THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Hengdeli Holdings Limited**, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or the transferee(s).

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.

EMPIRE CHARM LIMITED

(Incorporated in the British Virgin Islands with limited liability)

HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3389)

COMPOSITE DOCUMENT RELATING TO VOLUNTARY UNCONDITIONAL GENERAL CASH OFFER BY GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED AND CMBC SECURITIES COMPANY LIMITED

ON BEHALF OF THE OFFEROR TO ACQUIRE ALL OF THE ISSUED SHARES OF HENGDELI HOLDINGS LIMITED (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY THE OFFEROR AND MS. FUNG)

Joint Financial Advisers to the Offeror

Independent Financial Adviser to the Independent Board Committee

Capitalised terms used in this cover page have the same meaning as those defined in the section headed "Definitions" in this Composite Document.

A letter from Guotai Junan Capital and CMBC Securities containing, among other things, the details of the terms and conditions of the Offer is set out on pages 6 to 15 of this Composite Document. A letter from the Board is set out on pages 16 to 19 of this Composite Document. A letter from the Independent Board Committee containing its recommendation to the Offer Shareholders in respect of the Offer is set out on pages 20 to 21 of this Composite Document. A letter from Halcyon Capital Limited, the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offer is set out on pages 22 to 55 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Offer should be received by the Share Registrar by no later than 4:00 p.m on 23 January 2026, being the Closing Date, or such later time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside of Hong Kong should read the sections headed "Important Notice" in this Composite Document and "Overseas Shareholders" in the letter from Guotai Junan Capital and CMBC Securities before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Offer to satisfy himself, herself or itself as to full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities or legal requirements. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer.

2 January 2026

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The timetable set out below is indicative only and may be subject to change. Further announcement(s) will be jointly made by the Offeror and the Company as and when appropriate.

All references to time and dates contained in this Composite Document are to Hong Kong time and dates.

Despatch Date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer (*Note 1*)	Friday, 2 January 2026
Closing Date of the Offer *(Note 2)*	Friday, 23 January 2026
Latest time and date for acceptance of the Offer on the Closing Date *(Note 3)*	4:00 p.m. on Friday, 23 January 2026
Announcement of the results of the Offer as at the Closing Date to be posted on the website of the Stock Exchange *(Note 3)*	no later than 7:00 p.m. on Friday, 23 January 2026
Latest date for the amounts due in respect of valid acceptances received under the Offer on or before 4:00 p.m. on the Closing Date *(Note 4)*	Tuesday, 3 February 2026

Notes:

1. The Offer, which is unconditional in all respects, is made on 2 January 2026, being the date of despatch of this Composite Document, and is capable of acceptance on and from that date until the Closing Date.

2. The Offer will close for acceptance at 4:00 p.m. on 23 January 2026 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offer until such date as it may determine subject to compliance with the Takeovers Code (or otherwise as permitted by the Executive in accordance with the Takeovers Code), in which case the Offeror will issue an announcement in relation to such extension of the Offer no later than 7:00 p.m. on 23 January 2026.

3. If you wish to accept the Offer, you should ensure your duly completed and signed Form of Acceptance and the relevant documents arrive at the Share Registrar no later than the prescribed time. If you choose to deliver the documents by post, you should consider the timing requirements for postage. Beneficial owners of the Offer Shares who hold their Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Acceptances of the Offer are irrevocable and are not capable of being withdrawn, except in the circumstances as set out in the section headed "Right of Withdrawal" in Appendix I to this Composite Document.

4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Offer) payable for the Offer Shares tendered under the Offer will be despatched to those Offer Shareholders accepting the Offer (to the address specified on the relevant Form of Acceptance) by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Share Registrar of all the relevant documents to render the acceptance under the Offer complete and valid.

EFFECT OF BAD WEATHER ON THE EXPECTED TIMETABLE

If a tropical cyclone warning signal number 8 or above, or a black rainstorm warning, or "extreme conditions" as announced by the Government of Hong Kong is/are in force, in Hong Kong: (a) at any local time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will remain at 4:00 p.m. on the same Business Day or the latest date for the posting of remittances will remain on the same Business Day (as the case may be); and (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the next following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. or the posting of remittances will be the next following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. (as the case may be).

NOTICE TO OVERSEAS SHAREHOLDERS

The making of the Offer to the Overseas Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the applicable laws of the relevant jurisdictions in which they are located. Such Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements in their own jurisdictions. It is the responsibility of any Overseas Shareholder wishing to accept the Offer to satisfy himself/herself/itself (and, where necessary, seek independent legal advice) as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any transfer or other taxes due from such Overseas Shareholders in such relevant jurisdictions.

Any acceptance by such Overseas Shareholders will be deemed to constitute a representation and warranty from such persons to the Company, the Offeror and their respective advisers, including Guotai Junan Securities, Guotai Junan Capital, CMBC Securities and CMBC International Capital that those local laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers. For further details, please refer to the section headed "Overseas Shareholders" in the letter from Guotai Junan Capital and CMBC Securities and Appendix I to this Composite Document.

The Offeror, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, the Independent Financial Adviser and the Share Registrar, and/or their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such Overseas Shareholders for any taxes, duties and levies as such person may be required to pay. Please see the section headed "Taxation and Hong Kong Stamp Duty" in Appendix I to this Composite Document.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "seek", "estimate", "will", "would" or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Offeror, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities and CMBC International Capital, the Independent Financial Adviser, the Share Registrar and/or their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

In this Composite Document, unless the context otherwise requires, the following expressions have the following meanings:

"Accepting Shareholder(s)"	Offer Shareholder(s) accepting the Offer
"acting in concert"	has the meaning given to it under the Takeovers Code
"Adjusted NAV per Share"	has the meaning given to it in Appendix II to this Composite Document
"Board"	the board of Directors
"Business Days"	has the meaning given to it under the Takeovers Code
"CCASS"	Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
"Closing Date"	23 January 2026, being the closing date of the Offer, or if the Offer is revised or extended, any subsequent closing date determined by the Offeror and jointly announced by the Offeror and the Company in accordance with the Takeovers Code
"CMBC Group"	CMBC International Capital and persons controlling, controlled by or under the same control as CMBC International Capital
"CMBC International Capital"	CMBC International Capital Limited, a corporation licensed under the SFO permitted to engage in Type 1 and Type 6 regulated activities (as defined under the SFO), and one of the joint financial advisers to the Offeror in respect of the Offer
"CMBC Securities"	CMBC Securities Company Limited, a corporation licensed under the SFO permitted to engage in Type 1 and Type 4 regulated activities (as defined under the SFO) and a member of CMBC Group, being one of the agents making the Offer for and on behalf of the Offeror and the facility provider for financing the Offer
"Company"	Hengdeli Holdings Limited (亨得利控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3389)

"Composite Document"	this composite offer and response document in respect of the Offer jointly despatched by the Offeror and the Company to all Shareholders in compliance with the Takeovers Code
"Despatch Date"	2 January 2026, being the date of despatch of this Composite Document to the Shareholders in compliance with the Takeovers Code
"Director(s)"	director(s) of the Company
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
"Facility"	has the meaning given to it under the section headed "Confirmation of financial resources" in the Letter from Guotai Junan Capital and CMBC Securities
"Form of Acceptance"	the Form of Acceptance in respect of the Offer accompanying this Composite Document
"Group"	the Company and its subsidiaries
"GTJA Group"	Guotai Junan Capital and persons controlling, controlled by or under the same control as Guotai Junan Capital
"Guotai Junan Capital"	Guotai Junan Capital Limited, a corporation licensed under the SFO permitted to engage in Type 6 regulated activity (as defined under the SFO), and one of the joint financial advisers to the Offeror in respect of the Offer
"Guotai Junan Securities"	Guotai Junan Securities (Hong Kong) Limited, a corporation licensed under the SFO permitted to engage in Type 1, Type 2 and Type 4 regulated activities (as defined under the SFO) and a fellow subsidiary of Guotai Junan Capital, being one of the agents making the Offer for and on behalf of the Offeror
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Independent Board Committee"	an independent board committee of the Company, comprising all of the independent non-executive Directors, formed for the purpose of making a recommendation to the Offer Shareholders in respect of the Offer and its acceptance in accordance with the Takeovers Code
"Independent Financial Adviser"	Halcyon Capital Limited, a corporation licensed to carry out Type 6 regulated activities under the SFO, being the independent financial adviser appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in relation to the Offer
"Joint Announcement"	the joint announcement dated 28 November 2025 issued by the Offeror and the Company pursuant to Rule 3.5 of the Takeovers Code in respect of the Offer
"Last Trading Day"	25 November 2025, being the last trading day for the Shares immediately before the publication of the Joint Announcement
"Latest Practicable Date"	30 December 2025, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Cheung"	Mr. Cheung Wing Lun Tony, the sole shareholder of the Offeror, a substantial shareholder of the Company indirectly (through the Offeror) holding 1,365,245,877 Shares (representing approximately 31.00% of the total issued Shares) as at the Latest Practicable Date and the chairman of the Board, an executive Director and the chief executive officer of the Company
"Mr. Zhang"	Mr. Zhang Yuping, the former chairman of the Board, a former executive Director and the father of Mr. Cheung
"Ms. Cheung"	Ms. Cheung Emily Shuk Yuen (formerly known as Ms. Cheung Yuen Yuen Emily), the sister of Mr. Cheung
"Ms. Fung"	Ms. Fung Ka Kiu Ann, a substantial shareholder of the Company directly holding 748,902,047 Shares (representing approximately 17.00% of the total issued Shares) as at the Latest Practicable Date and the mother of Mr. Cheung

"Ms. Xiao"	Ms. Xiao Meirong, the grandmother of Mr. Cheung
"Offer"	the voluntary unconditional general cash offer made by Guotai Junan Securities and CMBC Securities for and on behalf of the Offeror in accordance with the Takeovers Code to acquire all the issued shares of the Company (other than those already beneficially owned by the Offeror and Ms. Fung) on the basis set out in this Composite Document and accompanying Form of Acceptance
"Offeror"	Empire Charm Limited (君雅有限公司), a company incorporated in the British Virgin Islands with limited liability
"Offeror Concert Party(ies)"	party(ies) acting, or presumed to be acting, in concert with the Offeror or Mr. Cheung including but not limited to Mr. Cheung, Ms. Cheung, Ms. Fung, Ms. Xiao, Mr. Lee Shu Chung, Stan and The Swatch Group (Hong Kong) Limited
"Offer Period"	has the meaning ascribed to it under the Takeovers Code, which commenced on 28 November 2025 (i.e. the date of the Joint Announcement) and will end on the Closing Date or (if earlier) the date on which the Offer lapses or is withdrawn in accordance with the Takeovers Code
"Offer Price"	HK$0.14 per Offer Share
"Offer Share(s)"	Share(s) which are subject to the Offer
"Offer Shareholder(s)"	holder(s) of the Offer Shares, being the Shareholder(s) other than the Offeror and Ms. Fung
"Overseas Shareholder(s)"	the Offer Shareholder(s) whose address(es) as shown on the Register is/are outside Hong Kong
"PRC"	the People's Republic of China
"Register"	the register of members of the Company
"Relevant Period"	the period from 28 May 2025, being the date falling six months prior to 28 November 2025 (the date of commencement of the Offer Period) and ending on and including the Latest Practicable Date

"relevant securities"	has the meaning ascribed to it under Note 4 to Rule 22 of the Takeovers Code
"rights over shares"	has the meaning ascribed to it under the Takeovers Code
"RMB"	Renminbi, the lawful currency of the PRC
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the ordinary share(s) of par value of HK$0.005 each in the issued share capital of the Company
"Shareholder(s)"	the registered holder(s) of the Share(s)
"Share Registrar"	Computershare Hong Kong Investor Services Limited, the Hong Kong branch share registrar of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiaries"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers published by the SFC, as amended, supplemented or otherwise modified from time to time
"%"	per cent

27/F, Low Block,
Grand Millennium Plaza,
181 Queen's Road Central,
Hong Kong

45/F, One Exchange Square,
8 Connaught Place, Central

2 January 2026

To the Offer Shareholders

Dear Sir or Madam,

VOLUNTARY UNCONDITIONAL GENERAL CASH OFFER BY GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED AND CMBC SECURITIES COMPANY LIMITED ON BEHALF OF EMPIRE CHARM LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF HENGDELI HOLDINGS LIMITED (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY EMPIRE CHARM LIMITED AND MS. FUNG)

INTRODUCTION

On 28 November 2025, the Offeror and the Company jointly announced that Guotai Junan Securities and CMBC Securities, on behalf of the Offeror, will make a voluntary unconditional general cash offer to acquire all the issued shares of the Company (other than those already beneficially owned by the Offeror and Ms. Fung) at the Offer Price of HK$0.14 per Offer Share.

As at the Latest Practicable Date, there were 4,404,018,959 Shares in issue, of which 2,289,871,035 Shares will be subject to the Offer, and there is no treasury share in issue. In addition, as at the Latest Practicable Date, the Company has no other shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest.

This letter forms part of this Composite Document and sets out certain background information of the Offeror, the reasons for making the Offer and the intention of the Offeror in relation to the Company. The terms of the Offer are set out in this letter, Appendix I to this Composite Document and in the accompanying Form of Acceptance.

Your attention is drawn to the letter from the Board on pages 16 to 19, the letter from the Independent Board Committee on pages 20 to 21 and the letter from the Independent Financial Adviser on pages 22 to 55 in this Composite Document.

THE OFFER

Offer Price

The Offer is being made by Guotai Junan Securities and CMBC Securities on behalf of the Offeror at the following price:

For each Offer Share . . . . . HK$0.14 in cash

The Offer is unconditional.

Offer Shares to be acquired

All the Offer Shares to be acquired under the Offer shall be (i) fully-paid; (ii) free from mortgage, charge, pledge, lien, equities, encumbrances or other third party rights and interests of any nature; and (iii) together with all rights attached to the Shares including all rights to any dividends and other distributions hereafter declared, paid or made in respect thereof as at the Closing Date or subsequently becoming attached to them, including the right to receive or retain all dividends and other distributions, if any, the record date of which falls on or after the Closing Date.

As at the Latest Practicable Date, the Company has no declared but unpaid dividends, distributions and/or other return of capital. The Company confirms that as at the Latest Practicable Date, it does not have any intention to make, declare or pay any further dividends or make other distributions, the record date of which falls (i) on or after the Latest Practicable Date and (ii) on or before the close or lapse of the Offer. If, after the Latest Practicable Date, any dividend or distribution is declared in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or distribution declared, made or paid in respect of each Offer Share, in which case any reference in the Joint Announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

VALUE OF THE OFFER

Comparison of value

The Offer Price of HK$0.14 per Offer Share represents:

(i) a premium of approximately 0.72% over the closing price of HK$0.139 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a premium of approximately 12.00% over the closing price of HK$0.125 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a premium of approximately 14.75% over the average closing price of HK$0.122 per Share as quoted on the Stock Exchange for the five (5) trading days up to and including the Last Trading Day;

(iv) a premium of approximately 17.61% over the average closing price of HK$0.119 per Share as quoted on the Stock Exchange for the thirty (30) trading days up to and including the Last Trading Day;

(v) a discount of approximately 82.21% to the Company's audited consolidated net asset value attributable to Shareholders per Share of approximately RMB0.73 (equivalent to approximately HK$0.79) as at 31 December 2024, calculated based on (i) the Company's audited consolidated net assets attributable to Shareholders of approximately RMB3,209,574,000 as at 31 December 2024; (ii) 4,404,018,959 Shares in issue as at 31 December 2024; and (iii) the exchange rate of RMB1.0: HK$1.0799, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 31 December 2024 for illustrative purposes only;

(vi) a discount of approximately 82.07% to the Company's unaudited consolidated net asset value attributable to Shareholders per Share of approximately RMB0.71 (equivalent to approximately HK$0.78) as at 30 June 2025, calculated based on (i) the Company's unaudited consolidated net assets attributable to Shareholders of approximately RMB3,135,163,000 as at 30 June 2025; (ii) 4,404,018,959 Shares in issue as at 30 June 2025; and (iii) the exchange rate of RMB1.0: HK$1.0966, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025 for illustrative purposes only; and

(vii) a discount of approximately 83.07% to the Adjusted NAV per Share of approximately RMB0.75 (equivalent to approximately HK$0.83) (i.e. the unaudited consolidated net asset value of the Group attributable to Shareholders as at 30 June 2025 as adjusted by the fair value changes arising from the valuation of all the property interests of the Group as at 30 September 2025 as set out in Appendix III to this Composite Document, the calculation of which is set out in Appendix II to this Composite Document).

The Offer Price of HK$0.14 per Offer Share was determined on an arm's length commercial basis after taking into account, among other things, the prospects of the Company, the trading liquidity and the historical closing prices of the Shares on the Stock Exchange and with reference to other similar transactions in Hong Kong in recent years.

Highest and lowest closing prices of the Shares

The highest and lowest closing prices of each Share as quoted on the Stock Exchange during the Relevant Period were HK$0.140 on 15, 16 and 29 December 2025 and HK$0.097 on 2 June 2025, respectively.

Total consideration of the Offer

The Company has a total of 4,404,018,959 Shares in issue, of which 2,289,871,035 Shares will be subject to the Offer, and there is no treasury share in issue. Assuming (i) that there is no change in the number of issued Shares between the Latest Practicable Date and the Closing Date; and (ii) full acceptance of the Offer, based on the Offer Price of HK$0.14 per Offer Share, the total cash consideration payable by the Offeror under the Offer would be approximately HK$320,581,945.

Confirmation of financial resources

The Offeror intends to finance the cash consideration payable by the Offeror under the Offer through a combination of internal resources and a facility provided by CMBC Securities (the "**Facility**"). The Joint Financial Advisers are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer in accordance with its terms.

The Facility will be secured by, amongst others, the maintenance of the Shares held or to be acquired under the Offer by the Offeror and certain amount of cash in certain accounts maintained with CMBC Securities as collateral, which shall take effect on certain days after the expiry of the Offer Period until the repayment of the Facility. Other than as disclosed above and any potential dividend of the Company which may be declared in the ordinary course of business of the Company or otherwise subject to compliance with the relevant laws and regulations (which, if and when declared, the Offeror may elect to utilize any amounts received from such dividend to repay the Facility), the Offeror confirms that the payment of interest on, repayment of or security for any existing liability (contingent or otherwise) in relation to the Facility will not depend on the business of the Company in any significant extent.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, there were 4,404,018,959 Shares in issue and there was no treasury share in issue.

The following table sets out the shareholding structure of the Company as at the Latest Practicable Date:

	As at the Latest Practicable Date	
Name of Shareholders	**Number of Shares**	**Approximate %** *(Note 8)*
Offeror *(Note 1)*	1,365,245,877	31.00
Ms. Fung *(Note 2)*	748,902,047	17.00
Ms. Cheung *(Note 3)*	144,011,420	3.27
Ms. Xiao *(Note 4)*	19,516,000	0.44

Name of Shareholders	As at the Latest Practicable Date Number of Shares	 Approximate % *(Note 8)*
Sub-total of Offeror, Ms. Fung, Ms. Cheung and Ms. Xiao	**2,277,675,344**	**51.72**
Mr. Lee Shu Chung, Stan *(Note 5)*	5,920,000	0.13
The Swatch Group (Hong Kong) Limited *(Note 6)*	437,800,000	9.94
Subtotal of the Offeror and the Offeror Concert Parties (Note 7)	**2,721,395,344**	**61.79**
Other Shareholders	1,682,623,615	38.21
Total Offer Shares	**2,289,871,035**	**52.00**
Total issued Shares	**4,404,018,959**	**100.00**

Notes:

1. Mr. Cheung owns 100% of the issued share capital of the Offeror, which in turn holds 1,365,245,877 Shares as at the Latest Practicable Date.

2. Ms. Fung is the mother of Mr. Cheung, the latter being the ultimate beneficial owner of 100% share capital in the Offeror. Accordingly, Ms. Fung is presumed to be acting in concert with the Offeror in relation to the Company in accordance with classes (1) and (8) of the definition of "acting in concert" under the Takeovers Code.

3. Ms. Cheung is the sister of Mr. Cheung, the latter being the ultimate beneficial owner of 100% share capital in the Offeror. Accordingly, Ms. Cheung is presumed to be acting in concert with the Offeror in relation to the Company in accordance with classes (1) and (8) of the definition of "acting in concert" under the Takeovers Code.

4. Ms. Xiao is the grandmother of Mr. Cheung, the latter being the ultimate beneficial owner of 100% share capital in the Offeror. Accordingly, Ms. Xiao is presumed to be acting in concert with the Offeror in relation to the Company in accordance with classes (1) and (8) of the definition of "acting in concert" under the Takeovers Code.

5. Mr. Lee Shu Chung, Stan is an executive Director, who is presumed to be acting in concert with the Offeror in accordance with class (6) of the definition of "acting in concert" under the Takeovers Code.

   Other than Mr. Cheung and Mr. Lee Shu Chung, Stan, none of the Director held any Shares as at the Latest Practicable Date.

6. The Swatch Group (Hong Kong) Limited is a wholly-owned subsidiary of The Swatch Group Limited. The Swatch Group (Hong Kong) Limited is presumed to be acting in concert with the Offeror under classes (1) and (8) of the definition of "acting in concert" by virtue of a joint venture company of which more than 20% interests are held by each of Mr. Zhang (through companies controlled by him) and The Swatch Group (Hong Kong) Limited.

7. Guotai Junan Capital and CMBC International Capital are the Joint Financial Advisers. Accordingly, (i) Guotai Junan Capital and relevant members of the GTJA Group; and (ii) CMBC International Capital and relevant members of the CMBC Group, which hold Shares (or options, warrants or derivatives in respect of them) are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class (5) of the definition of "acting in concert" under the Takeovers Code (except in respect of Shares (or options, warrants or derivatives in respect of them) held on behalf of non-discretionary investment clients of the GTJA Group and the CMBC Group respectively). In addition, CMBC Securities is the facility provider to the Offeror and is presumed to be acting in concert with the Offeror under class (9) of the definition of "acting in concert" under the Takeovers Code.

   As at the Latest Practicable Date, members of the GTJA Group and the CMBC Group do not hold any Shares (or options, warrants or derivatives in respect of them), other than Shares (or options, warrants or derivatives in respect of them) held on behalf of non-discretionary investment clients of the GTJA Group and the CMBC Group respectively.

8. The percentage figures are subject to rounding adjustments and, accordingly, figures shown in total in the above table may not be an arithmetic aggregation of the figures preceding them.

As at the Latest Practicable Date, the Company does not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares, nor has it entered into any agreement for the issue of such options, derivatives, warranties, securities which are convertible or exchangeable into Shares.

PUBLIC FLOAT AND MAINTENANCE OF LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing status of the Company after the close of the Offer and does not intend to exercise any rights to compulsorily acquire all the Shares.

The Stock Exchange has stated that if, at the closing of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares are held by the public, or if the Stock Exchange believes that:

(i) a false market exists or may exist in the trading of the Shares; or

(ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps if required to ensure that sufficient public float exists in the Shares as a result of the Offer.

REASONS FOR AND BENEFITS OF THE OFFER

Reasons for the Offer

The Offer represents a continuation of Mr. Cheung's commitment to the long-term development and success of the Company. By increasing his shareholding, Mr. Cheung seeks to reinforce his role in guiding the strategic direction of the Company and to further align his interests with those of other Shareholders. The Offer also reflects the ongoing support and continued confidence of his family in the Company.

Benefits to the Company and the Offeror

In recent years, the global environment remained complex and volatile, with uncertainties such as increasing trade barriers, intensifying trade frictions and continuing geopolitical conflicts weighing on the momentum of global economic growth. Under these pressures, PRC's economic growth slowed down but maintained stable amidst multiple domestic and external challenges. Still, the country's economy remained resilient as it carried on with steady and sound development.

During the period, faced with the impact of the operating environment and other factors, the development of the Company's high-end consuming accessories business continued to be under pressure. Due to uncertainties in the international market and slowing domestic economic growth, the high-end consuming accessories business recorded a year-on-year decrease in terms of both sales performance and profit.

As a result, the Company has been facing complex and volatile economic environment. The downward pressure has been reflected in the Company's trading price for recent two years and recent financial performance. Upon completion of the Offer, the Company is expected to optimise its shareholding structure and financial positioning. The Offeror, while fully cognizant of the ongoing short to mid-term risks and uncertainties faced by the Company, remains optimistic about the Company's long-term prospects. The Offer enables the Offeror to provide stronger support to the Company by taking a leading role in driving the Group's development, with the ultimate goal of formulating the long-term business strategy and delivering enhanced long-term value to the Shareholders.

Benefits to the Offer Shareholders

The Offer Shareholders will be given an opportunity to realise all or part of their investment at a premium to the recent trading price of the Shares as set out in the paragraph headed "Comparison of value" above. As the Offeror proposes to retain the listing status of the Company on the Stock Exchange, the Offer also provides flexibility for the Offer Shareholders to retain part of their shareholding interest in the Company if they so wish in order to participate in the future growth of the Company going forward, and to benefit from the future growth and development of the Group.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

The Offeror intends to continue with the Group's existing principal business following the completion of the Offer. In particular, the Offeror has no intention to (i) introduce any major changes to the existing business and operation of the Group; (ii) discontinue the employment of any employees of the Group; or (iii) dispose of or re-deploy the fixed assets of the Company, in each case other than those in the ordinary and usual course of business of the Group. As at the Latest Practicable Date, the Offeror has no intention to nominate any new directors to the Board.

The Offeror will continuously review the business of the Group, and the Offeror reserves the right to make any changes that it deems necessary or appropriate to the business and operations of the Group to optimise the value of the Group and in the interests of all Shareholders.

HONG KONG STAMP DUTY

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by the relevant Offer Shareholders who accept the Offer at a rate of 0.10% of (i) the consideration payable by the Offeror in respect of the relevant acceptance of the Offer; or (ii) the market value of the Offer Shares, whichever is higher (rounded up to the nearest HK$1.00), and such stamp duty will be deducted from the cash amount payable by the Offeror to such Offer Shareholders on acceptance of the Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Offer Shareholders that accept the Offer and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, the Company and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

OVERSEAS SHAREHOLDERS

The making of the Offer to Offer Shareholders who are not resident in Hong Kong may be affected by the applicable laws and regulations of the relevant jurisdiction in which they reside. Offer Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements in their own jurisdictions and, where necessary, seek their own legal advice. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations

of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas Shareholders in respect of such jurisdictions).

Acceptance of the Offer by any Shareholder will be deemed to constitute a representation and warranty from such Shareholder to the Offeror that the local laws and requirements have been complied with and that the Offer can be accepted by such Shareholder lawfully under the laws of the relevant jurisdiction. Shareholders should consult their professional advisers if in doubt.

Any acceptance of the Offer by any Offer Shareholder will be deemed to constitute a representation and warranty from such persons to the Offeror and their advisers that all local laws and regulatory requirements have been complied with and that the Offer can be accepted by such persons lawfully under the laws of the relevant jurisdiction. Offer Shareholders should consult their professional advisers if in any doubt.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 27 July 2022 and is principally engaged in investment holding. As at the Latest Practicable Date, Mr. Cheung, the chairman of the Board, an executive Director and the chief executive officer of the Company, is the sole shareholder and sole director of the Offeror.

Mr. Cheung joined the Group in 2012, and held positions in the high-end consuming accessories business department and senior management of the Company with extensive management experience in the high-end consuming accessories business. Mr. Cheung is the son of Mr. Zhang Yuping, former chairman and former executive Director of the Company.

FURTHER TERMS OF ACCEPTANCE OF THE OFFER

Further terms of acceptance of the Offer, including, among other things, procedures for acceptance and settlement and the acceptance period, are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

ADDITIONAL INFORMATION

To ensure equality of treatment of all Offer Shareholders, registered Shareholders who hold Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of Shares by each beneficial owner separately. In order for the beneficial owners of Shares whose investments are registered in nominee names (including those whose interests in Shares are held through CCASS) to accept the Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the Offer.

Your attention is drawn to the letter from the Board on pages 16 to 19, the letter from the Independent Board Committee on pages 20 to 21 and the letter from the Independent Financial Adviser on pages 22 to 55 in this Composite Document.

In considering what action to take in connection with the Offer, you should consider your own tax and financial positions and, if you are in doubt, you should consult your professional advisers.

Yours faithfully

For and on behalf of	For and on behalf of
Guotai Junan Capital Limited	**CMBC Securities Company Limited**
Amy Chow	**Zhang Jinhui**
Executive Director	*Managing Director*

HENGDELI HOLDINGS LIMITED
亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3389)

Executive Directors:
Mr. Cheung Wing Lun Tony *(Chairman)*
Mr. Lee Shu Chung, Stan

Non-Executive Director:
Mr. Shi Zhongyang

Independent Non-Executive Directors:
Mr. Cai Jianmin
Mr. Liu Xueling
Ms. Qian Weiqing

Registered Office:
Cricket Square
Hutchins Drive
P.O Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business in Hong Kong:
Room 301, 3/F, Lippo Sun Plaza
28 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

2 January 2026

To the Offer Shareholders

Dear Sir or Madam,

VOLUNTARY UNCONDITIONAL GENERAL CASH OFFER BY GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED AND CMBC SECURITIES COMPANY LIMITED ON BEHALF OF EMPIRE CHARM LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF HENGDELI HOLDINGS LIMITED (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY EMPIRE CHARM LIMITED AND MS. FUNG)

INTRODUCTION

On 28 November 2025, the Offeror and the Company jointly announced that Guotai Junan Securities and CMBC Securities, on behalf of the Offeror, will make a voluntary unconditional general cash offer to acquire all the issued shares of the Company (other than those already beneficially owned by the Offeror and Ms. Fung) at the Offer Price of HK$0.14 per Offer Share.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, (i) further details of the Offer; (ii) the expected timetable in relation to the Offer; (iii) information regarding the Company; (iv) recommendations from the Independent Board Committee with respect to the Offer; and (v) the letter of advice from the Independent Financial Adviser to the Independent Board Committee.

