
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 your 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 **China Ever Grand Financial Leasing Group Co., Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



**(1) MAJOR TRANSACTION IN RELATION
TO THE DISPOSAL OF THE DISPOSAL COMPANY;
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 5 to 18 of this circular.

A notice convening the extraordinary general meeting (“**EGM**”) of China Ever Grand Financial Leasing Group Co., Ltd. (the “**Company**”) to be held at Room 2203, 22nd Floor, Kwan Chart Tower, 6 Tonnochy Road, Wanchai, Hong Kong on 29 April 2026 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk.

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

2 April 2026

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DEFINITIONS

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

“BJEG”	Beijing Ever Grand International Financial Leasing Co. Limited* (北京恒嘉國際融資租賃有限公司), a company incorporated in the PRC with limited liability
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong and the PRC throughout their normal business hours
“BVI”	the British Virgin Islands
“Capital Injection”	the proposed capital injection by the Company and another shareholder into BJEG pro-rata to their shareholding in BJEG
“Company”	China Ever Grand Financial Leasing Group Co., Ltd., a company incorporated in the Cayman Islands as an exempted company with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 379)
“Completion”	completion of the transfer of the Sale Share in accordance with the terms and conditions of the Disposal Agreement
“Completion Date”	the 7th Business Day after the day the last of the conditions set out in the Disposal Agreement has been satisfied or waived (or such other date as may be agreed by the parties to the Disposal Agreement in writing)
“Conditions Precedent”	the conditions precedent to Completion as set out in the section headed “Conditions Precedent” in this circular
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Disposal amounting to RMB70,000,000

DEFINITIONS

“Deed of Guarantee”	a deed of guarantee executed by the Guarantor who has irrevocably and unconditionally guaranteed the due and punctual performance by the Purchaser of all its obligations under the Disposal Agreement. Under the terms of the guarantee, the Guarantor’s liability is unlimited, save that if the Purchaser has paid at least 30% of the total Consideration, the Guarantor’s aggregate liability would then be capped at RMB70,000,000
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Share by the Vendor to the Purchaser, on and subject to the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the agreement dated 3 February 2026 (as amended by the supplemental agreement dated 9 February 2026) entered into between the Vendor, the Purchaser and the Guarantor in respect of the Disposal
“Disposal Company”	China Ever Grand Capital Group Limited (中國恒嘉資本集團有限公司), a company established in the BVI with limited liability and an indirect wholly owned subsidiary of the Company
“Disposal Group”	the Disposal Company and its Hong Kong subsidiary, Hong Kong Ever Grand Capital Limited, which in turn holds an 51.39% equity interest in BJEG currently classified as equity investment at fair value through other comprehensive income
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Disposal Agreement and the transactions contemplated thereunder
“Financial Leasing Business”	the provision of finance lease consulting services and financing services in the PRC
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Qiao Weibing, a director and legal representative of BJEG and a Hong Kong permanent identity card holder

DEFINITIONS

“HKFRSs”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Ever Grand”	Hong Kong Ever Grand Capital Limited, a wholly owned subsidiary of the Company
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) who are third parties independent of the Company and its connected persons
“Latest Practicable Date”	31 March 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	within 6 months after the date of the Disposal Agreement or such date as may be mutually agreed in writing between the parties to the Disposal Agreement
“PRC”	the People’s Republic of China, which, for the purpose of this circular, shall exclude Hong Kong, Macau and Taiwan
“Purchaser”	Sheen Nation Holdings Limited, a company incorporated in the BVI with limited liability, which is wholly-owned by the Guarantor
“Remaining Group”	the Company and its subsidiaries excluding the Disposal Group
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	one (1) issued ordinary share in the capital of the Disposal Company, representing the entire share capital thereof
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Harvest Castle Holdings Limited (興隆控股有限公司), which is a company incorporated in Hong Kong and is a wholly-owned subsidiary of the Company
“%”	per cent.

* *For identification only, the English translation of the Chinese names is for identification purpose and should not be regarded as the official English translation of such Chinese names.*

For the purpose of this circular, unless otherwise indicated, conversion of Renminbi into Hong Kong dollars is calculated at the approximate exchange rate of RMB1.00 to HK\$1.11. This exchange rate is adopted for the purpose of illustration only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.

LETTER FROM THE BOARD



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 379)

Executive Directors:

Mr. Wong Lik Ping (*Chairman*)

Mr. Siu Wai Bun

Mr. Tao Ke

Mr. Ng Tin Shui

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-executive Directors:

Mr. Ng Kwok Sang

Mr. Wu Kai Tang

Mr. Leung Yiu Ming David

Ms. Lam Hoi Yan Karen

*Head office and principal place
of business:*

Room 2203, 22nd Floor,

Kwan Chart Tower,

6 Tonnochy Road, Wanchai,

Hong Kong

2 April 2026

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR TRANSACTION IN RELATION
TO DISPOSAL OF THE DISPOSAL COMPANY;
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the announcements of the Company dated 3 February 2026 and 9 February 2026 in relation to, among other things, the Disposal.

The purposes of this circular are: (i) further information on the Disposal and the transactions contemplated thereunder; (ii) other information as required under the Listing Rules; and (iii) the notice of the EGM.

References are also made to the announcements of the Company dated 13 September 2024, 20 December 2024, 14 March 2025 and 31 December 2025 in relation to the litigation and judicial dissolution proceedings involving BJEG and the Company's wholly-owned subsidiary, Hong Kong Ever Grand.

LETTER FROM THE BOARD

On 3 February 2026 (after trading hours of the Stock Exchange), as an arrangement to resolve the dispute among the parties in relation to Hong Kong Ever Grand, the Vendor, the Purchaser and the Guarantor entered into the Disposal Agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Sale Share at the Consideration of RMB70,000,000. For the purpose of securing the due and punctual performance of the Purchaser's obligations under the Disposal Agreement, the Guarantor agreed to be a guarantor under the Disposal Agreement, and the Guarantor also executed the Deed of Guarantee upon the execution of the Disposal Agreement.

On 9 February 2026 (after trading hours), the parties entered into the Supplemental Agreement to amend certain terms of the Disposal Agreement in relation to the payment arrangement for the Consideration to give more flexibility to the parties.

THE DISPOSAL AGREEMENT

Date

3 February 2026 (after trading hours of the Stock Exchange) (as amended by the Supplemental Agreement on 9 February 2026)

Parties

Vendor : Harvest Castle Holdings Limited

Purchaser : Sheen Nation Holdings Limited

Guarantor : Mr. Qiao Weibing

Harvest Castle Holdings Limited, a company incorporated in Hong Kong with limited liability, is a wholly-owned subsidiary of the Company, and is principally engaged in investment holding of an equity investment that carries out Financial Leasing Business.

Mr. Qiao Weibing is a director and legal representative of BJEG. As BJEG is not accounted for as a subsidiary of the Company but a mere financial asset, and Mr. Qiao has ceased to be an executive Director for more than 12 months from the date of the Disposal, Mr. Qiao is considered to be an Independent Third Party.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, (i) the Purchaser is a company incorporated in the BVI and is principally engaged in investment holding; (ii) the Purchaser is legally and beneficially owned by Guarantor; and (iii) each of the Purchaser and the Guarantor is an Independent Third Party.

