THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Clifford Modern Living Holdings Limited 祈福生活服務控股有限公司**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED
祈福生活服務控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

MAJOR TRANSACTION:
DISPOSALS OF INVESTMENTS IN UNALLOCATED SILVER BULLION

Capitalised terms used in this cover page shall, unless the context requires otherwise, have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 4 to 19 of this circular.

The Disposals and the transactions contemplated thereunder have been approved by way of written Shareholders' approval pursuant to Rule 14.44 of the Listing Rules in lieu of a general meeting of the Company. This circular is being despatched to the Shareholders for information only.

25 February 2026

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This circular is prepared in both English and Chinese. In the event of inconsistency, the English text of this circular shall prevail.

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

"2020 Announcements"	the Company's announcements dated 26 February 2020 and 28 February 2020 respectively
"2024 Announcements"	the Company's announcements dated 25 July 2024 and 29 July 2024 respectively
"2024 Annual Report"	the Company's annual report for FY2024
"30%-controlled company(ies)"	has the meaning ascribed thereto under the Listing Rules
"Bank"	Standard Chartered Bank (Hong Kong) Limited, a bank licensed under the Banking Ordinance, through which the Group sold unallocated silver bullion as mentioned in this circular
"Board"	the board of Directors
"Clifford Estates Panyu"	Clifford Estates (Panyu) Limited* (廣州市番禺祈福新邨房地產有限公司), a company established in the PRC with limited liability and a member of the Private Group
"Clifford Medical"	Clifford Medical Group Limited (祈福醫療集團有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability and the holding company of the WM Healthcare Group, which is indirectly and wholly owned by Ms. Wendy Man
"Clifford Xianhu Hotel"	Foshan City Nanhai Clifford Xianhu Hotel Company Limited* (佛山市南海祈福仙湖酒店有限公司), a company established in the PRC with limited liability and a member of the WM Non-HC Group (i.e. a 30%-controlled company of Ms. Wendy Man)
"Company"	Clifford Modern Living Holdings Limited (祈福生活服務控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 3686)
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposals"	collectively, the Jan 9 Disposal and the Jan 12 Disposal

"FY2023", "FY2024" and "FY2025"	Each financial year ended 31 December 2023, 2024 and 2025, respectively
"FY2026"	financial year ending 31 December 2026
"Group"	the Company and its subsidiaries
"Holdco"	Standard Chartered PLC, a company incorporated in England and Wales with limited liability, which holds the entire equity interest of the Bank and is listed on the London Stock Exchange (Stock code: STAN) and the Stock Exchange (Stock code: 2888)
"Independent Third Party(ies)"	third party(ies) who is/are, to the best of the Directors' knowledge, information and belief, after having made all reasonable enquiry, independent of the Company and its connected persons (as defined in the Listing Rules)
"Jan 9 Disposal"	the Group's disposal of a total of 400,000 ounces of unallocated silver bullion through the Bank by orders placed on 7 January 2026, and such disposal was completed on 9 January 2026
"Jan 12 Disposal"	the Group's disposal of an additional of 280,000 ounces of unallocated silver bullion through the Bank by orders placed on 12 January 2026, and such disposal was completed on 14 January 2026
"January 2026 Announcements"	the Company's announcements dated 9 January 2026, 12 January 2026 and 14 January 2026 respectively
"Latest Practicable Date"	16 February 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"LBMA"	London Bullion Market Association, a wholesale over-the-counter market for the trading of gold and silver
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Ms. Wendy Man"	Ms. Man Lai Hung (孟麗紅女士), an executive Director, the chief executive officer of the Company, the chairman of the Board and one of the controlling shareholders

"Ms. Wendy Man's Spouse"	Mr. PANG Lun Kee Clifford (彭磷基先生), the spouse of Ms. Wendy Man
"PRC"	the People's Republic of China, which for the purpose of this circular excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
"Private Group"	such 30%-controlled companies of Ms. Wendy Man's Spouse
"Prospectus"	the Company's prospectus dated 27 October 2016
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and modified from time to time
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	US dollar, the lawful currency of the United States
"WM Healthcare Group"	Clifford Medical and its subsidiaries, which are principally engaging in the operation of (among others) hospital and certain ancillary healthcare facilities such as postnatal care centre, elderly care service centre, dental clinic and pharmacy in the PRC, and are 30%-controlled companies of Ms. Wendy Man
"WM Non-HC Group"	such 30%-controlled companies of Ms. Wendy Man, other than the Group and the WM Healthcare Group
"%"	per cent

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CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED
祈福生活服務控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

Executive Directors:
Ms. MAN Lai Hung *(Chairman and Chief Executive Officer)*
Ms. HO Suk Mee
Mr. LAU Chun Pong

Non-executive Director:
Mr. LIU Xing

Independent non-executive Directors:
Ms. LAW Elizabeth
Mr. HO Cham
Mr. MAK Ping Leung
(alias Mr. MAK Wah Cheung)

Registered office:
Cricket Square
Hutchins Drive, P. O. Box 2681
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Cayman Islands

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Panyu, Guangzhou
Guangdong, PRC

Principal place of business in Hong Kong:
7th Floor
Chai Wan Industrial City, Phase II
70 Wing Tai Road, Chai Wan
Hong Kong

25 February 2026

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION: DISPOSALS OF INVESTMENTS IN UNALLOCATED SILVER BULLION

INTRODUCTION

References are made to (i) the 2024 Announcements and the 2024 Annual Report in relation to the Group's investments in unallocated silver bullion and (ii) the January 2026 Announcements in relation to the Group's disposals of unallocated silver bullion. Since 2020 (and as disclosed in the 2020 Announcements), the Group has started to make investments in unallocated silver bullion made as part of the Group's treasury management. Some of such investments in unallocated silver bullion were sold in 2022 (as disclosed in the 2022 Announcements). During July and August 2024, the Group purchased a total of 380,000 ounces of unallocated silver bullion. As at 31 December 2024, the quantity of unallocated silver bullion held by the Group was 680,000 ounces with an estimated fair value of approximately RMB141.3 million (as disclosed in the 2024 Annual Report). As disclosed in the January 2026 Announcements, by way of the Jan 9 Disposal and the Jan 12 Disposal (i.e. the Disposals), the Group disposed of all 680,000 ounces of unallocated silver bullion in January 2026.

The Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written Shareholder's approvals for each of (i) the Jan 9 Disposal and the transactions contemplated thereunder; and (ii) the Jan 9 Disposal and the Jan 12 Disposal (being aggregated as if they were one transaction), and the transactions contemplated thereunder, from its controlling shareholders, namely, Ms. Wendy Man (an executive Director and the chairman of the Board) and Elland Holdings Limited (which is wholly owned by Ms. Wendy Man), who then (and also as at the Latest Practicable Date) held 5,330,000 Shares and 735,040,000 Shares respectively. The total number of Shares held by the said controlling shareholders on the respective date of the approvals is 740,370,000 Shares, representing approximately 72.89% of the issued share capital of the Company. Pursuant to Rule 14.44 of the Listing Rules, no Shareholders' meeting will be held to approve the Jan 9 Disposal, the Jan 12 Disposal or the Disposals (being aggregated as if they were one transaction).