THE OFFER

Offer Price

The Offer is being made by Guotai Junan Securities and CMBC Securities on behalf of the Offeror at the following price:

For each Offer Share . . . . . HK$0.14 in cash

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at the Latest Practicable Date is set out in the section headed "Shareholding Structure of the Company" in the letter from Guotai Junan Capital and CMBC Securities in this Composite Document.

As at the Latest Practicable Date, the Company has no declared but unpaid dividends, distributions and/or other return of capital. The Company confirms that as at the Latest Practicable Date, it does not have any intention to make, declare or pay any further dividends or make other distributions, the record date of which falls (i) on or after the Latest Practicable Date and (ii) on or before the close or lapse of the Offer. The Company notes that if, after the Latest Practicable Date, any dividend or distribution is declared in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or distribution declared, made or paid in respect of each Offer Share, in which case any reference in the Joint Announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

REASONS FOR AND BENEFITS OF THE OFFER

Your attention is drawn to the sections headed "Reasons for and Benefits of the Offer" in the letter from Guotai Junan Capital and CMBC Securities in this Composite Document.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the letter from Guotai Junan Capital and CMBC Securities in this Composite Document which sets out, among other things, the intention of the Offeror in relation to the Group.

The Board is pleased to acknowledge the intention of the Offeror in respect of the Group.

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is primarily focused on the manufacturing of high-end consuming accessories, the building up of high-end consuming service platforms, international commodity trading and its related supply chain services principally in the PRC and Hong Kong.

Relevant financial information of the Group is set out in Appendix II to this Composite Document.

PUBLIC FLOAT AND MAINTENANCE OF LISTING STATUS OF THE COMPANY

The Company notes that the Offeror intends to maintain the listing status of the Company after the close of the Offer and does not intend to exercise any rights to compulsorily acquire all the Shares.

The Stock Exchange has stated that if, at the closing of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares are held by the public, or if the Stock Exchange believes that:

(i) a false market exists or may exist in the trading of the Shares; or

(ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Company notes that the sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps if required to ensure that sufficient public float exists in the Shares as a result of the Offer.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee, which comprises all of the independent non-executive Directors, namely Mr. Cai Jianmin, Mr. Liu Xueling and Ms. Qian Weiqing, has been established by the Board in accordance with Rules 2.1 and 2.8 of the Takeovers Code to make a recommendation

to the Offer Shareholders as to whether the Offer is fair and reasonable and as to acceptance, taking into account the advice from the Independent Financial Adviser to the Independent Board Committee. Mr. Shi Zhongyang, a non-executive Director, is an employee of Swatch Group. As The Swatch Group (Hong Kong) Limited is a presumed concert party of the Offeror, Mr. Shi Zhongyang is therefore not considered independent for the purposes of giving advice or recommendations to the Offer Shareholders. The letter from the Independent Board Committee is set out in pages 20 to 21 of this Composite Document.

The Independent Financial Adviser has been appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and in particular as to whether the Offer is fair and reasonable and as to acceptance of the Offer. The letter from the Independent Financial Adviser is set out in pages 22 to 55 of this Composite Document.

GENERAL

Your attention is drawn to the letter from Guotai Junan Capital and CMBC Securities and to Appendix I to this Composite Document and the accompanying Form of Acceptance for the principal terms and the acceptance and settlement procedures in relation to the Offer.

Your attention is drawn to (1) the letter from the Independent Board Committee in this Composite Document which contains the Independent Board Committee's advice to Offer Shareholders in respect of the Offer and acceptance of the Offer and (2) the letter from the Independent Financial Adviser in this Composite Document which contains, among other things, the Independent Financial Adviser's advice to the Independent Board Committee in respect of the Offer and acceptance of the Offer, and principal factors and reasons considered by it in arriving at such advice.

Your attention is further drawn to the general information as set out in Appendix IV to this Composite Document.

Yours faithfully,
By Order of the Board
HENGDELI HOLDINGS LIMITED
Lee Shu Chung, Stan
Executive Director

HENGDELI HOLDINGS LIMITED
亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3389)

2 January 2026

To the Offer Shareholders

Dear Sir or Madam,

VOLUNTARY UNCONDITIONAL GENERAL CASH OFFER BY GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED AND CMBC SECURITIES COMPANY LIMITED ON BEHALF OF EMPIRE CHARM LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF HENGDELI HOLDINGS LIMITED (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY EMPIRE CHARM LIMITED AND MS. FUNG)

We have been appointed as members of the Independent Board Committee to advise you in respect of the Offer, details of which are set out in the letter from Guotai Junan Capital and CMBC Securities and the letter from the Board in this Composite Document in relation to the Offer jointly issued by the Company and the Offeror dated 2 January 2026, of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in this Composite Document unless the context requires otherwise.

Your attention is drawn to the letter from the Board, the letter from Guotai Junan Capital and CMBC Securities, Appendix I to this Composite Document and the accompanying Form of Acceptance containing the detailed terms of the Offer, and the letter of advice from the Independent Financial Adviser in this Composite Document, which contains its advice and recommendation to us in respect of the Offer, as well as the principal factors and reasons for its advice and recommendation.

Having considered the principal factors and reasons considered by, and the opinion of, the Independent Financial Adviser as stated in the letter from the Independent Financial Adviser in this Composite Document, we are of the opinion that the Offer is not fair and not reasonable so far as the Offer Shareholders are concerned. We therefore recommend that the Offer Shareholders not to accept the Offer.

Notwithstanding our recommendation, the Offer Shareholders are strongly advised that the decision to realise or to hold their investments in the Company is subject to individual circumstances and investment objectives and they should consider carefully the terms of the Offer. In addition, Offer Shareholders are advised to carefully consider the factors and consideration as set out in the letter from the Independent Financial Adviser based on their individual circumstances and investment objectives, and if in doubt, they should consult their own professional advisers for professional advice. Furthermore, the Offer Shareholders who wish to accept the Offer are recommended to read carefully the terms and the procedures for accepting the Offer as detailed in the Composite Document.

Yours faithfully,
For and on behalf of the Independent Board Committee
HENGDELI HOLDINGS LIMITED
Cai Jianmin
Liu Xueling
Qian Weiqing

The following is the full text of the letter of advice from Halcyon Capital Limited to the Independent Board Committee which has been prepared for the purpose of the inclusion in this Composite Document.



Rm 3401, 34/F, Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong.

2 January 2026

To: the Independent Board Committee

Dear Sirs or Madams,

VOLUNTARY UNCONDITIONAL GENERAL CASH OFFER BY GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED AND CMBC SECURITIES COMPANY LIMITED ON BEHALF OF EMPIRE CHARM LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF HENGDELI HOLDINGS LIMITED (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY EMPIRE CHARM LIMITED AND MS. FUNG)

I. INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee, in relation to the Offer, details of which are contained in the Composite Document dated 2 January 2026 (the "**Composite Document**"), of which this letter forms part. Unless the context otherwise requires, capitalized terms used in this letter shall have the same meaning as those defined in the Composite Document.

On 28 November 2025, the Offeror and the Company jointly announced (the "**Joint Announcement**") that Guotai Junan Securities and CMBC Securities Company Limited, on behalf of the Offeror will make a voluntary general cash offer to acquire all the issued shares of the Company (other than those already beneficially owned by the Offeror and Ms. Fung) at the Offer Price of HK$0.14 per Offer Share.

As at the Latest Practicable Date, the Company has 4,404,018,959 Shares in issue, of which 2,289,871,035 Shares will be subject to the Offer, and there is no treasury share in issue. In addition, as at the Latest Practicable Date, the Company has no other shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interests.

In accordance with Rules 2.1 and 2.8 of the Takeovers Code, the Independent Board Committee, comprising all of the independent non-executive Directors, namely Mr. Cai Jianmin, Mr. Liu Xueling and Ms. Qian Weiqing, has been established to make recommendation to the Offer Shareholders as to whether the Offer is fair and reasonable and as to acceptance of the Offer. Since Mr. Shi Zhongyang, a non-executive Director, is an employee of Swatch Group and the Swatch Group (Hong Kong) Limited is a presumed concert party of the Offeror, Mr. Shi Zhongyang is therefore not considered independent for the purpose of giving advice or recommendations to the Shareholders. We have been appointed as the Independent Financial Adviser by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and in particular as to whether the Offer is fair and reasonable, and as to approval and acceptance of the Offer.

In the past two years, saved as our appointment as the independent financial adviser in respect of the partial offer to acquire a maximum of 660,602,843 shares in the Company (including to discuss with the Directors in relation to the disclosure of material change of the financial and trading position of the Group in the Composite Document as required under Rule 10.11 of the Takeovers Code and report on certain profit forecast figures pursuant to Rule 10.9 of the Takeovers Code), details of which were set out in the composite document of the Company dated 4 July 2024 and the current appointment as the Independent Financial Adviser in respect of the Offer (including to discuss with the Directors in relation to the disclosure of material change of the financial and trading position of the Group in the Composite Document as required under Rule 10.11 of the Takeovers Code), we are not associated with the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them and, accordingly, considered ourselves eligible to give independent advice on the Offer. Apart from normal professional fees paid or payable to us in connection with the appointment as the Independent Financial Adviser of the Offer, no arrangement exists whereby we will receive any fees or benefits from the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them. We are therefore independent under Rule 13.84 of the Listing Rules and under Rule 2.6 of the Takeover Code to act as the Independent Financial Adviser to the Independent Board Committee in connection with the Offer.

II. BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information, financial information and facts supplied to us and representations expressed by the Directors and/or the management of the Group and have assumed that all such information, financial information and facts and any representations made to us or referred to in the Joint Announcement, and the Composite Document, for which they are fully responsible, are true, accurate and complete as at the time they were made and as at the date hereof and made after due and careful inquiry by the Directors and/or management of the Group. We have been advised by the Directors and/or the management of the Group that all relevant information has been supplied to us and that no material facts have been omitted from the information supplied and representations expressed to us. We have also relied on certain information available to the public and have assumed such information to be accurate and reliable. We have no reason to doubt the completeness, truth or accuracy of the information and facts provided and we are not aware of any facts or circumstances which would render such information provided and representations made to us untrue, inaccurate or misleading. Should there be any subsequent material changes in such information during the Offer Period, the Company will inform the Offer Shareholders as soon as practicable in accordance with Rule 9.1 of the Takeovers Code. The Offer Shareholders shall also be informed as soon as practicable when there are any material changes to the information contained or referred to in this letter and our opinion after the Latest Practicable Date and throughout the Offer Period.

Our review and analyses were based upon, among others, the information provided by the Company and certain published information from the public domain including, the annual reports of the Company for the three years ended 31 December 2022 (the "**2022 Annual Report**"), 2023 (the "**2023 Annual Report**"), and 2024 (the "**2024 Annual Report**") and the interim report of the Company for the six months ended 30 June 2025 (the "**2025 Interim Report**") and other information as set out in the Composite Document and considered that we have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information nor have we conducted any form of in-depth investigation into the businesses, affairs, borrowing and financial position or prospects of the Group, the Offeror, Mr. Cheung, Ms. Fung, Guotai Junan Capital, Guotai Junan Securities, CMBC Securities, CMBC International Capital, the Swatch Group and each of their respective associates and parties acting in concert with them.

In relation to the Offer, we have not considered the tax implications nor the stamp duty on the Offer Shareholders on the acceptance or non-acceptance of the Offer since tax implication depend on individual circumstances. In particular, the Shareholders who are overseas residents or subject to overseas taxation or Hong Kong taxation on securities dealings should consider their own tax position and, if in any doubt should consult their own professional advisers. For further details on stamp duty, please refer to Appendix I of the Composite Document.

III. TERMS AND CONDITIONS OF THE OFFER

Set out below are the summary of terms and conditions of the Offer, for details please refer to the "Letter from Guotai Junan Capital and CMBC Securities" as contained in the Composite Document.

Guotai Junan Securities and CMBC Securities will, for and on behalf of the Offeror and in compliance with the Takeovers Code, make a voluntary unconditional general cash offer to acquire all the Offer Shares on the following terms:

For each Offer Share ..... **HK$0.14 in cash**

The Offer is unconditional.

All the Offer Shares to be acquired under the Offer shall be (i) fully-paid; (ii) free from mortgage, charge, pledge, lien, equities, encumbrances or other third party rights and interests of any nature; and (iii) together with all rights attached to the Shares including all rights to any dividends and other distributions hereafter declared, paid or made in respect thereof as at the Closing Date or subsequently becoming attached to them, including the right to receive or retain all dividends and other distributions, if any, the record date of which falls on or after the Closing Date.

As at the Latest Practicable Date, the Company has no declared but unpaid dividends, distributions and/or other return of capital. The Company confirms that as at the Latest Practicable Date, it does not have any intention to make, declare or pay any further dividends or make other distributions, the record date of which falls (i) on or after the Latest Practicable Date, and (ii) on or before the close or lapse of the Offer. If, after the Latest Practicable Date, any dividend or distribution is declared in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or distribution declared, made or paid in respect of each Offer Share, in which case any reference in the Joint Announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

IV. VALUE OF THE OFFER

Comparison of value

The Offer Price of HK$0.14 per Offer Share represents:

(i) a premium of approximately 0.72% over the closing price of HK$0.139 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a premium of approximately 12.00% over the closing price of HK$0.125 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a premium of approximately 14.75% over the average closing price of HK$0.122 per Share as quoted on the Stock Exchange for the five (5) trading days up to and including the Last Trading Day;

(iv) a premium of approximately 17.61% over the average closing price of HK$0.119 per Share as quoted on the Stock Exchange for the thirty (30) trading days up to and including the Last Trading Day;

(v) a discount of approximately 82.21% to the Company's audited consolidated net asset value attributable to Shareholders per Share of approximately RMB0.73 (equivalent to approximately HK$0.79) as at 31 December 2024, calculated based on (i) the Company's audited consolidated net assets attributable to Shareholders of approximately RMB3,209,574,000 as at 31 December 2024; (ii) 4,404,018,959 Shares in issue as at 31 December 2024; and (iii) the exchange rate of RMB1.0: HK$1.0799, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 31 December 2024 for illustrative purpose only; and

(vi) a discount of approximately 82.07% to the Company's unaudited consolidated net asset value attributable to Shareholders per Share of approximately RMB0.71 (equivalent to approximately HK$0.78) as at 30 June 2025, calculated based on (i) the Company's unaudited consolidated net assets attributable to Shareholders of approximately RMB3,135,163,000 as at 30 June 2025; (ii) 4,404,018,959 Shares in issue as at 30 June 2025; and (iii) the exchange rate of RMB1.0: HK$1.0966, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025 for illustrative purposes only; and

(vii) a discount of approximately 83.07% to the Company's unaudited consolidated net asset value attributable to the Shareholders as adjusted by the valuation report set out in Appendix III to this Composite Document of approximately RMB0.75 (equivalent to approximately HK$0.83 per Share as at 30 June 2025, calculated based on the adjusted unaudited consolidated net asset value attributable to the Shareholders of RMB3,321,511,000 (the exchange rate of RMB1.0: HK$1.0966, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025 for illustrative purposes) as at 30 June 2025 and 4,404,018,959 Shares in issue as at the Latest Practicable Date. The above-mentioned adjustment is due to revaluation of properties as a result of the valuation report set out in Appendix III to this Composite Document, the detailed calculation of which is set out in Appendix II to this Composite Document. Such revaluation has not been realised as at the Latest Practicable Date. Shareholders and potential investors in the securities of the Company should consider the above factors in assessing their voting/investment decisions.

Highest and lowest Share prices

The highest and lowest closing prices of each Share as quoted on the Stock Exchange during the Relevant Period were HK$0.140 on 15, 16 and 29 December 2025 and HK$0.097 on 2 June 2025, respectively.

Total consideration of the Offer

The Company has a total of 4,404,018,959 Shares in issue, of which 2,289,871,035 Shares will be subject to the Offer, and there is no treasury share in issue. Assuming (i) that there is no change in the number of issued Shares between the Latest Practicable Date and the Closing Date; and (ii) full acceptance of the Offer, based on the Offer Price of HK$0.14 per Offer Share, the total cash consideration payable by the Offeror under the Offer would be approximately HK$320,581,945.

V. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 27 July 2022 and is principally engaged in investment holding. As at the Latest Practicable Date, Mr. Cheung, the chairman of the Board, an executive Director and the chief executive officer of the Company, is the sole shareholder and sole director of the Offeror.

Mr. Cheung joined the Group in 2012, and held positions in the high-end consuming accessories business department and senior management of the Company with extensive management experience in the high-end consuming accessories business. Mr. Cheung is the son of Mr. Zhang Yuping, former chairman and former executive Director of the Company.

VI. PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendations in respect of the Offer, we have considered the following principal factors and reasons:

1. Background information of the Group

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is primarily focused on (i) the manufacturing of high-end consuming accessories, the building up of high-end consuming service platforms; and (ii) international commodity trading and its related supply chain services principally in the PRC and Hong Kong. Each segment accounted for approximately 65.9% and 34.1% of the Group's total revenue in the year ended 31 December 2024 and 78.9% and 21.1%, respectively, during the six months ended 30 June 2025. The Group has also, via investment in its associated companies, tapped into global bulk shipping industry.

With regards to the segment for high-end consuming accessories services, the Group manufactures high-end consuming accessories, mainly covering the accessories and packaging products for watches, jewelry and cosmetics and also commercial space design, production and decoration.

The Group is also engaged in the international commodity trading business. As disclosed in the 2025 Interim Report, the international commodity trading business mainly covers the importation of iron ore, thermal coal and coking coal to Mainland China and pursuant to the 2024 Annual Report and 2023 Annual Report, the international commodity trading business comprised of the trading of iron ore and coal.

2. Prospects of the Group's businesses

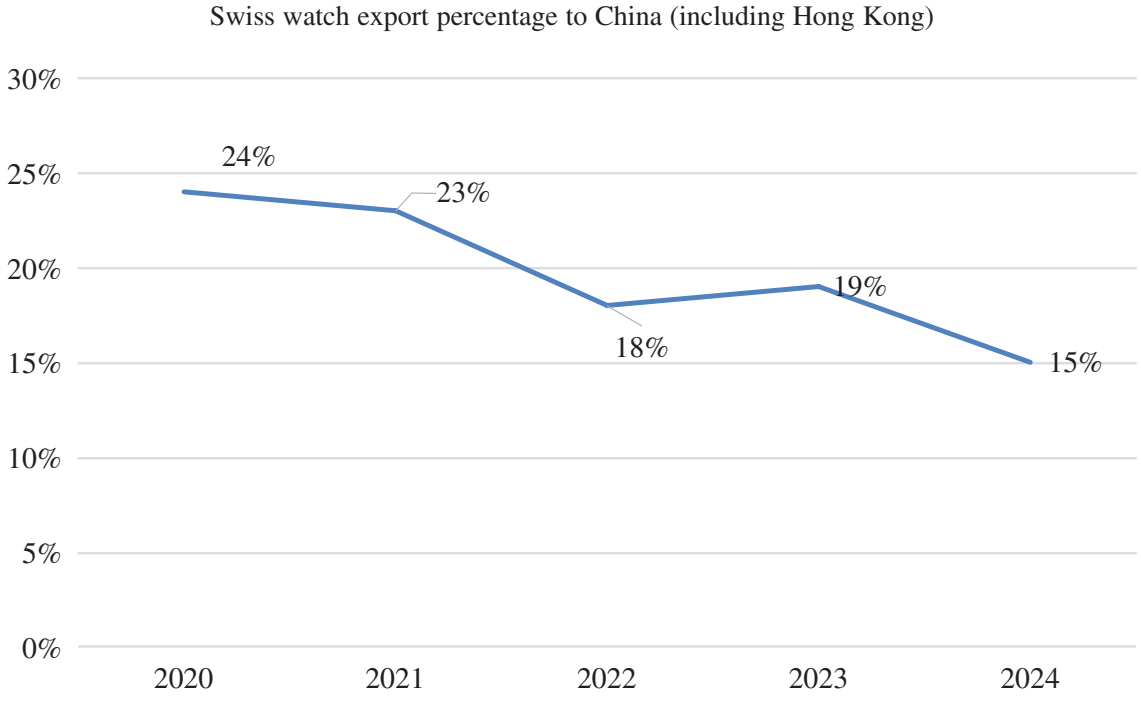
(i) The high-end consuming accessories business

According to the 2024 Annual Report, during the year ended 31 December 2024, the economy in China was under heavy pressure, and the Group's high-end consuming accessories was affected to a certain extent. The Group took various methods to cope with the environment, including stability-rooted, pursuing development through innovation, actively improving gross profit margin and reducing expenses. The Group will focus on expanding the development in manufacturing of high-end consuming accessories and engage in deeper cooperation with brands and international counterparts in various ways. The Group will continue to enhance the service standard of its integrated services for commercial space in Mainland China and international markets. The Group will also fully embark on a limited number of diversified business activities to capitalize on the potential of the manufacturing of high-end consuming accessories in other high-end lifestyle products such as jewelry, cosmetics and mobile phones, and to expand its commercial space beautification services to include living space beautification services, striving to become an indispensable independent segment in the global industry ecological chain of high-end consumption.

According to data published by the National Bureau of Statistics of the PRC, the consumer price index ("**CPI**") in 2024 rose 0.2 percent compared to the previous year, while the CPI in October 2025 rose 0.2 percent year on year. The National Bureau of Statistics also published the data for Total Retail Sales of Consumer Goods (excluding vehicles) for the ten months ended 31 October 2025 which amounted to RMB37,216.0 billion, representing an increase of 3.7% compared to the amount recorded in corresponding period in 2024 of RMB35,903.9 billion.

As the major products of the Group's high-end consuming accessories business comprised mainly of watch accessories and providing high-end consuming service platform for watch retail shops in Hong Kong and PRC, the growth in export of Swiss watches to Hong Kong and PRC would be related to the growth of the Group's high-end consuming accessories business.

Set out below is the percentage of Swiss watch export to PRC including (Hong Kong) between 2020 up to 2024 with data extracted from the World distribution of Swiss watch exports report published in November 2025:



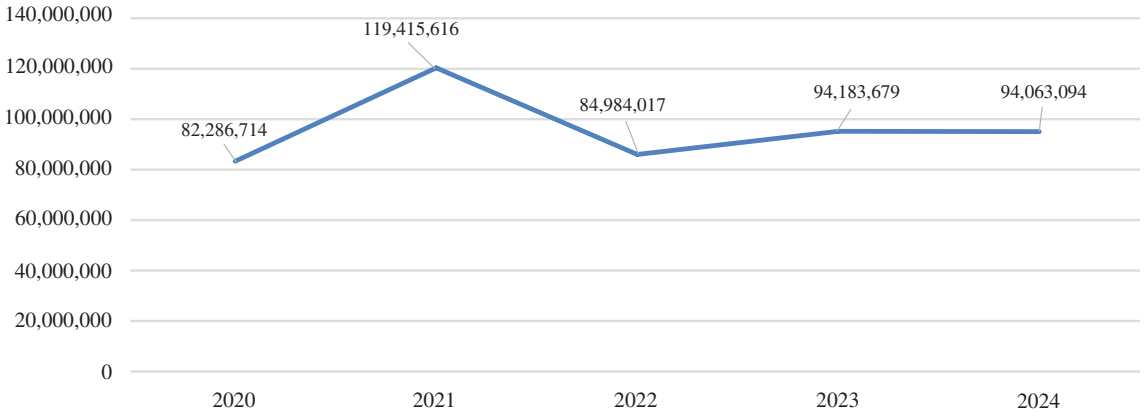
Source: Federation of the Swiss Watch Industry FH

Referring to the chart above, China (including Hong Kong)'s share of Swiss watch recorded a decrease from 2020 to 2022 from 24% in 2020 to 18% in 2022. Swiss watch export percentage to China (including Hong Kong) only picked up in 2023 but recorded a decrease again in 2024.

(ii) International commodity trading

Set out below is a summary of the demand in the PRC of the two major commodities traded by the Group in 2024:

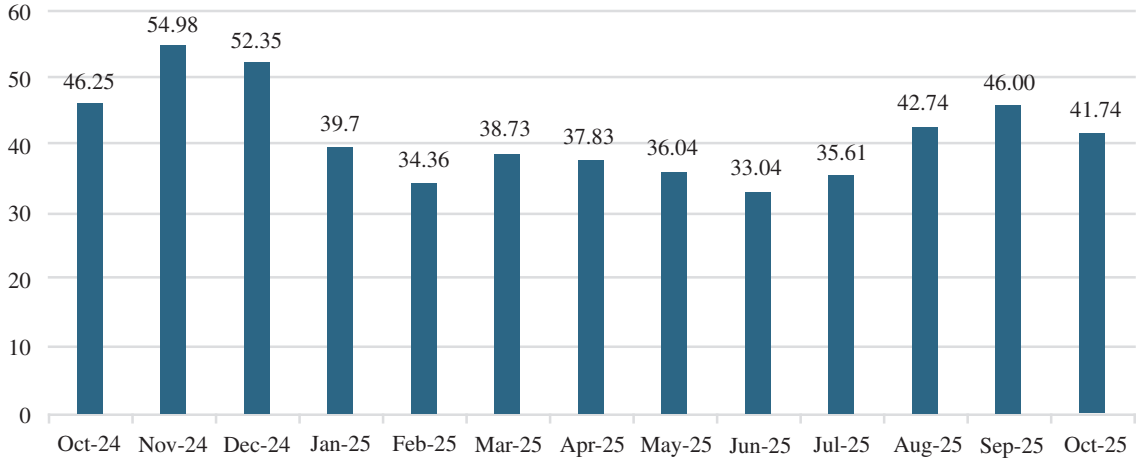
China Import Amount of Iron Ore and its Concentrate 2020-2024 (in RMB)



Source: General Administration of Customs of the PRC

As illustrated above, import of iron ore and concentrate decreased in 2022 and has started to pick up in 2023 and remained at a comparable level in 2024.

Monthly Trend of China's Coal Imports (in million tons)



Source: China National Coal Association

With reference to the chart above, there was an increase in amount of coal imports in November 2024 compared to October 2024. However, the amount of coal imports recorded a decreasing trend until February 2025. Although it picked up slightly in March 2025, there was a slowdown in the amount of imports until June 2025. From July 2025 onwards, a short period of pick up was recorded until September 2025, but dropped slightly again in October 2025.

In view of the market data above, with regards to the high-end consumer accessories segment, although there are signs of slight recovery in the consumer market in the PRC, the decrease in imports of Swiss watches indicates that the consumer sentiment, still faces pressure and uncertainties. With regards to the international commodity trading segment, (i) the demand for the iron ores for 2024 have remained comparable to 2023, but is yet to see a strong recovery in demand; (ii) the demand for imported coal in 2025 has generally slowed down, indicating that in the short term, the prospects of commodity trading market may be subject to weakened demand.

3. Reasons for and benefits of the Offer and intention of the Offeror

Reasons for the Offer

The Offer represents a continuation of Mr. Cheung's commitment to the long-term development and success of the Company. By increasing his shareholding, Mr. Cheung seeks to reinforce his role in guiding the strategic direction of the Company and to further align his interests with those of other Shareholders. The Offer also reflects the ongoing support and continued confidence of his family in the Company.

Benefits to the Company and the Offeror

In recent years, the global environment remained complex and volatile, with uncertainties such as increasing trade barriers, intensifying trade frictions and continuing geopolitical conflicts weighing on the momentum of global economic growth. Under these pressures, the PRC's economic growth slowed down but maintained stable amidst multiple domestic and external challenges. Still, the country's economy remained resilient as it carried on with steady and sound development.

During the period, faced with the impact of the operating environment and other factors, the development of the Company's high-end consuming accessories business continued to be under pressure. Due to uncertainties in the international market and slowing domestic economic growth, the high-end consuming accessories business recorded a year-on-year decrease in terms of both sales performance and profit.

As a result, the Company has been facing complex and volatile economic environment. The downward pressure has been reflected in the Company's trading price for recent two years and recent financial performance. Upon completion of the Offer, the Company is expected to optimise its shareholding structure and financial positioning. The Offeror, while fully cognizant of the ongoing short to mid-term risks and uncertainties faced by the Company, remains optimistic about the Company's long-term prospects. The Offer enables the Offeror to provide stronger support to the Company by taking a leading role in driving the Group's development, with the ultimate goal of formulating the long-term business strategy and delivering enhanced long-term value to the Shareholders.

