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 licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **SHENZHEN INVESTMENT LIMITED**, you should at once hand this circular with the accompanying form of proxy to the purchaser or to the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected, for transmission to the purchaser or the transferee.

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深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00604)

(1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS
(2) PROPOSED GENERAL MANDATE TO BUY BACK SHARES
(3) PROPOSED GENERAL MANDATE TO ISSUE SHARES
(4) PROPOSED RE-APPOINTMENT OF AUDITOR
(5) PROPOSED MANDATE TO GRANT OPTIONS
(6) MAJOR AND CONNECTED TRANSACTION IN RELATION TO CAPITAL INCREASE AND DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY
AND
(7) NOTICE OF ANNUAL GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

ALTUS CAPITAL LIMITED

A notice convening the Annual General Meeting of Shenzhen Investment Limited to be held at Picasso Room, B1 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 18 June 2026 at 10:30 a.m. is set out on pages 250 to 256 of this circular. Whether you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the office of the Company's share registrar, 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 Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

21 May 2026

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

"Announcement"	the announcement of the Company dated 30 March 2026 in relation to, among other things, the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder
"Annual General Meeting" or "AGM"	the annual general meeting of the Company to be held on Thursday, 18 June 2026 at 10:30 a.m. or, where the context so requires, any adjournment thereof
"Articles of Association"	the articles of association of the Company
"associate(s)"	has the same meaning as ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Valuation Report"	the business valuation report issued by the Valuer regarding the valuation of the entire equity interests of the Target Group as at the Valuation Benchmark Date, a summary of which has been set out in Appendix IV to this circular
"Buy-back Mandate"	a general mandate to the Directors to exercise the powers of the Company to buy back Shares up to 10% of the total number of Shares in issue at the date of passing of the resolution approving the Buy-back Mandate
"Capital Increase"	the proposed capital contribution in the Target Company in the amount of RMB2,604,290,000 by Shum Yip Group pursuant to the Debt-to-Equity Swap Agreement
"Companies Ordinance"	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, modified or supplemented from time to time
"Company"	Shenzhen Investment Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00604)
"Completion"	completion of the Capital Increase pursuant to the Debt-to-Equity Swap Agreement

"Completion Date"	the date on which the completion of the change of industrial and commercial registration in connection with the Capital Increase takes place
"connected person(s)"	has the same meaning as ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the same meaning as ascribed to it under the Listing Rules
"Debt-to-Equity Swap"	the conversion of the loans advanced by Shum Yip Group to the Target Company in the aggregate principal amount of RMB2,604.29 million into an equity investment in the Target Company (whereby approximately RMB571,472,992.81 of which will be credited to the increase in registered capital in the Target Company and the remaining amount of RMB2,032,817,007.19 will be applied towards the Target Company's capital reserves)
"Debt-to-Equity Swap Agreement"	the debt-to-equity swap agreement dated 30 March 2026 entered into among Shum Yip Group, the Company and the Target Company in relation to the Debt-to-Equity Swap
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent board committee of the Company comprising all independent non-executive Directors formed to advise the Independent Shareholders in respect of the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder

"Independent Financial Adviser"	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders other than Shum Yip Holdings and its associates
"independent third party(ies)"	any person(s) or entity(ies), who/which, to the best of the Directors' knowledge, information and belief, is/are not a connected person of the Company within the meaning of the Listing Rules
"Issue Mandate"	a general mandate to the Directors to issue, allot and deal with Shares up to 20% of the total number of Shares in issue at the date of the passing of the resolution approving the Issue Mandate
"Last Annual General Meeting"	the annual general meeting of the Company held on 28 May 2025
"Latest Practicable Date"	15 May 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, as amended, modified or supplemented from time to time
"Nomination Committee"	the nomination committee of the Company
"Notice of Annual General Meeting"	the notice convening the Annual General Meeting, a copy of which is set out on pages 250 to 256 of this circular
"PRC"	the People's Republic of China
"Property Valuation Date"	28 February 2026, which is the valuation date of the market values of the property interests held by the Target Group as set out in the Property Valuation Report

"Property Valuation Report"	The property valuation report dated 21 May 2026 in respect of the properties held by the Target Group issued by the Property Valuer at 28 February 2026 as set out in Appendix V to this circular
"Property Valuer"	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent qualified valuer appointed by the Company
"Remuneration Committee"	the remuneration committee of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, modified and supplemented from time to time
"Share Option Scheme"	the share option scheme adopted by the Shareholders on 31 May 2022
"Share(s)"	the ordinary share(s) of the Company
"Shareholder(s)"	shareholder(s) of the Company
"Shum Yip Group"	Shum Yip Group Limited*(深業集團有限公司), a company established in the PRC which is ultimately wholly-owned by the Shenzhen Municipal People's Government and under the administration of the Shenzhen State-owned Assets Supervision and Administration Commission, and the ultimate controlling shareholder of the Company
"Shum Yip Holdings"	Shum Yip Holdings Company Limited(深業(集團)有限公司), a company incorporated in Hong Kong and a 90% non-wholly owned subsidiary of Shum Yip Group and the direct holding company of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time

"Target Company" or "Shum Yip Pengji"	Shum Yip Pengji Holdings Co., Ltd.*(深業鵬基(集團)有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Company as at the Latest Practicable Date
"Target Group"	The Target Company and its subsidiaries
"Valuer"	Beijing China Enterprise Appraisals Co., Ltd.*(北京中企華資產評估有限責任公司), an independent third party
"Valuation Benchmark Date"	30 November 2025, which is the valuation benchmark date of the appraised value of the entire equity interests of the Target Group as set out in the Business Valuation Report
"%"	per cent

In this circular, the terms "close associate", "core connected person", "controlling Shareholder", "subsidiary", "substantial Shareholder" and "treasury shares" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

* *The English translation is for identification purpose only*

深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00604)

Executive Directors:
Mr. WANG Yuwen *(Chairman)*
Ms. CAI Xun
Mr. YAN Zhongyu
Dr. XIANG Dong

Independent Non-Executive Directors:
Mr. LI Wai Keung
Dr. WONG Yau Kar, David
Prof. GONG Peng

Registered Office:
8th Floor,
New East Ocean Centre,
9 Science Museum Road,
Tsimshatsui,
Kowloon,
Hong Kong

21 May 2026

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS
(2) PROPOSED GENERAL MANDATE TO BUY BACK SHARES
(3) PROPOSED GENERAL MANDATE TO ISSUE SHARES
(4) PROPOSED RE-APPOINTMENT OF AUDITOR
(5) PROPOSED MANDATE TO GRANT OPTIONS
(6) MAJOR AND CONNECTED TRANSACTION IN RELATION TO CAPITAL INCREASE AND DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY
AND
(7) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information in connection with the proposals at the Annual General Meeting to consider (i) the re-election of retiring Directors; (ii) the grant of the Buy-back Mandate; (iii) the grant of Issue Mandate and the extension of the Issue Mandate; (iv) the grant of mandate to grant options; (v) proposed re-appointment of auditor; (vi) the major and connected transaction in relation to capital increase; and to give you the Notice of Annual General Meeting.

(1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The Board currently comprises 7 Directors, namely, Mr. WANG Yuwen, Ms. CAI Xun, Mr. YAN Zhongyu, Dr. XIANG Dong, Mr. LI Wai Keung, Dr. WONG Yau Kar, David and Prof. GONG Peng.

In accordance with Article 100 of the Articles of Association, Mr. LI Wai Keung and Prof. GONG Peng will retire by rotation at the Annual General Meeting and, being eligible, have offered themselves for re-election.

Dr. XIANG Dong was appointed by the Board as Director to fill casual vacancy on 30 March 2026. In accordance with Article 91 of the Articles of Association, Dr. XIANG Dong will hold office as Director only until the next general meeting following his appointment and, being eligible, he has offered himself for re-election at the Annual General Meeting.