LETTER FROM THE BOARD

Assets to be disposed of

Pursuant to the Disposal Agreement, the Vendor shall dispose of the Sale Share representing the entire share capital in the Disposal Company upon Completion. The Disposal Company is principally engaged in investment holding of an equity investment in BJEG which is engaged in the provision of Financial Leasing Business.

Consideration

The Consideration of the Disposal is RMB70,000,000 which will be settled in the following manners:

- (i) the deposit (the “Deposit”) in the sum of RMB7,000,000 (or its equivalent value in Hong Kong Dollars) to be paid by the Purchaser by way of cashier’s order, wire transfer or bank transfer to the Vendor either in Hong Kong within 5 Business Days after the signing of the Disposal Agreement;
- (ii) a second installment in the sum of RMB49,000,000 (or its equivalent value in Hong Kong Dollars) to be paid by the Purchaser by way of cashier’s order, wire transfer or bank transfer to the Vendor in Hong Kong within 5 Business Days after fulfillment (or obtaining waiver) of all Conditions Precedent under the Disposal Agreement;
- (iii) a third installment in the sum of RMB7,000,000 (or its equivalent value in Hong Kong Dollars) to be paid by the Purchaser by way of cashier’s order, wire transfer or bank transfer to the Vendor in Hong Kong or in other jurisdiction proposed by Vendor and agreed by Purchaser immediately before Completion; and
- (iv) the remaining balance of the Consideration in the sum of RMB7,000,000 (or its equivalent value in Hong Kong Dollars) to be paid by the Purchaser by way of cashier’s order, wire transfer or bank transfer to the Vendor either in Hong Kong or other jurisdiction proposed by Vendor and agreed by Purchaser within 60 days after the Completion.

Reason of the arrangement under (iv)

The Purchaser proposed the retention of 10% of the total Consideration (approximately RMB7 million) for a period of 60 days post-Completion under arrangement (iv). This said arrangement (iv) arises from the Purchaser’s concern regarding potential issues that might arise after the Purchaser assumes management control of the Disposal Group, which could violate the Vendor’s warranties and undertakings under the Disposal Agreement. The said retention period is intended to provide the Purchaser with sufficient time to verify that the financial, operational, legal and compliance affairs of the Disposal Group are in order and that no material breaches of warranty has occurred.

LETTER FROM THE BOARD

The Board has already assessed the credit risk associated with the deferred payment under arrangement (iv). The Board is aware that the Purchaser's obligation and performance under the Disposal Agreement is supported by a guarantee provided by the Guarantor. In reviewing the Guarantor's proof of financial capacity such as his asset portfolio summaries issued by professional onshore and offshore investment and securities companies, the Board has confirmed the Guarantor has owned offshore assets in Hong Kong and Singapore with an aggregate net value of approximately US\$13.2 million (equivalent to approximately HK\$103.0 million which is sufficient to cover the remaining balance of the Consideration under (iv)). The Company has also assessed the management account as at 31 December 2025 of the Purchaser, the latest supporting personal statement of the Guarantor, and further received the confirmation with the Guarantor about his personal liability. On this basis, after considering the Guarantor's net asset position, the Board is satisfied that the Guarantor has sufficient financial resources to pay and cover the outstanding balance of the Consideration and hence considers the credit risk arising from the proposed arrangement to be low.

The Company has established a post-Completion monitoring and enforcement protocol to ensure settlement of the deferred Consideration. This framework allows early warning of potential default and enables prompt action by the Company. It includes:-

1. Monitoring & Communication

- To conduct regular contact with the Purchaser and the Guarantor to understand their financial status.
- To issue written reminders to the Purchaser 30 days and 7 days before the due date of making the deferred payment.

2. Financial Surveillance

- To conduct monthly reviews of the Purchaser's and the Guarantor's financial standing, including but not limited to, public indicators of distress.
- To arrange urgent meetings with the Guarantor if adverse signals arise.

3. Escalation & Enforcement

- Pre-default: to negotiate additional credit enhancements if concerns emerge.
- Default: to issue formal demand letters immediately.
- If the deferred payment remained unpaid after 90 days: to commence legal proceedings against the Purchaser and enforce the Guarantor's personal guarantee.

LETTER FROM THE BOARD

In light of the above, the Board considers the payment terms to be fair and reasonable, which ensure the recovery of the Consideration and serve as a robust safeguard of the interests of the Company and its shareholders as a whole. The Board is of the view that the receipt of 90% of the Consideration upfront under arrangements (i) – (iii), together with the provision of a substantive third-party guarantee, adequately mitigates the risk of non-payment by the Purchaser under its obligations of the Disposal Agreement. This agreed structure reflects a commercial compromise reached between the parties to the Disposal Agreement in order to finalise the transaction on mutually acceptable terms.

Arrangement in the event of the Purchaser’s non-compliance with the Disposal Agreement

If the Purchaser refuses to complete the Disposal after the satisfaction (or waiver) of the Conditions Precedent without legitimate reason, the Vendor shall be entitled to (i) forfeit the Deposit, and (ii) claim from the Purchaser liquidated damages amounting to 10% of the total Consideration. Such liquidated damages shall be deducted from any payments already made by the Purchaser, with the Vendor retaining the right to claim for any additional actual losses suffered.

As a reciprocal arrangement, if the Vendor refuses to complete the Disposal after the satisfaction (or waiver) of the Conditions Precedent without legitimate reason, the Vendor shall (i) pay to the Purchaser liquidated damages amounting to 10% of the total Consideration, and (ii) refund all payments received from the Purchaser (including the Deposit) within five Business Days, failing which the Vendor shall pay overdue interest at a daily rate of 0.05% on the outstanding refund amount.

Basis of consideration

As at 30 June 2025, the unaudited net asset of the Disposal Group attributable to the Company was approximately HK\$21.9 million.

The Consideration was determined after arm’s length negotiation between the Vendor and the Purchaser with reference to the (i) unaudited net asset of the Disposal Group attributable to the Company as at 30 June 2025 of approximately HK\$21.9 million; (ii) the latest valuation of the Disposal Group at approximately RMB22.59 million prepared by an independent valuer based on market approach as at 31 December 2025 whilst adopting the aforementioned amount of HK\$21.9 million representing the unaudited net asset of the Disposal Group attributable to the Company as at 30 June 2025 as a historical referencing point; (iii) the unaudited consolidated results after taxation of the Disposal Group for the two years ended 31 December 2023, 31 December 2024 and for the six months ended 30 June 2025 of approximately gain of HK\$5,541,000 and loss of HK\$13,633,000, gain of HK\$5,199,000 respectively; and (iv) the expected continuing loss-making condition due to the continuing difficult operating environment of the Financial Leasing Business as detailed in the section headed “Reasons for and benefit of the Disposal” below.

The Directors consider that the terms and conditions of the Disposal are fair and reasonable and are on normal commercial terms and are in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions Precedent

Completion of the Disposal Agreement is conditional upon the following conditions:

- (a) the Stock Exchange granting approval for the publication of all necessary announcements and circulars by the Company under the Listing Rules;
- (b) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Disposal Agreement and the transactions contemplated thereunder;
- (c) the Purchaser obtaining all necessary approvals, consents and authorisations for Completion;
- (d) the Vendor obtaining all necessary approvals, consents and authorisations for Completion;
- (e) payment of the Deposit by the Purchaser;
- (f) the warranties and undertaking given (including voluntarily assumes all debts, liabilities of the PRC operating entities including the unfulfilled Capital Injection in BEJG) by the Purchaser remaining true and accurate in all material respects; and
- (g) the warranties given by the Vendor remaining true and accurate in all material respects.