Benefits to the Offer Shareholders

The Offer Shareholders will be given an opportunity to realise all or part of their investment at a premium to the recent trading price of the Shares. As the Offeror proposes to retain the listing status of the Company on the Stock Exchange, the Offer also provides flexibility for the Offer Shareholders to retain part of their shareholding interest in the Company if they so wish in order to participate in the future growth of the Company going forward, and to benefit from the future growth and development of the Group.

Intention of the Offeror and maintain the listing of the Company

The Offeror intends to continue with the Group's existing principal business following the completion of the Offer. In particular, the Offeror has no intention to (i) introduce any major changes to the existing business and operation of the Group; (ii) discontinue the employment of any employees of the Group; or (iii) dispose of or re-deploy the fixed assets of the Company, in each case other than those in the ordinary and usual course of business of the Group. As at the Latest Practicable Date, the Offeror has no intention to nominate any new directors to the Board.

The Offeror will continuously review the business of the Group, and the Offeror reserves the right to make any changes that it deems necessary or appropriate to the business and operations of the Group to optimise the value of the Group and in the interests of all Shareholders.

The Offeror intends to maintain the listing status of the Company after the close of the Offer and does not intend to exercise any rights to compulsorily acquire all the Shares.

According to the Listing Rules, the Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares. The sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps if required to ensure that sufficient public float exists in the Shares as a result of the Offer.

4. Analysis of the financial information of the Group

(i) Financial information of the Group

The Group is primarily focused on (i) the manufacturing of high-end consuming accessories, the building up of high-end consuming service platforms; and (ii) international commodity trading and its related supply chain services principally in the PRC and Hong Kong.

The following table summarises the consolidated financial results of the Group for the years ended 31 December 2022 ("**FY2022**"), 2023 ("**FY2023**"), 2024 ("**FY2024**"), which are extracted from the 2023 Annual Report and 2024 Annual Report and for the six months ended 30 June 2024 ("**1H2024**") and 2025("**1H2025**") which are extracted from the 2025 Interim Report:

	For the six months ended 30 June 2025 *(unaudited)* ***(RMB'000)***	**For the six months ended 30 June 2024** *(unaudited)* ***(RMB'000)***	**For the year ended 31 December 2024** *(audited)* ***(RMB'000)***	**For the year ended 31 December 2023** *(audited)* ***(RMB'000)***	**For the year ended 31 December 2022** *(audited)* ***(RMB'000)*** *(note)*
Revenue	314,314	580,361	1,043,555	1,421,454	1,039,286
– High-end Consuming Accessories	248,095	352,339	688,104	710,708	630,330
– Commodity Trading	66,219	228,022	355,451	710,746	408,956
Cost of sales	(249,803)	(484,998)	(894,797)	(1,206,189)	(915,693)
Gross profit	64,511	95,363	148,758	215,265	123,593
Other revenue	32,385	33,322	66,384	47,299	32,033
Other net gain/(loss)	54,219	(25,686)	(26,427)	(6,394)	(71,691)
Distribution costs	(27,513)	(32,093)	(64,472)	(61,100)	(55,481)
Administrative expenses	(91,829)	(88,126)	(189,562)	(172,805)	(133,323)
Profit/(loss) from operations	31,773	(17,220)	(65,319)	22,265	(104,869)
Share of profits of associates	(2,863)	26,514	23,169	16,358	76,457
Finance costs	(1,506)	(2,719)	(4,559)	(5,385)	(3,288)
Profit/(loss) before taxation	27,404	6,575	(46,709)	33,238	(31,700)
Income tax credit/(expense)	(1,371)	(6,076)	(8,763)	1,953	(2,970)
Profit/(loss) for the period/year	26,033	499	(55,472)	35,191	(34,670)

Note: The figures set out above are the restated results of the continuing operations as set out in the 2022 Annual Report after the Group ceased its watch operations in FY2022.

For the six months ended 30 June 2025 vs 30 June 2024

The Group recorded revenue of RMB314.3 million for 1H2025, representing a period-on-period decrease of 45.8% compared to a revenue of RMB580.4 million for 1H2024. The decrease was brought on by the drop in revenue from both segments (i.e (i) high end consuming accessories; and (ii) the commodity trading). The revenue of the high-end consuming accessories business amounted to RMB248.1 million for 1H2025 compared to RMB352.3 million generated in 1H2024 representing a period-on-period decrease of 29.6% due to uncertainties in the international market, slowdown in domestic economic growth, impact of the operating environment and other factors leading to a drop in sales; and the revenue of the commodity trading business amounted to RMB66.2 million in 1H2025 compared to RMB228.0 million recorded in 1H2024, representing a period-on-period decrease of 71.0% as a result of the complex and volatile international economic environment and high fluctuation in mineral sand prices which affected customers' purchase intention.

For 1H2025, the Group recorded a gross profit amounted to approximately RMB64.5 million compared to RMB95.4 million in 1H2024, representing a period-on-period decrease of 32.4%. The gross profit margin was approximately 20.5% during 1H2025 representing a period-on-period increase of 4.1 percentage points from compared to the gross profit margin of 16.4% in 1H2024. The decrease in gross profit and increase in gross profit margin were mainly to factors such as lower cost of sales of high-end consuming accessories and changes in commodity portfolio.

Furthermore, the Group recorded other net gain in 1H2025 of RMB54.2 million compared to other net loss of RMB25.7 million in 1H2024 due to a net foreign exchange gain in 1H2025 of RMB45.4 million compared to a net foreign exchange loss of RMB26.3 million and a fair value gain on financial assets held for trading of RMB8.9 million in 1H2025 compared to RMB0.6 million in 1H2024.

As a result of the above, the Group recorded a profit of RMB26.0 million for 1H2025 compared to a profit of RMB0.5 million for 1H2024.

For the year ended 31 December 2024 vs 31 December 2023

The Group recorded revenue of RMB1,043.6 million for FY2024, representing a year-on-year decrease of 26.6% compared to a revenue of RMB1,421.5 million for FY2023. The decrease was mainly driven by the drop in revenue from (i) the high-end consuming accessories business with revenue amounted to RMB688.1 million for FY2024 compared to RMB710.7 million generated in FY2023 representing a year-on-year decrease of 3.2% resulting from economic pressure in the PRC leading a drop in consumer demand; and (ii) the commodity trading business with revenue amounted to RMB355.5 million in FY2024 compared to RMB710.7 million recorded in FY2023, representing a year-on-year decrease of 50.0% due to unpredictable international economic environment coupled with the implementation of policy restricting crude steel production in some cities in China and volatile market prices of commodities.

For FY2024, the Group recorded a gross profit of approximately RMB148.8 million compared to RMB215.3 million in FY2023, representing a year-on-year decrease of 30.9%. The gross profit margin was approximately 14.3% during FY2024 representing a year-on-year decrease of 0.8 percentage point compared to the gross profit margin of 15.1% in FY2023. The decrease in gross profit and gross profit margin was mainly to the fluctuations in commodity trading prices and a decrease in sales transactions.

As a result of the above, the Group recorded a loss of RMB55.5 million for FY2024 compared to a profit of RMB35.2 million for FY2023.

For the year ended 31 December 2023 vs 31 December 2022

The Group recorded revenue of RMB1,421.5 million for FY2023, representing a year-on-year increase of 36.8% compared to a revenue of the continuing operations of RMB1,039.3 million for FY2022. The increase was mainly driven by the growth in revenue contributed from both (i) the revenue of the high-end consuming accessories business amounting to RMB710.8 million for FY2023 compared to RMB630.3 million generated in FY2022 representing a year-on-year increase of 12.8% brought on by the implementation of various measures by the Group such as continuously diversifying business models, and enhancing informational and automatic management in response to the difficult operating environment under the backdrop of the economic resurgence in the PRC; and (ii) the commodity trading business amounted to RMB710.7 million in FY2023 compared to RMB409.0 million recorded in FY2022, representing a year-on-year increase of 73.8% led by the rise in mineral sand price and the Company's active adaption to market dynamics, flexible and precise delivery in response to the challenges in the operating environment.

For FY2023, the Group recorded a gross profit amounted to approximately RMB215.3 million compared to RMB123.6 million of the continuing operations in FY2022, representing a year-on-year increase of 74.2%. The gross profit margin was approximately 15.1% during FY2023 representing a year-on-year increase of 3.2 percentage point compared to the gross profit margin of 11.9% in FY2022. The increase in gross profit and gross profit margin was mainly attributable to the fluctuations in commodity trading prices.

As a result of the above, the Group recorded a profit of RMB35.2 million for FY2023 compared to a loss of RMB34.7 million for FY2022 for the continuing operations.

(ii) Financial position of the Group

A summary of the financial position of the Group as at 30 June 2025 as extracted from the 2025 Interim Report and as at 31 December 2024, and 31 December 2023, as extracted from the 2024 Annual Report is set out below:

	As at 30 June 2025 *(unaudited)* ***(RMB'000)***	**As at 31 December 2024** *(audited)* ***(RMB'000)***	**As at 31 December 2023** *(audited)* ***(RMB'000)***
Investment properties	255,466	259,110	266,398
Property, plant and equipment	528,798	538,212	551,137
Intangible assets	5,678	5,245	2,727
Goodwill	52,730	53,728	52,611
Interests in associates	155,343	161,164	137,386
Other investments	374,554	402,240	368,582
Prepayment and deposits	8,708	7,894	46,707
Deferred tax assets	843	1,125	3,259
Total non-current assets	**1,382,120**	**1,428,718**	**1,428,807**
Inventories	141,496	175,432	258,115
Trade and other receivables	531,731	616,205	558,072
Loans to associates	34,077	34,719	33,789
Other investments	20,546	12,181	10,654
Current tax recoverable	29	251	469
Deposits with banks	100,876	329,600	318,437
Cash and cash equivalents	1,195,507	937,036	990,815
Total current assets	**2,024,262**	**2,105,424**	**2,170,351**
Trade and other payables and contract liabilities	129,718	168,777	226,920
Bank loans	36,054	45,953	76,653
Lease liabilities	10,180	9,188	8,313
Current taxation	166	3,006	2,846
Total current liabilities	**176,118**	**226,924**	**314,732**
Bank loans	12,812	12,050	17,483
Lease liabilities	12,620	15,664	21,309
Total non-current liabilities	**25,432**	**27,714**	**38,792**
Net assets	**3,204,832**	**3,279,504**	**3,245,634**

As at 30 June 2025

The total assets of the Group amounted to approximately RMB3,406.4 million as at 30 June 2025. The non-current assets of the Group comprise mainly (i) investment properties of approximately RMB255.5 million; (ii) property, plant and equipment of approximately RMB528.8 million; and (iii) other investment amounting to approximately RMB374.6 million. The current assets of the Company comprised mainly (i) inventories of approximately RMB141.5 million; (ii) trade and other receivables of approximately RMB531.7 million; and (iii) cash and cash equivalents and deposits with banks of approximately RMB1,296.4 million.

The total liabilities of the Group amounted to approximately RMB201.6 million as at 30 June 2025 mainly comprising (i) trade and other payables and contract liabilities amounting to RMB129.7 million; (ii) bank loans of RMB48.9 million; and (iii) lease liabilities of RMB22.8 million.

As at 31 December 2024

The total assets of the Group amounted to approximately RMB3,534.1 million as at 31 December 2024. The non-current assets of the Group comprise mainly (i) investment properties of approximately RMB259.1 million; (ii) property, plant and equipment of approximately RMB538.2 million; and (iii) other investment amounting to approximately RMB402.2 million. The current assets of the Company comprised mainly (i) inventories of approximately RMB175.4 million; (ii) trade and other receivables of approximately RMB616.2 million; and (iii) cash and cash equivalents and deposits with banks of approximately RMB1,266.6 million.

The total liabilities of the Group amounted to approximately RMB254.6 million as at 31 December 2024 mainly comprising (i) trade and other payables and contract liabilities amounting to RMB168.8 million; (ii) bank loans of RMB58.0 million; and (iii) lease liabilities of RMB24.9 million.

As at 31 December 2023

The total assets of the Group amounted to approximately RMB3,599.2 million as at 31 December 2023. The non-current assets of the Group comprise mainly (i) investment properties of approximately RMB266.4 million and property, plant and equipment of approximately RMB551.1 million; and (ii) other investment amounting to approximately RMB368.6 million. The current assets of the Company comprised mainly (i) inventories of approximately RMB258.1 million; (ii) trade and other receivables of approximately RMB558.1 million; and (iii) cash and cash equivalents and deposits with banks of approximately RMB1,309.3 million.

The total liabilities of the Group amounted to approximately RMB353.5 million as at 31 December 2023 mainly comprising (i) trade and other payables and contract liabilities amounting to RMB226.9 million; (ii) bank loans of RMB94.1 million; and (iii) lease liabilities of RMB29.6 million.

Despite the fact that the Group recorded a profit for 1H2025 and FY2023 and FY2021, the Group's performance has been fluctuating in the last five years with three out of the last five years being loss making in which it remains uncertain as to when the Group's profitability will become stabilised; and since then has yet to declare any dividend.

(iii) Property valuation of the Group and the adjusted net assets value

The Group had carried out property valuation on the market values as at 30 September 2025 of the properties held by the Group located in Hong Kong, Taiwan and the PRC (the "**Properties**"). The valuation on the Properties as at 30 September 2025 was conducted by the Valuer, using various valuation approaches for different property types, for further details of the valuation report please refer to Appendix III to the Circular (the "**Valuation Report**").

Expertise and independence of the Valuer

To assess the expertise and independence of the Valuer, we have (i) reviewed the engagement letter of the Valuer; and (ii) discussed with members of the valuation team engaged in the valuation of the Properties to understand their experience and relationship with the Company as well as the valuation methodology adopted.

Based on our discussion with the Valuer and from public domain, the Valuer is member of Kroll global network with a team of over 6,500 professionals worldwide with nearly 100-year history and has over 40 years presence in Asia pacific.

The valuation team engaged by the Group was led by Ms. Elaine H. L. Ng, who is a Registered Professional Surveyor (General Practice), a member of Hong Kong Institute of Surveyors and a member of Royal Institute of Chartered Surveyors, has over 17 years' post qualification experience in valuation of properties in Hong Kong, the PRC and Asia. Team members include (but not limited to) (i) Mr. Robert Hu, who is a member of China Institute of Real Estate Appraisers and Agents (CIREA) and Certified Public Valuer in China (CPV), Vice President of Kroll and has over 30 years' valuation experience in real estate in the PRC; (ii) Ms. Kathy Li, who is a member of American Society of Appraisers, also a Vice President of Kroll and has over 30 years' valuation experience in real estate in the PRC.

The Valuer has confirmed that it is an independent third party of the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them. Furthermore, the Valuer confirmed to us that apart from normal professional fees payable to it in connection with its engagement for the issuance of the Valuation Report and other valuation engagements from time-to-time, no arrangements exist whereby it will receive any fee or benefit from the Group, the Offeror or any party acting, or presumed to be acting, in concert with any of them.

Based on our discussion with the Valuer and our review of their scope of work, we are not aware of any matters that could cause us to have doubts on the expertise and independence of the Valuer.

The Valuation

In assessing the fairness and reasonableness of the valuation of the Properties, we have reviewed the Valuation Report, the basis and assumptions made, and the methodology adopted by the Valuer in preparing the Valuation. Details of the assumptions are set out in the Valuation Report as contained in Appendix III to the Composite Document.

The Properties comprise 17 properties located in Hong Kong, Taiwan and in the PRC owned by the Group, with permitted use comprising of Industrial, Office Unit, Residential, Office, Shop and Car Parking Spaces. Pursuant to the Valuation Report, different valuation methodologies have been adopted for different usage types of the properties. For commercial, residential properties and land parcels, the Valuer has adopted the market approach to determine their market values, while the Valuer adopted cost approach to determine the market value of the industrial properties.

(a) For commercial, residential properties and land parcels

In the valuation of the properties in its existing state, market approach was adopted. Comparables were selected with characteristics comparable to each of the subject property, such as location, size and permitted use.

The market approach is commonly used for real estate when comparable transactions and prices are available in the market. The market approach studies similar properties that have recently sold or are offered for sale in the current market ("**Comparable Properties**") and compare such Comparable Properties with the property being appraised, with adjustments made for differences such as among other things, transaction status, location, age, type, size and uses.

We have reviewed the respective Comparable Properties adopted for valuing commercial, residential properties and land parcels and understand that the selected comparables (if available) were within the same district of the subject property, if not in a proximate district where the subject property is located. Adjustments to the unit rates of those comparable have been made to reflect the difference in transaction including but not limited to, transaction status, location, age, type, size and uses.

As advised by the Valuer, all of the above adjustments applied were in conformity to the market practice. We noted that the adjustments applied in the Valuation were generally in line with the aforesaid bases and rationale.

(b) Industrial properties

In the valuation of the industrial properties in its existing state, cost approach was adopted, which comprised of (i) determination of land value by the direct comparison method; (ii) building value which took into account reproduction or replacement costs of the improvements are estimated as if the improvements were new; and (iii) adjustment for all elements of accrued depreciation including physical depreciation, functional and/or economic/external obsolescence.

We understand that all industrial properties of the Group are located in the PRC. We have discussed with the Valuer and understood that unlike other standard factory units, there are apparently no market sale or lease transactions of real properties of similar type of production facilities in the region of PRC which the Group's industrial properties were located in. Real properties of such type are usually bought together with other assets of the business. Hence, it is difficult, if not impossible, to find market comparables for meaningful analysis. Furthermore, industrial premises of similar type are largely purpose-built, and are not disposed of on a piecemeal basis. Therefore, it was not considered appropriate to adopt market or income approaches for industrial properties in the course of valuation.

Valuation criteria	
Land value	To determine the land value, the Valuer has made reference to various recent sales prices of industrial land parcels within the vicinity. The land sales comparable are selected as they have characteristics comparable to the subject property, such as location, size and permitted use. We have reviewed the respective land sales comparable adopted and understand that the selected comparables were within the same district of the subject property, if not in a proximate district where the subject property is located.

Building value-reproduction or replacement costs of the improvements	For the buildings of the property, the Valuer has made reference to the prevailing construction costs in the vicinity to derive the replacement cost. The Valuer has made reference to the market cost comparables disclosed in the commonly used market cost data platform, which is known as "Glodon Construction Cost Data Platform 廣聯達建築成本資料平臺" with the following link: https://www.gldzb.com/#/home From our research from public domain, Glodon Construction Cost Data Platform is a data base which could provide subscriber with costing data construction of various properties including residential, office, hotel, commercial, industrial for 30 provinces (including autonomous regions and municipalities) in the PRC. It is a domain set up by Glodon Company Limited, an A-Share listed company with 8 major R&D centers and over 80 subsidiaries worldwide, with a sales and service network spanning over 100 countries and regions, serving 390,000 corporate clients with professional products and services. It was accredited as a Key Software Enterprise Accreditation within National Programming Layout* (國家規劃內重點佈局軟件企業) and awarded the AAA rating of Credit of Software and Information Service Companies* (軟體和資訊服務企業信用AAA級) We have discussed with the Valuer and understand that Glodon Construction Cost Data Platform is a reputable and widely used reference data platform for valuation purposes. We have reviewed the relevant cost data provided by the Valuer and noted that the construction costs adopted in the Valuation were in-line with the cost data as noted from "Glodon Construction Cost Data Platform 廣聯達建築成本資料平臺".

Adjustment for depreciation	After the determination of replacement cost, the Valuer made further adjustment on depreciation of the buildings. We noted from the depreciation adjustment calculation of the Valuer that the adjustment took into account the term of the land use right and the number of years which the subject property have been in use, which reflects the depreciation of the buildings for its available useful life.

Given the unique nature of industrial properties, we concur with the Valuer that applying cost approach while taking into consideration various recent sales prices of industrial land parcels in valuing the land of which the industrial properties are situated on to be appropriate.

(c) Tax implications

As confirmed by the Group, as at the Valuation Date, the Group has no intention to sell the Properties and therefore the valuation did not take into account any tax implications.

Taking into consideration the above, we consider we have performed work as required under note (1)(d) to Rule 13.80 of the Listing Rules in relation to the Valuer and its work in arriving at the Valuation. We have enquired (i) the terms of engagement of the Valuer (including its independence) with the Company; (ii) the qualification and experience of the Valuer in relation to the valuation of similar property interests in Hong Kong, Taiwan and in the PRC; and (iii) the work carried out by the Valuer in conducting the Valuation. From the relevant information provided by the Valuer and based on our interview with them, we are satisfied with the terms of engagement of the Valuer and noted that the scope of work is appropriate for arriving at the opinion in the Valuation and the Valuer has confirmed to us that there is no limitation on the scope of work. We are also satisfied with their qualifications and experience for the preparation of the Valuation Report.

The adjusted unaudited net assets value

By taking into account the effect of fair value changes arising from the valuation of all the Properties of the Group as at 30 September 2025 (as contained in the Valuation Report) set out in Appendix III to this Composite Document), set out below is the calculation of the adjusted net asset value of the Group:

	RMB'000 (except for the Adjusted NAV per Share) Unaudited
Unaudited consolidated net asset value of the Group attributable to Shareholders as at 30 June 2025 *(Note 1)*	3,135,163
Adjustments:	
– Fair value changes on the property interests of the Group as at 30 September 2025 attributable to Shareholders based on the Valuation Report *(Note 2)*	186,348
Adjusted net asset value	3,321,511
Adjusted net asset value per Share attributable to Shareholders as at 30 June 2025 (the "**Adjusted NAV per Share**") *(Note 3)*	RMB0.75 (equivalent to approximately HK$0.83)

Notes:

1. The amount is extracted from the unaudited consolidated statement of financial position of the Group as at 30 June 2025.

2. The fair value change represents the excess of market value of the property interests as at 30 September 2025 over their corresponding carrying amount as at 30 June 2025 less the amount attributable to minority shareholders of the Group, as illustrated below:

   Calculation of fair value gain:

	RMB'000
Fair value of property interests of the Group as at 30 September 2025 (as set out in Appendix III to this Composite Document)	856,600
Less: Carrying value of the relevant property interests as at 30 June 2025	(658,441)
Fair value gain	198,159
Among which attributable to the Shareholders	186,348

3. The Adjusted NAV per Share is arrived at on the basis of 4,404,018,959 Shares in issue as at the Latest Practicable Date. The exchange rate of RMB1.0: HK$1.0966 being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025 is adopted for illustrative purposes only.

5. Analysis of market price of the Shares

(a) Historical price performance compared to the Offer Price of HK$0.14 per Offer Share

The chart below illustrates the daily closing price of the Shares as quoted on the Stock Exchange for the period from 28 November 2024 to the Latest Practicable Date, being the period of approximately 12 months prior to the Joint Announcement and up to and including the Latest Practicable Date (the "**Review Period**"). We consider that the Review Period represents a reasonable period of time within which the prevailing market price of the Shares can be illustrated.



Source: Website of the Stock Exchange.

As illustrated above, the Offer Price was trading above or at par to the closing prices of the Shares during the majority time of the Review Period, which comprised of 264 trading days, saved for 1 trading day out of the 264 trading days of which Shares were trading at HK$0.145 per Share and decrease thereafter. We have enquired with the management of the Group and were advised that, the Directors were not aware of any specific reasons which may have an impact of the fluctuations of Share prices during the above-mentioned trading day.

During the Review Period, the Shares have been trading between the price range of HK$0.091 per Share to HK$0.145 per Share with an average trading price of approximately HK$0.119 per Share. The Offer Price represents a discount of approximately 3.4% to the highest closing price of the Shares of HK$0.145 per Share and premium of approximately 53.8% and 17.6% over the lowest closing price of HK$0.091 per Share and the average closing price of HK$0.119 per Shares during the Review Period, respectively.

At the start of the Review Period (i.e. 28 November 2024) to 31 December 2024, the Share prices traded between HK$0.120 to HK$0.145. On 6 December 2024, the Group announced the resignation of Mr. Zhang Yuping as a Director of the Company. On the next trading day, the Share price closed at HK$0.129 compared to HK$0.123 on 6 December 2024 and recorded an increasing

trend, reaching a peak during the Review Period of HK$0.145 per Share on 17 December 2024. The Share price dropped back to HK$0.127 on 18 December 2024 and traded between HK$0.125 to HK$0.130 until 31 December 2024.

The Share prices traded at a comparable price at a range of HK$0.122 to HK$0.132 until 20 February 2025, but began to record a decreasing trend, and closed at HK$0.099 on 6 March 2025. On 7 March 2025, the Group announced a profit warning announcement for the year ended 31 December 2024, indicating that a loss attributable to its equity shareholders of not less that RMB65 million may be recorded, compared to a profit attributable to its equity shareholders recorded in the previous financial year. The Share prices traded between HK$0.096 to HK$0.115 until the publication of the annual results of the financial year ended 31 December 2024 on 20 March 2025, and recorded a decreasing trend, reaching its lowest point at HK$0.091 per Share on 13 May 2025.

Share prices continue to trade in the range of HK$0.094 to HK$0.107 between 14 May 2025 and 26 June 2025, and rose to HK$0.128 on 27 June 2025 but dropped back to HK$0.115 on 30 June 2025. On 2 July 2025, the Company issued a voluntary announcement regarding the share transfer of Mr. Zhang's shares to Ms. Fung on 23 and 24 June 2025 and we note that the Share prices closed at HK$0.113 the next day. Share prices begin to pick up and were traded in the range of HK$0.114 to HK$0.130 from 4 July 2025 until 24 July 2025.

Between 25 July 2025 to 30 September 2025, (i) on 25 July 2025, the Company announced the receipt of a requisition to remove Mr. Huang Yonghua ("**Mr. Huang**") as a Director; (ii) on 8 August 2025, the Company issued a positive profit alert for the six months ended 30 June 2025, indicating an expected profit attributable to its equity Shareholders of RMB26.3 million compared to a loss attributable to its equity Shareholders in the previous corresponding financial period; (iii) on 18 August 2025, the Company announced the removal of Mr. Huang as a Director; and (iv) on 20 August 2025, the Company issued its interim results for the six months ended 30 June 2025. Share prices did not have a strong reaction towards the abovementioned announcements and traded at a range of HK$0.125 to HK$0.135 per Share.

The Share prices began to record a slight decreasing trend thereafter and dropped to HK$0.116 on 14 October 2025 and continued to trade between HK$0.116 to HK$0.126 until the Last Trading Day (i.e. 25 November 2025) The Share price closed at HK$0.125 on the Last Trading Day prior the trading halt requested by the Company with effective from 26 November 2025 pending to the release of the Joint Announcement.

The price of the Shares closed at HK$0.139 on 1 December 2025, which was the first trading day immediately following the publication of the Joint Announcement. Since then, the closing price of the Shares remained relatively stable in the range of HK$0.139 to HK$0.14 and closed at HK$0.139 as at the Latest Practicable Date.

During the period after the publication of the Joint Announcement up to and including the Latest Practicable Date (the "**Post-Announcement Period**"), the Offer Price of HK$0.14 per Share represents (i) a premium of approximately 0.72% over the lowest closing price of HK$0.139 per

Share; (ii) at par to the highest closing price of HK$0.14 per Share during the Post-Announcement Period; and (iii) a premium of approximately 0.72% over the closing price of HK$0.139 per Share as at the Latest Practicable Date.

We noted that the Offer Price represented a discount of approximately 82.21%,82.07% and 83.07% to the audited consolidated net asset value attributable to the Shareholders of approximately HK$0.79 per Share as at 31 December 2024, approximately HK$0.78 per Share as at 30 June 2025 and to the Adjusted NAV per Share of approximately HK$0.83 per Share. Nevertheless, we also note that the Shares had been trading at a substantial discount to the consolidated net assets attributable to owners of the Company per Share throughout the Review Period (referring to analysis below).

(b) Comparison of price earning ratio ("PE Ratio") of the Offer Price against historical PE Ratio

Generally in assessing the Offer Price, we considered the historical PE Ratio subsequent to the publication of consolidated financial performance of the Group during the Review Period against the implied PE Ratio of the Offer Price. Since the Group recorded a loss for the year ended 31 December 2024, price earning ratio would not be applicable for assessing the Offer Price.