The purpose of this circular is to provide you with, among other things, further details on the Disposals and other information as required under the Listing Rules.

THE DISPOSALS

Jan 9 Disposal

On 7 January 2026 (up to 4:30 p.m.), the Group placed orders for the Jan 9 Disposal (i.e. disposal of a total of 400,000 ounces of unallocated silver bullion) through the Bank at the aggregate consideration of approximately RMB226.2 million, and such orders were matched on the same day. On 9 January 2026, the Jan 9 Disposal was completed and the Group received settlement of the entirety of the aforesaid sale proceeds. The sale price of such unallocated silver bullion was made with reference to the recent market prices of unallocated silver bullion as quoted by the Bank, which was determined with reference to the latest silver price published by the LBMA.

The carrying value (in the case of 31 December 2025, the unaudited carrying value) of the 400,000 ounces of the unallocated silver bullion held by the Group, being the subject matter of the Jan 9 Disposal, was (i) about RMB83.1 million as at 31 December 2024, and (ii) about RMB202.4 million as at 31 December 2025. The Directors expect to recognise, for FY2026 (as the Jan 9 Disposal took place in FY2026), an unaudited profit (before deducting related expenses) of approximately RMB23.8 million from the Jan 9 Disposal, which is calculated based on the difference between (i) the proceeds from the Jan 9 Disposal (i.e. RMB226.2 million), and (ii) the carrying value of the unallocated silver bullion concerned as at 31 December 2025. Solely for illustration purpose, the gain on Jan 9 Disposal by reference to the carrying value of the unallocated silver bullion concerned as at 31 December 2024 would have amounted to RMB143.1 million. Shareholders should note that the actual amount of profit on the Jan 9 Disposal to be recorded by the Company will be subject to review by auditors of the Company.

Jan 12 Disposal

Subsequent to (and without taking into account) the Jan 9 Disposal, on 12 January 2026 (up to 4:30 p.m.), the Group placed orders for the Jan 12 Disposal (i.e. disposal of an additional of 280,000 ounces of unallocated silver bullion) through the Bank at the aggregate consideration of approximately RMB161.7 million, and such orders were matched on the same day. On 14 January 2026, the Jan 12 Disposal was completed and the Group received settlement of the entirety of the aforesaid sale proceeds. The sale price of such unallocated silver bullion was made with reference to the recent market prices of unallocated silver bullion as quoted by the Bank, which was determined with reference to the latest silver price published by the LBMA.

The carrying value (in the case of 31 December 2025, the unaudited carrying value) of the 280,000 ounces of the unallocated silver bullion held by the Group, being the subject matter of the Jan 12 Disposal, was (i) about RMB58.2 million as at 31 December 2024, and (ii) about RMB141.7 million as at 31 December 2025. The Directors expect to recognise, for FY2026 (as the Jan 12 Disposal took place in FY2026), an unaudited profit (before deducting related expenses) of approximately RMB20.0 million from the Jan 12 Disposal (i.e. without taking into account the Jan 9 Disposal), which is calculated based on the difference between (i) the proceeds from the Jan 12 Disposal (i.e. RMB161.7 million), and (ii) the carrying value of the unallocated silver bullion concerned as at 31 December 2025. Solely for illustration purpose, the gain on Jan 12 Disposal by reference to the carrying value of the unallocated silver bullion concerned as at 31 December 2024 would have amounted to RMB103.5 million. Shareholders should note that the actual amount of profit on the Jan 12 Disposal to be recorded by the Company will be subject to review by auditors of the Company.

INFORMATION ABOUT THE GROUP AND THE BANK

The Group is a service provider with a diversified service portfolio comprising five main service segments: property management services, retail services, off-campus training services, information technology services and ancillary living services (which consists of catering services, property agency services, employment placement services and laundry services).

The Disposals were made through the Bank, and the identities of the ultimate counterparties of the Disposals cannot be ascertained. To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, the counterparties and their respective ultimate beneficial owners are Independent Third Parties.

According to the public information available to the Board, the Bank is a bank licensed under the Banking Ordinance and its entire equity interest is held by the Holdco, which is listed on the London Stock Exchange and the Stock Exchange. The Holdco and its subsidiaries are a leading international banking group which is principally engaged in wholesale and consumer banking businesses.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Bank, the Holdco (which is listed on the London Stock Exchange and the Stock Exchange) and any person(s) who have an interest and/or short position in the shares or underlying shares of the Holdco which would fall to be disclosed to the Holdco and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE DISPOSALS

As disclosed in the 2024 Announcements (and also in the 2020 Announcements and January 2026 Announcements), investments in unallocated silver bullion were made as part of the Group's treasury management. The average LBMA silver price per ounce (being the average of the LBMA daily closing silver price for the twelve month-end dates during the respective years) was US$23.5, US$28.3 and US$41.2 for 2023, 2024 and 2025 respectively. During the period from 1 to 12 January 2026, the average LBMA silver price per ounce (being the average of the LBMA daily closing silver price) rose to US$77.7, representing an increase of over 80% as compared with the abovementioned average LBMA silver price per ounce of US$41.2 for 2025. Having considered the current market trend of the unallocated silver bullion market, in particular, the recent market prices in early 2026 have been the highest in recent years, the Directors are of the view that it is appropriate time for the Group to realise its investments in the unallocated silver bullion to capture the significant increase in the silver price and enhance value for the Group and the Shareholders. The total net proceeds from the Disposals amounted to approximately RMB387.9 million, being the total of the sale proceeds for the Jan 9 Disposal (i.e. RMB226.2 million) and the sale proceeds for the Jan 12 Disposal (i.e. RMB161.7 million). The Directors intend to use the net proceeds from the Disposals for the purposes and in the amounts set forth below:

(1) approximately RMB85.7 million (representing about 22.1% of the total net proceeds) will be used for the payment of a final cash dividend for FY2025 (the "**Proposed FY2025 Final Dividend**") (for further details of the Proposed FY2025 Final Dividend and the Company's dividend policy, please refer to the paragraph headed "Reasons for and Benefits of the Disposals – Dividend policy and the Proposed FY2025 Final Dividend");

(2) approximately RMB50.0 million (representing about 12.9% of the total net proceeds) will be used for the repayment or payment of trade and other payables, accrued expenses, tax payable of the Group as at 31 December 2025;

(3) approximately RMB180.0 million (representing about 46.4% of the total net proceeds) will be used by the Group for long-term investment in precious metals, primarily gold and silver (for further details, please refer to the paragraph headed "Reasons for and Benefits of the Disposals - Treasury management policy and policy in relation to precious metals investment"); and

(4) approximately RMB72.2 million (representing about 18.6% of the total net proceeds) will be used for working capital and general corporate uses (including cost of inventories (being purchases of merchandise goods and raw materials) of approximately RMB40.0 million and employee benefits expense of approximately RMB32.2 million), and such additional working capital has been reserved after taking into account possible market softening and increasing level of competition faced by the Group.