Conditions (a), (b), (c), (d) and (e) may not be waived. Condition (f) may be waived at the sole discretion of the Vendor, and condition (g) may be waived at the sole discretion of the Purchaser.

As at the Latest Practicable Date, conditions (a) and (e) have been fulfilled.

If the Conditions Precedent are not fulfilled or waived on or before the Long Stop Date, the Disposal Agreement shall lapse and cease to have effect, save for certain surviving clauses (including confidentiality and costs).

LETTER FROM THE BOARD

Completion

Completion shall take place on the 7th Business Day after the fulfilment (or waiver) of the last of the Conditions Precedent. At Completion, and upon confirmation of receipt of the relevant instalments of the Consideration, the Vendor shall deliver or cause to be delivered to the Purchaser, among other things: (i) a duly executed instrument of transfer for the Sale Share; (ii) certified corporate documents (including a Certificate of Incumbency and Good Standing) for the Disposal Company; (iii) board resolutions of the relevant companies to effect the change of shareholder and director appointments/resignations as required by the Purchaser; (iv) the completion accounts; (v) a tax indemnity deed; and (vi) physical possession of statutory books, records, seals, and bank account authority documents.

Upon Completion, the Company will cease to hold any equity interest in the Disposal Company and the equity investment in BJEG will no longer be recognised.

INFORMATION ON THE DISPOSAL GROUP

The Disposal Company, an indirect wholly-owned subsidiary of the Company, is a company incorporated in the BVI with limited liability and is principally engaged in investment holding of an equity investment in BJEG which carries out Financial Leasing Business.

Financial information of the Disposal Group

The Disposal Company indirectly holds approximately 51.39% of the equity interest in BJEG, which has been classified as equity investment at fair value through other comprehensive income since 1 August 2024 and was classified as an associate from 1 August 2023 to 31 July 2024, and is not currently accounted for as a subsidiary of the Company.

LETTER FROM THE BOARD

Set out below is extracted financial effect of the Disposal Group as extracted from its unaudited management accounts prepared in accordance with the HKFRSs for the two years ended 31 December 2023, 31 December 2024 and six months ended 30 June 2025:

	For the year ended 31 December		For the six months ended 30 June
	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) and total comprehensive income/(expense) for the year/period	5,541	(13,633)	5,199
	As at 31 December		As at
	2023	2024	30 June
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Net assets*	30,196	16,620	21,864

* *not included intra-group balances*

As at 30 June 2025, the unaudited net asset value of the Disposal Group attributable to the Company was approximately HK\$21.9 million.

REASONS FOR AND BENEFIT OF THE DISPOSAL

The principal business of the Group comprises the (i) sale of medical, health, hygiene and pet products, (ii) trading of securities, investment in properties, and money lending business in Hong Kong, and (iii) research and development, manufacturing and sale of health food and nutrient enhancers in the PRC.

The Disposal Group, which operates the Financial Leasing Business through its investee, namely BJEG, has recorded operating losses for most of the past few years, primarily due to a more stringent regulatory framework in the PRC and challenging market conditions. More critically, since August 2023 the Company has lost the effective control over BJEG due to disputes with its Chinese joint venture counterparty. This has resulted in operational deadlock, hindered the Group's ability to manage the business, and led to ongoing litigations.

LETTER FROM THE BOARD

The Directors have considered various options to resolve the situation, including a potential judicial dissolution of the relevant entities. However, the result of such a process is highly uncertain, would likely be protracted over years, and would entail significant legal costs with no assurance of recovery for the Group. The Directors have also taken into account the ongoing litigation initiated by BJEG, which seeks to compel the Group to top up the outstanding Capital Injection of approximately USD20 million. The proposed Disposal provides an exit opportunity that would eliminate the uncertainties associated with such litigation, as both parties have agreed to set aside all disputes and the Group is no longer required to fulfill the Capital Injection upon execution of the Disposal Agreement. In light of the entering into of the Disposal Agreement, parties have withdrawn from the litigations concerning the Hong Kong Ever Grand and BJEG too.

The Disposal also provides the Group with a certain and immediate exit opportunity from a non-core and non-performing asset to reinvigorate the existing businesses with the sale proceeds.

The Board intends to apply these proceeds to (i) expand the Group's loan financing and securities investment businesses in Hong Kong, and (ii) bolster the working capital for the Group's distribution business of medical, health, hygiene and pet products, and the manufacturing and sale of health food. The Disposal will also allow management to focus resources entirely on the Group's more promising and manageable business lines.

The Consideration of RMB70,000,000 represents a considerable premium over both (i) the latest valuation of the Disposal Group of approximately RMB22.59 million (equivalent to approximately HK\$25.07 million) prepared by an independent valuer based on market approach, and (ii) the unaudited net asset value attributable to the Company of approximately HK\$21.9 million as at 30 June 2025.

Taking into consideration of the aforesaid, the Directors consider that the terms and conditions of the Disposal are on normal commercial terms and are fair and reasonable and that the Disposal is in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF AND INTENDED USE OF PROCEEDS FROM THE DISPOSAL

Upon Completion, the Company will (i) cease to hold any equity interest in the Disposal Company; and (ii) its equity investment in BJEG, currently classified as an equity investment at fair value through other comprehensive income, will be derecognised from the Company's consolidated financial statements.

LETTER FROM THE BOARD

It is estimated that, upon Completion, the Company will record a gain on disposal of approximately HK\$55,000,000, calculated by taking into account the Consideration, the relevant expenses in relation to the Disposal, the net asset of the Disposal Group attributable to the Company of approximately HK\$21,864,000 as at 30 June 2025. Any potential PRC tax liabilities arising from the indirect transfer of the underlying PRC assets, as provided for in the Disposal Agreement, are the sole responsibility of the Purchaser and the Guarantor, who have provided corresponding indemnities. Accordingly, the financial effects of and intended use of net proceeds to the Group as stated are not expected to be impacted by such potential tax liabilities.

Shareholders should note that the actual amount of the gain on Disposal to be recognised in the consolidated financial statements of the Company depends on (i) the net asset value of the Disposal Group attributable to the Company as at the Completion Date; (ii) the actual expenses incurred for the Disposal; and therefore the gain from Disposal is subject to the final review of the auditor of the Company and may be different from the amount mentioned above.

The Board intends to apply the net proceeds from the Disposal of approximately HK\$77.3 million as follows:

- (i) approximately 80% of the proceeds, or approximately HK\$62.0 million, to be allocated to the expansion of the loan financing and securities investment business, the distribution business of the Group in Hong Kong and the manufacturing business in the PRC, as follows:

- (a). **Loan Financing Business – approximately 51.6%, or HK\$40.0 million**

The Group will allocate approximately HK\$40.0 million to expand its money lending operations in Hong Kong. This capital injection will enable the Group to capitalise on the promising outlook of the local money market as a result of booming local bourse and recovering property market. The funds will be deployed for:

- Targeted Lending: The funds will provide first and second mortgage financing secured by properties, primarily focusing on residential units, offices, and car parking spaces.
- Prudent Loan Parameters: Loans will generally be offered with a maximum loan-to-value ratio of 70% and a tenor of up to one or two years.
- Marketing and Origination: The funds will support business development initiatives, including collaboration with a credit investment fund as a co-lender, participant and subscriber and engagement with loan financing agents on a commission basis to generate a steady pipeline of quality loan applications.