(c) Comparison of Offer Price against NAV per Share and Adjusted NAV per Share

The Offer Price represents:

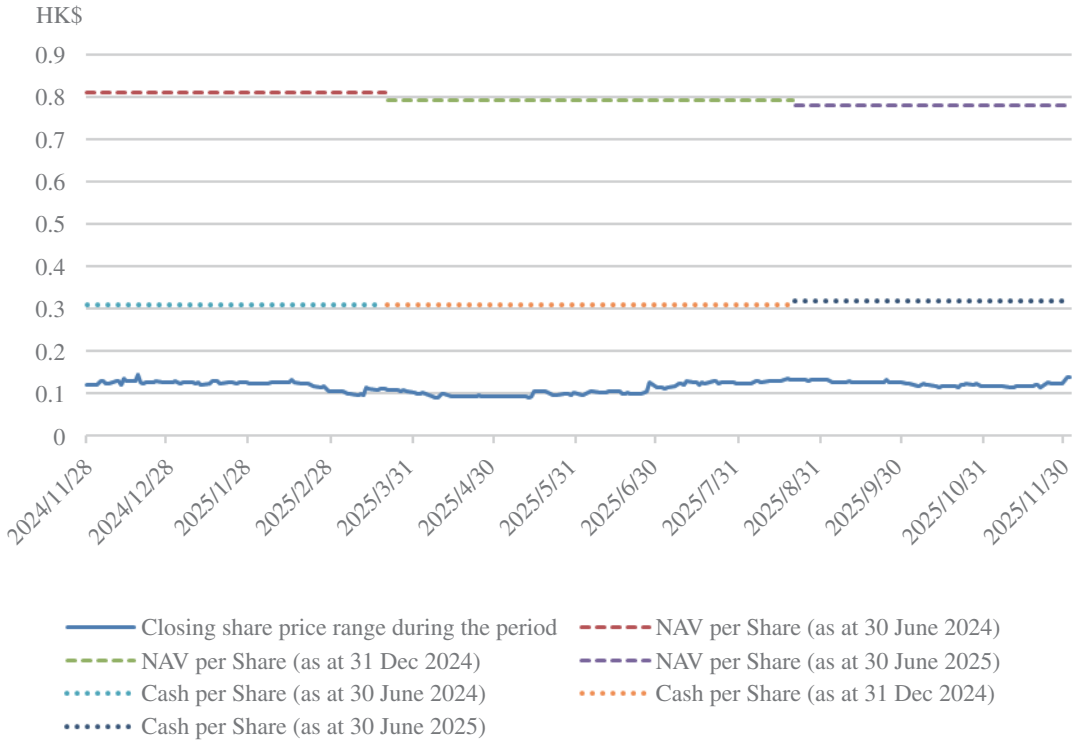
(i) a discount of approximately 82.21% to the Company's audited consolidated net asset value attributable to Shareholders per Share of approximately RMB0.73 (equivalent to approximately HK$0.79) as at 31 December 2024, calculated based on (i) the Company's audited consolidated net assets attributable to Shareholders of approximately RMB3,209,574,000 as at 31 December 2024; (ii) 4,404,018,959 Shares in issue as at 31 December 2024; and (iii) the exchange rate of RMB1.0: HK$1.0799, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 31 December 2024 for illustrative purpose only;

(ii) a discount of approximately 82.07% to the Company's unaudited consolidated net asset value attributable to Shareholders per Share of approximately RMB0.71 (equivalent to approximately HK$0.78) as at 30 June 2025, calculated based on (i) the Company's unaudited consolidated net assets attributable to Shareholders of approximately RMB3,135,163,000 as at 30 June 2025; (ii) 4,404,018,959 Shares in issue as at 30 June 2025; and (iii) the exchange rate of RMB1.0: HK$1.0966, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025 for illustrative purposes only; and

(iii) a discount of approximately 83.07% to the Adjusted NAV per Share;

In assessing the Offer Price against the NAV per Share, we have also considered the historical trading price against the NAV per share and cash and cash equivalent and bank deposit of the Group per Share ("**Cash per Share**") subsequent to the publication of consolidated financial position during the Review Period as set out below:

Financial Year/ period end	**NAV attributable to owners of the Company** *RMB'000*	**NAV per Share** *(Note 1)* *HK$*	**Cash and cash equivalent and bank deposit of the Company** *RMB'000*	**Cash per Share** *(Note 2)* *HK$*	**Closing Share price range during the period** *(Note 3)* *HK$*	**Average closing Share price** *(Note 4)* *HK$*	**Discount to NAV per Share to Average closing Share price** *(Note 5)*	**Discount to Cash per Share to Average closing Share price** *(Note 6)*
As at 30 June 2025 (Published on 20 August 2025)	3,135,163	0.78	1,296,383	0.32	0.12-0.14 (From 21 August 2025 to Latest Practicable Date)	0.13	83%	59%
As at 31 December 2024 (Published on 20 March 2025)	3,209,574	0.79	1,266,636	0.31	0.09-0.14 (From 21 March 2025 to 20 August 2025)	0.11	86%	65%
As at 30 June 2024 (Published on 21 August 2024)	3,256,254	0.81	1,254,726	0.31	0.10-0.15 (From 28 November 2024 *(note 7)* to 20 March 2025)	0.12 (From 28 November 2024 *(note 7)* to 20 March 2025)	85%	61%
Considering the Offer Price	**3,135,163**	**Adjusted NAV per Share of 0.83**				**Offer Price 0.14**	**83.1%**	



Source: Stock exchange website and annual/interim report of the Company

Notes :

1. The NAV per share is calculated by dividing the audited/unaudited consolidated NAV attributable to owners of the Company as at the respective year/period end date as extracted from the respective annual/interim results announcement published by the Company over the number of issued shares as at the respective year/period end date.

   For illustrative purpose, we have adopted the exchange rates below as at the respective year/period end date:

   30 June 2025: RMB1.0: HK$1.0966
   31 December 2024: RMB1.0: HK$1.0799
   30 June 2024: RMB1.0: HK$1.0957

2. The Cash per share is calculated by dividing cash and cash equivalent and bank deposit of the Group as at the respective year/period end date as extracted from the respective annual/interim results announcement published by the Company over the number of issued shares as at the respective year/period end date.

   For illustrative purpose, we have adopted the exchange rates below as at respective year/period end date:

   30 June 2025: RMB1.0: HK$1.0966
   31 December 2024: RMB1.0: HK$1.0799
   30 June 2024: RMB1.0: HK$1.0957

3. Representing the range of the closing Share price during the period from the trading day following the publication by the Company of its audited annual results or unaudited interim results (as the case may be)/ commencement of the Review Period to the trading day on which the subsequent unaudited interim results or audited annual results (as the case may be) were published/up to the Latest Practicable Date.

4. Representing the average closing Share price during the period from the trading day following the publication by the Company of its audited annual results or unaudited interim results (as the case may be)/commencement of the Review Period to the trading day on which the subsequent unaudited interim results or audited annual results (as the case may be) were published/up to the Latest Practicable Date.

5. Representing the discount of the average closing Share price to the NAV per Share as at the respective year/period end date and subject to rounding.

6. Representing the discount of the average closing Share price to the Cash per Share as at the respective year/period end date and subject to rounding.

7. Being the commencement day of the Review Period (i.e one year prior to the Last Trading Day).

We noted that the Offer Price of HK$0.14 represents a discount of 82.21% to the NAV per Share as at 31 December 2024 of HK$0.79 and a discount of 82.07% to the NAV per Share as at 30 June 2025 of HK$0.78 as at 30 June 2025 and a discount of 83.07% to the Adjusted NAV per Share of HK$0.83.

Taking into account a longer-term view, the Company's Share price has been trading at a substantial discount to net asset value between 82% to 83% by considering the net asset values of the Group since 31 December 2022 and the then average trading price at the corresponding period.

Considering the fact that the Shares have been trading not at a price level close to (i) the NAV per share and with average trading prices recorded a discount between 83% and 86% towards the NAV per share during the Review Period and 82% to 83% between 31 December 2022 to 31 December 2023; nor (ii) the Cash per share with average trading prices recorded a discount between 59% and 65% towards the Cash per share during the Review Period, it is implied that the market may not value the Shares solely with reference to the NAV per share or the Cash per Share and trading price of the Shares may not have a direct correlation to the change in NAV or cash and bank deposit of the Group.

(d) Trading volume

We have also reviewed the trading liquidity of the Shares during the Review Period. The table below sets out the trading volume of the Shares on the Stock Exchange during the Review Period:

	Number of trading days in the relevant month/period	Total trading volume for the month/ period *(note 1)*	Average daily volume for the month/period *(note 2)*	Percentage of average daily trading volume to the issued Shares as at the end of each month/period *(note 3)*	Percentage of average daily trading volume to the total number of Shares held by public Shareholders as at the Latest Practicable Date *(note 4)*
2024					
28 November to 30 November	2	0	0	0.00%	0.00%
December	20	5,071,375	253,569	0.01%	0.02%
2025					
January	19	1,454,386	76,547	0.00%	0.00%
February	20	20,106,632	1,005,332	0.02%	0.06%
March	21	82,496,012	3,928,382	0.09%	0.23%
April	19	23,368,000	1,229,895	0.03%	0.07%
May	20	170,095,202	8,504,760	0.19%	0.51%
June	21	28,671,688	1,365,318	0.03%	0.08%
July	22	33,800,198	1,536,373	0.03%	0.09%
August	21	41,156,152	1,959,817	0.04%	0.12%
September	22	17,686,144	803,916	0.02%	0.05%
October	20	15,340,014	767,001	0.02%	0.05%
November	17	8,968,800	527,576	0.01%	0.03%
1 December to the Latest Practicable Date	20	137,073,458	6,853,673	0.16%	0.41%
Average				**0.05%**	**0.12%**
Maximum				**0.19%**	**0.51%**
Minimum				**0.00%**	**0.00%**

Source: Website of the Stock Exchange

Notes:

1. Total trading volume is expressed in terms of number of Shares being traded.

2. Average daily trading volume is calculated by dividing the total trading volume for the month/period by the number of trading days during the month/period.

3. Based on the number of Shares outstanding as at the end of each month/period or at the Latest Practicable Date (as applicable).

4. Based on 1,682,623,615 Shares held by public Shareholders (which have excluded the Shares held by the Offeror and the parties acting in concert with it and the Directors) as at the Latest Practicable Date.

From 1 December 2025, we note from the above table that the average daily trading volume ranged from approximately 76,547 Shares to 8,504,760 Shares, representing approximately 0.00% to 0.19% of the total number of Shares in issue as at the end of the respective month/period or as at the Latest Practicable Date (as applicable), and approximately 0.00% to 0.51% of the total number of Shares held by public Shareholders (which have excluded the Shares held by the Offeror and the parties acting in concert with it and the Directors) as at the Latest Practicable Date. We noted that the trading volume during March 2025 and May 2025 was exceptionally high, which as disclosed in the Stock Exchange's official website. We have enquired with the management of the Group regarding the relatively high trading volume of the Shares comparing to that of the rest of the other months during the Review Period and we were advised that that the Company is not aware of any particular reason that led to the higher trading volume of the Shares. The trading volume during December 2025 was also higher compared to the other months during the Review Period after the publication of the Joint Announcement.

Taking into account the fact that the average daily trading volume of the Shares during the Review Period was approximately 0.05% of the total issued Shares and approximately 0.12% of the Free Float Shares, we are of the view that the trading volume of Shares are considered as low, and in normal circumstances, if the Offer Shareholders are to dispose of a large number of Shares in the market, it may exert downward pressure on the market price of Shares.

(e) Comparison against comparable companies

In order to assess the fairness and reasonableness of the Offer Price, we generally consider referencing to price-to-earnings multiple ("**PE Ratio**") and price-to-book multiple ("**PB Ratio**") of comparable companies. Since the Group recorded a loss for FY2024, PE Ratio would not be applicable.

The Offer Price represents a PB Ratio of approximately 0.18 times calculated based on the unaudited consolidated net assets value of approximately HK$3,438.0 million (equivalent to approximately RMB3,135.2 million based on the exchange rate of RMB1.0: HK$1.0966, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025 for illustrative purpose only) as at 30 June 2025.

Considering (i) the 2024 Annual Report for FY2024, the revenue generated from the high end consumer accessories business and commodity trading business were approximately RMB688.1 million and RMB355.5 million which accounted for approximately 65.9% and 34.1% of the total revenue of the Group, respectively; and (ii) the Group market capitalization on prior to the date of the Announcement (i.e. 28 November 2025) of approximately HK$550 million, we have sought to identify comparable companies engaged in high-end consuming accessories business based on the criteria that the company is:

(i) listed on the Main Board of the Stock Exchange;

(ii) has a market capitalisation between HK$100 million and HK$1 billion; and

(iii) are principally engaged in watch accessories business which derived more than 50% of their revenue from such principal business based on their latest published annual reports available as at the date immediately before the Last Trading Day.

From our research, we were only able to identify one Hong Kong listed company, (the "**Comparable Company**") with over 50% of its revenue derived from watch accessories business during its latest financial year, which is exhaustive based on the search results from Bloomberg. Considering the fact that only one Comparable Company was identified, we are of the view that adopting the analysis using comparison of PB ratios of comparable companies would not be representative or meaningful for assessing the Offer Price.

6. Dividend per Share

No dividend was paid or proposed by the Company since 2019, hence analysis regarding dividends per Share were inapplicable.

Given the Group has been loss making in FY2024 and only recently recorded a profit in the first half of 2025, the Group's profitability has also been fluctuating in the past five years, with three years out of the past five years being loss making, hence as at the Latest Practicable Date, and the Company confirms that as at the Latest Practicable Date, it does not have any intention to make, declare or pay any further dividends or make other distributions, the record date of which falls (i) on or after the Latest Practicable Date and (ii) on or before the close or lapse of the Offer.

VII. DISCUSSION AND ANALYSIS

In forming our opinion and recommendation below, we have taken into account the factors set out under the section headed "VI. Principal factors and reasons considered" above, none of which can be considered in isolation. We would like to draw the attention in particular to the points summarised below:

(i) Considering that (i) the high-end consumer accessories segment, although shown recovery in the consumer market in the PRC, consumer sentiment, still faces pressure and uncertainties; and (ii) for the commodity trading segment, the demand for the iron ores and imported coal is yet to see a strong recovery indicating that in the short term, the prospects of commodity trading market may be subject to weakened demand. Furthermore, the Group's performance has been fluctuating in the last five years with three out of the last five years being loss making in which it remains uncertain as to when the Group's profitability will become stabilized;

(ii) the Offer Price represents premium over the closing price of the Shares during the Last Trading Day; the last five trading days up to and including the Last Trading Day; and the thirty trading days up to and including the Last Trading Day between 12.0% to 17.61%, nevertheless the Offer Price represents a discount of 82.07% to the unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2025 and a discount of 83.1% to the adjusted NAV per Share;

(iii) as discussed above, the Shares have been trading not at a price level close to the NAV per Share during the Review Period and in fact recording a discount of around 83% to the NAV per share for the past published financial results, implying that the market may not value the Shares solely or directly with reference to the NAV per Share and trading price of the Shares may not have a direct correlation to the change in NAV, nonetheless, the trading volume with regards to such trading price performance of the Shares remained thin during the Review Period;

(iv) the Offer Price was above the closing prices of the Shares during the majority time of the Review Period (saved for four trading days within the Review Period), the historical trading volumes of the Shares were low during the Review Period, with a range of average daily trading volume of the Shares as compared to the Shares held by the public from approximately 0.00% to approximately 0.51% and it is uncertain as to whether there would be sufficient liquidity in the Shares for the Offer Shareholders (especially those with relatively sizeable shareholdings) to dispose of a large volume of Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price should Offer Shareholders with sizeable investment in the Company considering immediate exit; and

(v) despite approximately 40.5% of the Group's net asset value comprised of liquid assets such as Cash per Share of RMB0.29 per Share (equivalent to approximately HK$0.32 per Share) as at 30 June 2025, Offer Shareholders are reminded that the Group has not declared dividend in the past five years and has been loss making in FY2024 (the last full financial year) as well as three years out of the past five financial years, with such loss making position and fluctuating financial performance as at the Latest Practicable Date, the Company has no intention to declare dividend as at the Latest Practicable Date. Furthermore as explained above, unpredictable international economic environment, coupled with the implementation of the policy restricting crude steel production in some cities in China, has weakened the demand for iron ore and the market prices of products such as ore sand and coal were volatile, as such the Group had decreased its engagement in international trading operation (which international trading require liquidity to support), nevertheless the Group has been maintaining sufficient liquidity for future increase in trading volume once the market settles.

Offer Shareholders should also note that the declaration of dividend will depend on among other things, the financial position or financial performance of the Group and at the sole discretion of the Company, which may or may not occur, whereas the Offer provided the Offer Shareholders who wish to realize their investment (with sizeable shareholding) an exit opportunity which the thin trading volume may not support. However, the Group had a Cash per Share of HK$0.32 per Share as at 30 June 2025, thus in any event, should the Company declare dividend in the future of more than the Offer Price, return to Offer Shareholders from dividend distribution may exceed accepting the Offer.

VIII. RECOMMENDATION

The Offer Shareholders are strongly advised that the decision to realise or to continue to hold the Shares is subject to individual circumstances and investment objectives of the Offer Shareholders.

Having considered the above-mentioned principal factors and reasons set out in this letter, noting a slight premium of the Offer Price to the recent trading price of the Shares and with regards to the recent outlook and financial performance and position of the Company, we consider that the Offer provides an immediate exit opportunity for Offer Shareholders who wish to realise their investments in the Company, in particular for Offer Shareholders with substantial shareholdings. However, in view of the recent volatility of the closing prices of the Shares, those Offer Shareholders who intend to accept the Offer for immediate exit are reminded that they should closely monitor the market price of Shares during the Offer Period and should consider selling their Shares in the open market, rather than accepting the Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Offer.

Despite the Offer provides an exit opportunity to Offer Shareholders who wish to realise their investments in the Company, notwithstanding that the closing prices of the Shares have traded substantially below the NAV per Share and the Cash per Share during the Review Period, considering the substantial discount of the Offer Price to the NAV per Share and the Cash per Share, we consider the Offer Price to be unattractive. Therefore, we are of the opinion that the Offer is not fair and not reasonable so far as the Offer Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Offer Shareholders not to accept the Offer.

Yours faithfully,
For and on behalf of
HALCYON CAPITAL LIMITED
Terry Chu
Managing Director

Mr. Chu is a licensed person registered with the Securities and Futures Commission and a responsible officer of Halcyon Capital Limited, which is licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activities. Mr. Chu has participated in the provision of independent financial advisory services for a large number of various transactions involving companies listed on the Stock Exchange.

PROCEDURES FOR ACCEPTANCE OF THE OFFER

To accept the Offer, an Offer Shareholder should duly complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offer. These instructions set out in this Composite Document should be read together with the instructions printed on the Form of Acceptance which form part of the terms of the Offer.

1. GENERAL PROCEDURE FOR ACCEPTANCE

1.1. If the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of the Shares is/are in the name of the Offer Shareholder(s), and he/she/it wishes to accept the Offer whether in full or in respect of part of his/her/its holding of Shares, he/she/it should complete and return the accompanying Form of Acceptance in accordance with the instructions printed in this Composite Document and the instructions printed on the Form of Acceptance. The Offer Shareholder(s) who wishes to accept the Offer in respect of only part of his/her/its Shares should arrange for the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of his/her/its Shares to be split through the Share Registrar before submitting the Form of Acceptance such that the number of Shares in respect of such acceptance specified in the Form of Acceptance shall be the same as the number of Shares represented by the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) submitted with such Form of Acceptance. The instructions in this Composite Document should be read together with the instructions on the Form of Acceptance (which instructions form part of the terms of the Offer).

1.2. If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares is/are in the name of a nominee company or a name other than an Offer Shareholder and an Offer Shareholder wish to accept the Offer in full or in part, he/she/it must either:

1.2.1. lodge his/her/its share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on the Offer Shareholder's behalf and requesting it to deliver the Form of Acceptance duly completed together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which the Offer Shareholder intend to accept the Offer to the Share Registrar;

1.2.2. arrange for the Shares to be registered in the Offer Shareholder's name by the Company, through the Share Registrar, and send the duly completed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Share Registrar;

1.2.3. if the Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on the Offer Shareholder's behalf on or before the deadline set by HKSCC Nominees. In order to meet the deadline set by HKSCC Nominees Limited, the Offer Shareholder should check with his/her/its licensed securities dealer/registered institution in securities/custodian bank for the timing on processing his/her/its instruction, and submit his/her/its instruction to his/her/its licensed securities dealer/registered institution in securities/custodian bank as required by them; or

1.2.4. if the Shares have been lodged with an investor participant's account maintained with CCASS, give his/her/its instruction via the CCASS Phone System or CCASS Internet System before the deadline set by HKSCC Nominees Limited.

1.3. In order to be valid, the completed Form of Acceptance should be forwarded together with the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for the number of Shares in respect of which the relevant Offer Shareholder wishes to accept the Offer, by post or by hand to the Share Registrar, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, in an envelope marked "Hengdeli Holdings Limited – Offer" as soon as possible after receipt of the Form of Acceptance but in any event by no later than 4:00 p.m. (Hong Kong time) on 23 January 2026, being the Closing Date as stated in this Composite Document, or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce.

Pursuant to Rule 15.1 of the Takeovers Code, the Offer will remain open for acceptance for at least 21 days following the date on which this Composite Document is posted. Unless the Offer has previously been revised or extended with the consent of the Executive, to be valid, the Form(s) of Acceptance must be received by the Share Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date. There is no obligation to extend the Offer beyond the Closing Date.

1.4. If the Offer is revised or extended, the announcement of such revision or extension will state the next Closing Date, or that the Offer will remain open until further notice (in which case at least 14 days' notice must be given by way of an announcement before the Offer is closed). If, in the course of the Offer, the Offeror revises the terms of the Offer, all the Offer Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days following the date on which the revised offer document is posted and shall not be closed earlier than the Closing Date.

1.5. If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date.

1.6. Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Share Registrar no later than 4:00 p.m. (Hong Kong time) on the Closing Date, or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce and the Share Registrar has recorded that the acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:

1.6.1. accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer and, if that/those share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (for example, a duly stamped transfer of the relevant Shares in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares;

1.6.2. from a registered Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph 1.6); or

1.6.3. certified by the Registrar or the Stock Exchange.

1.7. If the Form of Acceptance is executed by a person other than the registered holder, appropriate evidence of authority (e.g. a grant of probate or certified copy of a power of attorney) to the satisfaction of the Offeror must be delivered to the Share Registrar with the completed Form of Acceptance.

1.8. No acknowledgement of receipt of any Form of Acceptance, Share certificate(s), transfer receipt(s) or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) will be given.

1.9. In relation to any acceptance(s) of the Offer in respect of Shares held in CCASS, the Offeror reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether to comply with the facilities or requirements of CCASS or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Takeovers Code or are otherwise made with the Executive's consent.

2. Nominee Holdings

To ensure equality of treatment of all the Offer Shareholders, those Offer Shareholders who hold the Offer Shares as nominees on behalf of more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for the beneficial owners of the Offer Shares whose investments are registered in the names of nominees (including those whose interests in the Offer Shares are held through CCASS) to accept the Offer, it is essential that they provide instructions of their intentions with regard to the Offer to their respective nominees.

3. Recent Transfer

If an Offer Shareholder has lodged transfer(s) of Shares for registration in his/her/its name and has not yet received the Share certificate(s) and wishes to accept the Offer, he/she/it should nevertheless complete and sign the Form of Acceptance and deliver it to the Share Registrar together with the transfer receipt(s) duly signed by him/her/it. Such action will be deemed to be an irrevocable authority to the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital and/or any of their respective agent(s) or such other person(s) as any of them may direct for the purpose of collecting from the Company or the Share Registrar by or on his/her/its behalf the relevant Share certificate(s) when issued and to deliver such Share certificate(s), subject to the terms of the Offer, as if it was/they were delivered to the Share Registrar with the Form of Acceptance.

4. Lost or Unavailable Share Certificates

4.1. If the Share certificate(s), transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost and an Offer Shareholder wishes to accept the Offer, the Form of Acceptance should nevertheless be completed, signed and delivered, together with a letter stating that he/she/it has lost one or more of his/her/its Share certificate(s) and/or transfer receipts and/or other document(s) of title or that it/they is/are not readily available, to the Share Registrar so as to reach the Share Registrar no later than 4:00 p.m. on 23 January 2026, being the Closing Date as stated in this Composite Document, or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce.

4.2. If the Offer Shareholder finds such document(s) or if it/they become available, the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) should be forwarded to the Share Registrar as soon as possible thereafter and in any event no later than 4:00 p.m. on 23 January 2026, being the Closing Date as stated in this Composite Document, or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce.

4.3. If an Offer Shareholder has lost his/her/its Share certificate(s), transfer receipt(s) and/or any other document(s) of title, he/she/it should write to the Share Registrar and request a letter of indemnity in respect of the lost Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (as the case may be) which, when completed in accordance with the instructions given, should be returned, together with the Form of Acceptance and any Share certificate(s), transfer receipt(s) and/or any other document(s) of title which are available, to the Share Registrar either by post or by hand, so as to arrive not later than 4:00 p.m. on 23 January 2026, being the Closing Date as stated in this Composite Document, or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce. In such cases, the Offer Shareholder will be informed of the fees and/or expenses payable to the Share Registrar, for which he/she/it will be responsible. Offer Shareholders may also contact the Share Registrar (through the enquiry hotline at +852 2862 8555) to enquire about the applicable fees or any of the arrangements relating to lost or unavailable share certificates, or any of the other administrative and/or procedural arrangements relating to acceptance of the Offer.

5. Additional Forms of Acceptance

If an Offer Shareholder has lost the accompanying Form of Acceptance or such original has become unusable, and requires a replacement of such form, he/she/it should write to the Share Registrar or visit the Share Registrar at its office and request an additional Form of Acceptance for completion by such Offer Shareholder. Alternatively, he/she/it could download it from the website of the Stock Exchange at www.hkexnews.hk or the website of the Company at www.hengdeligroup.com.

6. Settlement

The amount due to an accepting Offer Shareholder (less seller's ad valorem stamp duty in respect of the acceptance of the Offer) will be despatched, by a cheque or a banker's cashier order, to such Offer Shareholder by ordinary post at his/her/its own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Share Registrar of all the relevant documents to render the acceptance under the Offer complete and valid. No fractions of a cent will be payable and the amount of cash consideration payable to an Offer Shareholder who accepts the Offer will be rounded up to the nearest cent. Settlement of the consideration to which any Offer Shareholder is entitled under the Offer will be implemented in full in accordance with its terms (save in respect of the payment of the seller's ad valorem stamp duty of the Offer) without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Offer Shareholder. Offer Shareholders are recommended to consult their own professional advisers if they are in doubt as to the above procedures.

Cheque(s) or banker's cashier order(s) not presented for payment within six months from the date of issue of the relevant cheque(s) or banker's cashier order(s) will not be honoured and be of no further effect, and in such circumstances cheque(s) or banker's cashier order(s) holders should contact the Offeror for payment.

7. New Shareholders

Any new Shareholder may collect a copy of this Composite Document, together with a blank Form of Acceptance from the Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong during the period from the date of this Composite Document to the Closing Date (both days inclusive), between 9:00 a.m. and 4:30 p.m. (Hong Kong time) from Mondays to Fridays (other than public holidays). Such Shareholder may also contact the Share Registrar (through the enquiry hotline at +852 2862 8555) and request a copy of this Composite Document and a blank Form of Acceptance (as appropriate) to be sent to his/her/its registered address as recorded in the Register.

EFFECT OF ACCEPTANCE OF THE OFFER BY OFFER SHAREHOLDERS

By validly accepting the Offer, the Offer Shareholders will sell their tendered Shares, free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights and benefits at any time accruing and attaching thereto, including all rights to any dividend or other distributions the record date of which falls on or after the Closing Date.

Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities and CMBC International Capital that the number of Offer Shares it has indicated in the Form of Acceptance is the aggregate number of Offer Shares for which such nominee has received authorisations from the beneficial owners to accept the Offer on their behalf.

Each Offer Shareholder by whom, or on whose behalf, a Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities and CMBC International Capital (so as to bind him/her/it, his/her/its personal representatives, heirs, successors and assigns) to the effect:

1. Irrevocable Acceptances

That the Form of Acceptance which has been duly completed and received by the Share Registrar will constitute irrevocable acceptance of the Offer in respect of the number of Shares inserted in the Form and Acceptance for such purposes subject to and on the terms of the Offer, except in the case of the acceptance of the Offer, in compliance with Rule 17 of the Takeovers Code or in the circumstances that the Executive requires that such accepting Offer Shareholder is granted a right to withdraw in accordance with Rule 19.2 of the Takeovers Code. Rule 19.2 of the Takeovers Code relates to failure to announce the results of the Offer as set out in the section headed "Announcements" in this Appendix and provides that the Executive may require that Accepting Shareholders be granted a right of withdrawal, on terms acceptable to the Executive, until the requirements of Rule 19 of the Takeovers Code can be met.

In the event that an Offer Shareholder exercises the right of withdrawal as set out in the preceding paragraph, or if the Offer is withdrawn with the consent of the Executive or otherwise lapses in accordance with the Takeovers Code, the Offeror shall, as soon as possible but in any event no later than 7 Business Days after the date of such valid exercise of withdrawal rights by an Offer Shareholder or the withdrawal or lapse of the Offer, return the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of such number of Shares lodged with the Form of Acceptance to the relevant Accepting Shareholder(s) by ordinary post, or otherwise make available the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of such number of Shares lodged with the Form of Acceptance for collection by the relevant Accepting Shareholder(s).

2. Representation and Warranties

Acceptance of the Offer by an Offer Shareholder will be deemed to constitute a warranty by that Offer Shareholder to the Offeror that the Offer Shares acquired from that Offer Shareholder under the Offer are (i) fully-paid; (ii) free from mortgage, charge, pledge, lien, equities, encumbrances or other third party rights and interests of any nature; and (iii) together with all rights attached to the Shares including all rights to any dividends and other distributions hereafter declared, paid or made in respect thereof as at the Closing Date or subsequently becoming attached to them, including the right to receive or retain all dividends and other distributions, if any, the record date of which falls on or after the Closing Date.