The table below summarises the planned allocation by stage of the net proceeds from the Disposals:

		First half of 2026	Second half of 2026	First half of 2027	Second half of 2027	Total *(RMB million)*
(1)	Payment of Proposed FY2025 Final Dividend	–	85.7	–	–	85.7
(2)	Repayment of trade and other payables, accrued expenses, tax payables *(Note 1)*	42.5	7.5	–	–	50.0
(3)	Investment in precious metals *(Note 2)*	180.0	–	–	–	180.0
(4)	Working capital and general corporate uses	18.0	18.0	18.0	18.2	72.2
	Total	**43.0**	**308.7**	**18.0**	**18.2**	**387.9**

Notes:

1. Based on the preliminary assessment of the Group's unaudited management accounts for FY2025, approximately RMB30 million, RMB15 million, and RMB5 million will be used to settle trade payables (all of which are due and expected to be settled within January to February 2026), other payables (including accrued expenses) (which is expected to be settled evenly on a monthly basis throughout 2026) and tax payables (all of which were due and settled within January 2026) respectively.

2. As at the Latest Practicable Date, the Company has utilised approximately RMB185.3 million for the investments in precious metals for long-term investment, comprising (i) approximately RMB98.2 million for the purchase of a total of 2,730 ounces of unallocated gold bullion; and (ii) approximately RMB87.1 million for the purchase of a total of approximately 150,000 ounces of allocated silver bullion, and as such, the relevant portion of the net proceeds allocated for investment in precious metals have been fully utilised as at the Latest Practicable Date. For further details of the investments in precious metals, please refer to the Company's announcements dated 26 January 2026, 27 January 2026, 30 January 2026 and 11 February 2026.

Treasury management policy and policy in relation to precious metals investment

Treasury management of the Group

The Group's treasury management is guided by a formal policy focused on liquidity, capital preservation, and strategic capital allocation. The primary objective is to ensure operational stability while actively managing risks and preserving capital value amid changing market conditions, thereby efficiently deploying surplus funds to support sustainable, long-term growth.

1. Treasury policy and cash management

The Group's policy prioritises maintaining sufficient liquidity for all operational and contingency needs. Surplus operating cash is centrally managed. A portion is retained as a working capital buffer, and funds are allocated to meet dividend distributions to Shareholders.

Mr. Lau Chun Pong (an executive Director and the chief financial officer of the Company) ("**Mr. Lau**") is responsible for formulating and monitoring the working capital buffer of the Company. Monthly review of the Group's cashflow is conducted to ensure that a sufficient liquidity buffer is maintained. The working capital buffer required is determined with reference to the Group's operational and contingency needs from time to time.

2. Risk-adaptive allocation of surplus funds

The residual cash balance (after covering working capital and dividends) is strategically managed with a focus on preserving value and mitigating financial risks in response to market dynamics. This includes allocating a portion of funds into assets deemed to store value over the long term, such as the previous investments in silver bullion and the recent strategic investment in gold. All investment and deployment decisions are made within a strict, conservative framework that emphasises safety, liquidity, and capital preservation, aiming to safeguard the Group's resources for future development.

3. Integration with business operations

The Group's core business segments generate stable operating cash flow. The Company's treasury function systematically allocates this cash: first to operations and dividends, and then strategically reserves and protects the remainder to provide capital resource for future development, thereby facilitating sustainable growth while maintaining financial resilience.

The management of the Group oversees compliance with this policy. The Directors believe that this disciplined, risk-aware approach ensures the preservation of capital value and enables strategic execution in a dynamic environment.

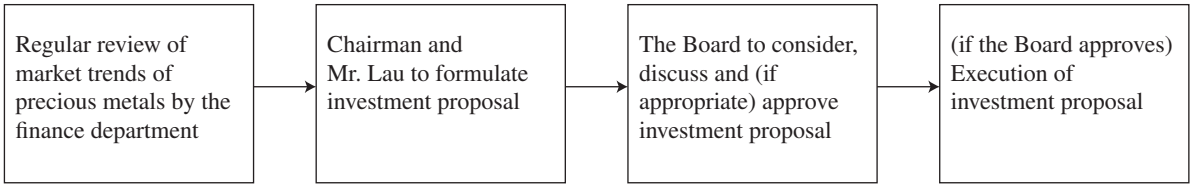
In implementing the Group's treasury management policy, regular assessments are conducted as to the economic and geopolitical risks affecting the Group's businesses, the PRC and the global markets. Taking into consideration the relatively sluggish economic growth in the PRC, to management liquidity risk, (i) the Group closely monitors its liquidity and reserved additional working capital (approximately RMB72.2 million from the net proceeds from the Disposals has been allocated for working capital and general corporate uses for 2026 and 2027) for maintaining a liquidity buffer to meet the Group's operational and contingency needs caused by market softening and/or increasing level of competition faced by the Group; and (ii) the Group has been actively making efforts to diversify its asset structure and make appropriate adjustment regarding the market conditions, including but not limited to, investment in precious metals and term deposits denominated in RMB. Given the current macroeconomic environment, geopolitical tensions and economic uncertainties, precious metals are considered to be a relatively low-risk asset class in the foreseeable future for the purpose of long-term strategic investment. While term deposits provide a secure placement for liquidity and offer relatively predictable interest income, term deposits are subject to exposure to international currency markets and may not provide adequate protection against currency devaluation. On the other hand, investment in precious metals has shown consistent appreciation over the long term and can deliver better returns during financial downturns, which serves as a viable store of value and a risk diversifier in the present economic climate, and also reduces foreign exchange risk and interest rate risk from term deposits, which serves the Group's treasury management objective on safety, liquidity, and capital preservation, aiming to safeguard the Group's resources for future development. As such, the investment in precious metals is considered by the Company a defensive, prudent and comparatively sound capital management measure, which preserves and enhances value for the Group and the Shareholders, and the Company will, depending on the market conditions, increasingly shift its focus to investment in precious metals. The Group's treasury management policy is adjusted to equip it with the resilience necessary to navigate current and future economic challenges, and the Company shall conduct regular reviews and updates to adapt to changing conditions. To the extent that the Group's cash are not immediately used for investments (or other uses of the net proceeds from the Disposals), they will be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions.