LETTER FROM THE BOARD

(b). **Distribution Business in Hong Kong – approximately 24.5%, or HK\$19.0 million**

The Group will allocate a total of approximately HK\$19.0 million to expand its distribution business by leveraging its existing Chinese proprietary medicine license and dispensary network, as well as a newly established in-house marketing team.

- **Medical & Health Products (approximately 12.9%, or HK\$10.0 million):** This portion will be used to diversify product offerings by trading new health and medical products from established global and local brands. The funds will support initial inventory purchases and marketing and sale activities to promote these brands in Hong Kong and Macau, executed in collaboration with external sales and marketing specialists if need be.
- **Pet Products Distribution (approximately 11.6%, or HK\$9.0 million):** The Group has recently established a dedicated in-house marketing and sale team for its pet products division. This allocation will be used to expand its inventory purchases and marketing and sale activities for a portfolio of international & China's brands for which the Group acts as the Hong Kong brand operator and distributor, including Meoof (China), Cirius pet (Korea), Forza10 (Italy) and HomerunPet (China).

(c). **Manufacturing Business in the PRC – approximately 3.9%, or HK\$3.0 million**

The Group will allocate approximately HK\$3.0 million to upgrade its manufacturing facilities and the required working capital. Specifically:

- **Product Facilities Upgrade and Promotional Activities (approximately 1.3%, or HK\$1.0 million):** This portion will be used to upgrade production facilities and equipment to meet rising demand for health food ingredients and to enhance promotional activities through exhibitions and online sale platforms.
- **Working Capital (approximately 2.6%, or HK\$2.0 million):** This portion will be reserved as working capital for the production lines.

LETTER FROM THE BOARD

- (ii) the remaining 20% of the proceed, or approximately HK\$15.3 million, to be applied as general working capital of the Group and develop new business opportunities, as follows:
- (a). **General Working Capital (approximately 7.0%, or HK\$5.3 million):** This amount will be used for the working capital of the Remaining Group including (i) approximately HK\$2.4 million for the repayment of a loan owed to the Disposal Group, and (ii) approximately HK\$2.9 million for the repayment of a bank loan maturing in March 2026.
- (b). **New Business Opportunities (approximately 13.0%, or HK\$10.0 million):** The Group will reserve HKD10.0 million to pursue potential mergers and acquisitions that align with its existing business lines.

Any unutilised cash reserve will be placed with financial institutions to generate interest income and maximise returns for the company.

In relation to the development of loan financing business mentioned in (a) above, previously, the Group's capital and strategic focus had previously been concentrated in the PRC. Due to the recent regulatory, economic and operational challenges in the PRC, the disposal represents a strategic withdrawal from a loss-making financial leasing business in the PRC.

Leveraging the Group's expertise in credit assessment, risk management, and asset monitoring, such skills are transferable and highly relevant to the loan financing sector, providing a strong operational foundation for this expansion. In addition, benefiting from the recent recovery trend, the Group has sufficient capabilities and resources in strengthening its loan financing business in Hong Kong.

The Company has already initiated discussions with industry peers, credit agents, and a fund specializing in loan financing for high-net-worth individuals, and the Company has been discussing with these parties. Negotiations have progressed well, and subject to the completion of the transactions, the Group may enter into formal agreements with the customers accordingly. In the event that any formal agreements is entered into between the Group and the customers in the future, the Company will follow the rules and implications in accordance of Chapter 14 and/or 14A of the Listing Rules and make relevant disclosures accordingly to ensure compliance.

Leveraging the Group's experience in managing financial leasing operations in the PRC, the Group will continue to explore and expand business opportunities in the financial leasing sector in Hong Kong.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but all of them are less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, and shareholders' approval requirements under Chapter 14 of the Listing Rules.

EGM

The Company will hold the EGM on Wednesday, 29 April 2026 at 11:00 a.m. at Room 2203, 22nd Floor, Kwan Chart Tower, 6 Tonnochy Road, Wanchai, Hong Kong or any adjournment of the meeting, at which the resolutions will be proposed for the purposes of considering and if thought fit, among the others, approving the Disposal Agreement and the transactions contemplated thereunder. The notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

In order to determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 24 April 2026 to Wednesday, 29 April 2026 (both days inclusive), during which period no transfer of shares can be registered and the record date of the entitlement to attend and vote at the EGM is Wednesday, 29 April 2026. In order to qualify for attending and voting at the EGM, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration by not later than 4:30 p.m. on Thursday, 23 April 2026.

A form of proxy for use at the EGM is enclosed in this circular. Whether or not you are able to attend the EGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed on the form and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM (i.e., not later than 11 a.m. on Monday, 27 April 2026) (Hong Kong time)) or any adjournment of the EGM. Completion and return of the form of proxy shall not preclude you from attending and voting at the EGM in person or any adjournment of the EGM should you so desire.

VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the voting on all resolutions at the EGM will be conducted by way of poll.

LETTER FROM THE BOARD

Shareholder with a material interest in the Disposal and his close associates will abstain from voting on resolution(s) at the EGM approving the Disposal. None of the Shareholders is considered to have interest in the Disposal Agreement and no Shareholder is required to abstain from voting at the EGM.

RECOMMENDATION

The Directors consider that the terms of the Disposal Agreement are fair and reasonable so far as the Company and the Shareholders are concerned, and that the Disposal is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Disposal Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board of
China Ever Grand Financial Leasing Group Co., Ltd.
Wong Lik Ping
Chairman and Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Company for each of the three years ended 31 December 2022, 2023 and 2024 and the unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2025 together with relevant notes thereto are disclosed in the following documents which have been published on both the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.egichk.com):

1. The interim report of the Company for the six months ended 30 June 2025 published on 18 September 2025 (pages 4 to 31):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0918/2025091800498.pdf>

2. The annual report of the Company for the year ended 31 December 2024 published on 29 April 2025 (pages 54 to 155):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0429/2025042902864.pdf>

3. The annual report of the Company for the year ended 31 December 2023 published on 17 April 2024 (pages 61 to 171):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0417/2024041701328.pdf>

4. The annual report of the Company for the year ended 31 December 2022 published on 27 April 2023 (pages 100 to 235):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042702975.pdf>

2. INDEBTEDNESS OF THE GROUP**(i) Borrowing**

As at the close of business on 28 February 2026, being the latest practicable date for the purpose of preparing this indebtedness statement, the Group had outstanding bank borrowing (being classified as current liabilities) of RMB2,600,000 (equivalent to approximately HK\$2,886,000).

(ii) Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities as at 28 February 2026:

	Lease payments <i>HK\$'000</i>	Present value of lease payments <i>HK\$'000</i>
Within 1 year	2,280	2,160
Between 1 and 2 years	<u>680</u>	<u>666</u>
	2,960	2,826
Less: future finance charges	<u>(134)</u>	
Present value of lease liabilities	<u><u>2,826</u></u>	
Less: Amount due for settlement within 12 months (shown under current liabilities)		<u>(2,160)</u>
Amount due for settlement after 12 months		<u><u>666</u></u>

(iii) Contingent liabilities

As at 28 February 2026, the Group had no material contingent liabilities.

