and is entitled to transfer the property interest with the residual term without payment of any further premium to the government authorities or any third parties.

Our valuation has been made on the assumption that the owner sells the property interests of the Property on the open market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the values of the property interests. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

All consents, approvals and license from relevant government authorities for the property interests have been granted without any onerous conditions or undue time delay which might affect their values. All the required licenses, consents, or other legislative or administrative authority from any local, provincial, or national government, private entity or organization either have been or can be obtained or renewed for any use which the valuation report covers.

All applicable zoning and use regulations and restrictions have been complied with unless nonconformity has been stated, defined, and considered in the valuation report. However, we have assumed that the utilization of the property interest and improvements are within the boundaries of the property interest described and that no encroachment or trespass exists, unless noted in the valuation report.

LIMITING CONDITIONS

We have relied to a considerable extent on information provided by the Group and have accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, site and floor areas, room and facilities schedule and all other relevant matters in the identification of the Property.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

This valuation is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our valuation report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

REMARKS

Unless otherwise stated, all money amounts stated are in Renminbi (RMB).

The English transliteration of the Chinese name(s) in this valuation report, where indicated by an asterisk (*), is included for information purposes only, and should not be regarded as the official English name(s) of such Chinese name(s).

We hereby confirm that we are independent of and not connected with the Group, and have neither present nor prospective interests in the Group, the Property or the values reported herein.

We enclose herewith the valuation report.

Yours faithfully,
For and on behalf of
Graval Consulting Limited

Sr Lawrence Chan Ka Wah
MRICS, MHKIS, R.P.S. (GP), MCIREA, RICS Registered Valuer
Partner

Sr Lawrence Chan Ka Wah is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, Registered Professional Surveyors in the General Practice Section, a RICS Registered Valuer and a member of the China Institute of Real Estate Appraisers and Agents, who has over 20 years' experience in the valuation of properties in Hong Kong, Macau, the PRC and the Asia-Pacific Region. Lawrence joined Graval Consulting Limited in 2020.

VALUATION REPORT

Property interests to be acquired by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Classification of Property according to the purpose for which it is held	Market Value in existing state as at 30 September 2025 *RMB*
Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Subdistrict, Xiaoshan District, Hangzhou City, Zhejiang Province, the PPC (中國浙江省杭州市蕭山區盈豐街道 杭州世紀中心2幢(西塔)17層1702號)	The subject development, Hangzhou Century Center (杭州世紀中心), also known as Hangzhou Arch (杭州之門) (the "**Development**"), occupied a site area of approximately 77,572 sq.m., is a mixed-use skyscraper complex comprising retail, office, hotel, and residences. The Property comprises an office unit on Level 17 of a 63-storey commercial/office tower (exclusive of a 3-storey basement), known as Tower 2 (West Tower), completed in about 2022. The gross floor area of the Property is approximately 228.83 sq.m. The land use rights of the Development (including the Property) were granted for a term of 50 years commencing on 19 October 2017 and expiring on 19 October 2057 for commercial and business uses.	As advised by the Company, the Property was vacant as at the Valuation Date.	Property is held for investment and for sale.	6,710,000 (Renminbi Six Million Seven Hundred and Ten Thousand Only)

Notes:

1. Pursuant to a Real Estate Ownership Certificate (Document No.: Zhe (2017) Xiao Shan Qu Bu Dong Chan Quan Di No. 0087055 (浙 (2017) 蕭山區不動產權第0087055號) dated 10 November 2017, the land use rights of the Development with a site area of approximately 77,572 sq.m. were granted to 綠地控股集團杭州雙塔置業有限公司 (Greenland Holdings Group Hangzhou Shuangta Real Estate Company Limited*) ("**Greenland Holdings**") for a term expiring on 19 October 2057 for commercial and business uses.

2. Pursuant to a 杭州市不動產登記資料查詢記錄 (Real Estate Registration Information Inquiry Record*) (Document No.: 2025-XSZHKchen14-006219) on 13 November 2025, the ownership of the Property with gross floor area of the Property is approximately 228.83 sq.m. is Greenland Holdings. The Property is for office use.