The Group has been closely monitoring the market trends of precious metals (for the Group's internal control measures regarding monitoring of the market trends of precious metals, please refer to the paragraph headed "Reasons for and Benefits of the Disposals – Treasury management policy and policy in relation to precious metals investment – Risk and liquidity management and internal control measures") and noted that the recent market prices of precious metals are volatile. Despite the fluctuations, the Group is of the view that investment in precious metals remains a defensive and prudent treasury management policy, as the investment is intended to be a long-term strategic investment. The average LBMA gold price per ounce (being the average of the LBMA daily closing gold price for the twelve month-end dates during the respective years) increased by 93.5% from 2021 to 2025, while the average LBMA silver price per ounce (being the average of the LBMA daily closing silver price for the twelve month-end dates during the respective years) increased by 65.6% during the same period. As such, the Group considers that, in terms of long-term investment, precious metals belong to a relatively low-risk asset class given the current unstable macroeconomic environment.

Investment policy and investment decision-making procedures for investment in precious metals

Regular review of market trends of precious metals (including, in the past, silver bullion) is conducted by the finance department of the Group to respond to economic indicators and geopolitical developments, and reports are regularly made by Mr. Lau (head of the finance department) to Ms. Wendy Man (the chairman of the Board (the "**Chairman**"), an executive Director and the chief executive officer of the Company). Potential investments in precious metals are initially discussed and evaluated by the Chairman and Mr. Lau. Based on (i) the historical market trends of precious metals; (ii) recent market prices of precious metals; and (iii) the Group's treasury management policy, in particular, the Group's liquidity and asset structure from time to time, the Chairman and Mr. Lau will specify the size and target price range for any proposed investment. A proposal, including the size and target price range of the proposed investment and the effective period of scope of authority to be authorised for making the investment, is then submitted by the Chairman to the Board for comprehensive review. The Board deliberates on the proposal in the context of the macroeconomic environment, the Company's financial position, and its long-term strategic objectives. Before any investment is made, the investment proposal shall be approved and relevant scope of authorities of Director(s) shall be delegated at a formal Board meeting, which is strictly in line with proper internal control procedures.

The following flowchart illustrates the investment decision-making procedures for investment in precious metals:



Considering the treasury management policy, and the background and advantages in investment in precious metals, the Group's policy for the investment in precious metals is primarily for long-term investment (subject to unforeseen market conditions), with an investment scale of not exceeding RMB400.0 million, which is expected to be funded by the net proceeds from the Disposals (i.e. RMB180.0 million) and the Company's internal resources (i.e. RMB220.0 million).

As at the Latest Practicable Date, the Group (i) held a total of 2,730 ounces of unallocated gold bullion; (ii) held a total of approximately 150,000 ounces of allocated silver bullion; and (iii) did not hold any other precious metals, whether unallocated silver bullion or allocated gold bullion. Following the investment policy and in compliance with the relevant internal control procedures, the Group shall continue to, and depending on the size and target price range of the proposed investment, make further investment in precious metals from time to time, and, as at the Latest Practicable Date, the Company has fully utilised the entirety of the relevant portion of net proceeds from the Disposals of RMB180.0 million to invest in precious metals (i.e. unallocated gold bullion and allocated silver bullion).

Expertise and team matrix

Based on the internal control procedures, any investment proposal shall be laid before, discussed and (if appropriate) approved at a formal Board meeting, as such, all Board members will participate in monitoring and reviewing the investment proposal. Considering that the same internal control procedures has been adopted by the Group in connection with its investment in unallocated silver bullion, the finance department and each of the Board members (in particular, Ms. Wendy Man and Mr. Lau) have extensive experience in treasury management, especially in investment in precious metal, accumulated from (i) monitoring the market trend; (ii) formulating, evaluating, discussing and (if appropriate) approving proposals for the investment and disposal of unallocated silver bullion; and (iii) regularly monitoring and evaluating such investments made during the period from 2020 and up to now. In particular, Ms. Wendy Man (the Chairman), Mr. Lau and Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung) (an independent non-executive Director) ("**Mr. Mak**") have various experience in treasury management and/or investment.

1. Ms. Wendy Man

Ms. Man is the founder of the Group and has since been in charge of the strategic development, management, operations as well as the overall performance of the Group since October 1998, including participating in the investment decision-making of silver bullion since 2020. Ms. Man has extensive experience of over 25 years in corporate management and governance, she was admitted as a senior member of The Hong Kong Institute of Directors (香港董事學會) in January 2017, and she served as the chairperson of the 11th executive council of the Guangzhou Foreign Investment Enterprises Chamber of Commence (廣州外商投資企業商會) in November 2020 and a vice-chairperson of the 16th executive committee of the Guangzhou Federation of Industry and Commerce (General Chamber of Commerce) (廣州市工商業聯合會(總商會)) in February 2022.

2. Mr. Lau

Mr. Lau has been the chief financial officer of the Group since December 2019 and is primarily responsible for, among others, treasury management, financial reporting and business planning. He has extensive experience of over 20 years in accounting, auditing and corporate finance. He served as (i) the financial controller and company secretary of Apollo Future Mobility Group Limited (Apollo智慧出行集團有限公司) (formerly known as WE Solutions Limited (力世紀有限公司), O Luxe Holdings Limited (奧立仕控股有限公司) and Ming Fung Jewellery Group Limited (明豐珠寶集團有限公司*)) (a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 860)) from June 2008 and November 2008 respectively to November 2017; and (ii) the group financial controller and company secretary of AV Promotions Holdings Limited (AV策劃推廣(控股)有限公司) (a company whose shares are listed on the GEM of the Stock Exchange (stock code: 8419)) from June 2018 to June 2019, during which he was primarily responsible for, among others, financial reporting and treasury management for the listed companies. He has also served as an independent non-executive director in various companies listed on the Stock Exchange.

3. Mr. Mak

Mr. Mak has extensive experience of over 30 years in investment and corporate management. He was the managing director of the Hong Kong Economic Times Holdings Limited (香港經濟日報集團有限公司) ("**HKET**") and publisher of Hong Kong Economic Times and Sky Post from 29 April 2005 until 1 May 2020. He is also a founder of HKET and has rich experience in analysing investment trends. Mr. Mak won the Outstanding Entrepreneurship Award of the Asia Pacific Entrepreneurship Awards 2012 organised by Enterprise Asia. He has also served as an independent non-executive director in various companies listed on the Stock Exchange.

Risk and liquidity management and internal control measures

The Company has established formal written investment policy and procedures for investment in precious metals which include the investment strategy and scale, the control and approval procedures of the investment and roles and responsibilities of parties involved in the investment.

The finance department of the Group is responsible for day-to-day monitoring of the Group's investment in precious metals and the market trends of precious metals. Monthly review of the investment in precious metals conducted by the finance department of the Group will be provided to all members of the Board, detailing the status of the investment, including invested amount, current market value of investment and fair value gain/loss of the investment. During the ongoing monitoring of investment by the finance department of the Group, (i) if the price of precious metals reaches a level where there is an unrealised gain or loss of over 5% relative to the acquisition cost or relative to the price last reported to Mr. Lau, the finance department shall immediately inform Mr. Lau, whereby Mr. Lau will discuss with Ms. Wendy Man, the Chairman, and analyse and evaluate on whether to make further investment(s) or to partially or fully dispose of the investment(s); and (ii) if the price of precious metals reaches a level where there is an unrealised gain or loss of over 30% relative to the average acquisition cost, mandatory review of the investment will be triggered. The finance department shall inform Mr. Lau who must immediately report to the all members of Board and provide them with an analysis and recommendations on whether the Company shall partially or fully dispose of the investment (including the size and target price range of the proposed disposal and the effective period of scope of authority to be authorised for the disposal). In such connection, a formal Board meeting shall be convened for all Board members (including the independent non-executive Directors) to participate in monitoring, reviewing and determining whether or not to partially or fully dispose of the investment.