Mr. LI Wai Keung and Prof. GONG Peng, being independent non-executive Directors of the Company, had confirmed their independence and that there has been no subsequent change of circumstances which may affect their independence.

In considering and recommending the above retiring Directors to the Board for re-election at the Annual General Meeting, the Nomination Committee has taken into account the criteria including but not limited to skills, experience, time commitment as set out in the Director Nomination Policy with due regard to board diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) as set out in the board diversity policy. The Nomination Committee believes that the skill mix and experience of the retiring Directors would contribute to the diversity of the Board. Each retiring Director had abstained from voting on his own re-election proposal when it was being discussed.

According to code provision B.2.3 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, if an independent non-executive director has served more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by the Shareholders. Mr. LI Wai Keung has served as independent non-executive Director more than nine years. Mr. LI has extensive experience in finance and accounting and other listed board roles. During his tenure as independent non-executive Director, Mr. LI has continued to provide independent and objective judgment and advice to the Board. The Nomination Committee and the Board having assessed the independence of Mr. LI Wai Keung with reference to the criteria set out in Rule 3.13 of the Listing Rules and the annual written independence confirmation of Mr. LI Wai Keung and taken into account that Mr. LI has not been involved in the daily operation and management of the Group during his tenure, is satisfied that the long serving of Mr. LI would not affect his exercise of independent judgment. The Nomination Committee considers that Mr. LI continues to be independent and able to fulfil his role as required. The Nomination Committee and the Board has also reviewed the

annual written independence confirmation of Prof. GONG Peng, and assessed his independence based on the independence guidelines set out in Rule 3.13 of the Listing Rules and noted that none of the factors set out in Rule 3.13 of the Listing Rules applies.

The Board, having considered the recommendation of the Nomination Committee, is of the view that each of Dr. XIANG Dong, Mr. LI Wai Keung and Prof. GONG Peng will continue to contribute to the Board with their diversity of skills set and perspectives. The Board also believes that the invaluable knowledge and experience of these retiring Directors continue to generate significant contribution to the Company and the Shareholders as a whole.

Details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in **Appendix I** to this circular.

(2) PROPOSED GENERAL MANDATE TO BUY BACK SHARES

An ordinary resolution was passed at the Last Annual General Meeting whereby a general mandate was granted to the Directors to buy back Shares up to 10% of the total number of Shares in issue at the date of the passing of the relevant resolution. Such general mandate will lapse at the conclusion of the Annual General Meeting. Therefore, an ordinary resolution will be proposed at the Annual General Meeting to grant the Buy-back Mandate, details of which are set out in ordinary resolution no. 4 in the Notice of Annual General Meeting.

In accordance with the Listing Rules, an explanatory statement to provide the Shareholders with all information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the Buy-back Mandate is set out in **Appendix II** to this circular.

(3) PROPOSED GENERAL MANDATE TO ISSUE SHARES

Ordinary resolutions were passed at the Last Annual General Meeting whereby (i) a general mandate was given to the Directors to allot, issue and deal with Shares up to 20% of the total number of Shares in issue at the date of the passing of the relevant resolution and (ii) such a general mandate was extended by adding thereto of the number of Shares being bought back by the Company pursuant to the general mandate to buy back Shares granted to the Directors. Such general mandates will lapse at the conclusion of the Annual General Meeting. Therefore, ordinary resolutions will be proposed at the Annual General Meeting to (i) grant to the Directors the Issue Mandate and (ii) extend the Issue Mandate by adding to the number of Shares being bought back under the Buy-back Mandate in order to allow flexibility and discretion to the Directors to issue any Shares, details of which are set out in ordinary resolution nos. 5 and 6 in the Notice of Annual General Meeting. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issue Mandate.

(4) PROPOSED RE-APPOINTMENT OF AUDITOR

An ordinary resolution will be proposed at the AGM to consider and approve the proposed re-appointment of auditor for the year 2026.

The Board proposed that Ernst & Young be re-appointed as the auditor of the Company for the year 2026, with a term of service commencing from the date of approval at the Annual General Meeting until the conclusion of the next annual general meeting of the Company. Meanwhile, after taking into account factors such as the Company's business status, expected audit scope, audit timetable and audit resources, the audit fee for the auditor for the year 2026 shall not exceed HKD6.5 million and the Board requests the AGM to authorise the Board to determine the specific fee.

(5) PROPOSED MANDATE TO GRANT OPTIONS

Under Section 141 of the Companies Ordinance, directors of a company shall not, without shareholders' prior approval in general meeting or such approval expires at the conclusion of the next annual general meeting after the approval was given, allot new shares or grant rights to subscribe for, or to convert any securities into shares in the company. An ordinary resolution was passed at the Last Annual General Meeting whereby an unconditional mandate was granted to the Directors to grant options under the Share Option Scheme. Such mandate will lapse at the conclusion of the Annual General Meeting. Therefore, the Directors propose to seek the approval of the Shareholders at the Annual General Meeting to grant to the Directors an unconditional mandate to grant options under the Share Option Scheme, details of which are set out in ordinary resolution no. 7 in the Notice of Annual General Meeting.

(6) MAJOR AND CONNECTED TRANSACTION IN RELATION TO CAPITAL INCREASE AND DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

The Debt-to-Equity Swap Agreement

On 30 March 2026 (after trading hours), the Company, Shum Yip Pengji, a wholly-owned subsidiary of the Company, and Shum Yip Group entered into the Debt-to-Equity Swap Agreement, pursuant to which Shum Yip Group agreed to make a capital contribution of RMB2,604,290,000 to Shum Yip Pengji by way of a Debt-to-Equity Swap. Upon completion of the Capital Increase, the Company and Shum Yip Group will hold approximately 64.36% and 35.64% equity interest in the Target Company respectively.

Date

30 March 2026

Parties

(1) Shum Yip Group;

(2) The Company; and

(3) Shum Yip Pengji (i.e. the Target Company).

The Debt-to-Equity Swap and basis of consideration

Pursuant to the Debt-to-Equity Swap Agreement, Shum Yip Group agreed to convert the loans advanced by it to the Target Company in the aggregate principal amount of RMB2,604.29 million into an equity investment in the Target Company (whereby approximately RMB571,472,992.81 of which will be credited to the increase in registered capital in the Target Company and the remaining amount of RMB2,032,817,007.19 will be applied towards the Target Company's capital reserves).

The corresponding percentage in the equity interest of the Target Company of the Capital Increase was determined after arm's length negotiations between Shum Yip Group and the Company with reference to, among other things, (1) the relative proportion of the conversion amount of RMB2,604.29 million to the appraised value of the Target Group of RMB4,703.21 million; and (2) the performance and prospects of the business of the Target Group. Insofar as the appraised value of the Target Company is concerned, the parties to the Debt-to-Equity Swap Agreement took reference of the Business Valuation Report of the entire shareholders' equity of the Target Company as at 30 November 2025 by the Valuer, using the asset-based and market approaches.

The aforementioned approaches were considered appropriate and were adopted by the Valuer for the following reasons:

(i) The Target Company has clear ownership of all its assets and liabilities, and the relevant documentation is relatively complete. Therefore, the asset-based approach is suitable for valuation, as appropriate methods can be used to assess and estimate the value of each asset and liability.

(ii) There are listed companies in the public market comparable to the Target Company in terms of business scope, operating area, asset size, and financial condition. These indicators can be reasonably adjusted; therefore, the market approach is suitable for valuation.

(iii) Since most of the Target Company's development projects are unfinished units, and there are no plans to commence construction or sell the land yet to be developed, there is significant uncertainty in future cash flow forecasts. Management cannot predict future operating cash flow; therefore, the income approach was considered unsuitable for the valuation.