3. Pursuant to a 房屋建築工程及市政基礎設施工程竣工驗收備案表 (Record of Completion Acceptance Filing of as-built Inspection of Housing, Building and Municipal Infrastructure Projects*) issued by 蕭山區建設局 (Construction's Bureau of Xiaoshan District*) dated 20 December 2022, the Development was completed in 2022.

4. Pursuant to a Business Licence dated 5 March 2019, Greenland Holdings was established on 21 January 2015 as a limited company with a registered capital of RMB10,000,000.

5. Our Mr. Dennis Wong (BSc, has over 20-year experience in valuation industry) inspected the Property on 3 December 2025, the Property enjoys an open/building view. The facility and the management of the subject development were very good, while the interior condition of the Property was simple decoration.

6. The Development is situated at the northwestern of Benjing Avenue (奔競大道) and the southwestern of Hangzhou International Expo Center (杭州國際博覽中心) in Qianjiang Century City (錢江世紀城). Buildings in the locality comprise a variety of modern and iconic developments with residential, commercial and office spaces as well as business and exhibition centre. Hangzhou Railway Station (杭州站) and Hangzhounan Railway Station (杭州南站) are about 30-minute driving distance from the subject development respectively, while Hangzhou Xiaoshan International Airport (杭州蕭山國際機場) is about 30-minute driving distance from the subject development.

7. In valuing the Property, there is generally no centralized, publicly available registry of the actual transaction prices for residential or commercial properties in the PRC. We have adopted market approach in our valuation by making reference to five listing comparables. The use of listing price comparables instead of complete transaction prices is in line with recognized market practices within the PRC real estate appraisal community as a result of limited available data on completed transaction prices. Those listing comparables are gathered from hz.58.com (58.同城房產), a popular agency online platform in the PRC, which are considered to be major and popular providers of property listing information in the PRC. The five listing comparables form an exhaustive list of transactions based on the selection criteria below.

Listing Comparables	1	2	3	4	5
Location	Hangzhou Century Centre (杭州世紀中心), Qianjiang Century City (錢江世紀城)	Run'ao Business Center (潤奧商務中心), Qianjiang Century City (錢江世紀城)	Run'ao Business Center (潤奧商務中心), Qianjiang Century City (錢江世紀城)	Run'ao Business Center (潤奧商務中心), Qianjiang Century City (錢江世紀城)	Hangzhou Wangchao Center (杭州望朝中心), Qianjiang Century City (錢江世紀城)
Usage	Office	Office	Office	Office	Office
Year of Completion	2022	2024	2024	2024	2023
Floor Level	Low level of 63-storey building	Low level of 43-storey building	Low level of 43-storey building	Low level of 43-storey building	Low level of 62-storey building
View	Open/Building	Open/Building	Open/Building	Open/Building	Open/Building
Interior condition	Simple	Simple	Good	Good	Bare shell
Facility	Very Good	Good	Good	Good	Good
Management	Very Good	Good	Good	Good	Good
Gross Floor Area *(sq.m.)*	437	417	428	1,000	426
Listing Date	21 October 2025	21 October 2025	16 October 2025	16 October 2025	5 October 2025
Listing Price *(RMB)*	15,290,000	11,250,000	11,000,000	28,000,000	11,500,000
Listing Unit Rate *(RMB/sq.m.)*	34,989	26,978	25,701	28,000	26,995

The selection criteria for the listing comparables are as follows:

i. Situated within the same locality, i.e. Qianjiang Century City

ii. Being multi-storey office development;

iii. The completion year of listing comparables were completed in about 2022-2024;

iv. All listing comparables are building and/or open view; and

v. The listing dates of all listing comparables are listed within 1 month after the Valuation Date. In general, the listing dates shall be near and before the Valuation Date. Due to the course of the valuation assessment was conducted in late October 2025, listing comparables before the Valuation Date were limited in the market. In view of this, listing comparables after the Valuation Date are also selected and considered. It is a common and an acceptable practice in the industry.