Plan for investment in precious metals

The Company currently does not have any intention or plan to enter into, or has not entered into, any agreement, undertaking and negotiation (whether formal or informal, expressed or implied) for the investment in precious metals. The Group (i) purchased a total of 2,730 ounces of unallocated gold bullion at the aggregate consideration of approximately RMB98.2 million through the Bank on 28 January 2026, 29 January 2026, 2 February 2026 and 3 February 2026 respectively; and (ii) purchased a total of approximately 150,000 ounces of allocated silver bullion at the consideration of approximately RMB87.1 million through the Bank on 13 February 2026, and as such, the relevant portion of the net proceeds allocated for investment in precious metals (i.e. RMB180 million) have been fully utilised as at the Latest Practicable Date. The Company expects that it will continue to invest in precious metals via placing orders with the Bank (or other licensed financial institutions) in accordance with the aforementioned investment policy throughout 2026. When the price of precious metals (such as gold) hits the target purchase price, the Company may place orders as it considers appropriate using the existing unallocated bullion account with the Bank and/or the Group's allocated bullion account with the Bank, which has been opened in February 2026. The Company aims to make the investment in precious metals during 2026 to retain value for Shareholders amidst economic downturn and geopolitical uncertainty.

Dividend policy and the Proposed FY2025 Final Dividend

According to the dividend policy of the Company effective from 27 March 2024 (the "**Dividend Policy**"), subject to certain factors (such as results of operations, cash flows, financial position and future prospects), the final dividends to be declared and paid by the Company to the Shareholders shall be no less than 50% of the Company's audited consolidated profit attributable to the owners of the Company in any financial year.

For FY2023 and FY2024, the Company has approved and paid a final dividend of HK4.30 cents per Share (amounting to a total dividend payment of approximately HK$43.7 million (equivalent to approximately RMB39.3 million)) and HK4.50 cents per Share (amounting to a total dividend payment of approximately HK$45.7 million (equivalent to approximately RMB41.7 million)) respectively.

The amount of the Proposed FY2025 Final Dividend is estimated based on:

(i) the financial performance of the Group (based on the preliminary assessment of the Group's unaudited consolidated management accounts), in particular, the Board took into account (i) no less than 50% of the Group's operating profit (i.e. profit and total comprehensive income for the year attributable to owners of the Company, after deducting the fair value gain on investment in unallocated silver bullion in FY2025 (the "**FY2025 Silver Fair Value Gain**")); and (ii) no less than 20% of the FY2025 Silver Fair Value Gain;

(ii) the abovementioned Dividend Policy; and

(iii) the historical level of final dividend for FY2023 and FY2024.

In relation to assessing the effect of the FY2025 Silver Fair Value Gain on the Proposed FY2025 Final Dividend, the Board considers that (i) the FY2025 Silver Fair Value Gain does not generate any cash flow for the Group; and (ii) in determining the use of the net proceeds from the Disposals, it is reasonable to take into account no less than 20% of the FY2025 Silver Fair Value Gain, as it balances between providing additional returns to Shareholders and fulfilling the Group's treasury management and capital needs (as set out above, apart from payment of the Proposed FY2025 Final Dividend, a majority of the net proceeds from the Disposals will be applied towards treasury management (RMB180.0 million (or 46.4%) for investment in precious metals) and working capital (RMB72.2 million (or 18.6%)). Less than 50% of such portion is taken into account for the reason that it is a non-recurring item which the Directors do not expect to repeat in future years. Based on the above, it is considered that the Proposed FY2025 Final Dividend is in line with the Dividend Policy.

When the Dividend Policy was formulated, the major factors that were considered to be more relevant include results of operations, cash flows, financial position and future prospects; and, it did not take into account any unexpected substantial fair value gain which may arise from the disposals of investments in unallocated silver bullion and/or similar investments, as such investments have always been part of the Group's treasury management. In light of the FY2025 Silver Fair Value Gain, being a significant, non-recurring and non-operating item, the Board will revisit and amend the Dividend Policy, as and when appropriate.

In relation to the Proposed FY2025 Final Dividend, the Board would like to emphasise, and the Shareholders should note, that:

(i) the final amount of the Proposed FY2025 Final Dividend to be declared and paid is subject to the finalisation of the annual results of the Group for FY2025 (which will be further confirmed and/or reviewed by the Company's auditors and the audit committee of the Board) and may be subject to adjustment;

(ii) considering that the Disposals took place in FY2026 and any profits as a result of the Disposals are expected to be recognised in the Group's financial results for FY2026, the Board did not take into account such profits resulting from the Disposals in estimating the Proposed FY2025 Final Dividend; and

(iii) the payment of the Proposed FY2025 Final Dividend is subject to (a) recommendation by the Board at a Board meeting to be held; and (b) approval by the Shareholders at the upcoming annual general meeting of the Company.

The Company will make further announcement(s) to inform the Shareholders of the actual amount of the Proposed FY2025 Final Dividend to be recommended by the Board and, subject to the approval by the Shareholders, paid, pursuant to the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the Disposals are in the interests of the Group and the Shareholders taken as a whole, and the terms of the Disposals (including the sale price for the Disposals with reference to the recent market prices of unallocated silver bullion as quoted by the Bank) are fair and reasonable. In such connection, although a general meeting would not be convened by the Company to approve the Jan 9 Disposal, the Jan 12 Disposal and the transactions contemplated thereunder, if such a general meeting were to be convened by the Company, the Board would recommend that the Shareholders vote in favour of the relevant resolutions.

FINANCIAL EFFECTS OF THE DISPOSALS

As set out in the section headed "The Disposals" above, the Directors expect to recognise, for FY2026, respective unaudited profits of approximately RMB23.8 million from the Jan 9 Disposal and approximately RMB20.0 million from the Jan 12 Disposal, which are calculated based on the difference between (i) the proceeds from the Jan 9 Disposal (or, as the case may be, the Jan 12 Disposal) and (ii) the carrying value of the unallocated silver bullion concerned as at 31 December 2025. Shareholders should note that the actual amount of profit on the Disposals to be recorded by the Company will be subject to review by auditors of the Company.