Assumptions to the Business Valuation Report

A summary of the principal assumptions upon which the independent Business Valuation Report was made is set out as follows:

(1) ***Open Market Transaction Assumption:*** It is assumed that the assets under valuation are or will be traded in an open market where both parties are equal in status, each having sufficient opportunity and time to obtain market information. The transactions are voluntary and rational, and both parties are able to make reasonable judgments regarding the asset's function, use, and transaction price.

(2) ***Continued Use Assumption:*** It is assumed that the assets under evaluation will continue to be conducted according to their current purpose and manner of utilization.

(3) ***Legal and Economic Environment Assumption:*** It is assumed that the current national laws, regulations, and policies, as well as the macroeconomic situation, will not undergo major changes, and that the political, economic, and social environment of the regions where the parties to the transaction are located will remain stable without significant changes.

(4) ***Going Concern Assumption:*** Based on the actual condition of the assets as of the valuation date, it is assumed that the enterprise will continue as a going concern.

The Board has considered the assumptions to the Business Valuation Report and is of the view that the valuation methods selected by the Valuer are reasonable and the assumptions adopted are general assumptions commonly adopted in asset valuations in the PRC. Therefore, the Board considers that the appraised value of the entire shareholders' equity of the Target Company by the Valuer is fair and reasonable.

Business Valuation

According to the Business Valuation Report, the appraised value of the entire equity interest of the Target Group as at 30 November 2025 was RMB4,703.21 million. For details of the summary of the Business Valuation Report, please refer to **Appendix IV** to this circular.

Having considered (i) the qualifications of the Valuer of which the signors of the Business Valuation Report, Ms. Zheng Xiaofang (鄭曉芳) and Mr. Wang Guangyu (王廣宇), both being the vice general manager of the Guangdong branch office of the Valuer, are both practicing members of the China Appraisal Society and are authorised to provide asset appraisal services in the PRC; (ii) the experience of both Ms. Zheng and Mr. Wang, who have more than 25 years and 17 years of experience in asset valuation in the PRC respectively; and (iii) the independence of the Valuer which, to the best of the knowledge of the Directors, is an independent third party, the Board is of the view that the Valuer is qualified, experienced and competent in performing valuation and providing opinions in respect of the entire equity interest of the Target Group.

The Board has considered the Business Valuation Report and noted the Valuation Benchmark Date in assessing the fairness and representativeness of the valuation under the Debt-to-Equity Swap Agreement. While the Board understands that the Valuation Benchmark Date (i.e. 30 November 2025) was approximately five months ago, the Board was of the view that the Business Valuation Report remains fair and representative for the following reasons:

(a) ***Market and financial conditions of the Target Company largely unchanged:*** The Business Valuation Report was conducted based on prevailing market conditions and financial metrics of the Target Company as of the Valuation Benchmark Date. The Target Group has been operating in its ordinary course of business and that there was no material adverse change that would cause significant fluctuations in its asset value. Subsequent developments over these five months have not materially altered the Target Company's relative financial position and/or the prevailing market conditions.

(b) ***Independent assessment by the Valuer:*** The Business Valuation Report was prepared by an independent Valuer applying the asset-based and market approaches, which are widely accepted approaches in the industry and remain applicable over time.

In accordance with the PRC asset appraisal standards: (i) the asset appraisal report is valid for one year from the Valuation Benchmark Date; (ii) following the determination of the Valuation Benchmark Date, the Valuer had conducted on-site inspection, valuation calculations, internal and external reviews, a process which took 4 months from the Valuation Benchmark Date to reach its conclusion. During the period, the Target Company's operations remained stable, and no circumstances arose that would necessitate adjustments to the appraisal methodology for its core assets, including investment properties, development costs, and developed properties.

The parameters adopted in the appraisal of these core assets already incorporated the impact of relevant market factors on the appraised values. The principal assumptions applied by the Valuer were benchmarked against prevailing market practices and remained consistent with current industry norms. Therefore, the Valuer was of the view that the appraisal methods and its conclusion in the Business Valuation Report remain sound and correct.

Accordingly, despite the lapse of 5 months, the Board remains of the view that the methodologies and approaches in the Business Valuation Report remain robust and correct.

In addition, the Valuer and the Property Valuer have conducted a reconciliation analysis and explained the principal differences in the asset values under different benchmark dates arising from their respective reports, and concluded that there were no material differences between the two reports. For details of the principal assumptions and the reconciliation analysis, please refer to the sections headed "Assumptions to the Business Valuation Report" and "Reconciliation of the Business Valuation Report and the Property Valuation Report" in this letter from the Board, respectively.

Property Valuation

Pursuant to Rule 5.03 of the Listing Rules, since the consolidated assets of the Target Group consist mainly of property interests, including industrial parks, urban residential buildings, and office buildings, a separate valuation report has also been conducted in respect of the property interests concerned. The Property Valuer has been appointed to appraise the market value of the properties held by the Target Group as at the Property Valuation Date. According to the Property Valuation Report, the aggregate value of the property interests held by the Target Group in its existing state as at the Property Valuation Date amounted to approximately RMB9,081.1 million. The full text of the Property Valuation Report containing its valuation methodology and other general information is set out in **Appendix V** to this circular.

The Board is also of the view that the scope, methodologies and assumptions adopted by the Property Valuer in respect of the underlying property interests of the Target Group are fair and reasonable. The Board also considers that (i) the qualifications of the Property Valuer of which the signor of the Property Valuation Report; (ii) Mr. Eddie T.W. Yiu, Senior Director of the Property Valuer, is a Chartered Surveyor who has 32 years' experience in the valuation of various fields of the property industry in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region; and (iii) the independence of the Property Valuer which, to the best of the knowledge of the Directors, is an independent third party, the Board is of the view that the Property Valuer is qualified, experienced and competent in performing valuation and providing opinion in respect of the property interests of the Target Group.

For the valuation of the underlying property interests of the Target Group, the Board understood that: (1) their valuation is carried out on a market value basis; (2) the Property Valuer has differentiated various properties held by the Target Group into properties held for investment, properties held under development, properties held for sale, properties held for future development and properties held and occupied by the Target Group; (3) in relation to properties that are held for sale, properties that are held for future development and portions of the properties that are held for investment, by assuming that the sale of each of these properties is in its existing state, and by making reference to comparable sales transactions available in the relevant market subject to suitable adjustments (determined based on factors such as location, size, condition, amenities, and comparable sales, etc.) between the subject properties and the comparable properties; (4) In relation to remaining portion of the properties that are held for investment and properties that are held and occupied by the Target Group, the Property Valuer has considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units of the subject project, for the calculation of market rent in considering (a) the reversionary rental income after the expiry of the existing leases for occupied area, and (b) the rental income of vacant area; (5) In relation to properties that are held under development, the Property Valuer has valued them on the basis that each of these properties will be developed and completed in accordance with the latest development proposals provided by the Target Group. In arriving at the opinion of values, the Property Valuer has adopted the comparison approach by making reference to comparable sales evidence as available in the relevant market and has also taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date and the remainder of the cost and fees expected to be incurred for completing the development. Accordingly, the Board concurs with the Property Valuer that the basis of adjustments made in the Property Valuation Report is fair and reasonable.

Reconciliation of the Business Valuation Report and the Property Valuation Report

The Business Valuation Report was prepared to determine the value of the entire equity interest of the Target Company, whereas the Property Valuation Report was prepared to assess the property interests held by the Target Group. Given the difference in purposes, valuation targets, and bases of assessment, the two reports are not directly comparable.