(iv) Financial guarantees

As at 28 February 2026, the Group had no financial guarantees.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the normal course of business, as at 28 February 2026, the Group did not have any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

Working Capital Statements

The Directors are of the opinion that, in the absence of unforeseeable circumstance, after due and careful enquiry, and after taking into account (i) the anticipated cash flows to be generated from the Group's operations as well as the effect of Disposal, (ii) the present internal financial resources to the Group, and (iii) the banking facilities presently available, the Group will have sufficient working capital to satisfy its requirements for at least the next twelve months following the date of this circular. The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in sale of daily necessities, medical, health and hygiene products, manufacturing and sale of food products and nutrient enhancers, trading of equity securities, investment in properties, investment holdings and money lending business in Hong Kong and the PRC.

The Group primarily focuses on its operations in the PRC and Hong Kong, making the economic, political, and social aspects of these jurisdictions crucial to its overall performance. The Disposal Group, which operates the Financial Leasing Business through its investee, namely BJEG, has recorded operating losses for most of the past few years, primarily due to a more stringent regulatory framework in the PRC and challenging market conditions. More critically, since August 2023 the Company has lost the effective control over BJEG due to disputes with its Chinese joint venture counterparty. This has resulted in operational deadlock, hindered the Group's ability to manage the business, and led to ongoing litigations. The Disposal would allow the Company to resolve such disputes and would make available cash proceeds for the Company to spend on other segments which would bring better return to the Company and the Shareholders.

As disclosed in the interim results announcement of the Company for the six months ended 30 June 2025, the Group remains committed to optimizing its business segments to enhance volume and profitability, with a pledge to further reduce costs. We may consider withdrawing from the loss-making projects, offloading certain properties and relocating the resources to the growing and promising segments. The Group will cautiously and diligently explore new potential growth opportunities, undervalued assets and business expansion opportunities in order to diversify the income sources, bring in profits and ultimately attain long and sustainable growth and enhance Shareholders' value as a whole.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Ernst & Young Transactions Limited, an independent valuer, in connection with their valuation of 100% equity interest in China Ever Grand Capital Group Limited as at 31 December 2025.

The Board of Directors
China Ever Grand Financial Leasing Group Co., Ltd.
Room 2203, 22nd Floor,
Kwan Chart Tower,
6 Tonnochy Road, Wanchai,
Hong Kong

Ernst & Young Transactions Limited
Strategy and Transactions
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

31 March 2026

Dear Sirs,

In accordance with your instructions, we have performed the work set out in our engagement agreement dated 8 December 2025 to estimate the fair value of China Ever Grand Capital Group Limited (the “**Target**”), as of 31 December 2025. We understand that the valuation is required for assisting you in negotiations and the response of queries from The Stock Exchange of Hong Kong Limited in connection with the proposed disposal of the Target holding 51.39% of Beijing Ever Grand International Financial Leasing CO.,LTD (“**Target’s subsidiary**”).

The details and conclusion of the valuation are presented in the attached valuation report, which outlines the factors considered, valuation methodology, basis and assumptions employed in formulating our opinion of value.

Ernst & Young Transactions Limited (“**EY**”) is an independent firm providing full range of valuation and advisory services. This report has been prepared independently. Neither EY nor any authors of this report hold any interest in the Company or its related parties. The fee for providing this report is based on EY’s normal professional rates, whilst expenses (if incurred) are being reimbursed at cost. Payment of fees and reimbursements are not contingent upon the conclusions drawn in the report.

Yours faithfully,

For and on behalf of

Ernst & Young Transactions Limited

Christina L Zhao

MRICS, CFA, MSc

Partner

1. PURPOSE OF OUR REPORT AND RESTRICTIONS ON ITS USE

This independent valuation report (the “**Report**”) was prepared on the specific instructions of Beijing Ever Grand International Financial Leasing Co., Ltd. and China Ever Grand Financial Leasing Group Co., Ltd. (together, the “**Clients**”, “**Management**” or “**you**”), solely for the purpose of assisting you in negotiations in connection with the proposed disposal of China Ever Grand Capital Group Limited (the “**Target**”) holding 51.39% of Beijing Ever Grand International Financial Leasing CO.,LTD (the “**Target’s subsidiary**”), and should not be used or relied upon for any other purposes.

The Report and its contents may not be quoted or referred to to any other parties except as provided in our engagement agreement dated 8 December 2025.

We accept no responsibility or liability to any person other than to you, or to such party to whom we have agreed in writing to accept a duty of care in respect of the Report, and accordingly if such other persons choose to rely upon any of the contents of the Report they do so at their own risk.

2. NATURE AND SCOPE OF THE SERVICES

The nature and scope of the services, including the basis and limitations, are detailed in Appendix I of the Report.

We will not perform any due diligence procedures related to, among other matters, (i) legal exposures, (ii) environmental matters, (iii) human resource matters, (iv) market due diligence, including competitive due diligence, (v) macroeconomic and geopolitical impacts, (vi) insurance, (vii) information technology, (viii) compliance and regulatory matters, (ix) synergies and (x) cyber due diligence.

3. INTRODUCTION OF THE VALUATION

The Target holds 51.39% equity interest of the Target’s Subsidiary. The Target does not possess any other material assets or liabilities. Therefore, the fair value of 51.39% equity interest of the Target’s Subsidiary is equal to the fair value of the Target. The principal activities of the Target’s Subsidiary are provision of finance lease and related consulting services in the PRC.

4. SCOPE OF WORK

The purpose of this engagement is to assess the fair value of the Target’s Subsidiary as of 31 December 2025 (the “**Valuation Date**”) including the following:

- Research for comparable companies by considering similar industry sectors, stages of businesses, business operation models, and geographical locations;
- Establish a set of comparable companies for the businesses;

- Determine appropriate multiples depending on the businesses of the Target's Subsidiary;
- Calculate relevant multiples based on the set of comparable companies;
- Estimate appropriate valuation adjustments (e.g., discount for lack of marketability);
- Determine the 100% equity value of the Target's Subsidiary using trading multiple; and
- The results of our work will be used solely for the purposes of assisting Management in negotiations and the response of queries from The Stock Exchange of Hong Kong in connection with the proposed disposal of the Target's Subsidiary.

5. SOURCE OF INFORMATION

In connection with our work, we have read and analysed certain documents and information including, but not limited to, the following information:

- The business operations, financial statements and management accounts of the Target's Subsidiary; and
- Other documents and information, including publicly available financial data (i.e. S&P Capital IQ), and other studies and analyses.

6. VALUATION ASSUMPTIONS

During the procedures, we have made the following assumptions:

- We assumed that any estimates or forecasts furnished to us will be based on the best and latest available information in the possession of Management and that such information is considered to be correct and/or reasonable and complete; and
- Other valuation parameters, key assumptions and inputs adopted are presented in later sections.

7. VALUATION METHODOLOGY

In the valuation of the equity of an entity, three different approaches may be employed: the income approach, the market approach and the cost approach. While each of these approaches is initially considered in the valuation, the nature and characteristics of the entity will indicate which approach, or approaches, are most applicable.

Market approach has adopted for the valuation of equity interest of the Target's Subsidiary to compare to similar businesses. Using the market approach is appropriate to provide a reasonable estimate of the equity value based on market data of comparable companies, given there are no financial forecasts provided for the Target's Subsidiary and the Target's Subsidiary is under going concern basis.