As at 31 December 2025, the carrying value of the 680,000 ounces of the unallocated silver bullion held by the Group (being the subject matter of the Disposals) was about RMB344.1 million. Immediately before the Disposals (i.e. on 6 January 2026), based on the preliminary assessment of the unaudited consolidated management accounts of the Group for FY2025, the Group had cash and short-term investments of approximately RMB228.4 million (comprising cash and cash equivalents of approximately RMB147.7 million, term deposits of approximately RMB80.0 million and restricted cash of approximately RMB0.7 million) and total assets of approximately RMB650.8 million, representing a cash to total assets ratio of approximately 35.1%. Immediately after the completion the Disposals (i.e. on 14 January 2026), based on the preliminary assessment of the unaudited consolidated management accounts of the Group for FY2025, the Group had cash and short-term investments of approximately RMB616.3 million (comprising cash and cash equivalents of approximately RMB535.6 million, term deposits of approximately RMB80.0 million and restricted cash of approximately RMB0.7 million) and total assets of approximately RMB694.6 million, representing a cash to total assets ratio of approximately 88.7%.

There is no financial effect of the Disposals on the liabilities of the Group.

Taking into account the following, the Directors consider that the Company will not become a cash company under Rule 14.82 of the Listing Rules upon the completion of the Disposal and the utilisation of the proceeds arising from the Disposals:

(i) upon the implementation of the Group's plan regarding the use of proceeds as set out in the section headed "Reasons for and Benefits of the Disposals" above, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for FY2025 and as adjusted below, the Group will have a notional cash and short-term investments of approximately RMB300.6 million (calculated by deducting the cash and short-term investments of approximately RMB616.3 million (after taking into account the total net proceeds from the Disposals of approximately RMB387.9 million) by (a) the Proposed FY2025 Final Dividend of approximately RMB85.7 million; (b) the estimated trade and other payables, accrued expenses, tax payable to be repaid or paid of approximately RMB50.0 million and (c) the investment in precious metals of RMB180.0 million) and notional total assets of approximately RMB558.9 million (calculated by (a) adjusting the cash and short-term investments by deducting relevant proceeds used as stated above and (b) adding RMB180.0 million to reflect the book value of the investment in precious metals made) subsequent to the use of proceeds. Therefore, the cash to total assets ratio will decrease from 88.7% to 53.8%;

(ii) the proceeds from the Disposals are not planned to be used for the investment in any new principal line of business; and

(iii) the proceeds received by the Company arose from the Disposals (which relate to unallocated silver bullion that were purchased as part of the Group's treasury management), instead of any fundraising exercise nor disposal of assets or business of any segment of the Group's principal businesses, and the Disposals do not involve the introduction of any new investors or any change to the shareholding and/or control of the Company.

It should be noted that the Company is still in the process of preparing and finalising the annual results of the Group for FY2025, the above financial information is only based on the preliminary assessment by the Company's management team with reference to the unaudited consolidated management accounts of the Group for FY2025 and the information currently available to the Company, which have not been confirmed or reviewed by the Company's auditors nor reviewed by the audit committee of the Board and may be subject to adjustment. Shareholders and potential investors are advised to read the Company's annual results announcement for FY2025 carefully, which is expected to be published by the end of March 2026.

LISTING RULES IMPLICATIONS

Jan 9 Disposal

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Jan 9 Disposal exceeds 25% but is less than 75%, the Jan 9 Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Jan 12 Disposal

Solely for illustration purpose, considering only the Jan 12 Disposal (i.e. without taking into account the Jan 9 Disposal), as more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Jan 12 Disposal exceed 5% but are less than 25%, the Jan 12 Disposal constitutes a discloseable transaction for the Company on a standalone basis and is subject to the reporting and announcement requirements, but is exempt from the Shareholders' approval requirement under the Listing Rules.

The Disposals (after being aggregated as if they were one transaction)

Under Rule 14.22 of the Listing Rules, the Jan 12 Disposal shall be aggregated together with the Jan 9 Disposal as if they were one transaction. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposals exceeds 25% but is less than 75%, the Disposals (after being aggregated as if they were one transaction) constitute a major transaction for the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

Pursuant to Rule 14.44 of the Listing Rules, written Shareholders' approval may be accepted in lieu of holding a general meeting if: (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Jan 9 Disposal and/ or the Jan 12 Disposal; and (b) written approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the Jan 9 Disposal and/or the Jan 12 Disposal.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, none of the Shareholders has any material interest in the Jan 9 Disposal and/or the Jan 12 Disposal and no Shareholder is required to abstain from voting if a general meeting were to be convened for the approval of the Jan 9 Disposal and/or the Jan 12 Disposal.

The Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written Shareholder's approvals for each of (i) the Jan 9 Disposal and the transactions contemplated thereunder; and (ii) the Jan 9 Disposal, the Jan 12 Disposal and the transactions contemplated thereunder, from its controlling shareholders, namely, Ms. Wendy Man (an executive Director and the chairman of the Board) and Elland Holdings Limited (which is wholly owned by Ms. Wendy Man), who hold 5,330,000 Shares and 735,040,000 Shares respectively. The total number of Shares held by the said controlling shareholders on the respective date of the approvals is 740,370,000 Shares, representing approximately 72.89% of the issued share capital of the Company. Pursuant to Rule 14.44 of the Listing Rules, no Shareholders' meeting will be held to approve the Jan 9 Disposal, the Jan 12 Disposal or the Disposals (being aggregated as if they were one transaction).

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully
For and on behalf of the Board of
Clifford Modern Living Holdings Limited
祈福生活服務控股有限公司
MAN Lai Hung
Chairman, Chief Executive Officer and Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the three financial years ended 31 December 2022, 2023 and 2024 and the unaudited financial information of the Group for the six months ended 30 June 2025, together with the relevant notes thereto, are disclosed in the relevant annual reports and interim report of the Company, which have been published and are available on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.cliffordmodernliving.com).

(a) Annual report of the Company for the year ended 31 December 2022 published on 25 April 2023 (pages 66 to 153), available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0425/2023042502395.pdf;

(b) Annual report of the Company for the year ended 31 December 2023 published on 29 April 2024 (pages 66 to 153), available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042905627.pdf;

(c) Annual report of the Company for the year ended 31 December 2024 published on 25 April 2025 (pages 66 to 153) , available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042502274.pdf; and

(d) Interim report of the Company for the six months ended 30 June 2025 published on 18 September 2025 (pages 36 to 96), available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0918/2025091801557.pdf.

The auditors of the Company have not issued any qualified opinion on the Group's financial statements for each of the three financial years ended 31 December 2022, 2023 and 2024.

2. STATEMENT OF INDEBTEDNESS

As at 31 December 2025, being the latest practicable date for the purpose of ascertaining the indebtedness statement, the Group had no borrowings and lease liabilities of approximately RMB30.5 million. All outstanding lease liabilities were unsecured and unguaranteed.

Save as disclosed above, and apart from intra-group liabilities and normal trade payables, as of the close of business on 31 December 2025, the Group did not have any (i) debt securities issued and outstanding, and authorised or otherwise created but unissued, and term loans; (ii) other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments; (iii) mortgages and charges; and (iv) material contingent liabilities or guarantees.