Notwithstanding the aforesaid, a reconciliation has been conducted by extracting the appraised property interests in the Business Valuation Report and comparing the same with the Property Valuation Report. The principal differences are set out as follows:

(a) According to the Property Valuation Report, the aggregate value of the property interests held by the Target Group in existing state as at the Property Valuation Date amounted to approximately RMB9,081.1 million (as disclosed on page 141 of the Property Valuation Report, consisting of (1) the total market value in existing state as at the valuation date in the sum of RMB8,167,200,000 and (2) the total market value in existing state for reference as at the valuation date of RMB913,900,000), which includes property interests nos. 29 and 30 with a total market value of RMB137.5 million (as disclosed on page 140 of the Property Valuation Report). Excluding these two properties, the aggregate value of the remaining property interests was approximately RMB8,943.6 million.

For the property interests other than nos. 29 and 30 as set out in the Property Valuation Report, the Valuer determined their market value to be approximately RMB9,291.8 million as at 30 November 2025, whereas the Property Valuer assessed the value of such properties at approximately RMB8,943.6 million as at 28 February 2026.

Between 30 November 2025 and 28 February 2026, the Target Group completed and sold certain development projects, resulting in a reduction of RMB512.6 million in property interests due to sales-related cost carry-forward, partially offset by additional construction costs of RMB241.1 million incurred on ongoing projects. Taking this net reduction into account, the resulting difference between the two valuations is approximately RMB76.6 million, representing approximately 0.86% in difference in the valuation amount reported by the Property Valuer to the Valuer.

(b) For property interests nos. 29 and 30 as set out in the Property Valuation Report, the Valuer adopted the net book values provided by the Company rather than conducting a direct property valuation. The Valuer's basis for adopting the net book value approach was that their mandate was to value the equity interest of the Target Company, which consists of the relevant project company (the "**Project Company**") that held the property interests of nos. 29 and 30 in the Property Valuation Report. From a holistic perspective, the property interests of nos. 29 and 30 represented an immaterial component relative to the Project Company's total assets. The primary assets of the Project Company comprise land development rights recorded under development cost accounting. As the land transfer procedures had not been completed at the Valuation Benchmark Date, the development rights held by the Project Company were subject to significant uncertainty. In these circumstances, the application of the book net asset method is considered the most appropriate basis for valuation.

In contrast, the Property Valuer regarded property interests nos. 29 and 30 as commercial properties generating rental income and therefore assessed them using property valuation methodologies consistent with their nature as income-producing assets.

On this basis, there are no material differences between the conclusions of the two valuation reports.

Conditions Precedent

Completion is subject to the following conditions being satisfied or waived (if applicable):

(i) the Target Company has provided to Shum Yip Group with all documents and information requested and that Shum Yip Group is reasonably satisfied with the results of the due diligence investigation;

(ii) the Company has obtained the necessary approvals from its independent shareholders and other required internal approvals (including board approval) for the Debt-to-Equity Swap Agreement and the transactions thereunder, in accordance with the applicable laws and regulations including the laws and regulations of Hong Kong and the Listing Rules;

(iii) all parties have completed the decision-making and approval procedures pursuant to the relevant regulations of state-owned asset supervision and management;

(iv) the Target Company has obtained the necessary approval from its shareholder authorizing the execution of the Debt-to-Equity Swap Agreement and authorizing the Completion (including the Capital Increase);

(v) All consents, waivers, approvals, orders, registrations, licenses, authorizations, filings, or qualifications required by third parties or government agencies for the completion of the Debt-to-Equity Swap have been duly obtained and are fully valid (if any); and

(vi) the representations and warranties made by the Company and the Target Company under the Debt-to-Equity Swap Agreement shall remain completely true, complete and accurate, and they have fulfilled the commitments made under the Debt-to-Equity Swap Agreement that should be fulfilled during the transition period, and shall not have violated any provisions of the Debt-to-Equity Swap Agreement.

Shum Yip Group has the right, but not the obligation, to waive or exempt any or more of the conditions precedent listed above (except those that cannot be waived or exempted under laws, regulations, or regulatory requirements).

It is agreed among the parties to the Debt-to-Equity Swap Agreement to use their best efforts to cooperate in order to ensure that the conditions precedent are satisfied or waived (if applicable) by 30 September 2026, or a later date as agreed in writing between Shum Yip Group and the Company (the "**Long Stop Date**").

Transitional Arrangements

During the transitional period from the date of the Debt-to-Equity Swap Agreement to the Completion Date, the Target Company must ensure, and the Company shall procure the Target Company to, among other things, conduct business in the ordinary course consistent with past practices and shall not implement any matter that may have a material adverse effect on the Target Company.

Completion

Completion shall take place upon completion of all the procedures related to the Capital Increase, including (i) the completion of the change of industrial and commercial registration, which shall be completed within 5 business days after the conditions precedent have been satisfied and (ii) the provision of records showing that Shum Yip Group has been registered as a shareholder of the Target Company within 15 working days after the completion of (i) above.

For the avoidance of doubt, the interests accrued on the aforesaid loans advanced by Shum Yip Group to the Target Company, being the subject of the Debt-to-Equity Swap, shall remain payable by the Target Company to Shum Yip Group.

Information regarding the loans to be converted under the Debt-to-Equity Swap

The loans in question comprise two loans (which are not secured by the assets of the Group) each accruing interest on a quarterly basis in accordance with their respective contractual terms. As of 31 March 2026, the total accrued interest across both loans amounted to approximately RMB351.1 million. The accrued interest was calculated by applying the contractual interest rate applicable during each relevant contractual period to the then outstanding principal amount of the respective loans.

On 25 October 2021, the Target Company entered into a first loan agreement with Shum Yip Group for the principal amount of RMB800 million at an interest rate of 3.915% (the "**First Loan**"). The Target Company made partial repayments of RMB50 million on 16 March 2023 and RMB97 million on 6 April 2023, leaving an outstanding principal of RMB653 million as of the Valuation Benchmark Date. The First Loan were renewed annually upon maturity, with the interest rate adjusted from time to time to reflect the prevailing bank borrowing rate and determined based on normal commercial principles. The interest rates applicable to the second, third, fourth and fifth renewals of the First Loan were 3.65%, 3.00%, 3.00%, and 3.00% respectively. Under the fifth renewal of the First Loan, however, the rate was subsequently reduced to 2.55%. The accrued interest on the First Loan was approximately RMB92.6 million as of 31 March 2026.

On 11 January 2022, the Target Company entered into a second loan agreement with Shum Yip Group for the principal amount of RMB2,011.3 million at an interest rate of 3.915% (the "**Second Loan**"). On 20 December 2024, the Group repaid RMB60 million of principal, resulting in an outstanding balance of RMB1,951.29 million as of the Valuation Benchmark Date. The Second Loan was renewed upon maturity, with the interest rate adjusted from time to time to reflect the prevailing bank borrowing rate and determined based on normal commercial principles. The interest rates applicable to the second, third, fourth and fifth renewals of the Second Loan were 3.65%, 3.45%, 3.10%, 3.10% and 2.55%, respectively. Under the fourth renewal of the Second Loan, however, the rate was subsequently reduced to 3.00%. The accrued interest on the Second Loan was approximately RMB258.5 million as of 31 March 2026.

The Board's position is that the accrued interest has not been capitalized under the Debt-to-Equity Swap Agreement because the Completion remains subject to Shareholders' approval and the accrued interest remains contingent until full repayment is effected. Given the legal uncertainties of the final consideration and the equity interests to be converted corresponding to the final consideration at the time of entering the said agreement, the Board determined that it would not be appropriate to capitalize the interest figures at the time of entering into the said agreement.

Having regard to the legal uncertainties outlined above, the Board is of the view that the exclusion of capitalizing interests from the First Loan and the Second Loan is fair and reasonable. This approach has facilitated the execution of the Debt-to-Equity Swap Agreement which, in the Board's view, is in the interests of the Company and its shareholders.