As at the Latest Practicable Date, the Company has no declared but unpaid dividends, distributions and/or other return of capital. The Company confirms that as at the Latest Practicable Date, it does not have any intention to make, declare or pay any further dividends or make other distributions, the record date of which falls (i) on or after the Latest Practicable Date and (ii) on or before the close or lapse of the Offer. If, after the Latest Practicable Date, any dividend or distribution is declared in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or distribution declared, made or paid in respect of each Offer Share, in which case any reference in the Joint Announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. Any such reduction will only apply to those Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

3. Appointment and Authority

That the due execution of the Form of Acceptance constitutes:

(a) the irrevocable appointment of the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, any director or officer of the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities or CMBC International Capital. or such other person as any of them may direct, as such Offer Shareholder's agent ("**Agent**"); and

(b) an irrevocable instruction to the Agent to complete and execute the Form of Acceptance and/or any other document at the Agent's discretion on behalf of the person accepting the Offer and to do any other acts or things (such as, among others, due execution of instruments of transfer and/or contract notes to effect transfers of Shares accepted by the Offeror pursuant to the Offer to the Offeror and to tender the relevant Share certificate(s) for cancellation) as may in the opinion of the Agent be necessary, expedient or desirable for the purpose of vesting in the Offeror or its nominee(s) some or all of the Shares in respect of which such person has accepted the Offer as the Offeror may determine.

4. Undertakings

That by executing the Form of Acceptance, he/she/it:

(a) agrees to ratify and confirm each and every act or thing which may be done or effected by the Offeror or any Agent in the proper exercise of his/her/its powers and/or authorities under the terms of the Offer (such as, among others, acts or things effecting the transfer of Offer Shares accepted by the Offeror pursuant to the Offer);

(b) undertakes to deliver to the Share Registrar the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of the Shares for which the Offer is accepted, or an indemnity or indemnities acceptable to the Offeror in lieu thereof, or to procure the delivery of such document(s) to the Share Registrar as soon as possible thereafter and, in any event, no later than 4:00 p.m. on 23 January 2026, being the Closing Date as stated in this Composite Document, or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce;

(c) accepts that the provisions of the Form of Acceptance and the other terms and conditions in this Composite Document are deemed to be incorporated into the terms and conditions of the Offer;

(d) undertakes to execute any further deeds and/or documents, do any such acts or things and give any further assurances which may be required in connection with his/her/its acceptance of the Offer as the Offeror may consider to be necessary, expedient or desirable in accordance with the Takeovers Code, including, without limitation, to acquire any Shares in respect of which he/she/it has accepted the Offer free from all liens, charges, options, claims, equities, adverse interests, third parties rights or encumbrances whatsoever and together with rights and benefits at any time accruing and attaching thereto, including all rights to any dividend or other distributions the record date of which falls on or after the Closing Date and/or to perfect any of the authorities expressed to be given hereunder; and

(e) authorises the Offeror or the Agent to procure the despatch by post of the consideration to which he/she/it is entitled at his/her/its risk to the address of the registered Shareholder or the first-named of joint registered Shareholders on the Register or, if different, to the name and address of the person as specified on the Form of Acceptance.

5. General

That:

(a) the Offer Shareholders may accept the Offer by completing the Form of Acceptance in accordance with the instructions set out in the Form of Acceptance (which constitute part of the terms of the Offer). A Form of Acceptance will be rejected as invalid if the procedures and/or instructions contained in this Composite Document and in the Form of Acceptance are not complied with;

(b) the Offer and all acceptances of it, the Form of Acceptance and all contracts made pursuant to the Offer, and all actions taken or made or deemed to be taken or made pursuant to these terms will be governed by and construed in accordance with Hong Kong laws. Delivery of a Form of Acceptance will constitute submission to the non-exclusive jurisdiction of the Hong Kong courts;

(c) the accidental omission to despatch, or the failure of any person to receive this Composite Document or the Form of Acceptance, will not invalidate any aspect of the Offer. Copies of this Composite Document and the Form of Acceptance are available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.hengdeligroup.com;

(d) the Offeror reserves the right, subject to any applicable law or regulatory requirements (including the Takeovers Code), to amend the Offer Price or other terms of the Offer, in which case all Offer Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. In the event of such amendment, a supplemental document and new Form of Acceptance ("**Revised Form of Acceptance**") will be despatched to the Offer Shareholders. Any revised Offer will be kept open for at least 14 days following the date on which the revised offer document is despatched and shall not close earlier than the Closing Date. Offer Shareholders, whether or not they have submitted the Form of Acceptance to the Share Registrar and whether or not they have accepted the Offer, may submit the Revised Form of Acceptance. If an Offer Shareholder chooses to submit the Revised Form of Acceptance, the acceptance and number of Shares specified for acceptance as stated on the Revised Form of Acceptance completed and lodged in accordance with the instructions set out therein shall prevail, otherwise, the execution of the Form of Acceptance by or on behalf of any Offer Shareholder who has accepted the Offer shall be deemed to constitute valid acceptance of the revised Offer unless such Offer Shareholder becomes entitled to withdraw his or her acceptance and has duly done so in accordance with the terms of the Offer as set out in this Composite Document and/or the relevant supplemental document. Accordingly, Offer Shareholders who have accepted the Offer and lodged the completed Form of Acceptance in accordance with the instructions set out therein prior to the despatch of the relevant supplemental document need not complete and submit the Revised Form of Acceptance;

(e) the right of acceptance of the Offer is personal to the Offer Shareholders and is not capable of being assigned or renounced in favour of others or otherwise transferred by the Offer Shareholders;

(f) all questions as to the terms of the Offer, and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any acceptance will be determined by the Offeror in its sole discretion, which determination will be final and binding on all of the parties (except as otherwise required under the applicable laws and regulations or by the Executive). The Offeror reserves the absolute right to reject any or all acceptances it determines not to be in proper form or the acceptance or payment for which may, in the opinion of the Offeror, be unlawful;

(g) none of the Offeror, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, the Share Registrar or any of their respective directors or any other person involved in the Offer is or will be obliged to give notice of any defects or irregularities in acceptances and none of them will incur any liability for failure to give any such notice;

(h) in making their decisions, the Offer Shareholders must rely on their own examination of the Group and the terms of the Offer including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein, together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, the Independent Financial Adviser or any other person involved in the Offer. Shareholders should consult their own professional advisers for professional advice in relation to their decisions; and

(i) all communications, notices, Form(s) of Acceptance, Share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances (including the payment of consideration which the Offer Shareholders are entitled) to be delivered or sent by, to or from the Shareholders will be delivered or sent by, to and from them, or their designated agents, at their own risks and none of the Offeror, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, the Independent Financial Adviser or the Share Registrar and/or their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result, whether due to loss of postage, delay in transmission, or otherwise.

OVERSEAS SHAREHOLDERS

This Composite Document will not be filed or registered under the applicable securities or equivalent legislation or rules of any jurisdiction other than Hong Kong.

The making of the Offer to Offer Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws and regulations of the relevant jurisdictions. Such Offer Shareholders may be prohibited from participating in the Offer or affected by the laws and regulations of the relevant jurisdictions and it is the responsibility of each such Offer Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Shareholder in such relevant jurisdictions.

Any acceptance by any Offer Shareholder will be deemed to constitute a representation and warranty from such Offer Shareholder to the Offeror and the Company that all local laws and requirements in connection with such acceptance have been complied with and that the Offer can be accepted by such Offer Shareholder lawfully under the laws and regulations of the relevant jurisdiction and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. By signing and returning the Form of Acceptance, the Offer Shareholder will be deemed to have warranted to the Offeror, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities and CMBC International Capital that he/she/it has not taken or omitted to take any action which will or may result in the Offeror, the Offeror Concert Parties, the Company, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities and CMBC International Capital or any other person involved in the Offer acting in breach of the legal or regulatory requirements of any territory in connection with the Offer or his/her/its acceptance thereof. Offer Shareholders should consult their professional advisers if in doubt.

TAXATION AND HONG KONG STAMP DUTY

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by the relevant Offer Shareholders who accept the Offer at a rate of 0.10% of (i) the consideration payable by the Offeror in respect of the relevant acceptance of the Offer; or (ii) the market value of the Offer Shares, whichever is higher (rounded up to the nearest HK$1.00), and such stamp duty will be deducted from the cash amount payable by the Offeror to such Offer Shareholders on acceptance of the Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Offer Shareholders that accept the Offer and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Offer Shareholders accepting the Offer will be responsible for payment of any transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.

Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, Guotai Junan Securities, Guotai Junan Capital, CMBC Securities, CMBC International Capital, the Company and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

ANNOUNCEMENTS

By 6:00 p.m. (or such later time as the Executive may in exceptional circumstances permit) on 23 January 2026, being the Closing Date stated in this Composite Document (or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry (where applicable) of the Offer. The Offeror must publish an announcement in accordance with the Takeovers Code and the Listing Rules on the Stock Exchange's website by 7:00 p.m. on 23 January 2026, being the Closing Date stated in this Composite Document (or such other time and/or date as the Offeror may, subject to the Takeovers Code, decide and announce) stating the results of the Offer and whether the Offer has been revised or extended or has lapsed (where applicable). The announcement will state the following:

(i) the total number of Offer Shares for which acceptances of the Offer have been received;

(ii) the total number of Offer Shares held, controlled or directed by the Offeror and the Offeror Concert Parties before the Offer Period; and

(iii) the total number of Offer Shares acquired or agreed to be acquired during the Offer Period by the Offeror and/or the Offeror Concert Parties.

The announcement will specify the percentages of voting rights represented by these numbers of Offer Shares.

The announcement will include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which the Offeror and the Offeror Concert Parties have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

INTERPRETATION

A reference in this Composite Document to an Offer Shareholder includes a reference to a person(s) who, by reason of an acquisition or transfer of Shares is entitled to execute a Form of Acceptance and in the event of more than one person executing a Form of Acceptance, the provisions of this Composite Document apply to them jointly and severally.

The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over the Chinese text for the purpose of interpretation.

Unless otherwise expressly stated in this Composite Document and the accompanying Form of Acceptance, none of the terms of the Offer or any terms contained in this Composite Document will be enforceable, under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong), by any person other than the Offeror and the Accepting Shareholders.

A reference in this Composite Document and the Form of Acceptance shall include any extension and/or revision thereof.

(A) FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited consolidated financial information of the Company for the years ended 31 December 2022, 2023 and 2024 and the unaudited consolidated financial information of the Company for the six months ended 30 June 2025.

The consolidated financial statements of the Group for each of the years ended 31 December 2022, 2023 and 2024 were audited by ZHONGHUI ANDA CPA Limited and did not contain any qualified or modified opinion, nor any emphasis of matter or material uncertainty related to going concern.

	For the year ended 31 December			For the six months ended 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(audited)*	*(unaudited)*
Continuing operations				
Revenue	1,039,286	1,421,454	1,043,555	314,314
Cost of sales	(915,693)	(1,206,189)	(894,797)	(249,803)
Gross profit	123,593	215,265	148,758	64,511
Other revenue	32,033	47,299	66,384	32,385
Other net (loss)/gain	(71,691)	(6,394)	(26,427)	54,219
Distribution costs	(55,481)	(61,100)	(64,472)	(27,513)
Administrative expenses	(133,323)	(172,805)	(189,562)	(91,829)
(Loss)/profit from operations	(104,869)	22,265	(65,319)	31,773
Share of profits/(loss) of associates	76,457	16,358	23,169	(2,863)
Finance costs	(3,288)	(5,385)	(4,559)	(1,506)
(Loss)/profit before taxation	(31,700)	33,238	(46,709)	27,404
Income tax (expense)/credit	(2,970)	1,953	(8,763)	(1,371)
(Loss)/profit for the year/period from continuing operations	(34,670)	35,191	(55,472)	26,033
Discontinued operations				
Loss for the year from discontinued operations	(53,469)	–	–	–
(Loss)/profit for the year/period	(88,139)	35,191	(55,472)	26,033
Attributable to:				
Owners of the Company				
– Continuing operations	(26,553)	33,885	(65,161)	26,308
– Discontinued operations	(53,469)	–	–	–
	(80,022)	33,885	(65,161)	26,308

	For the year ended 31 December			For the six months ended 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(audited)*	*(unaudited)*
Attributable to:				
Non-controlling interests				
– Continuing operations	(8,117)	1,306	9,689	(275)
– Discontinued operations	–	–	–	–
	(8,117)	1,306	9,689	(275)
(Loss)/profit for the year/period	(88,139)	35,191	(55,472)	26,033
Basic and diluted (loss)/earnings per share				
– Continuing operations	RMB (0.006)	RMB0.008	RMB (0.015)	RMB0.006
– Discontinued operations	RMB (0.012)	–	–	
	RMB (0.018)	RMB0.008	RMB (0.015)	RMB0.006
(Loss)/profit for the year/period	(88,139)	35,191	(55,472)	26,033
Other comprehensive income for the year/period (after tax and reclassification adjustments)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of overseas subsidiaries' financial statements	109,319	23,375	39,817	(38,887)
Share of associates exchange differences on translating foreign operations	7,163	2,615	4,006	(2,958)
	116,482	25,990	43,823	(41,845)

	For the year ended 31 December			For the six months ended 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(audited)*	*(unaudited)*
Items that will not be reclassified subsequently to profit or loss:				
Equity investments at fair value through other comprehensive income – net movement in fair value reserves (non-recycling)	(195,425)	(59,515)	(2,430)	(17,969)
Exchange differences on translation of equity investments at fair value through other comprehensive income	41,156	6,596	12,742	(11,086)
Exchange differences on translation of the Company's financial statements	89,889	17,538	34,533	(29,806)
	(64,380)	(35,381)	44,845	(58,861)
Total comprehensive income for the year	(36,037)	25,800	33,196	(74,673)
Attributable to:				
Owners of the Company				
– continuing operations	11,780	24,496	23,538	(74,411)
– discontinued operations	(39,510)	–	–	–
	(27,730)	24,496	23,538	(74,411)
Attributable to:				
Non-controlling interests				
– continuing operations	(8,307)	1,304	9,658	(262)
– discontinued operations	–	–	–	–
	(8,307)	1,304	9,658	(262)
Total comprehensive income for the year	(36,037)	25,800	33,196	(74,673)

The Company did not distribute any dividends to the Shareholders for the years ended 31 December 2022, 2023 and 2024, or for the six months ended 30 June 2025. Save as disclosed above, there are no other items or expenses that were material in respect of the consolidated financial statements of the Group for the years ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2025. There were no changes in accounting policies during these years or periods that would result in the financial figures for such years not being comparable to a material extent.

By taking into account the effect of fair value changes arising from the valuation of all the property interests of the Group as at 30 September 2025 (as contained in the property valuation report of the Group (the "**Valuation Report**") set out in Appendix III to this Composite Document), set out below is the calculation of the adjusted net assets value of the Group as at 30 June 2025:

	RMB'000 (except for the adjusted net asset value per Share) (unaudited)
Consolidated net asset value of the Group attributable to Shareholders as at 30 June 2025 *(Note 1)*	3,135,163
Adjustments:	
– Fair value changes on the property interests of the Group as at 30 September 2025 attributable to Shareholders based on the Valuation Report *(Note 2)*	186,348
Adjusted net asset value	3,321,511
Adjusted net asset value per Share *(Note 3)* (the "**Adjusted NAV per Share**")	RMB0.75 (equivalent to approximately HK$0.83)

Notes:

1. The amount is extracted from the unaudited consolidated statement of financial position of the Group as at 30 June 2025.

2. The fair value change represents the excess of market value of the property interests as at 30 September 2025 over their corresponding carrying amount as at 30 June 2025 less the amount attributable to minority shareholders of the Group, as illustrated below:

   Calculation of fair value gain:

	RMB'000
Fair value of property interests of the Group as at 30 September 2025 (as set out in Appendix III to this Composite Document)	856,600
Less: Carrying value of the relevant property interests as at 30 June 2025	(658,441)
Fair value gain	198,159
Among which attributable to the Shareholders	186,348

3. The Adjusted NAV per Share is arrived at on the basis of 4,404,018,959 Shares in issue as at the Latest Practicable Date. The exchange rate of RMB1.0: HK$1.0966, being the central parity rate of RMB to HK$ as announced by the People's Bank of China on 30 June 2025, is adopted for illustrative purposes only.

(B) CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statement of financial position, statement of cash flows and any other primary statement as shown in the audited consolidated financial statements of the Group for the years ended 31 December 2022, 2023 and 2024, and the unaudited consolidated interim results for the six months ended 30 June 2025, together with the significant accounting policies and any points from the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The unaudited consolidated interim results of the Group for the six months ended 30 June 2025 has been set out on pages 35 to 72 of the interim report of the Company for the six months ended 30 June 2025 which was posted on 5 September 2025 on the Stock Exchange's website (http://www.hkexnews.hk).

Please see below the link to the interim report of the Company for the six months ended 30 June 2025:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0905/2025090500547.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2024 has been set out on pages 86 to 224 of the annual report of the Company for the year ended 31 December 2024 which was posted on 8 April 2025 on the Stock Exchange's website (http://www.hkexnews.hk).

Please see below the link to the annual report of the Company for the year ended 31 December 2024:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0408/2025040800771.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2023 has been set out on pages 90 to 232 of the annual report of the Company for the year ended 31 December 2023 which was posted on 8 April 2024 on the Stock Exchange's website (http://www.hkexnews.hk).

Please see below the link to the annual report of the Company for the year ended 31 December 2023:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0408/2024040801518.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2022 has been set out on pages 82 to 221 of the annual report of the Company for the year ended 31 December 2022 which was posted on 3 April 2023 on the Stock Exchange's website (http://www.hkexnews.hk).

Please see below the link to the annual report of the Company for the year ended 31 December 2022:

https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0403/2023040303190.pdf

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2022, 2023 and 2024, together with the unaudited consolidated interim results for the six months ended 30 June 2025 (but, for the avoidance of doubt, excluding all other parts of the annual and interim reports for the aforementioned years or period), are incorporated by reference into and form part of this Composite Document.

(C) STATEMENT OF INDEBTEDNESS

As at the close of business on 30 September 2025, being the latest practicable date for the purpose of this statement of indebtedness of the Group prior to the printing of this Composite Document, the Group had the following liabilities:

	RMB'000
Secured:	
Borrowings	
– Bank Loans	37,901
Unsecured:	
Lease Liabilities	20,456
Total	58,357

The secured bank loans are secured by certain flats of the investment properties held by the Group.

As at 30 September 2025, the Group did not have any contingent liabilities.

Save as aforesaid, and apart from intra-group liabilities, at the close of business on 30 September 2025, the Group had no other outstanding mortgages, charges, debentures or other loan capital or bank overdrafts or loans or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, debt securities, guarantees or other material contingent liabilities.

(D) MATERIAL CHANGE

The Directors confirm that, save for the following matters, there has been no material change in the financial or trading position or outlook of the Group subsequent to 31 December 2024, the date to which the latest audited consolidated financial statements of the Company were made up, up to and including the Latest Practicable Date:

1. The removal of Mr. Huang Yonghua as director of the Company pursuant to Article 90(5) of the Articles of Association of the Company effective on 18 August 2025 as referred to in the announcement dated 25 July 2025, the circular dated 31 July 2025 and the announcement dated 18 August 2025;

2. The Company published the interim report for the six months period ended 30 June 2025 ("**6M2025**") on 5 September 2025 (the "**2025 Interim Report**"), which recorded changes in financial position and performance as compared to the year ended 31 December 2024 set out in the annual report of the Company for the year ended 31 December 2024. As disclosed in the 2025 Interim Report, the Group recorded:

   (i) a revenue of RMB314.3 million for the 6M2025, representing a year-on-year decrease of 45.8% which was brought on by the 29.6% decrease in revenue of the high-end consuming accessories business in face of uncertainties in the international market and slowdown in economic growth and the 71.0% decrease in revenue of the international commodity trading business due to the complex and volatile international economic environment and the high fluctuation in the mineral sand prices which affected customers' purchase intention;

   (ii) a gross profit of approximately RMB64.5 million for 6M2025 representing a year on-year decrease of 32.4% and a gross profit margin of approximately 20.5% for 6M2025 compared to 16.4% for the six months ended 30 June 2024 ("**6M2024**") which was mainly attributable to factors such as lower cost of sales of high-end consuming accessories and changes in commodity portfolio;

   (iii) an other gain of RMB54.2 million for 6M2025 compared to an other loss of 6M2024 of RMB25.7 million mainly due to the foreign exchange gains incurred by the operating units as a result of exchange rate fluctuation; and

   (iv) as a result of the above, a profit attributable to owners of the Company in the first half of 2025 amounted to RMB26.3 million, in which the Group's financial performance changed from a loss-making position in 2024 to a profit-making position during the 6M2025; and

3. The Group's businesses include commodity trading which customers and suppliers would only enter into transactions with the Group from time to time and high-end consuming accessories which have different customers and suppliers as compared to the Group's commodity trading business. Due to the nature of commodity trading business and the change in revenue mix between high-end consuming accessories and commodity trading, major suppliers and customers of the Group for the nine months ended 30 September 2025 were different as compared to that in the financial year ended 31 December 2024. In particular, in respect of certain major suppliers which accounted for over 80% of the Group's procurement amount in 2024, the Group had yet to enter into procurement transactions with them in the first nine months of 2025 and certain major customers of the Group which accounted for over 15% of the revenue in 2024 had yet to enter into any transactions with the Group. Furthermore, the Group's aging of trade receivable of over 12 months recorded an increase from 0.4% as at 31 December 2024 to 17% as at 30 September 2025. While aging of trade payable of over one month increased from 32.4% as at 31 December 2024 to 72% as at 30 September 2025.



2 January 2026

The Board of Directors
Hengdeli Holdings Limited
Unit 3807-09, Tower 6,
The Gateway, Harbour City,
Kowloon, Hong Kong

Dear Sirs,

In accordance with the instruction from Hengdeli Holdings Limited (the "**Company**") and/or its subsidiaries (collectively hereinafter referred to as the "**Group**") to provide our opinion of the market values of 17 properties including industrial complexes, office units, residential units, shop unit and car parking spaces held by the Group and located in Hong Kong, Taiwan and the People's Republic of China (the "**PRC**") (or hereafter referred as the "**Properties**" or the "**property interests**"). The 17 Properties represent all properties held by the Group.

We confirm that we have carried out inspections of the Properties, made relevant enquiries and obtained such further information as we consider necessary for providing the market values of such property interests as of 30 September 2025 (referred to as the "**Valuation Date**"). We considered there are no material differences between the current valuation of the properties and the market values of the Properties as of Valuation Date.

This letter, which forms part of our valuation report explains the basis and methodologies of valuation, and clarifies our assumptions made, title investigation of property interests and the limiting conditions.

BASIS OF VALUATION

Our valuation is our opinion of the ***Market Value*** which is defined in accordance with the HKIS Valuation Standards of the Hong Kong Institute of Surveyors to mean "the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Market Value is understood as the value of an asset and liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

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

PROPERTIES APPRAISED

The Properties comprise 17 properties located in Hong Kong, Taiwan and in the PRC. The salient details of the Properties are tabulated below:

No.	**Property Address**	**Permitted Uses**	**Year Built**	**Site Area** *(sq.m.)*	**Gross Floor Area ("GFA")** *(sq.m.)*
Group I – Properties held for own-occupation:					
1	No. 17, Hejing Road, Liwan District, Guangzhou, Guangdong Province, the PRC	Industrial	2005	10,503.00	12,885.16
2	No. 6, Wuling Road, Liwan District, Guangzhou, Guangdong Province, the PRC	Industrial	2009	11,766.28	18,332.52
3	An industrial complex located at No. 777 Fenyue Road, north of National Highway 318, Fenhu Bay, Lili Town, Wujiang District, Suzhou City, Jiangsu Province, the PRC	Industrial	2006-2021	42,073.50	54,830.98

No.	Property Address	Permitted Uses	Year Built	Site Area *(sq.m.)*	Gross Floor Area ("GFA") *(sq.m.)*
4	Units 402 & 403 on 4th Floor, Huashang Times Square located at No. 8, Lane 3599, Qixin Road, Minhang District, Shanghai, the PRC	Office Unit	2009	–	188.83
5	Office Unit 56D01, No. 1 Qiaocheng, Northeast of the Intersection of Qiaoxiang Road and Shenyun Road, Shenzhen City, Guangdong Province, the PRC	Office Unit	2019	–	73.93
6	Office Unit 56D02, No. 1 Qiaocheng, Northeast of the Intersection of Qiaoxiang Road and Shenyun Road, Shenzhen City, Guangdong Province, the PRC	Office Unit	2019	–	66.31
7	An industrial complex located at Bailutang Town, Suxian District, Chenzhou City, Hunan Province, the PRC	Industrial	2023	16,822	20,517.95
8	Lane 199, Jiangtao Road, Minhang District, Shanghai, the PRC	Residential	2023	168.67	168.67
9	Room 3801, No. 17, Swan Street, Haizhu District, Guangzhou City, Guangdong Province, the PRC	Office	2021	–	240.34

No.	Property Address	Permitted Uses	Year Built	Site Area *(sq.m.)*	Gross Floor Area ("GFA") *(sq.m.)*
10	Levels 1 and 2 and 4 car parking spaces of a composite development known as "Zhongxiao 101" (忠孝 101) located at No. 101 Section 5, Zhongxiao East Road, Xinyi District, Taipei, Taiwan	Shop and 4 Car Parking Spaces	2014	–	574.03
11	Room 301, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	Office Unit	1988	–	246.47
12	Room 302, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	Office Unit	1988	–	107.67
13	Room 314, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	Office Unit	1988	–	303.89

No.	Property Address	Permitted Uses	Year Built	Site Area *(sq.m.)*	Gross Floor Area ("GFA") *(sq.m.)*
Group II – Properties held for investment:					
14	Block No. 6, Yangtze River International Enterprise Square Lane 268, Linxin Road, Changning District, Shanghai, the PRC	Industrial	2012	—	4,331.37
15	Block No. 5, Yangtze River International Enterprise Square Lane 268, Linxin Road, Changning District, Shanghai, the PRC	Industrial	2012	—	3,794.24
16	Unit No. 2701 on 27/F, "Kaisa Plaza", Block 1, Court No. 86 Jianguo Road, Chaoyang District, Beijing, the PRC	Residential	2017	—	1,572.09
17	Unit No. 2801 on 28/F, "Kaisa Plaza", Block 1, Court No. 86 Jianguo Road, Chaoyang District, Beijing, the PRC	Residential	2017	—	1,574.51

Remarks:

All the site area(s) and floor area(s) of the PRC and Taiwan Properties are extracted from the relevant title documents provided, while the area(s) of the Hong Kong properties are made reference to the searching engine of EPRC website, EPRC is commonly used in Hong Kong. It has maintained transaction records from the Land Registry since 1991, covering industrial, commercial, retail, and residential transactions, leases, and major land deals signed by agents across all districts in Hong Kong.

VALUATION METHODOLOGY

For commercial, residential properties and land parcels, we have adopted the market approach to determine their market values, while we adopted cost approach to determine the market value(s) of the industrial properties. The market approach is commonly used for real estate when comparable transactions and prices are available in the market. The market approach studies recent sales of similar properties, making adjustments for the differences between them. In situations where limited data is available, alternative methods such as the cost approach will be considered.

Unlike other standard factory units, there are apparently no market sale or lease transactions of real properties of similar type of production facilities in this region of PRC. Real properties of such type are usually bought together with other assets of the business. Hence, it is difficult, if not impossible, to find market comparables for meaningful analysis. Furthermore, industrial premises of similar type are largely purpose-built, and are not disposed of on a piecemeal basis. Therefore, it was not considered appropriate to adopt market or income approaches in the course of our valuation. The approach details are outlined as follows:

Cost Approach

The cost approach begins with the determination of land value, which is valued by the direct comparison method where comparison based on prices realized on actual sales or market price information of comparable land parcels is made. Comparable land parcels of similar size, character and location are analyzed and carefully weighed against all the respective advantages and disadvantages of each land use rights interest in order to arrive at a fair comparison of land value.

Once land value has been determined, reproduction or replacement costs of the improvements are estimated as if the improvements were new. The estimate is then further adjusted for all elements of accrued depreciation including physical depreciation, functional and/or external obsolescence.

The depreciated replacement cost establishes value based on the cost of reproducing or replacing the property, less depreciation from physical deterioration, and functional and economic/external obsolescence, if present and measurable.

Cost of Replacement New is defined as the estimated amount required to replace the property at one time with a modern new unit using the most current technology and materials that will duplicate the production capacity and utility of an existing unit at current market prices for materials, labor, manufactured equipment, contractors' overheads and profit, and fees, but without provision for overtime, bonuses for labor, or premiums for material or equipment.

Physical Deterioration is the loss in value resulting from wear and tear in operation and exposure to the elements.

Functional Obsolescence is the loss in value caused by conditions within the asset such as changes in design, materials, or processes that result in inadequacy, overcapacity, lack of utility, or excess operating costs.

Economic/External Obsolescence is an incurable loss in value caused by negative influences outside of the asset itself, such as general economic conditions, availability of financing, or inharmonious property uses.

The cost approach generally provides a meaningful indication of the value of land improvements, special buildings, special structures, and special machinery and equipment associated with a viable business or justified by economic demand.

Market Approach

The market approach, also referred to as the sales comparison method, is used to estimate value through the analysis of recent sales of comparable property. In the valuation of the Property, similar properties that have recently sold or are offered for sale in the current market are analyzed and compared with the property being appraised, and adjustments are made for differences in such factors as Date of Transaction, location, size, type, tenure, condition of the improvements and prospective use.