3. MATERIAL ADVERSE CHANGE

The Directors have confirmed that there has been no material adverse change in the financial or trading position of the Group since 31 December 2024 (being the date to which the latest published audited financial statements of the Group were made up), and up to and including the Latest Practicable Date.

4. WORKING CAPITAL

The Directors are of the opinion that, after taking into account of the Group's internal resources, cash flow from operations and also the effect of the transactions in relation to the Disposals, the Group has sufficient working capital to satisfy its present requirements, that is, for at least the next 12 months from the date of this circular in the absence of unforeseen circumstances. The Company has obtained the relevant confirmation as required under Rule14.66(12) of the Listing Rules.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Property Management Services

As one of the main service segments, the property management services segment provides a stable operational foundation for the Group. The Group plans to further expand its market share by increasing the total contracted floor area and the number of residential communities and pure commercial properties under management. This expansion is expected to support revenue growth from property management services and to drive increased usage of the Group's other service segments.

The Group also plans to expand its property management network by engaging in integrated projects in Guangdong Province, which include apartments, shopping malls, and office buildings developed by third parties. For such projects, integrated property management, agency, and marketing consultancy services will be provided.

To accelerate growth, the Group intends to pursue acquisitions of suitable property management companies, aiming to enhance operational standardisation and centralisation. Furthermore, the Group will continue to develop online marketing and distribution channels through websites and mobile applications to promote various services. Upgraded sales and accounting systems are expected to improve data collection and customer service responsiveness.

Retail Services

The retail segment is undergoing a phase of business structure optimisation. While intense market competition continues to pressure traditional retail revenues, the fresh food procurement service launched in the second half of 2024 has begun contributing as a new revenue stream. The focus will be on integrating traditional and new business resources to support the segment's overall stable development.

Off-Campus Training Services

The off-campus training services segment is currently in a period of cyclical market adjustment. The management of the Company will closely monitor relevant policies and market trends, dynamically optimising the business strategy and cost structure to adapt to the evolving environment.

Information Technology Services

A structural evolution is anticipated in the information technology services segment's revenue composition. While large-scale project contract revenue may face volatility due to extended market decision cycles, the proportion and stability of revenue from long-term maintenance and service contracts are expected to increase. The Group will continue to strengthen its technical service capabilities to enhance customer retention and revenue sustainability.

Ancillary Living Services

(i) Catering Services

Catering services for schools were discontinued in the first quarter of 2025 due to continuously declining profitability, aligning with a focus on operational efficiency and core business areas. Local catering services continue in a highly competitive market, with a strategic emphasis on customer retention and operational efficiency to maintain resilience.

(ii) Property Agency Services

The performance of the property agency services segment is closely linked to domestic property market sentiment. A prudent operational approach will be maintained in the current changing market environment, emphasising risk management and resource allocation.

(iii) Employment Placement Services and Laundry Services

Demand for employment agency services remains relatively stable, and laundry services are expected to maintain their current operational scale. This segment is anticipated to contribute stable cash flow to the Group.

Overall

Looking ahead to 2026, the Group's various business segments are expected to encounter distinct operating environments and challenges. The management of the Company remains committed to operational optimisation, resource integration, and business synergy.

In view of the possible market softening and increasing level of competition faced by the Group, the Group will remain prudent in monitoring its expenditures, look for new investment opportunities to cope with the existing market environment and constantly review its business strategies. Please refer to the section headed "Reasons for and Benefits of the Disposals" above for details of the Group's investment plan.

While the global economic climate remains challenging, the Group is committed to pursuing growth across its business and continues to strive to find opportunities in the face of challenges, so as to return long term value to Shareholders, and realise corporate value.

A. RESPONSIBILITY STATEMENT

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

B. DISCLOSURE OF INTERESTS

(i) Directors' and the chief executive's interests and short positions in Shares, underlying Shares and debentures of the Company or any associated corporations

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 any of its associated corporations (within the meaning of Part XV of the SFO), which (i) 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 he is taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Shares

Name of Director	Capacity	Number of Shares[(2)]	Percentage of the issued share capital of the Company
Ms. Wendy Man	Interest of a controlled corporation[(1)]	735,040,000	72.36%
Ms. Wendy Man	Beneficial owner	5,330,000	0.52%

Notes:

(1) Elland Holdings Limited, which holds 735,040,000 Shares, is wholly owned by Ms. Wendy Man. Ms. Wendy Man is also the sole director of Elland Holdings Limited. By virtue of the SFO, Ms. Wendy Man is deemed or taken to be interested in all the Shares which are beneficially owned by Elland Holdings Limited.

(2) All the Shares are held in long position.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 he is taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

(ii) Substantial Shareholders' and other persons' interests and short positions in Shares, underlying Shares and debentures of the Company or any associated corporations

As at the Latest Practicable Date, so far as the Directors were aware, the following persons (other than Directors or the chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the Shares

Name	Capacity	Number of Shares[2]	Percentage of the issued share capital of the Company
Elland Holdings Limited	Beneficial owner	735,040,000	72.36%
Ms. Wendy Man's Spouse[1]	Interest of spouse	740,370,000	72.89%

Notes:

(1) By virtue of the SFO, Ms. Wendy Man's Spouse is deemed to be interested in the Shares in which Ms. Wendy Man is interested.

(2) All the Shares are held in long position.

Save as disclosed above, as at the Latest Practicable Date, so far as the Directors were aware, no persons (other than Directors or the chief executive of the Company) had, or were deemed to have, any interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

As at the Latest Practicable Date, save that Ms. Wendy Man is the sole director of Elland Holdings Limited, none of the Directors was a director or employee of any substantial Shareholder (as defined in the Listing Rules) or of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

C. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group other than contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation).

D. MATERIAL CONTRACTS

No contracts outside of the ordinary course of business carried on by the Group had been entered into by the Group within two years immediately preceding the date of this circular and up to the Latest Practicable Date which are or may be material.

E. DIRECTORS' INTEREST IN ASSETS OR CONTRACTS OR ARRANGEMENT

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

Save and except for the contractual arrangements as disclosed below, as at the Latest Practicable Date, none of the Directors were materially interested, directly or indirectly, in any subsisting contract or arrangement entered into by any member of the Group which was significant in relation to the business of the Group.

Connected Persons

1. Private Group

Ms. Wendy Man is one of the controlling Shareholders, an executive Director, the chief executive officer of the Company and the chairman of the Board. Ms. Wendy Man's Spouse controls or owns 30% or more of the issued share capital of the Private Group. Being an associate of Ms. Wendy Man, members of the Private Group are connected persons of the Company under Rule 14A.12 of the Listing Rules.

2. Ms. MAN Lai Hung's Group

Ms. MAN Lai Hung's Group comprises the WM Healthcare Group and the WM Non-HC Group.