Corporate Governance Arrangements in the Target Company after Completion

After the Completion Date, the board of directors of the Target Company will consist of seven directors, three nominated by Shum Yip Group and the remaining four by the Company. The appointment, removal and remuneration of the Target Company's senior management personnel shall be subject to the approval of the board of directors of the Target Company.

Termination

Unless otherwise agreed by the parties to the Debt-to-Equity Swap Agreement, the aforesaid agreement may be terminated under the following circumstances: (i) parties jointly enter into a written terminating agreement; (ii) the performance of obligations under the aforesaid agreement becomes impossible due to force majeure; (iii) one or more of the conditions precedent are not satisfied or waived (if applicable) by the Long Stop Date; or (iv) any party fails to comply with its obligations under the aforesaid Agreement, the other party shall have the right to terminate the aforesaid agreement.

Upon termination, and unless otherwise agreed, the parties shall restore their positions to the state prior to signing, in accordance with the principles of fairness, reasonableness, and good faith. The Target Company and the Shum Yip Group further confirm that, regardless of the termination or dissolution of the Debt-to-Equity Swap Agreement for any reason, both parties shall continue to perform their respective rights and obligations under the aforesaid loans advanced by Shum Yip Group to the Target Company.

Shareholding Percentage in the Target Company before and after the Capital Contribution

As at the Latest Practicable Date, the Company is the sole shareholder of the Target Company. Upon Completion, the Company will hold approximately 64.36% of the Target Company's equity interest. Accordingly, the Target Company will remain a subsidiary of the Company and its financial results will continue to be consolidated into the Group's financial statements.

Information of the Target Group

The Target Company is a limited liability company established under the laws of the PRC and is a wholly owned subsidiary of the Company as at the Latest Practicable Date. It is a national first-class real estate development enterprise principally engaged in property investment and development, focusing on the development and construction of industrial parks, urban residential buildings, and office buildings. The projects of the Target Group are mainly located in Guangdong, Hunan, and Jiangsu provinces. Currently, residential projects under development include Wanlin Huafu (萬林華府) project in Huizhou, Guangdong and Yunjing Garden (雲境花園) project in Taizhou, Jiangsu. And, investment properties held by the Target Group include Shum Yip Chuangzhi Building (深業創智大廈) located in Longgang, Shenzhen and Shum Yip Time Mansion (深業上林苑) located in Futian, Shenzhen.

The consolidated financial information of the Target Group for the two financial years ended 31 December 2024 and 2025 is as follows:

	Year ended 31 December 2024	**Year ended 31 December 2025**
	(audited)	(unaudited)
	RMB'000	*RMB'000*
Profit/(Loss) before taxation	876,996	(795,143)
Profit/(Loss) after taxation	703,450	(874,496)

As at 31 December 2025, the unaudited net asset value of the Target Group was approximately RMB3,703 million.

The Target Company's profit shifted from a profit in the year ended 31 December 2024 to a loss in the year ended 31 December 2025, mainly due to a combination of factors including (i) downward pressure in the industry, the impairment provisions for the property development projects rose to approximately RMB639 million for in particular three projects, representing a year-on-year increase of approximately RMB559 million; (ii) taxes and surcharges increased to approximately RMB234 million, representing a year-on-year increase of approximately RMB283 million, mainly due to the supplementary payment of land appreciation tax and the carry-forward of prepaid taxes of a certain project of approximately RMB186 million; (iii) investment income recorded a substantial decline to approximately RMB20 million, representing a year-on-year decrease of approximately RMB307 million; (iv) as a result of falling sales prices in the real estate sector, the overall gross margin of the property business turned from positive to negative; and (v) period expenses rose to approximately RMB279 million, an increase of RMB143 million, while income tax expenses reached RMB77 million. Together, these factors contributed to the shift from profit to loss in 2025.

Financial Effect Arising from the Deemed Disposal on the Group

Following Completion, the Company's shareholding in Shum Yip Pengji will decrease from 100% to approximately 64.36%. Shum Yip Pengji will remain a subsidiary of the Company and its financial results, assets, and liabilities will continue to be included in the Group's consolidated financial statements. It is expected that the Capital Increase will not result in any profit or loss in the Company's consolidated statement of profit or loss. In respect of the Group's financial position, the Group's indebtedness will be reduced by RMB2,604.29 million, being the amount of the Capital Increase, thereby reducing the Target Group's total liabilities. Accordingly, the reduction in indebtedness will be reflected as an increase in the corresponding net asset value of the Group by the same RMB2,604.29 million.

Reasons for and Benefits of the Debt-to-equity Swap Agreement

The Board is of the view that the Debt-to-Equity Swap represents an initiative to actively respond to the profound transformation of the industry, unswervingly advance the Group's strategic transformation, and optimize its capital structure and financial quality, which will bring the following positive impacts to the Group:

I. From Strategic Perspective: Align with the Transformation Direction and Accelerate Structural Optimization

The Debt-to-Equity Swap is a key measure to implement the Company's strategic transformation. In accordance with the "15th Five-Year" strategic plan, the Company is committed to transforming into a "first-class real-estate asset manager and integrated operation service provider". Shum Yip Pengji is principally engaged in real estate development, with its land reserves mainly located in Huizhou, Taizhou and other second- and third-tier cities. Through this transaction, the Company will gradually and orderly reduce its asset proportion in development business in non-core regions, which is fully aligned with the Company's strategic direction of "phasing out development business, retaining and strengthening operating assets with stable cash flows". This marks a solid step for the Company on its transformation path from a traditional developer to an asset manager and operation service provider, and is the concrete practice of the transformation path set out in the 2025 interim report.

II. From Financial Perspective: Improve the Capital Structure and Consolidate the Foundation for the Development

This transaction will significantly optimize the Company's combined financial position from multiple dimensions:

(I) **Reducing financial expenses and enhancing profitability**: Through the Debt-to-Equity Swap, the Company will effectively reduce the scale of Shum Yip Pengji's interest-bearing liabilities, thereby directly reducing the debt burden and interest expenses at the Company's combined level, and improving the Company's profit indicators.

(II) **Structure optimization and capital supplement**: This transaction essentially converts debt into equity capital, which not only supplements the net assets of Shum Yip Pengji, and in turn indirectly optimizes the Company's overall assets to liabilities structure, but also enhances Shum Yip Pengji's own capital strength and risk resilience, laying a foundation for its subsequent steady operation.

In summary, the Board believes that the Debt-to-Equity Swap is a strategic arrangement grounded in the present and focused on the long term. It not only directly benefits the improvement of the Company's financial condition but also represents a critical step in the Company's firm promotion of strategic transformation, optimization of business structure, and enhancement of development quality. The Company's management is full of confidence in the future transformation and development and will continue to focus on building core competencies in real estate asset management and comprehensive operation services, dedicated to creating long-term, stable, and sustainable returns for all Shareholders.

In view of the above, the Directors (including the independent non-executive Directors, whose views have been set out in the letter from the Independent Board Committee in this circular) are of the view that the terms of the Debt-to-Equity Swap Agreement are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

Mr. WANG Yuwen and Ms. CAI Xun, both being executive Directors of the Company and directors of Shum Yip Group, have abstained from voting on the board resolutions approving the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder.

Information on the Parties

The Group is principally engaged in property development, property investment, and property management.

Shum Yip Group is an investment holding company and is the ultimate holding company of the Company. As at the Latest Practicable Date, Shum Yip Group indirectly holds approximately 63.19% of all issued Shares. Shum Yip Group is ultimately wholly owned by the Shenzhen Municipal People's Government of the PRC and under the administration of the Shenzhen State- owned Assets Supervision and Administration Commission.