For selecting comparables, we have set out the following major criterions tabulated below:

a) Location – the selection criteria is in the same districts, or the neighboring district closest to the subject Properties;

b) Time of transaction records – the selection criteria is the closest to the Valuation Date ones, within the past 2 years;

c) Floor level – the selection criteria is the same level as the subject Properties;

d) Size – the selection criteria is similar to the subject Properties; and

e) Use/Nature – same permitted use/nature as the subject Properties.

We have also adopted asking price of comparables under Market Approach when there are few recent transaction records available in the market. According to section 30.3 under "Market Approach Methods – Comparable Transactions Method" of International Valuation Standard ("**IVS**"), this practice is acceptable and appropriate.

In this assignment, we have adopted market approach to determine the market value(s) of commercial/residential properties and cost approach to determine the market value(s) of the remaining specialized industrial properties.

Income Capitalization Approach

The income capitalization approach simulates the reasoning of an investor who views the cash flows that would result from the anticipated revenue and expense on a property throughout its lifetime. The net income developed in our analysis is the balance of potential income remaining after vacancy and collection loss, and operating expenses. This net income is then capitalized at an appropriate rate to derive an estimate of value or discounted by an appropriate yield rate over a typical projection period in a discounted cash flow analysis.

Thus, two key steps are involved: (1) estimating the net income applicable to the subject and (2) choosing appropriate capitalization rates and discount rates. The appropriate rates are ones that will provide both a return on the investment and a return of the investment over the life of the particular property.

TITLE INVESTIGATION

We have been provided with copies of documents in relation to the title or leases of the property interests situated in the PRC, while we have searched and investigated the land register published by Land Registry for Hong Kong properties and searched for land and building registration transcripts for Taiwan properties. However, we have not scrutinized the original documents to verify ownership or to verify any amendments, which may not appear on the copies handed to us. We have relied to a considerable extent on the information provided by the Group.

We have relied to a considerable extent on the information provided by the Group and the PRC legal opinion provided by the PRC legal adviser on 2 January 2026, Guangdong Jinke Law Firm (for Property Nos. 1-7, 9) and Allbright Law Offices (for Property Nos. 8, 14-17) on the PRC Law regarding the Properties located in the PRC.

All legal documents disclosed in this letter and valuation particulars are for reference only and no responsibility is assumed for any legal matters concerning the legal title to the property interests set out in this letter and valuation particulars.

ASSUMPTIONS

Our valuations have been made on the assumption that the owner sells the property interests on the market in its existing state without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value(s) of the property interests.

No allowance has been in our valuations for any charges, mortgages or amounts owing on the Property valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, all the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their value(s).

Further, it is assumed that the utilization of the land and improvements is within the boundaries of the property interests described and that no encroachment or trespass exists unless noted in the valuation particulars.

LIMITING CONDITIONS

We have relied to a considerable extent on the information provided by the Group and have accepted advice given to us by the Group on such matters as statutory notices, easements, tenure, occupancy, site areas and floor areas and all other relevant matters. Dimensions and areas included in the valuation particulars are based on information contained in the documents provided to us and are only approximations.

Having examined all relevant documentation, we have had no reason to doubt the truth and accuracy of the information provided to us. We have assumed that no material factors have been omitted from the information to reach an informed view and have no reason to suspect that any material information has been withheld.

We have not carried out detailed site measurements to verify the land area or building area in respect of the Properties but have assumed that the areas provided to us are correct. All dimensions and areas are approximations only.

As confirmed by the Group, as at the Valuation Date, the Group has no intention to sell the subject properties in and therefore there is no likelihood of any tax liability crystallizing.

Potential Tax Liabilities

As advised by the Group, the potential tax liabilities which would arise on the direct disposal of the properties held by the Group at the amounts valued by us mainly comprise the following:

- Enterprise income tax at 25% on gain

- Land appreciation tax at progressive rates from 30% to 60% on the appreciation in property value
- Stamp duty at 0.05% on the transaction amount
- Value added tax (''**VAT**'') at 5%/10% on the transaction amount
- Other surcharge at approximately 12% of value-added tax

Our Mr. Jason Wang carried out inspections of the Property Nos. 1-2 on 27 August 2025. Mr. Robert Hu carried out inspections of the Property Nos. 14-15 on 3 September 2025. Ms. Kathy Li carried out inspections of the Property Nos. 16-17 on 13 August 2025. Mr. Edison Chan carried out inspections of the Property Nos. 11-13 on 20 November 2025. They have visited and inspected the Properties to identify the existence of the Properties, to record the existing external condition(s) and, where possible, the internal condition(s) of the Properties and took photographs for record.

No structural survey has been made and we are therefore unable to report as to whether the Properties are or are not free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

No site investigations have been carried out to determine the suitability of the ground conditions or the services for the sites of the properties.

No environmental impact study has been ordered or made. Full compliance with applicable national, provincial and local environmental regulations and laws is assumed unless otherwise stated, defined, and considered in the report. It is also assumed that all required licenses, consents, or other legislative, or administrative authority from any local, provincial, or national government or private entity or organization either have been or can be obtained or renewed for any use which the report covers.

REMARKS

In valuing the property interests, we have complied with all the requirements contained in Paragraph 34(2) and (3) of Schedule 3 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32), Chapter 5 and Practice Note 12 to the Listing Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards (2020 Edition) published by the Hong Kong Institute of Surveyors and Rule 11 of the Codes on Takeovers and Mergers and Share Buy-backs. We confirm that we are an independent qualified valuer, as referred in Rule 11 of the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission.

We hereby certify that we have neither present nor prospective interest in the Property or the value reported. This valuation report is issued subject to our Assumptions and Limiting Conditions.

Unless otherwise stated, all monetary amount stated in this report is in Renminbi (RMB). The currencies adopted in the report are HKD1 = RMB0.9155 and RMB1 = TWD 4.2751 as of the valuation date.

Yours faithfully,
For and on behalf of
Kroll (HK) Limited
Elaine H.L. Ng
MRICS, MHKIS, RPS (GP), MCIREA
Director

Notes:

Ms. Elaine H. L. Ng, who is a Registered Professional Surveyor (General Practice) ("RPS(GP)"), a member of Hong Kong Institute of Surveyors ("MHKIS"), a member of Royal Institute of Chartered Surveyors ("MRICS") and a member of the China Institute of Real Estate Appraisers ("MCIREA"), has over 17 years' post qualification experience in valuation of properties in Hong Kong, the People's Republic of China, Taiwan and Asia.

Mr. Robert Hu, who is a member of CREA and CPV, works in Kroll as a Vice President for over 30 years' valuation experience in real estate in the People's Republic of China.

Ms. Kathy Li, who is a member of ASA, works in Kroll as a Vice President for over 30 years' valuation experience in real estate in the People's Republic of China.

Mr. Edison Chan, who is a member of MHKIS, MRICS and RPS(GP), has 6 years' experience in valuation of properties in Hong Kong, the People's Republic of China, Taiwan and Asia.

Mr. Jason Wang, who is a CPA and CFA, has 4 years' experience in valuation of properties in Hong Kong, the People's Republic of China, Taiwan and Asia.

SUMMARY OF VALUES

Group I – Properties Held For Owner-Occupation

No.	Property	Market Value in existing state as of 30 September 2025	Interest attributable to the Group	Value attributable to the Group as of 30 September 2025
1.	An industrial complex located at No. 17 Hejing Road, Liwan District, Guangzhou City, Guangdong Province, the PRC	RMB38,600,000 *(or HKD42,160,000)*	100%	RMB38,600,000 *(or HKD42,160,000)*
2.	An industrial complex located No. 6, Wuling Road, Liwan District, Guangzhou, Guangdong Province, the PRC	RMB58,100,000 *(or HKD63,460,000)*	100%	RMB58,100,000 *(or HKD63,460,000)*
3.	An industrial complex located at No. 777 Fenyue Road, north of National Highway 318, Fenhu Bay, Lili Town, Wujiang District, Suzhou City, Jiangsu Province, the PRC	RMB105,300,000 *(or HKD115,020,000)*	60%	RMB63,180,000 *(or HKD69,010,000)*
4.	Units 402 & 403 on 4th Floor, Huashang Times Square (Minhang) located at No. 8, Lane 3599, Qixin Road, Minhang District, Shanghai, the PRC	RMB3,700,000 *(or HKD4,040,000)*	60%	RMB2,220,000 *(or HKD2,420,000)*
5.	Office Unit 56D01, The Sky Town, Northeast of the Intersection of Qiaoxiang Road and Shenyun Road, Shenzhen City, Guangdong Province, the PRC	RMB10,900,000 *(or HKD11,910,000)*	100%	RMB10,900,000 *(or HKD11,910,000)*

SUMMARY OF VALUES

Group I – Properties Held For Owner-Occupation

No.	Property	Market Value in existing state as of 30 September 2025	Interest attributable to the Group	Value attributable to the Group as of 30 September 2025
6.	Office Unit 56D02, The Sky Town, Northeast of the Intersection of Qiaoxiang Road and Shenyun Road, Shenzhen City, Guangdong Province, the PRC	RMB9,800,000 *(or HKD10,700,000)*	100%	RMB9,800,000 *(or HKD10,700,000)*
7.	An industrial complex located at Bailutang Town, Suxian District, Chenzhou City, Hunan Province, the PRC	RMB48,100,000 *(or HKD52,540,000)*	60%	RMB28,860,000 *(or HKD31,520,000)*
8.	Lane 199, Jiangtao Road, Minhang District, Shanghai, the PRC	RMB31,300,000 *(or HKD34,190,000)*	100%	RMB31,300,000 *(or HKD34,190,000)*
9.	Room 3801, No. 17, Swan Street, Haizhu District, Guangzhou City, Guangdong Province, the PRC	RMB21,200,000 *(or HKD23,160,000)*	100%	RMB21,200,000 *(or HKD23,160,000)*
10.	Levels 1 and 2 and 4 car parking spaces of a composite development known as "Zhongxiao 101" (忠孝 101) located at No. 101 Section 5, Zhongxiao East Road, Xinyi District, Taipei, Taiwan	RMB91,400,000 *(or HKD99,840,000)*	100%	RMB91,400,000 *(or HKD99,840,000)*
11.	Room 301, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	RMB20,300,000 *(or HKD22,170,000)*	100%	RMB20,300,000 *(or HKD22,170,000)*

SUMMARY OF VALUES

Group I – Properties Held For Owner-Occupation

No.	Property	Market Value in existing state as of 30 September 2025	Interest attributable to the Group	Value attributable to the Group as of 30 September 2025
12.	Room 302, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	RMB9,900,000 *(or HKD10,800,000)*	100%	RMB9,900,000 *(or HKD10,810,000)*
13.	Room 314, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	RMB23,900,000 *(or HKD26,100,000)*	100%	RMB23,900,000 *(or HKD26,110,000)*
	Sub-total:	**RMB472,500,000 *(or HKD516,110,000)***		**RMB409,660,000 *(or HKD447,460,000)***

Remarks: HKD1 = RMB0.9155 as of the valuation date.

SUMMARY OF VALUES

Group II – Properties Held For Investment

No.	Property	Market Value in existing state as of 30 September 2025	Interest attributable to the Group	Value attributable to the Group as of 30 September 2025
14.	Block No. 6, Yangtze River International Enterprise Square Lane 268, Linxin Road, Changning District, Shanghai, the PRC	RMB100,100,000 *(or HKD109,340,000)*	100%	RMB100,100,000 *(or HKD109,340,000)*
15.	Block No. 5, Yangtze River International Enterprise Square Lane 268, Linxin Road, Changning District, Shanghai, the PRC	RMB85,700,000 *(or HKD93,610,000)*	100%	RMB85,700,000 *(or HKD93,610,000)*
16.	Unit No. 2701 on 27/F, "Kaisa Plaza", Block 1, Court No. 86 Jianguo Road, Chaoyang District, Beijing, the PRC	RMB99,100,000 *(or HKD108,250,000)*	100%	RMB99,100,000 *(or HKD108,250,000)*
17.	Unit No. 2801 on 28/F, "Kaisa Plaza", Block 1, Court No. 86 Jianguo Road, Chaoyang District, Beijing, the PRC	RMB99,200,000 *(or HKD108,360,000)*	100%	RMB99,200,000 *(or HKD108,360,000)*
	Sub-total:	**RMB384,100,000 *(or HKD419,560,000)***		**RMB384,100,000 *(or HKD419,560,000)***
	Grand-total:	**RMB856,600,000 *(or HKD935,670,000)***		**RMB793,760,000 *(or HKD867,020,000)***

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
1.	An industrial complex located at No. 17 Hejing Road, Liwan District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市荔灣區荷景路17號廠房	The Property comprises an industrial complex erected on a land parcel with a site area of approximately 10,503.00 square metres. It was built in 2005. As advised by the Group, the Property has a gross floor area of approximately 12,885.16 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 14 September 2054 for industrial and warehouse purposes.	As advised by the Group, the Property was owner-occupied as of the valuation date.	RMB38,600,000 *(or HKD42,160,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Realty Title Certificate, Yue (2022) Guangzhou Shi Bu Dong Chan Quan Zi Di No. 05005744, dated 28 March 2022, the land use rights and building ownership rights of the Property with a site area of 10,503 square metres and a total gross floor area of 12,885.16 square metres are held by Artdeco Group Company Limited (廣州亨雅實業集團有限公司("Guangzhou Artdeco") for a term of 50 years expiring on 14 September 2054 for industrial and warehouse purposes.

2. The property is located at southern side of Hejing Road in between Zijing Road and Yulan Road, with about 20 minutes' driving distance from Guangzhou downtown area on its north-eastern side, 30 minutes' driving distance to the Foshan City downtown area on its south-western side. The immediately neighborhood intermingled with industrial complexes, parking lots, department stores and small retails.

3. As advised by the Group, the Property was under renovation works as of the valuation date, it was expected to be completed on 31 December 2025. The total budget of the renovation works is about RMB2,990,000, while the total cost incurred was about RMB1,161,165.05 as of the valuation date. We have taken into account this incurred renovation cost in the course of our valuation.

4. Guangzhou Artdeco is an indirectly wholly-owned subsidiary of the Company.

5. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Guangzhou Artdeco possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The property is not subject to any encumbrances, mortgages, litigations or disputes.

6. Our valuation has been made on the following basis and analysis:

   In the valuation of the property in its existing state, cost approach was adopted. It begins with the determination of land value, which is valued by the direct comparison method. Once land value has been determined, reproduction or replacement costs of the improvements are estimated as if the improvements were new. The estimate is then further adjusted for all elements of accrued depreciation including physical depreciation, functional and/or external obsolescence. To determine the land value, we have made reference to various recent sales prices of industrial land parcels within the vicinity. The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Location (English)	No. 34 & 40, Dongfeng West Road, Liwan District	North of Longxi Avenue, west of Ring Expressway, south of Old Longxi Road	The area bounded by Lijiao Wastewater Treatment Plant to the east, Yingzhou Ecological Park to the west, Xiaozhou Village Reserved Land to the north, and Xiaozhou East Road to the south.
Current Status	Vacant Land	Vacant Land	Vacant Land
Plot Ratio	1.90 ≥ 4.00	2.00 ≥ 4.00	0.00 ≥ 3.30
Site Area	10,182.36 m²	7,997.00 m²	54,230.77 m²
Use	Industrial	Industrial	Industrial
Transaction Status	Transacted by land auction	Transacted by land auction	Transacted by land auction
Date of Transaction	31-Mar-2025	10-Jan-2025	13-Nov-2025
Transacted Price	¥19,842,682	¥57,610,400	¥273,840,000
Unit Rate on GFA	¥1,026/m²	¥1,801/m²	¥1,530/m²

   The land sales comparable are selected as they have characteristics comparable to the subject Property, such as location, size and permitted use. The price range of the comparables from RMB1,026 to RMB1,801 per square metre on gross floor area. The unit rate assumed by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction time, location and its remaining land tenure. In the course of our valuation, we have adopted an average unit rate of RMB1,331 per square metre on gross floor area, the market value of the land parcel is RMB17,100,000.

   For the buildings of the property, we have made reference to the prevailing construction costs in the vicinity to derive the replacement cost. We have made reference to the market cost comparables disclosed in the commonly used market cost data platform, which is known as "Glodon Construction Cost Data Platform 廣聯達建築成本數據平台". Glodon Construction Cost Data Platform 廣聯達建築成本數據平台 is widely recognized in property valuation for searching construction cost data in China. The adopted unit replacement cost is about RMB2,500 to RMB3,400 per square metre. After the determination of replacement cost, we have made further adjustment depreciation of the buildings, the depreciation rate is about 40.9%. The total building & structure value is about RMB21,500,000.

   The market value of the Property as of the Valuation Date is Land Value + Building Value = RMB17,100,000 + RMB21,500,000 = RMB38,600,000.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
2.	An industrial complex located at No. 6 Wuling Road, Liwan District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市荔灣區五菱路6號廠房	The Property comprises an industrial complex erected on a land parcel with a site area of approximately 11,766.28 square metres. It was built in 2009. As advised by the Group, the Property has a gross floor area of approximately 18,332.52 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 1 June 2056 for industrial and warehouse purposes.	As advised by the Group, the Property was owner-occupied as of the valuation date.	RMB58,100,000 *(or HKD63,460,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Realty Title Certificate, Su (2021) Suzhou Shi Wu Jiang Qu Bu Dong Chan Quan Di No. 05216831, dated 24 September 2019, the land use rights and building ownership rights of the Property with a site area of 11,766.28 square metres and a total gross floor area of 18,332.52 square metres are held by Guangzhou Yuhong Traditional Chinese Medicine Decoction Pieces Co., Ltd. (廣州市宇鴻中藥飲片有限公司) ("Guangzhou Yuhong") for a term of 50 years expiring on 1 June 2056 for industrial and warehouse purposes.

2. The property is located at southern side of Wuling Road close to the junction with Yulan Road. It is also close to the Guangzhouhuancheng Expressway and Dongxin Expressway (Toll Road). It is about 25 minutes' driving distance from Guangzhou downtown area on its north-eastern side, 30 minutes' driving distance to the Foshan City downtown area on its south-western side. The immediately neighborhood intermingled with industrial complexes, parking lots and small retails.

3. Guangzhou Yuhong is an indirectly wholly-owned subsidiary of the Company.

4. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Guangzhou Yuhong possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

c) The property is not subject to any encumbrances, mortgages, litigations or disputes.

5. Our valuation has been made on the following basis and analysis:

In the valuation of the property in its existing state, cost approach was adopted. It begins with the determination of land value, which is valued by the direct comparison method. Once land value has been determined, reproduction or replacement costs of the improvements are estimated as if the improvements were new. The estimate is then further adjusted for all elements of accrued depreciation including physical depreciation, functional and/or external obsolescence. To determine the land value, we have made reference to various recent sales prices of industrial land parcels within the vicinity. The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Location (English)	No. 34 & 40, Dongfeng West Road, Liwan District	North of Longxi Avenue, west of Ring Expressway, south of Old Longxi Road	The area bounded by Lijiao Wastewater Treatment Plant to the east, Yingzhou Ecological Park to the west, Xiaozhou Village Reserved Land to the north, and Xiaozhou East Road to the south.
Current Status	Vacant Land	Vacant Land	Vacant Land
Plot Ratio	1.90 ≥ 4.00	2.00 ≥ 4.00	0.00 ≥ 3.30
Site Area	10,182.36 m²	7,997.00 m²	54,230.77 m²
Use	Industrial	Industrial	Industrial
Transaction Status	Transacted by land auction	Transacted by land auction	Transacted by land auction
Date of Transaction	31-Mar-2025	10-Jan-2025	13-Nov-2025
Transacted Price	¥19,842,682	¥57,610,400	¥273,840,000
Unit Rate on GFA	¥1,026/m²	¥1,801/m²	¥1,530/m²

The land sales comparable are selected as they have characteristics comparable to the subject Property, such as location, size and permitted use. The price range of the comparables from RMB1,026 to RMB1,801 per square metre on gross floor area. The unit rate assumed by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction time, location and tenure. In the course of our valuation, we have adopted an average unit rate of RMB1,365 per square metre on gross floor area, the market value of the land parcel is RMB25,000,000.

For the buildings of the property, we have made reference to the prevailing construction costs in the vicinity to derive the replacement cost. We have made reference to the market cost comparables disclosed in the commonly used market cost data platform, which is known as "Glodon Construction Cost Data Platform 廣聯達建築成本數據平台". Glodon Construction Cost Data Platform 廣聯達建築成本數據平台 is widely recognized in property valuation for searching construction cost data in China. The adopted unit replacement cost is about RMB2,400 to RMB3,300 per square metre. After the determination of replacement cost, we have made further adjustment depreciation of the buildings, the depreciation rate is about 34.3%. The total building & structure value is about RMB33,100,000.

The market value of the Property as of the Valuation Date is Land Value + Building Value = RMB25,000,000 + RMB33,100,000 = RMB58,100,000.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
3.	An industrial complex located at No. 777 Fenyue Road, north of National Highway 318, Fenhu Bay, Lili Town, Wujiang District, Suzhou City, Jiangsu Province, the PRC 中國江蘇省蘇州市吳江區黎里鎮汾湖灣318國道北側汾越路777號之廠房	The Property comprises an industrial complex erected on a land parcel with a site area of approximately 42,073.50 square metres. It was built in between 2006 and 2021. As advised by the Group, the Property has a gross floor area of approximately 54,830.98 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 10 January 2051 for industrial purposes.	As advised by the Group, the Property was mainly owner-occupied for industrial use, while portions of the Property were leased to third parties for industrial uses as of the valuation date.	RMB105,300,000 *(or HKD115,020,000)* *(60% interest attributable to the Group: RMB63,180,000 (or HKD69,010,000))*

Notes:

1. Pursuant to a Realty Title Certificate, Su (2021) Suzhou Shi Wu Jiang Qu Bu Dong Chan Quan Di No. 9016943, dated 19 April 2021, the land use rights and building ownership rights of the Property with a site area of 42,073.50 square metres and a total gross floor area of 54,830.98 square metres are held by Suzhou Henge Exhibition Service Company Limited (蘇州亨冠展覽展示服務有限公司) ("Suzhou Henge") for a term of 50 years expiring on 10 January 2051 for industrial purposes.

2. Pursuant to a Maximum Amount Mortgage Contract, Contract No.: 0110200016-2021 Wujiang (Dai) Zi No. 0171, Suzhou Henge (the "mortgagee") agreed to pledge the Property to Industrial and Commercial Bank of China Limited Suzhou Yangtze River Delta Integration Demonstration Zone Branch (the "mortgagor") for a maximum amount of RMB140,000,000 for a term from 22 April 2021 to 22 April 2026.

3. Pursuant to three Tenancy Agreements, portions of the Property with a total leased area of 800 sq.m. were leased out at an aggregated annual rent of RMB204,400 inclusive of tax as of the valuation date.

4. The property is located on the northern side of National Highway close to the junction with Laixiu Road and Fenyang Road on its western side. It is also close to the Changjia Expressway (Toll Road) G1521 on its eastern side. It is about 45 minutes' driving distance from Suzhou downtown area on its north-western side and 45 minutes' driving distance to the Jiaxing City downtown area on its southern side. The immediately neighborhood intermingled with industrial complexes, parking lots and small retails.

5. Suzhou Henge is an indirectly 60%-owned subsidiary of the Company.

6. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Suzhou Henge possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The aforesaid mortgage contract has been registered. During the mortgage period, the pledged property is prohibited or restricted from transfer, and the mortgagor may not dispose of it without prior approval.

   d) Except the aforesaid mortgage, the property is not subject to any encumbrances, litigations or disputes.

7. Our valuation has been made on the following basis and analysis:

   In the valuation of the property in its existing state, cost approach was adopted. It begins with the determination of land value, which is valued by the direct comparison method. Once land value has been determined, reproduction or replacement costs of the improvements are estimated as if the improvements were new. The estimate is then further adjusted for all elements of accrued depreciation including physical depreciation, functional and/or external obsolescence. To determine the land value, we have made reference to various recent sales prices of industrial land parcels within the vicinity. The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Location (English)	East of Longqiao Road, North of Jincng Road	South of Hengtong Avenue, West of Hongen Road, Qidu Town	South of Ciazi Road
Current Status	Vacant Land	Vacant Land	Vacant Land
Land Grade	Grade 7	Grade 7	Grade 7
Plot Ratio	More than 2.5	More than 2.5	More than 2.5
Site Area	13,009.34 m²	15,151.83 m²	33,214.76 m²
Land Use	Industrial	Industrial	Industrial
Transaction Status	Transacted by land auction	Transacted by land auction	Transacted by land auction
Date of Transaction	19-May-2025	19-May-2025	07-Apr-2025
Transacted Price	¥4,813,456	¥5,681,936	¥11,459,092
Site Unit Rate	¥370/m²	¥375/m²	¥345/m²

   The land sales comparable are selected as they have characteristics comparable to the subject Property, such as location, size and permitted use. The price range of the comparables from RMB345 to RMB375 per square metre on site area. The unit rate assumed by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction time, location and tenure. In the course of our valuation, we have adopted an average unit rate of RMB324 per square metre on site area, the market value of the land parcel is RMB13,600,000.

   For the buildings of the property, we have made reference to the prevailing construction costs in the vicinity to derive the replacement cost. We have made reference to the market cost comparables disclosed in the commonly used market cost data platform, which is known as "Glodon Construction Cost Data Platform 廣聯達建築成本數據平台". Glodon Construction Cost Data Platform 廣聯達建築成本數據平台 is widely recognized in property valuation for searching construction cost data in China. The adopted unit replacement cost is about RMB1,800 to RMB2,100 per square metre. After the determination of replacement cost, we have made further adjustment depreciation of the buildings, the depreciation rate is about 15.6% to 43.9%. The building value is about RMB91,700,000.

   The market value of the building under cost approach as of the Valuation Date is Land Value + Building Value = RMB13,600,000 + RMB91,700,000 = RMB105,300,000.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
4.	Units 402 & 403 on 4th Floor, Huashang Times Square (Minhang) located at No. 8, Lane 3599, Qixin Road, Minhang District, Shanghai, the PRC 中國上海閔行區七莘路3599弄8號華商時代廣場4樓402及403室	The Property comprises two office units on 4th Floor of a 6-storey office building of Huashang Times Square (Minhang) erected on a site area of about 35,788.82 sq.m. It was built in 2009. As advised by the Group, the Property has a total gross floor area of approximately 188.83 square metres. The land use rights of the property have been granted for a term of 40 years expiring on 7 January 2044 for office purposes.	As advised by the Group, the Property was owner-occupied as of the valuation date.	RMB3,700,000 *(or HKD4,040,000)* *(60% interest attributable to the Group: RMB2,220,000 (or HKD2,420,000))*

Notes:

1. Pursuant to two Realty Title Certificate, Hu (2019) Min Zi Bu Dong Chan Quan Di No. 031883, 032139, the land use rights and building ownership rights of the Property with a gross floor area(s) of 81.00 square metres and 107.83 are held by Shanghai Henge Decoration Project Management Company (上海亨冠裝飾工程管理有限公司) ("Shanghai Henge") for a term of 40 years expiring on 7 January 2044 for office purposes.

2. Pursuant to a Maximum Amount Mortgage Contract, Contract No.: 31100620230003729, Shanghai Henge (the "mortgagee") dated 26 July 2023, Shanghai Henge agreed to pledge the Property to Agricultural Bank of China Co., Ltd. Shanghai Jinshan Branch (the "mortgagor") for a maximum amount of RMB5,640,000 for a term from 26 July 2023 to 25 July 2026.

3. The property is located at north-western side of the junction of Xingzhan Road and Qixin Road. It is also close to the Huqingping Expressway G50, Jiamin Viad and Husong Highway S124. It is about 24 minutes' driving distance from Shanghai downtown area on its north-eastern side and 47 minutes' driving distance to the Shanghai Pudong International Airport on its east-southern side. The immediately neighborhood intermingled with shopping malls, residential developments and commercial properties.

4. Shanghai Henge is an indirectly 60%-owned subsidiary of the Company.

5. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Shanghai Henge possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The aforesaid mortgage contract has been registered. During the mortgage period, the pledged property is prohibited or restricted from transfer, and the mortgagor may not dispose of it without prior approval.

   d) The property is not subject to any encumbrances, mortgages, litigations or disputes.

6. Our valuation has been made on the following basis and analysis:

   Market Value – Office Unit:

   In the valuation of the property in its existing state, market approach was adopted. The following office comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB19,000 to RMB23,171 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Floor Level	High	Low	Low
Building Name	Fortune 108 Square	Baolong City Square	Wanke Qibao International
Property Address	Lane 1839, Qixin Road, Minhang District	No. 1399, Xinzhen Road, Minhang District	No. 1333, Xinlong Road, Minhang District
Usage	Office	Office	Office
Year Built	2011	2016	2018
GFA (sq.m.)	82.00 m²	500.00 m²	83.00 m²
Date of Transaction	28-Jul-2025	28-Jul-2025	6-Nov-2025
Transaction Status	Asking	Asking	Asking
Unit Rate	¥23,171/m²	¥19,800/m²	¥19,000/m²

   The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB19,200 per square metre, the market value of the Property is RMB3,700,000.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
5.	Office Unit 56D01, The Sky Town, Northeast of the Intersection of Qiaoxiang Road and Shenyun Road, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市僑香路與深雲路交匯處東北側僑城一號廣場56D01辦公單元	The Property comprises an office unit of an office building, known as "The Sky Town". It was built in 2019. As advised by the Group, the Property has a gross floor area of approximately 73.93 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 7 October 2065 for new industry/dormitory purposes.	As advised by the Group, the Property was owner-occupied as of the valuation date.	RMB10,900,000 *(or HKD11,910,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Realty Title Certificate, Yue (2022) Shenzhen City Bu Dong Chan Quan Di No. 0125900 dated 16 August 2022, the land use rights and building ownership rights of the Property with a gross floor area(s) of 73.93 square metres are held by Artdeco Group Company Limited (廣州亨雅實業集團有限公司) ("Guangzhou Artdeco") for a term of 50 years expiring on 7 October 2065 for new industry/dormitory purposes.