8. BASIS OF VALUATION

In the valuation process, we adopt fair value as the basis for this valuation. The fair value is defined as *"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date"*.

9. KEY INPUTS AND ASSUMPTIONS

Market approach is adopted to derive the equity value of the Target's Subsidiary as of Valuation Date based on the valuation multiple of comparable companies.

The market approach was based on consideration of the fact that it relied on a reasonably similar set of Guideline Public Companies ("**GPCs**"). Specifically, the selected comparable companies was based on the similar industry sectors, stages of business, business operation model, and geographical locations.

The selected valuation multiples were calculated based on operating data from comparable companies. Multiples derived from comparable companies provide an indication of how much a knowledgeable investor in the marketplace would be willing to pay for a minority interest in a given company.

The market multiples are then adjusted for discount for lack of marketability ("**DLOM**"), considering the marketable and non-controlling nature of the comparable companies' market multiples.

Valuation multiples

Last-twelve-month ("**LTM**") FY25 December financials of the Target's Subsidiary has been adopted as of the Valuation Date.

Considering the Target's Subsidiary has not generated positive income and it is engaging in financial leasing industry, which is under financial services industry, as of the Valuation Date, Price-to-Sales ("**P/S**") multiple is adopted for valuation of the Target's Subsidiary.

We researched the P/S multiple of comparable companies as of the Valuation Date as follows and made the following adjustments by considering the marketability and non-controlling nature of the market multiple.

- We adopted P/S multiple 2.81x based on the median P/S multiple of the comparable companies to exclude the effects of outliers; and
- Discount for lack of marketability – We adopted DLOM of 15.6% based on the median DLOM of Stout Restricted Stock Study Companion Guide.

Selection of guideline public companies

We adopted S&P Capital IQ as reference to generate the comparable companies list for the Target under GPCM, which is a widely used platform for identifying and screening comparable companies in valuation analyses. In selecting the list of comparable public companies, our screening criteria are as follows:

- (1) Listing Status: listed companies
- (2) Main business/industry nature: finance leasing companies
- (3) Business operation location: Greater China

We have selected 4 comparable public companies similar to the Target, focusing on financial leasing industry as below. The four selected companies outlined as follows represent those that most closely match the business nature and operating characteristics of the Target's Subsidiary. We are of the view that if we extend the screening criteria such as geographic location further than our current selection criteria, it may reduce the relevance and reliability of the valuation multiple.

Table 1: Guideline public companies adopted in market approach analysis (Note)

Name	Region of operation	Share price as of 31 December 2025	Sales per shares	No. of shares	P/S multiple (as of Valuation Date)	Business Details
Chailease Holding Company Limited (Ticker: TWSE:5871)	Taiwan	TWD105.5	TWD34.04 – LTM 30 Sep 2025	1,710.95 Million	3.10x	Chailease Holding Company Limited, an investment holding company, provides leasing and financial services in Taiwan, China, ASEAN countries, and internationally. It offers leasing services, which includes capital and operating leases for machinery, medical equipment, airplanes, boats, and office equipment; and installment sales services for raw materials, semi-finished and finished products, furniture and fixtures, and production equipment, as well as to customers in various industries; factoring services; and direct financing services to SMEs, micro-enterprises and large corporations. The company is also involved in the life and property insurance brokerage, financing and investments of solar power plant, collection of overdue receivables, and gasoline wholesale business. In addition, it offers truck and automobile, construction equipment, fishery inventory, micro-enterprises, and medical equipment financing; real estate finance; office equipment leasing; car rentals, ESCO financing and services; solar power plant financing; investment; EPC and O&M; inventory financing; aircraft and ship financing; gasoline wholesale business; and insurance brokerage services. Further, the company provides house property leasing and management services; real estate development; ship and aircraft leasing; financial consulting and trading activities; mortgage services; and cloud software and hardware products. Additionally, it is involved in trading in, management, and valuation of account receivable. Chailease Holding Company Limited was founded in 1977 and is headquartered in Taipei, Taiwan.
Far East Horizon Limited (Ticker: SEHK:3360)	Hong Kong	HKD8.04	HKD9.15 – LTM 30 Jun 2025	4,230.53 Million	0.88x	Far East Horizon Limited, together with its subsidiaries, provides various financial services in Mainland China, Hong Kong, and internationally. It operates in two segments, Financial, Lease and Advisory; and Industrial Operation and Management. The company offers direct finance leasing; sale-leaseback; factoring; entrusted loans; operating lease and sale of related equipment and materials; and advisory and construction services. It is also involved in the import and export trade and domestic trade of medical equipment; and provision of ship brokerage, medical engineering, hospital and healthcare management, and education consulting and management services, as well as trade agency services for machinery industry. In addition, the company engages in engineering and trading; operating leasing; provision of medical and education services; ecotechnology; information technology; and investment management. It serves healthcare, cultural and tourism, engineering construction, machinery, chemical and medicine, electronic information, public consuming, transportation and logistics, urban public utility, and other industries. The company was formerly known as Far Eastern Hong Xin Co., Limited and changed its name to Far East Horizon Limited in November 2010. The company was incorporated in 2008 and is headquartered in Tsim Sha Tsui, Hong Kong.

Name	Region of operation	Share price as of 31 December 2025	Sales per shares	No. of shares	P/S multiple (as of Valuation Date)	Business Details
Jiangsu Financial Leasing Co., Ltd. (Ticker: SHSE:600901)	Mainland China	HKD6.12	HKD0.88 – LTM 30 Sep 2025	5,812.93 Million	6.93x	Jiangsu Financial Leasing Co., Ltd., a non-bank financial institution, provides financial leasing services in China. It offers financial leasing solutions to energy industry, such as photovoltaic, wind power, thermal power, and energy storage power stations; environmental protection solutions, such as air treatment, sewage treatment, solid and hazardous waste treatment, industrial and building energy saving, centralized cooling and heating, and other segmented fields; and shipping financial leasing services, including bulk carriers, containers, product oil tankers, chemical tankers, etc. The company also provides professional and customized leasing products and financial solutions for manufacturers and customers in high-end industrial equipment; financial services and equipment leasing solutions for information technology; and financial leasing solutions for healthcare industry, as well as customers in urban construction, cultural tourism, education, and other industries. In addition, it offers financial products for construction machinery manufacturers or dealers; and auto finance. The company was formerly known as Jiangsu Provincial Leasing Co., Ltd. and changed its name to Jiangsu Financial Leasing Co., Ltd. in April 2003. Jiangsu Financial Leasing Co., Ltd. was founded in 1985 and is based in Nanjing, China.
Zhongguancun Science-Tech Leasing Co., Ltd. (Ticker: SEHK:1601)	Mainland China	HKD0.86	HKD0.34 – LTM 30 Sep 2025	1,615.1 Million	2.51x	Zhongguancun Science-Tech Leasing Co., Ltd. provides finance leasing services to science and technology innovation enterprises in the People's Republic of China. The company offers leasing-based equity investment financial services; integration of industry and finance solution; sales, service, project leasing, and intellectual property leasing; and technology small and micro-business leasing. It also provides business and management consulting, and policy advisory services. Zhongguancun Science-Tech Leasing Co., Ltd. was founded in 2012 and is headquartered in Beijing, China.
Mean					3.36x	
Median					2.81x	

Note:

- To ensure the comparability of the four selected companies to Target, we have further limited our selection criteria so that we ensure the four selected comparable companies generate their major revenue from financing and leasing activities and from Greater China. Although there may be certain differences in specific product focus or business scale to the Target, the overall nature of their principal activities, revenue drivers and operating models are substantially similar to those of the Target.*
- We have performed further reconciliation including (1) the discount of lack of marketability to reflect the lack of marketability of the Target compared to the 4 public comparable companies; and (2) adding Non-operating asset and liabilities, which are not related to the core business of the Target's Subsidiary.*

Calculation of the fair value of the Parent

Parameters (RMB' Million)	GPCM	Reference
FY25 December LTM revenue	3.16	Based on the FY25 December LTM financials provided by Management
P/S Multiple	2.81x	Based on the median P/S multiple of the comparable companies
Equity value (Pre-DLOM)	8.88	N/A
Less: DLOM	(15.6%)	Based on the median DLOM of Stout Restricted Stock Study Companion Guide – 2024 Edition
Equity value before adjustment of non-operating assets and liabilities (Post-DLOM)	7.49	N/A
Add: Non-operating assets	199.08	Based on the latest FY25 December financials provided by Management
Less: Non-operating liabilities	(162.61)	
100% equity value of the Target	43.96	N/A
Shareholding held by the Parent	51.39%	Shareholding provided by Management
Equity interest of the Target held by the Parent	22.59	N/A
Equity Value of the Parent ¹	22.59	N/A

- Management has confirmed that the Parent only holds 51.39% equity interest in the Target and does not process any other assets or liabilities. Accordingly, the fair value of the equity interest of the Target held by the Parent is equal to the fair value of the Parent. The verification of this assumption is out of our scope of work.

Source: EY analysis, Management and S&P Capital IQ

10. OPINION OF VALUES

We are of the opinion that the fair value of the Target as of the Valuation Date is RMB22.59 million.

Yours faithfully,

For and on behalf of

Ernst & Young Transactions Limited

Christina L Zhao

MRICS, CFA, MSc

Partner

Ms. Christina L Zhao is a chartered member of Royal Institution of Chartered Surveyors, Chartered Financial Analyst charterholder and a postgraduate academic master's degree. She has 14 years' experience in valuation. She has provided a wide range of valuation services to listed companies and private entities in different industries in the PRC and Hong Kong.

Appendix I – Statement of Limiting Conditions

1. Nothing has come to our attention to cause us to believe that the facts and data set forth in this Report are not correct.
2. Provision of valuation recommendations and considerations of the issues described herein are areas of regular valuation practice for which we believe that we have, and hold ourselves out to the public as having, substantial knowledge and experience. The services provided are limited to such knowledge and experience and do not represent audit, advisory or tax-related services that may otherwise be provided by EY.
3. No investigation of the title to the Target's Subsidiary and those assets have been made, and the owner's claim to the Target's Subsidiary, and those assets is assumed to be valid. To the extent that EY's services include any analysis of assets, properties or business interests, EY assumes no responsibility for matters of legal description or title, and EY shall be entitled to make the following assumptions: (i) title is good and marketable, (ii) there exists no liens or encumbrances, (iii) there is full compliance with all applicable state, local and national regulations and laws (including, without limitation, usage, environmental, zoning and similar laws and/or regulations), and (iv) all required licenses, certificates of occupancy, consents, or legislative or administrative authority from any state, local, or national government, private entity or organization have been or can be obtained or renewed for any use on which EY services are to be based.
4. This Report has been prepared solely for the purpose stated, and may not be used for any other purpose. Neither this Report nor any portions hereof may be copied or disseminated through advertising, public relations, news, sales, disclosure documents or any other public (or private) media without the express prior written approval of EY.
5. The recommendations of fair market value contained herein are not intended to represent the values of the subject assets at any time other than the effective date that is specifically stated in this Report. Changes in market conditions could result in recommendations of value substantially different than those presented at the stated effective date. We assume no responsibility for changes in market conditions or for the inability of the owner to locate a purchaser of the subject assets at the values stated herein.
6. No responsibility is assumed for information furnished by others, including Management, and such information is believed to be reliable.
7. In the course of our analysis, we were provided with written information, oral information, and/or data in electronic form, related to the structure, operation, and financial performance of the subject company and subject assets. We have relied upon this information in our analyses and in the preparation of this Report and have not independently verified its accuracy or completeness.

8. We assume no responsibility for any financial and tax reporting judgments, which are appropriately those of Management. It is our understanding that Management accepts responsibility for any financial statement and tax reporting issues with respect to the assets covered by our analysis, and for the ultimate use of our Report.
9. EY is not required to furnish additional work or services, or to give testimony, or be in attendance in court with reference to the assets, properties, or business interest in question or to update any Report, recommendation, analysis, conclusion or other document relating to its services for any events or circumstances unless arrangements acceptable to EY have been separately agreed with the Management.
10. With respect to our analysis, our work did not include an analysis of the potential impact of any unexpected sharp rise or decline in local or general financial market or economic conditions or technological changes.
11. We have not performed an audit, review or compilation on any historical or prospective financial information, which may be included in the accompanying Report. Accordingly, we do not express any opinion or any other form of assurance on such information.
12. Certain historical financial data used in our valuation were derived from audited and/or unaudited financial statements and are the responsibility of Management. The financial statements may include disclosures required by generally accepted accounting principles. We have not independently verified the accuracy or completeness of this data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.
13. The Clients or other users specified in the Report must use the Report in accordance with the applicable laws and administrative regulations, as well as the purpose and usage specified in the Report. If the Clients or such users violate these terms and use the Report improperly, we shall not bear any responsibility and any such misuse or improper reliance is at the user's sole risk.
14. Except for the Clients, other users specified in the valuation engagement letter, any other organizations or individuals are not permitted to use or rely on the Report.
15. Users of the Report shall correctly interpret and use the valuation conclusion. The valuation conclusion shall not be equivalent to the attainable price of the valuation subject and shall not be deemed as a guarantee for the attainable price of the valuation subject.

16. The Report has been prepared for the sole benefit and use of the directors of the Management (the “**Directors**”) and the Management itself in connection with the Disposal. The Report is not intended to, and does not, confer any rights or remedies upon any person or entity other than the Management, nor is it intended to be relied upon by any third party for any purpose whatsoever, including but not limited to shareholders, potential investors, creditors, regulators, or any other person. We expressly disclaim any duty of care, liability, or responsibility to any third party who may access, read, or rely on the Report or any part thereof. Any person or entity, other than the Management, who chooses to rely on the Report does so entirely at their own risk.
17. The Report does not constitute, and shall not be construed as, an investment advice, recommendation, endorsement or opinion as to whether the Disposal should be pursued, or as to the fairness or adequacy of the consideration for the Disposal, from the perspective of the shareholders of the Management or any other person. The ultimate responsibility of the disposal pricing of the Target rests solely with the Clients. The Directors, Clients and their shareholders, and any other users of the Report should exercise their own independent judgement and seek their own professional advice in evaluating the merits and risks of the Disposal.
18. To the fullest extent permitted by applicable law, we shall not be liable for any loss, damage, cost, expense, claim, or liability (whether direct, indirect, incidental, consequential, special, punitive, or exemplary) arising out of or in connection with: (a) the use of or reliance upon the Report by any person; (b) any error, omission, inaccuracy, or incompleteness in the information provided to us; (c) any failure by the Management and/or the Target to disclose material information to us; or (d) any changes in market conditions, economic environment, or other factors after the valuation date. In no event shall the aggregate liability of the us in connection with the Report exceed the fees actually received by us for the preparation of the Report.
19. Management has confirmed that the Target only holds 51.39% equity interest in the Target’s Subsidiary and does not possess any other material assets or liabilities. Accordingly, the fair value of the equity interest of the Target’s Subsidiary held by the Target is equal to the fair value of the Parent. The verification of this assumption is out of our scope of work.