Listing Rules Implications

The Capital Increase by the Target Company will result in a reduction in the Company's shareholding percentage in the Target Company and therefore will constitute a deemed disposal pursuant to Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Capital Increase is more than 25% but less than 75%, the Capital Increase constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Shum Yip Group, the controlling shareholder of the Company, held through Shum Yip Holdings approximately 63.19% of all issued Shares. Shum Yip Group is a connected person of the Company and hence, the Capital Increase constitutes a connected transaction of the Company, which is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Independent Board Committee

In compliance with the Listing Rules, the Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Li Wai Keung, Dr. Wong Yau Kar, David and Prof. Gong Peng, has been established by the Company to consider the terms of the Debt-to-Equity Swap Agreement and to advise the Independent Shareholders as to whether they are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole and to give its recommendation as to the voting in respect of the resolution to be proposed at the AGM for approving the Debt-to-Equity Swap Agreement and the Capital Increase. None of the members of the Independent Board Committee has any interest or involvement in the transactions contemplated under the Debt-to-Equity Swap Agreement.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the Debt-to-Equity Swap Agreement. The text of the letter from the Independent Board Committee is set out on page 27 of this circular and the text of the letter from the Independent Financial Adviser containing its advice is set out on pages 28 to 49 of this circular.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Debt-to-Equity Swap Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends that the Independent Shareholders vote in favour of the ordinary resolution approving the Debt-to-Equity Swap Agreement at the AGM.

In the light of the above, the Directors believe that the passing of the resolution no. 8 at the AGM is in the interests of the Company and its Shareholders. Accordingly, the Directors recommend that the Independent Shareholders vote in favour of resolution no. 8 to be proposed at the AGM.

(7) ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other things, the re-election of retiring Directors, the Buy-back Mandate and the Issue Mandate and the extension of the Issue Mandate, proposed re-appointment of auditor, the mandate to grant options and the Debt-to-Equity Swap Agreement and all the transactions contemplated thereunder and in connection therewith. The Notice of Annual General Meeting is set out on pages 250 to 256 of this circular.

The AGM is to be held at the Picasso Room, B1 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 18 June 2026 at 10:30 a.m. The notice of the AGM is set out in Appendix VII to this circular.

In relation to the resolution no. 8 in the Notice of Annual General Meeting on the Capital Increase, Shum Yip Group, the controlling shareholder of the Company, held through Shum Yip Holdings an aggregate of 5,622,994,189 Shares, approximately 63.19% of all issued Shares as at the Latest Practicable Date. In view of Shum Yip Group's material interests in the Debt-to-Equity Swap Agreement and transactions contemplated thereunder, Shum Yip Group and its associates will abstain from voting at the AGM. Save for the aforementioned and to the best knowledge, information and belief of the Directors, no other Shareholder are required to abstain from voting on the resolutions of the Company at the AGM.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting will be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to procedural or administrative matters to be voted on a show of hands. The Chairman of the Annual General Meeting will, therefore, exercise his power under Article 72 of the Articles of Association to put each of the resolutions to be proposed at the Annual General Meeting to be voted by way of a poll. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A proxy form for use at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the office of the Company's share registrar, 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 Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 12 June 2026 to Thursday, 18 June 2026, both dates inclusive, during which period no transfers of Shares will be effected. In order to be eligible to attend and vote at the above meeting, the record date for determining the eligibility of Shareholders to attend and vote at the meeting is Thursday, 18 June 2026.

In order to qualify to attend and vote at the AGM, all transfer instruments accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, namely, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 11 June 2026.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other matters the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the re-election of the retiring Directors, the granting of the Buy-back Mandate and the Issue Mandate and the extension of the Issue Mandate, proposed re-appointment of auditor, the mandate to grant options and major and connected transaction in relation to Capital Increase and deemed disposal of equity interest in a subsidiary are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

ADDITIONAL INFORMATION

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

Yours faithfully,
By Order of the Board
SHENZHEN INVESTMENT LIMITED
WANG Yuwen
Chairman

深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00604)

21 May 2026

To the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION IN RELATION TO CAPITAL INCREASE AND DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

We refer to the circular of the Company dated 21 May 2026 (the "**Circular**") of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in our opinion, the terms of the Debt-to-Equity Swap Agreement, details of which are set out in the letter from the Board contained in the Circular, are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole. The Independent Financial Adviser, Altus Capital Limited, has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Independent Board Committee considers that the terms of the Debt-to-Equity Swap Agreement are on normal commercial terms and are fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

Having considered the terms of the Debt-to-Equity Swap Agreement and the advice of the Independent Financial Adviser in relation thereto as set out on pages 28 to 49 of this Circular, we are of the opinion that the terms of the Debt-to-Equity Swap Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Independent Shareholders and the Company as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the AGM to approve the Capital Increase.

Yours faithfully,
For and on behalf of the Independent Board Committee

Mr. LI Wai Keung **Dr. WONG Yau Kar, David** **Prof. GONG Peng**

Independent non-executive Directors

The following is the text of a letter of advice from Altus Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder, which have been prepared for the purpose of incorporation in this circular.

ALTUS.

Altus Capital Limited
21 Wing Wo Street,
Central, Hong Kong

21 May 2026

To the Independent Board Committee and the Independent Shareholders

Shenzhen Investment Limited
8th Floor, New East Ocean Centre
9 Science Museum Road
Tsim Sha Tsui
Kowloon, Hong Kong

Dear Sir and Madam,

MAJOR AND CONNECTED TRANSACTION IN RELATION TO CAPITAL INCREASE AND DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder (the "**Transaction**"). The details are set out in the "Letter from the Board" contained in the circular of the Company dated 21 May 2026 (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined herein or required by the context.

On 30 March 2026, the Company, Shum Yip Pengji, a wholly-owned subsidiary of the Company and Shum Yip Group entered into the Debt-to-Equity Swap Agreement, pursuant to which Shum Yip Group agreed to make a capital contribution of RMB2,604,290,000 to the Target Company by way of a Debt-to-Equity Swap. Upon completion of the Capital Increase, the Company and Shum Yip Group will hold approximately 64.36% and 35.64% equity interest in the Target Company respectively. The Target Company will continue to be a subsidiary of the Company and its financial results will continue to be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATIONS

The Capital Increase by the Target Company will result in a reduction in the Company's shareholding percentage in the Target Company and therefore will constitute a deemed disposal pursuant to Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Capital Increase is more than 25% but less than 75%, the Capital Increase constitutes a major transaction for the Company and is subject to the Shareholders' approval, reporting, announcement and circular requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Shum Yip Group, the controlling shareholder of the Company, held through Shum Yip Holdings approximately 63.19% of all issued Shares. Shum Yip Group is a connected person of the Company and hence, the Capital Increase constitutes a connected transaction of the Company, which is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. LI Wai Keung, Dr. WONG Yau Kar, David and Prof. GONG Peng has been established by the Company to consider the terms of the Debt-to-Equity Swap Agreement and to advise the Independent Shareholders as to whether (i) the entering into of the Debt-to-Equity Swap Agreement is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the Debt-to-Equity Swap Agreement and the transaction contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned; and (iii) how the Independent Shareholders should vote in respect of the proposed resolution at the AGM to approve the entering into of the Debt-to-Equity Swap Agreement and the Capital Increase (the "**Resolution**"), taking into account the recommendations from the Independent Financial Adviser.

THE INDEPENDENT FINANCIAL ADVISER

As the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to whether (i) the entering into of the Debt-to-Equity Swap Agreement is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the Debt-to-Equity Swap Agreement and the transaction contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned; and (iii) how the Independent Shareholders should vote in respect of the Resolution.

We have not acted as the independent financial adviser or financial adviser in relation to any transactions of the Company in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules and given that remuneration for our engagement to opine on the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder is at market level and not conditional upon successful passing of the Resolution, and that our engagement is on normal commercial terms, we are independent of the Company.

BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, amongst others, (i) the Debt-to-Equity Swap Agreement; (ii) the Business Valuation Report; (iii) the annual report of the Company for the year ended 31 December 2025 (the "**2025 Annual Report**"); (iv) the interim report of the Company for the six months ended 30 June 2025 (the "**2025 Interim Report**"); (v) the annual report of the Company for the year ended 31 December 2024 (the "**2024 Annual Report**"); (vi) the Property Valuation Report; and (vii) other information as set out in the Circular.

We have also relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company, the Directors and the management of the Company (the "**Management**"). We have assumed that all the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and will continue to be so up to the date of the AGM. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading.

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading.

We consider that we have been provided with, and have reviewed, sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business, financial conditions and affairs or future prospects of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Background information of the Group

1.1 Principal businesses of the Group

The Company is an investment holding company. The principal activities of the Group include property development for sale, property investments for rental income and property management for property service income.

1.2 Financial information of the Group

Set out below is a table summarising certain key financial information of the Group extracted from the 2025 Annual Report and the 2024 Annual Report.

Extract of consolidated statement of profit or loss

	For the year ended 31 December		
	2025	**2024**	**2023**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	**40,363,555**	**15,567,468**	**15,832,132**
– Property development	34,204,684	9,133,298	9,585,487
– Property management	3,241,778	3,289,493	2,793,579
– Property investment	1,360,430	1,377,339	1,420,184
– Manufacturing	491,965	403,593	470,971
– Others	1,064,698	1,363,745	1,561,911
Gross profits	6,556,121	4,439,104	5,110,692
Other expenses	(2,727,341)	(613,446)	(436,541)
– Write-down of inventories to the net realisable value	(2,405,284)	(306,731)	(73,342)
Share of results of joint ventures and associates	(1,775,387)	(1,135,416)	(682,698)
Impairment losses on investment in an associate and a joint venture	(378,534)	(1,171,000)	–
(Loss)/profit for the year	**(3,395,786)**	**(1,537,357)**	**193,396**

Extract of consolidated statement of financial position

	As at 31 December		
	2025	**2024**	**2023**
	HK$'000	*HK$'000*	*HK$'000*
Total assets	**144,600,029**	**171,169,614**	**174,413,358**
– Restricted cash and bank deposits and cash and cash equivalents	8,303,793	11,799,544	14,443,229
Total liabilities	**101,162,147**	**125,849,655**	**126,933,147**
Net assets	**43,437,882**	**45,319,959**	**47,480,211**
– Owners of the Company	35,640,545	38,549,963	42,337,606
– Non-controlling interests	7,797,337	6,769,996	5,142,605

Capital adequacy ratio

	As at 31 December		
	2025	**2024**	**2023**
Gearing ratio	82.7%	66.3%	58.1%

Over 70% of the Group's revenue was derived from its property development and property management businesses. Set out below is a year-on-year analysis of the Group's key financial performance.

*Year ended 31 December 2024 ("**FY2024**") compared to year ended 31 December 2025 ("**FY2025**")*

The Group's revenue increased significantly by approximately 159.3% in FY2025 as compared to FY2024, primarily driven by a substantial increase in revenue from the property development segment due to the increase in both the area of properties booked and increase in the average selling price during FY2025. Despite the revenue growth, gross profits improved by approximately 47.7%, reflecting a contraction in gross profit margins compared to the prior year. The Group recorded a net loss of approximately HK$3,395.8 million for FY2025, compared to a net loss of approximately HK$1,537.3 million for FY2024. This deterioration was mainly attributable to (i) an increase in the share of losses from joint ventures and associates, which widened from approximately HK$1,135.4 million in FY2024 to approximately HK$1,775.4 million in FY2025; and (ii) an increase in the inventory provisions amounting to HK$2.405 billion in FY2025 as compared to HK$306.7 million in FY2024 after considering the selling prices in real estate market.

The Group's financial position as at 31 December 2025 showed a decrease compared to 31 December 2024. Total assets decreased by approximately 15.5%, while total liabilities decreased by approximately 19.6%, resulting in net assets attributable to owners of the Company declining from approximately HK$38.5 billion as at 31 December 2024 to approximately HK$35.6 billion as at 31 December 2025. Restricted cash and bank deposits and cash and cash equivalents decreased from approximately HK$11.8 billion to approximately HK$8.3 billion over the same period. The Group's gearing ratio (net debt excluding interest-bearing loans from related parties divided by equity attributable to owners of the Company) increased from 66.3% as at 31 December 2024 to 82.7% as at 31 December 2025, primarily due to the reduction in cash position (including restricted cash) and reduction in the net assets.

*Year ended 31 December 2023 ("**FY2023**") compared to year ended 31 December 2024 ("**FY2024**")*

The Group's revenue remained stable for FY2024, with a slight decrease of only 1.7% as compared to FY2023. However, due to contraction of gross profit margin, the Group's gross profits decreased by 13.1% in FY2024 as compared to FY2023. The Group recorded net loss of approximately HK$1,537.3 million for FY2024 as compared to net profits of approximately HK$193.3 million for FY2023, mainly due to increase in the share of loss results of joint ventures and associates and increase in the impairment losses on investment in an associate and a joint venture for FY2024 as compared to FY2023.

The Group's financial position remained relatively stable as at 31 December 2024 compared to 31 December 2023. Total assets and total liabilities decreased marginally by approximately 1.9% and 0.9% respectively. As a result, net assets attributable to owners of the Company decreased from HK$47.5 billion as at 31 December 2023 to HK$45.3 billion as at 31 December 2024. Meanwhile, the Group's restricted cash and bank deposits and cash and cash equivalents decreased from HK$14.4 billion as at 31 December 2023 to HK$11.8 billion as at 31 December 2024. The Group's gearing ratio increased from 58.1% as at 31 December 2023 to 66.3% as at 31 December 2024, mainly due to the decrease in the Group's cash position (including restricted cash) and reduction in the net assets.

Section summary

Overall, we observed that the majority of the Group's revenue was contributed by its property development and property management segments. Over the three years ended 31 December 2025, the Group's revenue experienced fluctuations, largely driven by the performance of its property development segment. While revenue remained stable between FY2023 and FY2024, it recorded a substantial increase in FY2025. However, gross profit margins contracted during the periods, and the Group's profitability deteriorated, mainly due to downward pressure on the property market as well as the underperformance of its joint ventures and associates, turning from net profits in FY2023 to net losses in FY2024 and FY2025.

From a financial position perspective, the Group's balance sheet has shown a gradual contraction over the review period, with total assets and total liabilities declining in tandem. The Group's cash position decreased over the same period, while its gearing ratio increased, reflecting a tighter liquidity profile and a reduced equity base, which further underscore the Group's priority to optimize its capital structure.

1.3 Outlook of the Group

As stated in the 2025 Interim Report, the Group's strategy centres on accelerating real estate sales de-stocking through a segmented marketing approach, targeting core, popular, newly launched, and inventory projects to optimize sales and cash flow. The Group will also strengthen the management of its leasing assets by enhancing investment operations and efficiency, and further expand its integrated urban operations including property, commercial and hotel segments. In addition, the Group will reinforce financial risk controls by optimizing its debt structure, strictly managing investments, and adhering to a prudent financial strategy to support sustainable development and create long-term shareholder value.

Furthermore, as mentioned in the 2025 Interim Report, the Group has charted a decisive five-year transformation roadmap to evolve from a traditional developer into a real-estate asset manager and integrated operation service provider. This strategic pivot focuses on three core pillars: (i) expanding the scale of real estate management by leveraging its existing portfolio of prime properties and bringing new flagship projects online; (ii) strengthening operation and management capabilities to enhance returns and asset efficiency through refined, customer-centric services; and (iii) building a full-cycle capital closed loop, including spanning investment, financing, development, management, and exit via channels such as REITs, to improve capital efficiency and shareholder returns. Complementing this, the Group will also develop technology sector capabilities, creating a business matrix of "industrial space + technology services + investment and incubation" to cultivate new profit growth points.