2. The property is located at south-eastern side of the junction of Qiaoxiang Road and Shenyun Road. It is also close to the Shennan Blvd, Baishi Road and Binhai Blvd. It is about 17 minutes' driving distance from Shenzhen Airport on its eastern side and 25 minutes' driving distance to the Luohu District on its eastern side. The immediately neighborhood intermingled with shopping malls, hotels, culture villages, tourism spots.

3. Guangzhou Artdeco is an indirectly wholly-owned subsidiary of the Company.

4. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Guangzhou Artdeco possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The property is not subject to any encumbrances, mortgages, litigations or disputes.

   c) According to Article 10 and Article 16 of the "Administrative Measures for the Transfer of Industrial Buildings and Supporting Housing in Shenzhen"《深圳市工業樓宇及配套用房轉讓管理辦法》(implemented on 1 February 2020), the transferee of a property must meet the corresponding conditions and the property is not allow to be transferred within 5 years from the completion date of the property transaction registration, that means the Property cannot be transferred between 1 July 2021 and 30 June 2026.

5. Our valuation has been made on the following basis and analysis:

   Market Value – Commodity Flat Unit:

   In the valuation of the property in its existing state, market approach was adopted. The following commodity flat comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB138,340 to RMB155,651 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Floor Level	High Level	High Level	Middle Level
Development's Name	The Sky Town	The Sky Town	The Sky Town
Property Address	Northeast of the Intersection of Qiaoxiang Road and Shenyun Road	Northeast of the Intersection of Qiaoxiang Road and Shenyun Road	Northeast of the Intersection of Qiaoxiang Road and Shenyun Road
District	Nanshan District	Nanshan District	Nanshan District
Usage	Commodity Flat	Commodity Flat	Commodity Flat
Year Built	2019	2019	2019
GFA (sq.m.)	253.00 m²	305.00 m²	179.89 m²
Date of Transaction	29-Sep-2025	16-Sep-2025	11-Apr-2025
Transaction Status	Asking	Asking	Asking
Transacted Price	¥35,000,000	¥45,000,000	¥28,000,000
Unit Rate	¥138,340/m²	¥147,541/m²	¥155,651/m²

   The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB148,000 per square metre, the market value of the Property is RMB10,900,000.

   The sales constraint as mentioned in 4c) above covers the whole city, not only the subject property but also the comparables, so that the valuation result has already reflected this constraint in the course of the valuation.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
6.	Office Unit 56D02, The Sky Town, Northeast of the Intersection of Qiaoxiang Road and Shenyun Road, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市僑香路與深雲路交匯處東北側僑城一號廣場56D02辦公單元	The Property comprises an office unit of an office building, known as "The Sky Town". It was built in 2019. As advised by the Group, the Property has a gross floor area of approximately 66.31 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 7 October 2065 for new industry/dormitory purposes.	As advised by the Group, the Property was owner-occupied as of the valuation date.	RMB9,800,000 *(or HKD10,700,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Realty Title Certificate, Yue (2022) Shenzhen City Bu Dong Chan Quan Di No. 0125897 dated 16 August 2022, the land use rights and building ownership rights of the Property with a gross floor area(s) of 66.31 square metres are held by Artdeco Group Company Limited (廣州亨雅實業集團有限公司) ("Guangzhou Artdeco") for a term of 50 years expiring on 7 October 2065 for new industry/dormitory purposes.

2. The property is located at south-eastern side of the junction of Qiaoxiang Road and Shenyun Road. It is also close to the Shennan Blvd, Baishi Road and Binhai Blvd. It is about 17 minutes' driving distance from Shenzhen Airport on its eastern side and 25 minutes' driving distance to the Luohu District on its eastern side. The immediately neighborhood intermingled with shopping malls, hotels, culture villages, tourism spots.

3. Guangzhou Artdeco is an indirectly wholly-owned subsidiary of the Company.

4. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Guangzhou Artdeco possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The property is not subject to any encumbrances, mortgages, litigations or disputes.

   c) According to Article 10 and Article 16 of the "Administrative Measures for the Transfer of Industrial Buildings and Supporting Housing in Shenzhen"《深圳市工業樓宇及配套用房轉讓管理辦法》(implemented on 1 February 2020), the transferee of a property must meet the corresponding conditions and the property is not allow to be transferred within 5 years from the completion date of the property transaction registration, that means the Property cannot be transferred between 1 July 2021 and 30 June 2026.

5. Our valuation has been made on the following basis and analysis:

   Market Value – Commodity Flat Unit:

   In the valuation of the property in its existing state, market approach was adopted. The following commodity flat comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB138,340 to RMB155,651 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Floor Level	High Level	High Level	Middle Level
Development's Name	The Sky Town	The Sky Town	The Sky Town
Property Address	Northeast of the Intersection of Qiaoxiang Road and Shenyun Road	Northeast of the Intersection of Qiaoxiang Road and Shenyun Road	Northeast of the Intersection of Qiaoxiang Road and Shenyun Road
District	Nanshan District	Nanshan District	Nanshan District
Usage	Commodity Flat	Commodity Flat	Commodity Flat
Year Built	2019	2019	2019
GFA (sq.m.)	253.00 m²	305.00 m²	179.89 m²
Date of Transaction	29-Sep-2025	16-Sep-2025	11-Apr-2025
Transaction Status	Asking	Asking	Asking
Transacted Price	¥35,000,000	¥45,000,000	¥28,000,000
Unit Rate	¥138,340/m²	¥147,541/m²	¥155,651/m²

   The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB148,000 per square metre, the market value of the Property is RMB9,800,000.

   The sales constraint as mentioned in 4c) above covers the whole city, not only the subject property but also the comparables, so that the valuation result has already reflected this constraint in the course of the valuation.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation:

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
7.	An industrial complex located at Bailutang Town, Suxian District, Chenzhou City, Hunan Province, the PRC 中國湖南省郴州市蘇仙區白露塘鎮之廠房	The Property comprises an industrial complex erected on a land parcel with a site area of approximately 16,822 square metres. It was built in 2023. As advised by the Group, the Property has a gross floor area of approximately 20,517.95 square metres. The land use rights of the property have been granted for a term of 30 years expiring on 25 February 2050 for industrial purposes.	As advised by the Group, the Property was mainly owner-occupied for industrial use as of the valuation date.	RMB48,100,000 *(or HKD52,540,000)* *(60% interest attributable to the Group: RMB28,860,000 (or HKD31,520,000))*

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract, No. 049845, dated 21 February 2020, the land use rights of the Property with a site area of 16,822 sq.m. have been granted to Chenzhou Henge Architectural Decoration Construction Co., Ltd. (郴州亨冠建築裝飾工程有限公司) ("Chenzhou Henge") at a land premium of RMB5,020,000 for a term of expiring on 25 February 2050 for industrial purposes. As advised by the Group, the Chenzhou Henge has transferred RMB5,020,000 to Chenzhou Public Resources Trading Center ("郴州市公共資源交易中心") as of 17 February 2020.

2. Pursuant to a State-owned Land Use Rights Certificate, Xiang (2020) Su Xian Bu Dong Chan Quan Di No. 0007079, the land use rights of the Property with a site area of 20,798 square metres are held by Chenzhou Henge for a term of expiring on 25 February 2050 for industrial purposes.

3. Pursuant to 17 Realty Title Certificates, Xiang (2023) Su Xian Fu Dong Chan Quan Di Nos. 0071516 – 0071519, 0071521 – 00171527, 0071529 – 00171532 and 0071586 – 00171587, all dated 18 September 2023, issued by Chenzhou Municipal Natural Resources and Planning Bureau, the land use rights and building ownership rights of the Property were held by Chenzhou Henge for a term expiring on 25 February 2050 for industrial use.

4. The property is located within High-tech Industrial Development Zone of Bailutang Town of Suxian District, it covers Pingtian Avenue, Linweisi Road, Xiangshui East Road, Xihe East Road, Bailutang Avenue, etc. The immediately neighborhood intermingled with industrial and logistics developments.

5. Chenzhou Henge is an indirectly 60%-owned subsidiary of the Company.

6. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Chenzhou Henge possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The construction works of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The property is not subject to any encumbrances, mortgages, litigations or disputes.

7. Our valuation has been made on the following basis and analysis:

   In the valuation of the property in its existing state, cost approach was adopted. It begins with the determination of land value, which is valued by the direct comparison method. Once land value has been determined, reproduction or replacement costs of the improvements are estimated as if the improvements were new. The estimate is then further adjusted for all elements of accrued depreciation including physical depreciation, functional and/or external obsolescence. To determine the land value, we have made reference to various recent sales prices of industrial land parcels within the vicinity. The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Location (English)	Bailutang County, Suxian District, Chenzhou City	Bailutang County, Suxian District, Chenzhou City	Bailutang County, Suxian District, Chenzhou City
Current Status	n/a	developed	developed
Land Grade	Grade 7	Grade 5	Grade 5
Plot Ratio (maximum)	>1.0	>1.0	>1.2
Site Area	2,624.00 m²	13,958 m²	23,940 m²
Use	Industrial	Industrial	Industrial
Transaction Status	Transacted by land auction	Transacted by land auction	Transacted by land auction
Date of Transaction	20-May-2024	24-Feb-2025	4-Jun-2024
Transacted Price	¥700,000	¥4,300,000	¥7,380,000
Unit Rate on max. GFA	¥267/m²	¥308/m²	¥308/m²

   The land sales comparable are selected as they have characteristics comparable to the subject Property, such as location, size and permitted use. The price range of the comparables from RMB267 to RMB308 per square metre on gross floor area. The unit rate assumed by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction time, location and tenure. In the course of our valuation, we have adopted an average unit rate of RMB289 per square metre on gross floor area, the market value of the land parcel is RMB4,900,000.

   For the buildings and structures of the property, we have made reference to the prevailing construction costs in the vicinity to derive the replacement cost. We have made reference to the market cost comparables disclosed in the commonly used market cost data platform, which is known as "Glodon Construction Cost Data Platform 廣聯達建築成本數據平台". Glodon Construction Cost Data Platform 廣聯達建築成本數據平台 is widely recognized in property valuation for searching construction cost data in China. The adopted unit replacement cost is about RMB1,440 to RMB2,460 per square metre. After the determination of replacement cost, we have made further adjustment depreciation of the buildings, the depreciation rate is about 7.8%. The total building & structure value is about RMB43,200,000.

   The market value of the Property as of the Valuation Date is Land Value + Building Value = RMB4,900,000 + RMB43,200,000 = RMB48,100,000.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
8.	Residential and office unit, No.49, Lane 199, Jiangtao Road, Minhang District, Shanghai, the PRC 中國上海市閔行區江桃路199弄49號商住兩用房	The Property comprises a residential and office unit of an building, known as "Tao Hua Yuan". It was built in 2023. As advised by the Group, the Property has a gross floor area of approximately 168.67 square metres.	As advised by the Group, the Property was vacant as of the valuation date.	RMB31,300,000 *(or HKD34,190,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Shanghai Commodity Flat Sales Agreement of the Apartment Unit (上海市商品房買賣合同), the Property was transferred from an independent third party, Shanghai Yiteno Real Estate Co., Ltd. (上海頤特諾房地產有限公司) (the "Assignor") to Shanghai Deyi Trading Co. Ltd. (上海的益商貿有限公司) (the "Assignee" or "Shanghai Deyi") dated 17 March 2023, the Assignor agreed to assign the Property to the Assignee at the transaction price of RMB24,320,000 for residential and office use.

2. Pursuant to a Shanghai Commissioned renovation agreement (上海市委託改造協議), the Property was under renovation from Shanghai Deyi (the "Consignor") and an independent third party, Moxwell Investment Consulting (Shanghai) Co., Ltd. (摩克斯威投資諮詢(上海)有限公司) (the "Consignee"), the Consignee agreed to renovate the Property to the Consignor at the transaction price of RMB13,510,000 for residential and office use.

3. Pursuant to a Realty Title Certificate, Hu (2025) Min Zi Bu Dong Chan Quan Di No. 056099, the land use rights and building ownership rights of the Property with a gross floor area of 816.70 square metres (including ancillary underground area 386.96 square metres and five car park spaces with each 52.15 square metres) are held by Shanghai Deyi for a term of 70 years expiring on 29 June 2090 for residential purposes.

4. Shanghai Deyi is an indirectly wholly-owned subsidiary of the Company.

5. The property is located along Jiang Tao Street, closed to the junction with Jiangliu Road and Pu Shen Road. The immediately neighborhood intermingled with residential, commercial and composite developments.

6. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Shanghai Deyi possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The property is not subject to any other encumbrances, litigations or disputes.

7. Our valuation has been made on the following basis and analysis:

   Market Value – Residential:

   In the valuation of the property in its existing state, market approach was adopted. The following residential units comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB158,881 to RMB185,467 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Property Address	Lane 199, Jiangtao Road	Lane 399, Jiangtao Road	Lane 1839, Qixin Road, Minhang District
District	Minhang District	Minhang District	Pudong District
Usage	Residential	Residential	Residential
Year Built	2023	2020	2006
GFA (sq.m.)	161.70 m²	224.90 m²	171.89 m²
Date of Offer	7-Nov-2025	7-Nov-2025	29-Jul-2025
Transaction Status	Asking	Asking	Transaction
Unit Rate on GFA	¥185,467/m²	¥184,793/m²	¥158,881/m²

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted average unit rate of RMB185,600 per square metre, the market value of the Property is RMB31,300,000.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation:

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
9.	Room 3801, No. 17 Swan Street, Haizhu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市海珠區天鵝街17號3801房	The Property comprises a residential unit of a 46-storey residential development, which was completed in 2021. As advised by the Group, the Property has a gross floor area of about 240.34 square metres. The land use rights of the property have been granted for a term of 70 years expiring on 1 February 2080 for residential purposes.	As advised by the Group, the Property was owner-occupied as of the valuation date.	RMB21,200,000 *(or HKD23,160,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Guangzhou Commodity Flat Sales Agreement of the Apartment Unit (廣州市商品房買賣合同) dated 20 October 2021, the Property was transferred from an independent third party, Guangzhou Shimao Xinjiyuan Real Estate Co., Ltd. (廣州世茂新紀元置業有限公司) (the "Assignor") to Guangzhou Yadi Decoration & Packaging Co., Ltd. (廣州雅迪裝飾包裝有限公司) (the "Assignee"), the Property was transferred to the Assignee at the transaction price of RMB28,600,664 for residential use.

2. Pursuant to a Realty Title Certificate, Yue (2022) Guangzhou Shi Bu Dong Chan Quan Di No. 05005715, the land use rights and building ownership rights of the Property with a gross floor area of 240.34 square metres are held by Artdeco Group Company Limited (廣州亨雅實業集團有限公司("Guangzhou Artdeco") for a term of 70 years expiring on 1 February 2080 for residential purposes. The former name of 廣州亨雅實業集團有限公司 is 廣州雅迪裝飾包裝有限公司, it changed its name to 廣州亨雅實業集團有限公司 on 24 March 2022.

3. The property is located along Tiane Street, closed to the junction with Gexin Road and Rongjiang Road. Xianluo Wharf, Guangzhou Volunteer Park, Pacific Wharf No. 1 and Guangda Garden can be found in the vicinity. The immediately neighborhood intermingled with residential, commercial and composite developments.

4. Guangzhou Artdeco is an indirectly wholly-owned subsidiary of the Company.

5. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Guangzhou Artdeco possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The property is not subject to any encumbrances, mortgages, litigations or disputes.

6. Our valuation has been made on the following basis and analysis:

   Market Value – Residential:

   In the valuation of the property in its existing state, market approach was adopted. The following residential units comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB77,798 to RMB110,961 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Development's Name	Swan Bay	Swan Bay	Swan Bay
Property Address	No. 17 Swan Street	No. 17 Swan Street	No. 17 Swan Street
District	Haizhu District	Haizhu District	Haizhu District
Usage	Residential	Residential	Residential
Year Built	2021	2021	2021
GFA (sq.m.)	295.60 m²	295.64 m²	229.32 m²
Date of Offer	30-Jun-2025	30-Jun-2025	30-Jun-2025
Transaction Status	Asking	Asking	Asking
Unit Rate on GFA	¥110,961/m²	¥77,798/m²	¥81,502/m²

   The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB88,100 per square metre, the market value of the Property is RMB21,200,000.

   The sales constraint as mentioned in 5c) above covers the whole city, not only the subject property but also the comparables, so that the valuation result has already reflected this constraint in the course of the valuation.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
10.	Level 1 and Level 2 and 4 car parking spaces of a composite development known as "Zhongxiao 101" (忠孝 101) located at No. 101 Section 5, Zhongxiao East Road, Xinyi District, Taipei, Taiwan	The subject property comprises a retail unit on 1st and 2nd floor of a 13-storey composite development known as "Zhongxiao 101" (忠孝 101) and 1 car parking space on Level 1 and 3 car parking spaces on Level 2. The development was built in 2014. The retail unit of the subject property has a gross floor area of 219.82 square metres on Level 1 and 354.21 square metres on Level 2, inclusive of a total balcony area of 19.39 square metres and 4 car parking spaces of about 63.14 square metres.	As advised by the Group, part of the subject property was vacant as of the valuation date.	RMB91,400,000 (or HKD99,840,000) *(100% interest attributable to the Group)*

Notes:

1. Pursuant to two Certificates of Ownership of Buildings (建物所有權狀), 105 Bei Song Zi Di Nos. 013287 and 013288, issued by Taipei Zhongshan Land Administration Office (台北市中山地政事務所), registered on December 15, 2014, the ownership of the Property is held by Taiwan Hengdeli Co., Ltd. (台灣亨得利有限公司) ("Taiwan Hengdeli") for general retail (Class A) use.

2. Pursuant to two Certificates of Ownership of Land (土地所有權狀), 105 Bei Song Zi Di Nos. 024420 and 024421, issued by Taipei Zhongshan Land Administration Office (台北市中山地政事務所), registered on December 15, 2014, the ownership of the Property is held by Taiwan Hengdeli.

3. Pursuant to a Credit Agreement (授信約定書), dated 1 December 2016, entered into between Chang Hwa Bank and Taiwan Hengdeli, the Property was pledged to Chang Hwa Bank for a term from 20 December 2016 to 20 December 2036 borrowing for an amount of TWD400,000,000.

4. The Property is located at Taipei downtown area, and it's located on northern side of Zhongxiao East Road along MRT Line 5 of Bannan Line. It is also close to the junction with Section 1 of Keelung Road. The immediately neighborhood intermingled with shopping malls, hotels, schools and tourism spots.

5. According to the land searches mentioned in Notes 1 and 2 above, the land use rights and building ownership rights of the Property are held by Taiwan Hengdeli.

6. Taiwan Hengdeli is an indirectly wholly-owned subsidiary of the Company.

7. Our valuation has been made on the following basis and analysis:

Market Value – Level 1 Retail Unit:

In the valuation of the property in its existing state, market approach was adopted. The following retail comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from TWD 3,477,943 per Ping to TWD 4,091,120 per ping (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Floor Level	Level 1	Level 1	Level 1
Property Address	No. 451-461, Section 5, Zhongxiao East Road	Lane 553, Section 4, Zhongxiao East Road	Lane 443, Zhongxiao Yongji Road
District	Xinyi District	Xinyi District	Xinyi District
Usage	Retail	Retail	Residential
Building Age (years)	20.2	47.6	41.4
GFA (sq.m.)	71.11	180.60	47.24
GFA (Ping)	21.51	54.63	14.29
Date of Transaction	30 Sep 2025	30 Sep 2025	30 Sep 2025
Transaction Status	Asking	Asking	Asking
Unit Rate (TWD/Ping)	4,091,120	3,477,943	4,023,793

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted a weighted average unit rate of TWD 3,160,000 per ping based on saleable area.

In determining the unit price for Level 2 retail, we have performed pair comparison analysis to derive the value difference between Level 1 and Level 2 units. The difference between the two levels should be 50%, that is about TWD 1,580,000 per ping, which is in line with our analysis results.

Market Value – Car Parking Space:

In the valuation of the property in its existing state, market approach was adopted. The following car parking comparables were selected as they have characteristics comparable to the subject property, such as location and permitted use. The price range of these comparables is from TWD 2,500,000 to TWD 3,200,000 The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Floor Level	Basement	Basement	Basement
Property Address	No. 451, Section 5, Zhongxiao East Road	No. 375, Section 5, Zhongxiao East Road	No. 32, Lane 147, Section 1, Ji Long Road
District	Xinyi District	Xinyi District	Xinyi District
Usage	Car parking	Car parking	Car parking
Date of Transaction	3-Jun-2025	2-Oct-2025	17-Jul-2025
Transaction Status	Transacted	Transacted	Transacted
Unit Price (TWD/lot)	2,500,000	3,200,000	3,070,000

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect the difference in location and uses. In the course of our valuation, we have adopted a unit rate of TWD 2,900,000 per lot on basement 2 level and TWD 2,800,000 per lot on basement 3 level.

The market value of the retail unit is approximately TWD 3,160,000/Ping x 66.5 Ping = TWD 210,129,163, while taking half of the unit rate for Level 2, i.e. TWD 1,580,000/Ping. Adding with the car parking space of about TWD 2,800,000 to TWD 2,900,000 each, the market value of the Property is TWD 390,800,000 (or about RMB91,400,000).

The value breakdowns are tabulated below:

	Unit Rate (TWD/Ping)	**GFA (Ping)**	**Market Value**
Level 1	3,160,000	66.50	NT$210,129,163
Level 2	1,580,000	107.15	NT$169,294,107
B2 Car Parking Spaces x2	2,900,000 each	2 units	NT$5,800,000
B3 Car Parking Spaces x2	2,800,000 each	2 units	NT$5,600,000
		Rounded to or about	**NT$390,800,000 RMB91,400,000**

Remarks: RMB1 = TWD 4.2751 as of the valuation date, while 1 Ping = 3.3058 sq.m.

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
11.	Unit 301, 3/F, Lippo Sun Plaza, No. 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong 274,787/100,000,000 shares of and in the Kowloon Inland Lot No. 10722 (the "Lot")	The Property comprises an office unit of a 17-storey, which was built in 1988. The gross floor area and saleable area of the Property are approximately 2,653 square feet (or about 246.47 square metres) and 2,051 square feet (or about 190.54 square metres) respectively. The Lot is held under a Conditions of Sale No. 11856 for a term from 24 October 1985 to 30 June 2047.	As advised by the Group, the Property was subject to a lease at a monthly rent of HKD5,000 exclusive of management fee as of the valuation date.	RMB20,300,000 *(or HKD22,170,000)* *(100% interest attributable to the Group)*

Notes:

1. The registered owner of the Property is Hengdeli International Company Limited ("Hengdeli International"), vide Memorial No. 08042102380030 dated 27 March 2008, through an assignment at a consideration of HKD52,000,000 (part of transaction).

2. The Property is located on the eastern side of Canton Road and western side of Kowloon Park Drive, close to the junction with Peking Road. It takes about 7 minutes' walking distance from East Tsim Sha Tsui Station L5 exit. The immediately neighborhood intermingled with commercial developments, hotels, retails and tourism spots.

3. According to the land search as mentioned in Note 1 above, the land use rights and building ownership rights of the Property are held by Hengdeli International.

4. Hengdeli International is an indirectly wholly-owned subsidiary of the Company.

5. Our valuation has been made on the following basis and analysis:

Market Value – Office Unit:

In the valuation of the property in its existing state, market approach was adopted. The following office comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from HKD11,981 to HKD14,786 per square foot (on saleable area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Units	11	2	5
Floor Level	4/F	15/F	9/F
Development's Name	Lippo Sun Plaza	Silvercord Block 1	Lippo Sun Plaza
Property Address	No. 28 Canon Road and No. 28 Peking Road	No. 30 Canon Road	No. 28 Canon Road and No. 28 Peking Road
District	Tsim Sha Tsui	Tsim Sha Tsui	Tsim Sha Tsui
Usage	Office	Office	Office
Year Built	1988	1983	1988
Salable Area ("SA") (sq.ft.)	975	1,186	896
Date of Transaction	02-Oct-2025	22-Jul-2025	16-Apr-2025
Price (HKD)	$12,750,000	$14,210,000	$13,248,000
Unit Rate (HK$/sq.ft.)(SA)	$13,077/sq.ft.	$11,981/sq.ft.	$14,786/sq.ft.

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of HKD10,800 per square foot based on saleable area, the market value of the Property is HKD22,200,000 (or RMB20,300,000).

Remarks: HKD1 = RMB0.9155 as of the valuation date, while 1 sq.m. = 10.7639 sq.ft..

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
12.	Unit 302, 3/F, Lippo Sun Plaza, No. 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong 119,971/100,000,000 shares of and in the Kowloon Inland Lot No. 10722 (the "Lot")	The Property comprises an office unit of a 17-storey, which was built in 1988. The gross floor area and saleable area of the Property are approximately 1,159 square feet (or about 107.67 square metres) and 896 square feet (or about 83.24 square metres) respectively. The Lot is held under a Conditions of Sale No. 11856 for a term from 24 October 1985 to 30 June 2047.	As advised by the Group, the Property was owner-occupied for office use as of the valuation date.	RMB9,900,000 (or HKD10,800,000) *(100% interest attributable to the Group)*

Notes:

1. The registered owner of the Property is Hengdeli International Company Limited ("Hengdeli International"), vide Memorial No. 11041202250029 dated 28 March 2011, through an assignment at a consideration of HKD12,169,500.

2. The Property is located on the eastern side of Canton Road and western side of Kowloon Park Drive, close to the junction with Peking Road. It takes about 7 minutes' walking distance from East Tsim Sha Tsui Station L5 exit. The immediately neighborhood intermingled with commercial developments, hotels, retails and tourism spots.

3. According to the land search as mentioned in Note 1 above, the land use rights and building ownership rights of the Property are held by Hengdeli International.

4. Hengdeli International is an indirectly wholly-owned subsidiary of the Company.

5. Our valuation has been made on the following basis and analysis:

Market Value – Office Unit:

In the valuation of the property in its existing state, market approach was adopted. The following office comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from HKD11,981 to HKD14,786 per square foot (on saleable area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Units	11	2	5
Floor Level	4/F	15/F	9/F
Development's Name	Lippo Sun Plaza	Silvercord Block 1	Lippo Sun Plaza
Property Address	No. 28 Canon Road and No. 28 Peking Road	No.30 Canon Road	No. 28 Canon Road and No. 28 Peking Road
District	Tsim Sha Tsui	Tsim Sha Tsui	Tsim Sha Tsui
Usage	Office	Office	Office
Year Built	1988	1983	1988
Salable Area ("SA") (sq.ft.)	975	1,186	896
Date of Transaction	02-Oct-2025	22-Jul-2025	16-Apr-2025
Price (HKD)	$12,750,000	$14,210,000	$13,248,000
Unit Rate (HK$/sq.ft.)(SA)	$13,077/sq.ft.	$11,981/sq.ft.	$14,786/sq.ft.

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of HKD12,000 per square foot based on saleable area, the market value of the Property is HKD10,800,000 (or RMB9,900,000).

Remarks: HKD1 = RMB0.9155 as of the valuation date, while 1 sq.m. = 10.7639 sq.ft..

VALUATION PARTICULARS

Group I – Properties Held For Owner-Occupation

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
13.	Unit 314, 3/F, Lippo Sun Plaza, No. 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong 338,755/100,000,000 shares of and in the Kowloon Inland Lot No. 10722 (the "Lot")	The Property comprises an office unit of a 17-storey, which was built in 1988. The gross floor area and saleable area of the Property are approximately 3,271 square feet (or about 303.89 square metres) and 2,530 square feet (or about 235.04 square metres) respectively. The Lot is held under a Conditions of Sale No. 11856 for a term from 24 October 1985 to 30 June 2047.	As advised by the Group, portion of the Property was subject to a lease at a total monthly rent of HKD78,504 exclusive of management fee.	RMB23,900,000 (or HKD26,100,000) *(100% interest attributable to the Group)*

Notes:

1. The registered owner of the Property is Hengdeli International Company Limited ("Hengdeli International"), vide Memorial No. 08042102380030 dated 27 March 2008, through an assignment at a consideration of HKD52,000,000 (part of transaction).

2. The Property is located on the eastern side of Canton Road and western side of Kowloon Park Drive, close to the junction with Peking Road. It takes about 7 minutes' walking distance from East Tsim Sha Tsui Station L5 exit. The immediately neighborhood intermingled with commercial developments, hotels, retails and tourism spots.