1. RESPONSIBILITY OF THE DIRECTORS

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.

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

Directors' and chief executive's long and short positions in the securities of the Company and its 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 or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Director of Listed Issuers were as follows:

Long and short positions in the Shares/underlying shares of the Company:

Directors/chief executive	Nature of interest	Number of Share/underlying shares held		Percentage of interests
		Total interests	Long (L) or Short (S)	
Wong Lik Ping	Beneficial owner	46,600,000	S	2.76%
	Controlled Corporation	145,500,000 (Note 1)	S	8.62%
Ng Tin Shui	Interest of spouse	163,900,000 (Note 2)	L	9.71%
	Controlled Corporation	56,570,000 (Note 3)	L	3.35%

Notes:

1. These interests are held by Worldkin Development Limited ("**Worldkin**") which is wholly-owned by Mr. Wong Lik Ping. Mr. Wong is therefore deemed to be interested in the Shares held by Worldkin under the SFO.
2. Ms. Chi Chin is the spouse of Mr. Ng Tin Shui, Mr. Ng is deemed to be interested in 163,900,000 Shares held by his spouse under the SFO.
3. These interests are held by China Food Safety Holding (Hong Kong) Company Limited ("**CFSH (HK) Co., Ltd**"), which is wholly-owned by Mr. Ng Tin Shui, Mr. Ng is therefore deemed to be interested in the Shares held by CFSH (HK) Co., Ltd under the SFO.

Save as disclosed herein, 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 or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be 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.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which had, or was deemed to have, 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.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTEREST IN ASSETS OR CONTRACTS

As at the Latest Practicable Date, none of the Directors (i) had any interest in any assets which have been, since 31 December 2024 (being the date up to which the latest published audited accounts of the Company were made up), 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; and (ii) was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting and significant in relation to the business of the Group.

5. COMPETING INTERESTS

As at the Latest Practicable Date, the Directors were not aware that any of them had interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group which would fall to be discloseable under the Listing Rules.

6. LITIGATION

As at the Latest Practicable Date, 上海立足生物科技有限公司 (for transliteration purpose only, Shanghai Lizu Biotechnology Co., Ltd.), a subsidiary of the Company, has been served with a summons and complaint from the Shanghai Minhang District People's Court under Case number (2026) Hu 0112 Min Chu No. 4101 on 6 January 2026 in respect of a claim of rental deposit and relative compensation for an amount of RMB1,012,570 brought by the plaintiff from an alleged breach of a tenancy agreement dated 19 November 2024 signed by both parties.

Save as disclosed herein, neither the Company nor any of its subsidiaries were 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 the Company or any of its subsidiaries as at the Latest Practicable Date.

7. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Ernst & Young Transactions Limited	Independent valuer

As at the Latest Practicable Date, the above expert had no shareholding in the Company or any other member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company or any other member of the Group.

As at the Latest Practicable Date, the above expert had no direct or indirect interests in any assets which has been acquired or disposed of by or leased to any member of the Group since 31 December 2025 (the date to which the latest published audited consolidated financial statements of the Group were made up) or proposed to be acquired or disposed of or leased to any member of the Group.

As at the Latest Practicable Date, the above expert had given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter of advice or its name and logo in the form and context in which they respectively appear.

8. MISCELLANEOUS

- (a) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The head office and principal place of business in Hong Kong of the Company is situated at Room 2203, 22/F, Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong.
- (c) The Company's branch share registrar in Hong Kong is Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) The secretary of the Company is Mr. Siu Wai Bun, a member of the Hong Kong Institute of Certified Public Accountants and an associate member of the Hong Kong Chartered Governance Institute.
- (e) This circular is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.

9. DOCUMENTS ON DISPLAY

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

- (a) the Disposal Agreement;
- (b) the Guarantee Deed;
- (c) the valuation report in relation to the Sale Share; and
- (d) the written consent of the experts as referred to in the section headed "Qualification and Consent of Expert" of this Appendix

NOTICE OF EGM



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of China Ever Grand Financial Leasing Group Co., Ltd. (the “**Company**”) will be held on Wednesday, 29 April 2026 at 11:00 a.m. at Room 2203, 22nd Floor, Kwan Chart Tower, 6 Tonnochy Road, Wanchai, Hong Kong to consider and, if thought fit, pass the following ordinary resolutions (with or without modifications):

ORDINARY RESOLUTION

“THAT

- (i) the conditional agreement dated 3 February 2026 (the “**Disposal Agreement**”) entered into among Harvest Castle Holdings Limited, an indirect wholly-owned subsidiary of the Company, as the vendor; Sheen Nation Holdings Limited as the purchaser and Mr. Qiao Weibing as the guarantor (copy of which has been produced at the EGM and marked “A” and initialled by the chairman of the EGM for the purpose of identification) in relation to, among other matters, the proposed disposal of the entire issued share capital of China Ever Grand Capital Group Limited, and the transactions contemplated thereunder, be and are hereby approved and confirmed; and
- (ii) any director of the Company be and is hereby authorised to do all such acts, deeds and things and to sign, execute and deliver all such documents as he/she/they may, in his/her/their absolute discretion, consider necessary, desirable or expedient to give effect, determine, revise, supplement or complete any matters relating to or in connection with the Disposal Agreement and the transactions contemplated thereunder and the implementation thereof, including, without limitation, the affixing of common seal of the Company thereon.”

Yours faithfully,

By order of the Board

China Ever Grand Financial Leasing Group Co., Ltd.

Wong Lik Ping

Chairman and Executive Director

Hong Kong, 2 April 2026

NOTICE OF EGM

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 2203, 22/F.
Kwan Chart Tower
No. 6 Tonnochy Road
Wanchai, Hong Kong

Notes:

1. All resolutions at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates to purely a procedural or administrative matter to be voted on by a show of hands in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorized.
3. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy (or more than one proxy if he is the holder of two or more shares) to attend and vote instead of him. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. In order to determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 24 April 2026 to Wednesday, 29 April 2026 (both days inclusive), during which period no transfer of shares can be registered, and the record date of the entitlement to attend and vote at the EGM is Wednesday, 29 April 2026. In order to qualify for attending and voting at the EGM, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration by not later than 4:30 p.m. on Thursday, 23 April 2026.
6. Where there are joint registered holders of any share of the Company, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

NOTICE OF EGM

7. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
8. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 7:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will publish an announcement on the website of the Company and on the website of the Stock Exchange at <http://www.hkexnews.hk> to notify Shareholders of the date, time and venue of the rescheduled meeting.

As at the date of this notice, the Board comprises (1) Mr. Wong Lik Ping, Mr. Siu Wai Bun, Mr. Tao Ke and Mr. Ng Tin Shui as Executive Directors; and (2) Mr. Ng Kwok Sang, Mr. Wu Kai Tang, Mr. Leung Yiu Ming David and Ms. Lam Hoi Yan Karen as Independent Non-Executive Directors.