Appropriate adjustments and analysis are considered to the differences in several aspects including time, nature of transaction, location, property type, quantum, building age, floor level, view, interior condition, facility and management between the listing comparables and the Property. The general basis of adjustment is that if the listing comparables is superior to the Property, a downward adjustment is made. Alternatively, if the listing comparables is inferior or less desirable than the Property, an upward adjustment is made. The adjustment range are between –9.3% and +15.9% as below.

(i)	Time	:	0%
(ii)	Nature of transaction	:	–10%[(1)]
(iii)	Location	:	0%
(iv)	Property type	:	0%
(v)	Quantum	:	+0.6% – +2.6%
(vi)	Building Age	:	–0.8% – 0%
(vii)	Floor Level	:	0%
(viii)	View	:	0%
(ix)	Interior condition	:	–10% – +5%
(x)	Facility	:	0% – +10%
(xi)	Management	:	0% – +10%

(1) To ensure the valuation accurately represents arm's-length market conditions, we conducted a physical inspection of the Property on 3 December 2025 and discussed with local real estate agents. Based on their experience and recent transaction observations, they confirmed that negotiated discounts between 5% and 10% relative to initial listing prices are both common and empirically observed in actual transacted prices in the past 12 months. This range accounts for variables such as lease structure, tenant profile, building quality, location within Hangzhou, and prevailing market absorption rates. Given the specific characteristics of the Property, including its age, floor level, fit-out condition, and competitive positioning within its submarket, we deemed the upper end of this observed discount range of 10% to be appropriate. The application of the 10% discount adjustment serves the best interests of the Shareholders by providing a prudent, market-aligned, and independently supported estimate of fair value. The Company considers that the valuation adjustment of the Property Acquisition Agreement as fair and reasonable and is in line with recognized market practice.

Based on the above analysis of the comparables, we have arrived at the adjusted unit rate of the Property at around RMB29,330 per sq.m..

Below is the adjustment rationale of each of the adjustment factors made on the differences between the Property and the comparables.

	Factor		Rationale
(i)	Time	:	The listing dates are listed within 1 month after the Valuation Date. There was no significant change in market condition between the Valuation Date and the listing dates of all listing comparables. The adjustment rates are zero on time factor.
(ii)	Nature of Transaction	:	All comparables are listing by willing sellers, downward adjustments are made to reflect the room for negotiation between a willing seller and a willing buyer.
(iii)	Location	:	All listing comparables are located in the same locality. The adjustment rates are zero on location factor.
(iv)	Property type	:	All listing comparables are office which is similar to the Property. The adjustment rates are zero on property type factor.
(v)	Quantum	:	Unit rates of the properties with smaller size is generally higher, vice versa. Upward adjustments are made for listing comparables with their gross floor area are larger than the Property, vice versa.
(vi)	Building Age	:	Unit rates of properties with lower building age is higher, and vice versa.
(vii)	Floor Level	:	Higher floor level normally enjoys with better light penetration and air ventilation. Unit rates of properties with higher floor level is generally higher, vice versa.
(viii)	View	:	All listing comparables enjoys open building view which are similar to the Property. The adjustment rates are zero on view factor.
(ix)	Interior condition	:	Unit rates of properties with good; reasonable, simple and bare shell interior conditions are higher, high, medium and lower respectively.
(x)	Facility	:	Facility such as adequate central air-conditioning; lift services; parking are normally provided in office development. Unit rates of properties with more facilities is generally higher, and vice versa.
(xi)	Management	:	Unit rates of properties with better management is generally higher, and vice versa.

8. The Company confirmed that as at the Valuation Date:

   i. No encumbrances, liens, pledges, mortgages against the Property;

   ii. No environmental issues such as breach of environmental regulations relating to the Property;

   iii. There were no notices, pending litigation, breach of law or title defects affecting the Property;

   iv. No plans for construction, renovation, improvement or development of the Property; and

   v. No plan to change the use of the Property.