3. According to the land search as mentioned in Note 1 above, the land use rights and building ownership rights of the Property are held by Hengdeli International.

4. Hengdeli International is an indirectly wholly-owned subsidiary of the Company.

5. Our valuation has been made on the following basis and analysis:

Market Value – Office Unit:

In the valuation of the property in its existing state, market approach was adopted. The following office comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from HKD11,981 to HKD14,786 per square foot (on saleable area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Units	11	2	5
Floor Level	4/F	15/F	9/F
Development's Name	Lippo Sun Plaza	Silvercord Block 1	Lippo Sun Plaza
Property Address	No. 28 Canon Road and No. 28 Peking Road	No.30 Canon Road	No. 28 Canon Road and No. 28 Peking Road
District	Tsim Sha Tsui	Tsim Sha Tsui	Tsim Sha Tsui
Usage	Office	Office	Office
Year Built	1988	1983	1988
Salable Area ("SA") (sq.ft.)	975	1,186	896
Date of Transaction	02-Oct-2025	22-Jul-2025	16-Apr-2025
Price (HKD)	$12,750,000	$14,210,000	$13,248,000
Unit Rate (HK$/sq.ft.)(SA)	$13,077/sq.ft.	$11,981/sq.ft.	$14,786/sq.ft.

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of HKD10,300 per square foot based on saleable area, the market value of the Property is HKD26,100,000 (or about RMB23,900,000).

Remarks: HKD1 = RMB0.9155 as of the valuation date, while 1 sq.m. = 10.7639 sq.ft..

VALUATION PARTICULARS

Group II – Properties Held For Investment

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
14.	Block No. 6, Yangtze River International Enterprise Square, Lane 268, Linxin Road, Changning District, Shanghai, the PRC 中國上海市長寧區臨新路268弄揚子江國際企業廣場6號樓	The Property comprises a 6-storey high-technology industrial block erected of an industrial complex known as "Yangtze River International Enterprise Square", which has a aggregated site area of about 67,121 square metres. It was built in 2012. As advised by the Group, the Property has a gross floor area of approximately 4,331.37 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 25 June 2057 for industrial purposes.	As advised by the Group, portion of the Property was subject to a lease at a total monthly rent of RMB26,092.50 exclusive of management fee.	RMB100,100,000 *(or HKD109,340,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Shanghai Certificate of Real Estate Ownership, Hu Fang Di Chang Zi (2012) Di 010737, dated 29 October 2012, the land use rights and building ownership rights of the Property with a site area of 67,121.00 square metres and a total gross floor area of 4,331.37 square metres are held by Shanghai Qianguang Investment Management Co., Ltd. (上海乾廣投資管理有限公司("Shanghai Qianguang") for a term of 50 years expiring on 25 June 2057 for industrial purposes.

2. Pursuant to the Tenancy Agreements, portions of the Property with a total leased area of 248.5 sq.m. were leased out at an aggregated annual rent of RMB234,832.50 inclusive of tax as of the valuation date.

3. The property is located at southern side of Linxin Road close to the junction with Fuquan Road (North). It is also close to the Outer Ring Expressway A20 and Beidi Viad S125. It is about 25 minutes' driving distance from Shanghai downtown area on its eastern side, 20 minutes' driving distance to Shanghai Hongqiao International Airport on its south-western side and 50 minutes' driving distance to Shanghai Pudong International Airport on its south-eastern side. The immediately neighborhood intermingled with commercial/residential complexes, shopping malls, parking lots and office buildings.

4. Shanghai Qianguang is an indirectly wholly-owned subsidiary of the Company.

5. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Shanghai Qianguang possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The lease agreements as mentioned in Note 2 above have not been registered, but this does not affect the validity of the lease agreements.

   d) The property is not subject to any encumbrances, mortgages, litigations or disputes.

6. Our valuation has been made on the following basis and analysis:

   Market Value – Industrial Block:

   In the valuation of the property in its existing state, market approach was adopted. The following industrial comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB23,000 to RMB25,000 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Development's Name	Haiying Commercial Building	Xinda Commercial Building	Hongqiao Greenland Science and Technology Park
Property Address	No. 333, Weining Road	No. 1178, Beidi Road	Lane 958, Jinshajiang Xi Road
District	Changning District	Changning District	Jiading District
Usage	Industrial	Industrial	Industrial
Year Built	2000	2005	2008
GFA (sq.m.)	1,268.00 m²	1,000.00 m²	2,771.00 m²
Date of Transaction	9-Nov-2025	9-Nov-2025	9-Nov-2025
Transaction Status	Asking	Asking	Asking
Unit Rate (RMB/sq.m)	¥25,000/m²	¥25,000/m²	¥23,000/m²

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB23,100 per square metre, the market value of the Property is RMB100,100,000.

VALUATION PARTICULARS

Group II – Properties Held For Investment

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
15.	Block No. 5, Yangtze River International Enterprise Square, Lane 268, Linxin Road, Changning District, Shanghai, the PRC 中國上海市長寧區臨新路268弄揚子江國際企業廣場5號樓	The Property comprises a 6-storey high-technology industrial block erected of an industrial complex known as "Yangtze River International Enterprise Square", which has a aggregated site area of about 67,121 square metres. It was built in 2012. As advised by the Group, the Property has a gross floor area of approximately 3,794.24 square metres. The land use rights of the property have been granted for a term of 50 years expiring on 25 June 2057 for industrial purposes.	As advised by the Group, the Property was leased out at a current monthly rent of RMB185,368.3 for ancillary office use as of the valuation date.	RMB85,700,000 *(or HKD93,610,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Shanghai Certificate of Real Estate Ownership, Hu Fang Di Chang Zi (2012) Di 010628, dated 26 October 2012, the land use rights and building ownership rights of the Property with a site area of 67,121.00 square metres and a total gross floor area of 3,794.24 square metres are held by Shanghai Qianguang Investment Management Co., Ltd. (上海乾廣投資管理有限公司) ("Shanghai Qianguang") for a term of 50 years expiring on 25 June 2057 for industrial purposes.

2. Pursuant to 20 lease agreements entered into between Shanghai Qianguang and lessees, the property has been leased to these lessees at an aggregated monthly rent of RMB185,368.3 inclusive of tax expenses for ancillary office use.

3. The property is located at southern side of Linxin Road close to the junction with Fuquan Road (North). It is also close to the Outer Ring Expressway A20 and Beidi Viad S125. It is about 25 minutes' driving distance from Shanghai downtown area on its eastern side, 20 minutes' driving distance to Shanghai Hongqiao International Airport on its south-western side and 50 minutes' driving distance to Shanghai Pudong International Airport on its south-eastern side. The immediately neighborhood intermingled with commercial/residential complexes, shopping malls, parking lots and office buildings.

4. Shanghai Qianguang is an indirectly wholly-owned subsidiary of the Company.

5. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Shanghai Qianguang possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The lease agreements mentioned in Note 2 above have not been registered, but this does not affect the validity of the lease agreements.

   d) The property is not subject to any encumbrances, mortgages, litigations or disputes.

6. Our valuation has been made on the following basis and analysis:

   Market Value – Industrial Block (currently used as ancillary office use):

   In the valuation of the property in its existing state, market approach was adopted. The following industrial comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB23,000 to RMB25,000 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**
Development's Name	Haiying Commercial Building	Xinda Commercial Building	Hongqiao Greenland Science and Technology Park
Property Address	No. 333, Weining Road	No. 1178, Beidi Road	Lane 958, Jinshajiang Xi Road
District	Changning District	Changning District	Jiading District
Usage	Industrial	Industrial	Industrial
Year Built	2000	2005	2008
GFA (sq.m.)	1,268.00 m²	1,000.00 m²	2,771.00 m²
Date of Transaction	9-Nov-2025	9-Nov-2025	9-Nov-2025
Transaction Status	Asking	Asking	Asking
Unit Rate (RMB/sq.m)	¥25,000/m²	¥25,000/m²	¥23,000/m²

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB22,600 per square metre, the market value of the Property is RMB85,700,000.

VALUATION PARTICULARS

Group II – Properties Held For Investment

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
16.	Unit No. 2701 on 27/F, Block 1, Court No. 86 Jianguo Road, Chaoyang District, Beijing, the PRC 中國北京市朝陽區建國路86號院1號樓27層2701單元	The Property comprises a residential unit on 27/F, Block 1 of a development known as "Kaisa Plaza", which was built in 2017. As advised by the Group, the Property has a gross floor area of approximately 1,572.09 square metres. The land use rights of the property have been granted for a term of 70 years expiring on 30 August 2074 for residential purposes.	As advised by the Group, the Property was vacant as of the valuation date.	RMB99,100,000 *(or HKD108,250,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Realty Title Certificate, Jing (2023) Beijing Bu Dong Chan Quan Di No. 0086534 dated 8 September 2023, the land use rights and building ownership rights of the Property with a gross floor area(s) of 1,572.09 square metres are held by Shanghai Deyi Trading Co., Ltd (上海的益商貿有限公司) ("Shanghai Deyi") for a term of 70 years expiring on 30 August 2074 for residential purposes.

2. The property is located at the junction of Jian Guo Road and West Da Wang. It is also close to the Da Wang bridge and Guanghui bridge. The immediately neighborhood intermingled with shopping malls, hotels and offices.

3. Shanghai Deyi is an indirectly wholly-owned subsidiary of the Company.

4. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Shanghai Deyi possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The property is not subject to any encumbrances, mortgages, litigations or disputes.

5. Our valuation has been made on the following basis and analysis:

Market Value – Commodity Flat Unit:

In the valuation of the property in its existing state, market approach was adopted. The following commodity flat comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB53,016 to RMB87,952 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**	**Comparable 4**	**Comparable 5**
Floor Level	Low/Middle Level	Low/Middle Level	Low~High Level	Low/Middle Level	Low~High Level
Development's Name	Huamao Apartment	Sapphire International Apartment	SOHO Modern City	Sunshine 100 International Apartment	Gemdale International Garden
Property Address	No. 89, Jianguo Road, Chaoyang District, Beijing	No. 3, Xidawang Road, Chaoyang District, Beijing	No. 88, Jianguo Road, Chaoyang District, Beijing	No. 2, Guanghua Road, Chaoyang District, Beijing	No. 91, Jianguo Road, Chaoyang District, Beijing
District	Chaoyang	Chaoyang	Chaoyang	Chaoyang	Chaoyang
Usage	Residential	Residential	Residential	Residential	Residential
Year Built	2005	2004	2000	2002	2004
GFA (sq.m.)	80~213	45~179	85~260	48~310	123~266
Date of Transaction	1-Jul-25	1-Jul-25	1-Jul-25	1-Jul-25	1-Jul-25
Transaction Status	Asking	Asking	Asking	Asking	Asking
Unit Rate (RMB/sq.m.)	75,316	77,553	53,016	67,541	87,952

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB63,006 per square metre, the market value of the Property is RMB99,100,000.

VALUATION PARTICULARS

Group II – Properties Held For Investment

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in existing state as at 30 September 2025
17.	Unit No. 2801 on 28/F, Block 1, Court No. 86 Jianguo Road, Chaoyang District, Beijing, the PRC 中國北京市朝陽區建國路86號院1號樓28層2801單元	The Property comprises a residential unit on 28/F, Block 1 of a development known as "Kaisa Plaza", which was built in 2017. As advised by the Group, the Property has a gross floor area of approximately 1,574.51 square metres. The land use rights of the property have been granted for a term of 70 years expiring on 30 August 2074 for residential purposes.	As advised by the Group, the Property was vacant as of the valuation date.	RMB99,200,000 *(or HKD108,360,000)* *(100% interest attributable to the Group)*

Notes:

1. Pursuant to a Realty Title Certificate, Jing (2023) Beijing Bu Dong Chan Quan Di No. 0086518 dated 8 September 2023, the land use rights and building ownership rights of the Property with a gross floor area(s) of 1,574.51 square metres are held by Shanghai Deyi Trading Co., Ltd (上海的益商貿有限公司) ("Shanghai Deyi") for a term of 70 years expiring on 30 August 2074 for residential purposes.

2. The property is located at the junction of Jian Guo Road and West Da Wang. It is also close to the Da Wang bridge and Guanghui bridge. The immediately neighborhood intermingled with shopping malls, hotels and offices.

3. Shanghai Deyi is an indirectly wholly-owned subsidiary of the Company.

4. We have been provided with the legal opinion on the property prepared by the Group's PRC Legal Adviser, which contains, inter alia, that:

   a) Shanghai Deyi possesses the proper title of the land use rights and building ownership rights of the property with all premium and costs fully settled and is entitled to use, transfer, lease and mortgage the property or dispose of the property by other lawful means in accordance with the laws of the PRC during the term of the land use rights.

   b) The buildings or structures of the property are in compliance with local planning and building regulations and have been approved by the relevant authorities with all related cost or fee fully settled.

   c) The property is not subject to any encumbrances, mortgages, litigations or disputes.

5. Our valuation has been made on the following basis and analysis:

Market Value – Commodity Flat Unit:

In the valuation of the property in its existing state, market approach was adopted. The following commodity flat comparables were selected as they have characteristics comparable to the subject property, such as location, size and permitted use. The price range of these comparables is from RMB53,016 to RMB87,952 per square metre (on gross floor area basis). The salient details of these comparables are tabulated below:

Property	**Comparable 1**	**Comparable 2**	**Comparable 3**	**Comparable 4**	**Comparable 5**
Floor Level	Low/Middle Level	Low/Middle Level	Low~High Level	Low/Middle Level	Low~High Level
Development's Name	Huamao Apartment	Sapphire International Apartment	SOHO Modern City	Sunshine 100 International Apartment	Gemdale International Garden
Property Address	No. 89, Jianguo Road, Chaoyang District, Beijing	No. 3, Xidawang Road, Chaoyang District, Beijing	No. 88, Jianguo Road, Chaoyang District, Beijing	No. 2, Guanghua Road, Chaoyang District, Beijing	No. 91, Jianguo Road, Chaoyang District, Beijing
District	Chaoyang	Chaoyang	Chaoyang	Chaoyang	Chaoyang
Usage	Residential	Residential	Residential	Residential	Residential
Year Built	2005	2004	2000	2002	2004
GFA (sq.m.)	80~213	45~179	85~260	48~310	123~266
Date of Transaction	1-Jul-25	1-Jul-25	1-Jul-25	1-Jul-25	1-Jul-25
Transaction Status	Asking	Asking	Asking	Asking	Asking
Unit Rate (RMB/sq.m.)	75,316	77,553	53,016	67,541	87,952

The unit rate adopted by us is consistent with the sales prices of relevant comparables after due adjustments. Due adjustments to the unit rates of those sales prices have been made to reflect to the difference in transaction status, location, age, type, size and uses. In the course of our valuation, we have adopted an average unit rate of RMB63,006 per square metre, the market value of the Property is RMB99,200,000.

RESPONSIBILITY STATEMENT

As at the Latest Practicable Date, the executive Directors are Mr. Cheung Wing Lun Tony (Chairman) and Mr. Lee Shu Chung, Stan; the non-executive Director is Mr. Shi Zhongyang; and the independent non-executive Directors are Mr. Cai Jianmin, Mr. Liu Xueling and Ms. Qian Weiqing. The Directors jointly and severally accept full responsibility for the accuracy of information contained in this Composite Document (other than the information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the sole director of the Offeror in his capacity as director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

As at the Latest Practicable Date, the sole director of the Offeror is Mr. Cheung Wing Lun Tony. The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this Composite Document (other than that relating to the Group) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than the opinions expressed by the Directors in the capacity as Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

SHARE CAPITAL OF THE COMPANY

	Number of Shares	**Share capital**
		HK$
Authorised:		
Ordinary Shares of HK$0.005 each		
– As at the Latest Practicable Date	10,000,000,000	50,000,000
Issued and fully paid ordinary Shares of HK$0.005 each:		
– As at the Latest Practicable Date	4,404,018,959	22,020,094.795

As at the Latest Practicable Date, the Company has a total of 4,404,018,959 Shares in issue, and there is no treasury share and no options, warrants or securities convertible into Shares or any other relevant securities in issue. All existing Shares rank equally in all respects, including in particular as to capital, dividends and voting. No Shares have been issued by the Company since 31 December 2024, being the end of last financial year of the Company.

DISCLOSURE OF INTERESTS

(a) Interests of the Directors in the Shares

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or shares and debentures of 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 which they were deemed to have under such provisions of the SFO); or recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, or required to be disclosed under the Takeovers Code were as follows:

Name of Director/ Chief Executive	Number of Shares held			Approximate percentage of the total number of Shares in issue *(%)*
	Personal interests	Corporate interests	Total	
Mr. Cheung	–	1,365,245,877	1,365,245,877	31.00
Mr. Lee Shu Chung, Stan	5,920,000	–	5,920,000	0.13

Notes:

1. Mr. Cheung owned 100% of the issued share capital of the Offeror, which in turn held 1,365,245,877 shares of the Company as at the Latest Practicable Date. Accordingly, Mr. Cheung was interested in 1,365,245,877 Shares, representing 31.00% of the issued share capital as at the Latest Practicable Date.

2. All the positions above are long positions.

3. The approximate percentage figures are rounded to the nearest two decimal places.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the Shares, underlying Shares and debentures of the Company or shares and debentures of 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 which they were deemed to have under such provisions of the SFO); or recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, or required to be disclosed under the Takeovers Code.

(b) Interests of substantial Shareholders in the Shares

As at the Latest Practicable Date, persons (other than the interest disclosed above in respect of the Directors or the chief executives of the Company) who had interests or short positions in the Shares, underlying Shares and debentures of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of Shareholder	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of the issued share capital of the Company *(%)*
The Offeror	Beneficial interest	1,365,245,877	31.00
Ms Fung	Beneficial interest	748,902,047	17.00
The Swatch Group (Hong Kong) Limited[1]	Beneficial interest	437,800,000	9.94
The Swatch Group Limited[1]	Interest in controlled corporation	437,800,000	9.94

Notes:

1. These 437,800,000 shares were held in the name of and registered in the capacity of The Swatch Group (Hong Kong) Limited as a beneficial owner. The entire issued share capital of The Swatch Group (Hong Kong) Limited was beneficially owned by The Swatch Group Limited.

2. All the positions above are long positions.

3. The approximate percentage figures are rounded to the nearest two decimal places.

Save as disclosed above and in the letter from Guotai Junan Capital and CMBC Securities in this Composite Document, as at the Latest Practicable Date, there was no person who (a) had interests and short positions in the Shares, underlying Shares and debentures of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO; or (b) were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying the right to vote in all circumstances at general meetings of the Company or any options in respect of such capital.

(c) Interests and short positions of the Offeror and the Offeror Concert Parties in the Shares or relevant securities of the Company

As at the Latest Practicable Date, save as disclosed in the section headed "Shareholding Structure of the Company" in the letter from Guotai Junan Capital and CMBC Securities and in the paragraph headed "Interests of substantial Shareholders in the Shares" above in this Composite Document, none of the Offeror, its sole director or the Offeror Concert Parties had any interest in, owned, controlled or directed any Shares, convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company.

(d) Other disclosures

As at the Latest Practicable Date:

(1) none of the Offeror nor any Offeror Concert Parties has received any irrevocable commitment to accept or not to accept the Offer;

(2) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror or any Offeror Concert Parties;

(3) there is no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;

(4) the Company had no shareholding in the Offeror or any warrants, options, convertible securities or derivatives or relevant securities in respect of any shares of the Offeror;

(5) other than Mr. Cheung which is the sole shareholder of the Offeror, none of the Directors were interested in any shares of the Offeror or any warrants, options, convertible securities or derivatives or relevant securities in respect of any shares of the Offeror;

(6) save as disclosed in the paragraph headed "Interest of the Directors in the Shares" above, none of the Directors were interested in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company;

(7) none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company or a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of "acting in concert" under the Takeovers Code or an associate of the Company by virtue of class (2) of the definition of "associate" under the Takeovers Code but excluding any exempt principal traders and exempt fund managers, owned or controlled any Shares, convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company;

(8) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of "associate" under the Takeovers Code;

(9) no fund managers (other than exempt fund managers) connected with the Company had managed any relevant securities on a discretionary basis;

(10) neither the Company nor any of the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities in respect of any Shares or any relevant securities of the Company, save for any borrowed Shares which have been either on-lent or sold;

(11) none of the Offeror nor any Offeror Concert Parties has borrowed or lent any relevant securities in the Company, save for any borrowed Shares which have been either on-lent or sold;

(12) Mr. Lee Shu Chung, Stan (being the only Director which is an Offer Shareholder) intended to reject the Offer in respect of his own beneficial shareholdings in the Company;

(13) other than the Offer Price under the Offer, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any Offeror Concert Parties in connection with the Offer;

(14) other than the collateral arrangements on the Shares by the Offeror in favour of CMBC Securities in connection with the financing as set out in the paragraph headed "Confirmation of financial resources" in the letter from Guotai Junan Capital and CMBC Securities, there was no agreement, arrangement or understanding that the Offer Shares acquired in pursuance to the Offer would be transferred, charged or pledged to any other persons;

(15) save for (i) arrangements as disclosed in the Company's announcement dated 29 June 2006 in connection with the subscription of Shares and arrangements between certain Shareholders; (ii) arrangements entered into between Mr. Zhang and his affiliates (on the one hand) and The Swatch Group (Hong Kong) Limited and its affiliates (on the other hand) in connection with certain financing arrangements which were entered into in 2021; and (iii) certain other arrangements entered into in the ordinary course of businesses of entities held by Mr. Zhang which were in place for more than 10 years and renewed periodically, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror or the Offeror Concert Parties on the one hand, and the Shareholders on the other hand; and

(16) save for (i) arrangements as disclosed in the Company's announcement dated 29 June 2006 in connection with the subscription of Shares and arrangements between certain Shareholders and (ii) certain other arrangements entered into in the ordinary course of business of the Group which were in place as at the time of the Company's listing and renewed periodically, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Company, its subsidiaries or associated companies on the one hand, and the Shareholders on the other hand.

ARRANGEMENTS AFFECTING OR RELATING TO THE DIRECTORS

As at the Latest Practicable Date:

(1) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;

(2) there was no agreement or arrangement between any Director and any other person which is conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;

(3) no agreement, arrangement or understanding (including any compensation arrangement) existed between the Offeror or any Offeror Concert Parties and any Directors or recent Directors, or any Shareholders or recent Shareholders which had any connection with or dependence upon the Offer; and

(4) no material contracts had been entered into by the Offeror in which any Director has a material personal interest.

DEALINGS IN SHARES

(1) Other than the transfer of 748,902,047 Shares by Mr. Zhang and Best Growth International Limited (a company wholly-owned by Mr. Zhang) to Ms. Fung on 23 and 24 June 2025 as disclosed in the voluntary announcement of the Company dated 2 July 2025 at nil consideration pursuant to a court order, none of the Offeror, the sole director or the Offeror Concert Parties had dealt for value in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company during the Relevant Period;

(2) neither the Company, any of its subsidiaries, nor any Directors had dealt for value in any shares of the Offeror or any other convertible securities, warrants, options or derivatives in respect of the shares of the Offeror or any relevant securities of the Offeror during the Relevant Period;

(3) none of the Directors had dealt for value in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company during the Relevant Period;

(4) none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company or a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of "acting in concert" under the Takeovers Code or an associate of the Company by virtue of class (2) of the definition of "associate" under the Takeovers Code but excluding any exempt principal traders and exempt fund managers, had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company during the period commencing at the start of the Offer Period and ending on the Latest Practicable Date;

(5) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of "associate" under the Takeovers Code and no such person dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company during the period commencing at the start of the Offer Period and ending on the Latest Practicable Date; and

(6) no fund managers connected with the Company who managed funds on a discretionary basis had dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of any Shares or any relevant securities of the Company during the period commencing at the start of the Offer Period and ending on the Latest Practicable Date.

MARKET PRICES

The table below shows the closing price per Share as quoted on the Stock Exchange on (a) the Latest Practicable Date; (b) the Last Trading Day; (c) the last Business Day immediately preceding the date of the Joint Announcement; and (d) the last trading day of each of the calendar months during the Relevant Period.

Date	Closing price per Share *HK$*
30 May 2025	0.103
30 June 2025	0.115
31 July 2025	0.125
29 August 2025	0.132
30 September 2025	0.127
31 October 2025	0.119
Last Trading Day (i.e. 25 November 2025)	0.125
27 and 28 November 2025	Trading in the Shares were halted pending the issue of the Joint Announcement
Latest Practicable Date (i.e. 30 December 2025)	0.139

MATERIAL CONTRACTS

No material contracts (being the contracts not entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) had been entered into by the Company or any of its subsidiaries within the date which is two years before the commencement of the Offer Period up to and including the Latest Practicable Date.

MATERIAL LITIGATION

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

DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, the following Directors had entered into any service contracts with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed-term contracts) have been entered into or amended within 6 months preceding the commencement of the Offer Period; (ii) are continuous contracts with a notice period of 12 months or more; or (iii) are fixed-term contracts with more than 12 months to run irrespective of the notice period.

Name of Director	Commencement date of the contract	Expiry date of the contract	Amount of fixed remuneration payable under the contract
Mr. Cheung *(Note)*	6 December 2024	5 December 2027	HK$180,000 per year
Mr. Lee Shu Chung Stan	10 May 2025	9 May 2028	HK$180,000 per year
Mr. Shi Zhongyang	15 February 2024	14 February 2027	HK$100,000 per year
Mr. Cai Jianmin	26 September 2023	25 September 2026	HK$100,000 per year
Mr. Liu Xueling	1 June 2025	31 May 2028	HK$100,000 per year
Ms. Qian Weiqing	21 March 2023	20 March 2026	HK$100,000 per year

Notes:

1. Mr. Cheung is also the chief executive officer of the Company and receives separate remuneration from the Company in connection with his role as the chief executive officer.

2. There is no variable remuneration payable to the above Directors under their respective service contracts.

EXPERTS AND CONSENTS

The following are the names and qualifications of each of the experts who has been named in this Composite Document or who has given opinion or advice, which is contained in or referred to in this Composite Document:

Name	Qualification
Guotai Junan Capital	a corporation licensed under the SFO permitted to engage in Type 6 regulated activity (advising on corporate finance) and one of the Joint Financial Advisers to the Offeror in respect of the Offer
CMBC Securities	a corporation licensed under the SFO permitted to engage in Type 1 and Type 4 regulated activities (as defined under the SFO) and a member of CMBC Group, being one of the agents making the Offer for and on behalf of the Offeror and the facility provider for financing the Offer
CMBC International Capital	a corporation licensed under the SFO permitted to engage in Type 1 and Type 6 regulated activities (as defined under the SFO), and one of the Joint Financial Advisers to the Offeror in respect of the Offer
Halcyon Capital Limited	a corporation licensed under the SFO permitted to engage in Type 6 regulated activity (advising on corporate finance), being the Independent Financial Adviser
ZHONGHUI ANDA CPA Limited	Certified Public Accountants
Kroll (HK) Limited	an independent qualified property valuer

Each of the abovementioned experts has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion in this Composite Document of the opinion, letter or report (as the case may be) and references to its name in the form and context in which it is included.

MISCELLANEOUS

(1) Information regarding the Offeror and its principal concert party is set out below:

(i) The registered office of the Offeror is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110, British Virgin Islands. The correspondence address of the Offeror is Unit 3807-09, Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong.

(ii) As at the Latest Practicable Date, the principal concert party of the Offeror is the sole director and sole shareholder of the Offeror, Mr. Cheung Wing Lun Tony. His correspondence address is Unit 3807-09, Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong.

(2) The registered office of Guotai Junan Securities is at 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong.

(3) The registered office of Guotai Junan Capital is at 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong.

(4) The registered office of CMBC Securities is at 45/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

(5) The registered office of CMBC International Capital is 45/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

(6) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is at Room 301, 3/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Hong Kong. The Company is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3389).

(7) The Independent Financial Adviser is Halcyon Capital Limited whose registered office is at Rm 3401, 34/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(8) The Hong Kong branch share registrar of the Company is Computershare Hong Kong Investor Services Limited, whose address is situated at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(9) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese texts.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection (i) on the SFC's website at www.sfc.hk; and (ii) on the Company's website at www.hengdeligroup.com, during the period from the Despatch Date, up to the Closing Date:

(1) the memorandum and articles of association of the Offeror;

(2) the memorandum and articles of association of the Company;

(3) the annual reports of the Company for the three financial years ended 31 December 2022, 2023, 2024 and the interim report of the Company for the six months ended 30 June 2025;

(4) the letter from Guotai Junan Capital and CMBC Securities, the text of which is set out on pages 6 to 15 of this Composite Document;

(5) the letter from the Board, the text of which is set out on pages 16 to 19 of this Composite Document;

(6) the letter from the Independent Board Committee, the text of which is set out on pages 20 to 21 of this Composite Document;

(7) the letter from the Independent Financial Adviser, the text of which is set out on pages 22 to 55 of this Composite Document;

(8) the property valuation report as set out in Appendix III;

(9) the service contracts referred to in the section headed "Directors' Service Contracts" in this Appendix IV;

(10) the written consents as referred to in the section headed "Experts and Consents" in this Appendix IV;

(11) the Facility; and

(12) this Composite Document.