(a) WM Healthcare Group

Ms. Wendy Man controls or owns 30% or more of the issued share capital of the WM Healthcare Group. The ultimate controlling shareholder of the WM Healthcare Group is Ms. Wendy Man, who is an executive Director, the chief executive officer of the Company, the chairman of the Board and a controlling Shareholder. Each being an associate of Ms. Wendy Man, members of the WM Healthcare Group (including Clifford Medical) are connected persons of the Company under the Listing Rules.

(b) WM Non-HC Group

Ms. Wendy Man controls or owns 30% or more of the issued share capital of the WM Non-HC Group. The ultimate controlling shareholder of the WM Non-HC Group (including Clifford Xianhu Hotel) is Ms. Wendy Man. As such, members of the WM Non-HC Group (including Clifford Xianhu Hotel) are also associates of Ms. Wendy Man, and hence connected persons of the Company under the Listing Rules.

Continuing Connected Transactions

1. 2024 Master Tenancy Agreements

(a) 2024 MTA No. 1

On 16 October 2024, the Company (for itself and on behalf of its subsidiaries) (as tenant) entered into a master tenancy agreement ("**2024 MTA No. 1**") with Clifford Estates Panyu (for itself and on behalf of other members of the Private Group) (as landlord), pursuant to which the Group agreed to lease from the Private Group certain premises in Panyu district, Foshan district, Huadu district of Guangdong Province in the PRC and in Hong Kong, China mainly for its operation as business outlets, offices and warehouses and/or other related purposes for a term of three years commenced from 1 January 2025 and ending on 31 December 2027. The Group set annual caps, which represent the total value of right-of-use assets relating to the leases to be entered into by the Group under the 2024 MTA No. 1, for each of the three financial years ending 31 December 2025, 2026 and 2027 which are RMB15.8 million, RMB18.2 million and RMB8.6 million, respectively.

(b) 2024 MTA No. 2

On 16 October 2024, the Company (for itself and on behalf of its subsidiaries) (as tenant) entered into a master tenancy agreement ("**2024 MTA No. 2**") with Clifford Medical (for itself and on behalf of other members of the WM Healthcare Group) (as landlord), pursuant to which the Group agreed to lease from the WM Healthcare Group two premises in Panyu district of Guangdong mainly for its operation as convenience stores, for a term of three years commenced from 1 January 2025 and ending on 31 December 2027.

2. 2024 Master Composite Services Agreements

(a) 2024 MCSA No. 1

On 16 October 2024, the Company (for itself and on behalf of its subsidiaries) (as service providers) entered into a master composite services agreement ("**2024 MCSA No. 1**") on the one part, and Clifford Estates Panyu (for itself and on behalf of other members of the Private Group) and Clifford Xianhu Hotel (for itself and on behalf of other members of the WM Non-HC Group) (both as receiving parties) on the other part, pursuant to which the Group agreed to provide living services, engineering and maintenance services and telecommunication services to the respective receiving parties, for a term of three years commenced from 1 January 2025 and ending on 31 December 2027, on and subject to the respective terms and conditions contained therein. The Group set annual caps in respect of the transactions contemplated under the 2024 MCSA No. 1 for each of the three financial years ending 31 December 2025, 2026 and 2027 which are RMB79.3 million, RMB82.4 million and RMB86.0 million, respectively.

(b) 2024 MCSA No. 2

On 16 October 2024, the Company (for itself and on behalf of its subsidiaries) (as service providers) entered into a master composite services agreement ("**2024 MCSA No. 2**") with Clifford Medical (for itself and on behalf of the other members of the WM Healthcare Group) (as receiving parties), pursuant to which the Group agreed to provide living services, engineering and maintenance services and telecommunication services to the receiving parties, for a term of three years commenced from 1 January 2025 and ending on 31 December 2027, on and subject to the respective terms and conditions contained therein. The Group set annual caps in respect of the transactions contemplated under the 2024 MCSA No. 2 for each of the three financial years ending 31 December 2025, 2026 and 2027 which are RMB46.7 million, RMB47.8 million and RMB49.5 million, respectively.

F. COMPETING INTERESTS

As at the Latest Practicable Date,

(a) the Private Group was the owner of 51% equity interest in a joint venture which operated certain catering outlets (namely, Manhattan Cafe (a western restaurant) and Clifford Palace (a Chinese restaurant)) which were located at Clifford Hotel and Clifford Resort Centre in Clifford Estates respectively. As the minority interests in such joint venture were owned by some PRC state-owned enterprises and because of objection of such minority equity-holders to the transfer of such catering outlets to the Group, these catering outlets remained to be operated by the Private Group. Having regard to factors such as target customers, average spending per customer per meal, sales and marketing, management and staffing, and sourcing of food and beverages, the Company considers that these catering outlets did not constitute direct competition with the Group's catering business. For further details of such catering outlets, please refer to page 250 to 253 of the Prospectus; and

(b) the Private Group was engaged in the provision of education services in the PRC to children of different age groups from kindergarten to high school. The schools and kindergartens operated by the Private Group offered formal education with comprehensive educational programmes. In addition to the basic educational programme in which students obtain PRC middle school and high school diplomas, the schools also offer an international programme under which students are awarded dual high school diplomas (PRC and Canadian). Having regard to factors such as institution classification, establishment requirements, licences held, teaching materials, nature of curriculum or programme, age group and teaching staff, the Company considers that these schools and kindergartens did not constitute direct competition with the Group's training business. For further details of such schools and kindergartens, please refer to page 253 to 256 of the Prospectus.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates were interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

G. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, 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 or to which any member of the Group may become a party.

H. GENERAL

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

I. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the respective websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.cliffordmodernliving.com) for a period of 14 days from the date of this circular:

(a) the letter agreement dated 7 January 2026 entered into between the Bank and the Company in relation to the placing of an order to dispose of 300,000 ounces of silver bullion by the Group in relation to the Jan 9 Disposal;

(b) the letter agreement dated 7 January 2026 entered into between the Bank and the Company in relation to the placing of an order to dispose of 100,000 ounces of silver bullion by the Group in relation to the Jan 9 Disposal;

(c) the letter agreement dated 12 January 2026 entered into between the Bank and the Company in relation to the placing of an order to dispose of 100,000 ounces of silver bullion by the Group in relation to the Jan 12 Disposal;

(d) the letter agreement dated 12 January 2026 entered into between the Bank and the Company in relation to the placing of an order to dispose of 180,000 ounces of silver bullion by the Group in relation to the Jan 12 Disposal; and

(e) this circular.

J. MISCELLANEOUS

(a) The secretary of the Company is Mr. Lau Chun Pong, who is a member of the Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants.

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

(c) The principal share registrar of the Company in Cayman Islands is Conyers Trust Company (Cayman) Limited at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

(d) The branch share registrar of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(e) The principal place of business of the Company in Hong Kong is at 7th Floor, Chai Wan Industrial City, Phase II, 70 Wing Tai Road, Chai Wan, Hong Kong.

* *for identification purposes only*