9. We have been provided with a legal opinion on the property prepared by the Company's PRC legal adviser, 北京天馳君泰(杭州)律師事務所 (Beijing Tianchi Juntai (Hangzhou) Law Firm*), which contains, inter alia, the following information:

   i. Greenland Holdings is the owner of the Property and has the right to possess, use, lease, transfer, mortgage, or otherwise dispose of the Property in accordance with the law;

   ii. the Property is free from any mortgages, pledge, seizing and legal encumbrances which may cause adverse effects on the ownership of the Property; and

   iii. the following documents were obtained:

      a. Real Estate Ownership Certificate of the Development

      b. Record of Completion Acceptance Filing of as-built Inspection of Housing, Building and Municipal Infrastructure Projects of the Development

      c. Real Estate Registration Information Inquiry Record of the Property

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Sundy Service Group Co. Ltd
宋都服务集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9608)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Sundy Service Group Co. Ltd (the "**Company**") will be held at Conference Room, 21st Floor, Caihejiaye Building, No. 19 Xintang Road, Shangcheng District, Hangzhou City, Zhejiang Province, PRC on Tuesday, 6 January 2026 at 3:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass (with or without modification) the following resolutions as ordinary resolutions:

"**THAT**:

1. the Letter of Intent (as defined in the circular of the Company of even date (the "**Circular**")) and the transactions contemplated thereunder be and are hereby approved and confirmed and any one director of the Company (the "**Director**") (or any two Directors or one Director and the secretary of the Company, in the case of execution of documents under seal, but other than Ms. Yu Yun) be and is hereby authorised for and on behalf of the Company to do all such acts or things and sign all documents, instruments and agreements deemed to be incidental to, necessary to, ancillary to or in connection with the matters contemplated under the Letter of Intent and the transactions contemplated thereunder and the implementation thereof including the affixing of seal thereon; and

2. the New Property Management Agreements, namely (i) the New Master Property Management Agreement; (ii) the New Zhizhonghe Master Agreement; and (iii) the New Yangguang Master Agreement (as defined in the Circular), the transactions contemplated as well as the proposed annual caps thereunder be and are hereby approved and confirmed and any one Director (or any two Directors or one Director and the secretary of the Company, in the case of execution of documents under seal, but other than Ms. Yu Yun) be and is hereby authorised for and on behalf of the Company to do all such acts or things and sign all documents, instruments and agreements deemed to be incidental to, necessary to, ancillary to or in connection with the matters contemplated under the New Property Management Agreements, the transactions contemplated as well as the proposed annual caps thereunder and the implementation thereof including the affixing of seal thereon."

By Order of the Board of
Sundy Service Group Co. Ltd
Yu Yun
Chairman

Hong Kong, 15 December 2025

Registered office in the Cayman Islands:
Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters and principal place of business in the People's Republic of China:
127, Hanghai Road
Shangcheng District
Hangzhou
Zhejiang province
People's Republic of China

Principal Place of Business in Hong Kong:
Units 1801-08 & 1810, 18/F,
Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the extraordinary general meeting (the "**EGM**") may appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member of the Company who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.

2. To be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy thereof must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or at any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

3. For determining the qualification as members of the Company to attend and vote at the EGM, the register of members of the Company will be closed from 31 December 2025 to 6 January 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 30 December 2025.

4. The translation into the Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

5. If typhoon signal no. 8 or above, or a "black" rainstorm warning is hoisted on the date of the EGM, the meeting will be postponed. The Company will post an announcement on the website of the Company at http://songduwuye.com and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify members of the Company of the date, time and place of the re-scheduled EGM.

As at the date of this notice, the Board comprises four executive Directors, Ms. Yu Yun (Chairman), Mr. Zhu Yihua (Chief Executive Officer), Mr. Zhu Congyue and Mr. Zhang Zhenjiang; and three independent non-executive Directors, Ms. Ye Qian, Mr. Huang Enze and Mr. Zhu Haoxian.