The Group further reemphasises in its 2025 Annual Report that during the "15th Five-Year Plan" period, it will pursue a strategic transformation centred on four pillars, which include (i) optimising business structure by scaling down traditional development while expanding asset management and urban operations; (ii) establishing a full-cycle asset management system from investment to exit, utilising REITs and asset securitisation to convert static assets into dynamic capital; (iii) enhancing refined operations and fostering core competitiveness by improving its product offerings and service capabilities; and (iv) reforming its management and control system to align talent, incentives, and resource allocation with its transformation and development.

2. Background information and principal business of Shum Yip Group

Shum Yip Group is an investment holding company and is the ultimate holding company of the Company. As at the Latest Practicable Date, Shum Yip Group indirectly holds approximately 63.19% of all issued Shares. Shum Yip Group is ultimately wholly owned by the Shenzhen Municipal People's Government of the PRC and under the administration of the Shenzhen State-owned Assets Supervision and Administration Commission.

3. Background information of the Target Company

3.1 Principal businesses of the Target Company

The Target Company is a limited liability company established under the laws of the PRC and is a wholly owned subsidiary of the Company as at the Latest Practicable Date. It is a national first-class real estate development enterprise principally engaged in property investment and development, focusing on the development and construction of industrial parks, urban residential buildings, and office buildings. The projects of the Target Group are mainly located in Guangdong, Hunan, and Jiangsu provinces. Currently, residential projects under development include Wanlin Huafu (萬林華府) project in Huizhou, Guangdong and Yunjing Garden (雲境花園) project in Taizhou, Jiangsu. And, investment properties held by the Target Group include Shum Yip Chuangzhi Building (深業創智大廈) located in Longgang, Shenzhen and Shum Yip Time Mansion (深業上林苑) located in Futian, Shenzhen.

3.2 Financial information of the Target Company

Set out below is the key financial information of the Target Group for the two financial years ended 31 December 2024 and 2025, based on the consolidated financial statements of the Target Company:

	Year ended 31 December 2025	**Year ended 31 December 2024**
	(unaudited)	(audited)
	RMB'000	*RMB'000*
Profit/(Loss) before taxation	(795,143)	876,996
Profit/(Loss) after taxation	(874,496)	703,450

The Target Company's financial performance declined significantly in FY2025. It recorded net profits of approximately RMB703.5 million in FY2024, which turned to net losses of approximately RMB874.5 million in FY2025, mainly as a result of (i) significant impairment provisions made for certain property projects; (ii) increase in tax expenses and surcharges; (iii) the overall gross margin of the property business turned from positive to negative; (iv) a substantial decline in investment income; and (v) increase in other expenses incurred during the period.

As at 31 December 2025, the unaudited net asset value of the Target Group was approximately RMB3,703 million.

Despite holding a substantial portfolio of property assets, the Target Company recorded net losses in FY2025, contrasting with the net profits achieved in FY2024, thereby weighing on the Group's consolidated results.

4. Reasons for and benefits of the Transaction

From a strategic perspective, the Debt-to-Equity Swap aligns with the Group's transformation roadmap set out in the 2025 Interim Report and 2025 Annual Report as mentioned in the paragraph headed "1.3 Outlook of the Group" above. By reducing the Group's shareholding to the Target Company, a development-focused entity with land reserves in non-core regions, the transaction accelerates the Group's pivot from traditional developer to "first-class real-estate asset manager and integrated operation service provider." It concretely advances the strategic priority of phasing out development businesses while retaining operating assets that generate stable cash flows.

From a financial perspective, the Transaction delivers immediate balance sheet improvements for the Group. It reduces interest-bearing liabilities at the combined level, alleviating debt pressure and lowering interest expenses, which is expected to enhance profitability. Converting debt into equity capital also supplements the Target Company's net assets, indirectly optimising the Group's overall leverage ratio and strengthening its financial resilience for sustained operations, which aligns with the Group's strategy to reinforce financial risk controls by optimizing its debt structure as mentioned in the 2025 Interim Report.

Overall, we concur with the Management's view that the entering into the Debt-to-Equity Swap Agreement aligns with the strategy of the Group, which not only strengthens the Company's financial position but also marks a critical step forward in driving its strategic transformation. Accordingly, we concur with the Management's view that the entering into the Debt-to-Equity Swap Agreement is in the interest of the Company and the Shareholders as a whole.

5. Principal terms of the Debt-to-Equity Swap Agreement

On 30 March 2026 (after trading hours), the Company, Shum Yip Pengji, a wholly-owned subsidiary of the Company and Shum Yip Group entered into the Debt-to-Equity Swap Agreement, pursuant to which Shum Yip Group agreed to make a capital contribution of RMB2,604,290,000 to Shum Yip Pengji by way of a Debt-to-Equity Swap. Upon completion of the Capital Increase, the Company and Shum Yip Group will hold approximately 64.36% and 35.64% equity interest in the Target Company respectively.

For details of the principal terms of the Debt-to-Equity Swap Agreement, please refer to the "Letter from the Board" of the Circular. When considering the fairness and reasonableness of the terms of the Debt-to-Equity Swap Agreement, we have taken into account the following factors.

5.1 Consideration for the Transaction

According to the "Letter from the Board" of the Circular, pursuant to the Debt-to-Equity Swap Agreement, Shum Yip Group agreed to convert the debt owed to it by the Target Company, in the aggregate amount of RMB2,604.29 million, into an equity investment in the Target Company. Of this amount, approximately RMB571,472,991.81 of which will be credited to the increase in registered capital in the Target Company, and the remaining amount of RMB2,032,817,007.19 will be applied towards the Target Company's capital reserves.

The conversion amount of the Capital Increase in the Target Company were determined after arm's length negotiations with reference to:

(i) the relative proportion of the conversion amount of RMB2,604.29 million to the appraised value of the Target Group of RMB4,703.21 million; and

(ii) the performance and prospects of the business of the Target Group.

We noted that the appraised value of the Target Company was based on an independent valuation report prepared by the Valuer as at 30 November 2025, which assessed the entire shareholders' equity of the Target Company using both the asset-based approach and the market approach. We understand from the Management that since the Valuation Benchmark Date, the relevant market conditions has remained broadly stable, with no systemic changes materially affecting the Target Group's asset values, and the Target Group has been operating in its ordinary course of business during this period, with no abnormal events causing significant fluctuations in its asset values. Subsequent developments since the Valuation Benchmark Date have not materially altered the Target Company's relative financial position and/or the prevailing market conditions. We also noted that the validity period of the valuation conclusion in the Business Valuation Report is one year from the Valuation Benchmark Date, which is consistent with the requirements of the relevant PRC asset appraisal standards. Based on this, we concur with the Management that the valuation as at 30 November 2025 remains fair and representative for the purpose of the Debt-to-Equity Swap Agreement.

For a detailed discussion of the appraised values of the Target Company, please refer to the paragraphs headed "5.2 Valuation of the Target Company" below. Considering the above, we are of the view that the consideration for the Transaction is fair and reasonable and is in the interest of the Company and the Shareholders as a whole.

5.2 Valuation of the Target Company

When assessing the fairness and reasonableness of the valuation of the Target Company, we have in particular considered the valuation report prepared by the Valuer. In this respect, we note that Beijing China Enterprise Appraisals Co., Ltd., the Valuer, has been engaged to issue the valuation report on the market value of 100% equity interest in the Target Company (the "**Business Valuation Report**"). According to the Business Valuation Report, the appraised equity value of the Target Company amounted to RMB4,703,210,000 (the "**Target Company Appraised Value**") as at the Valuation Benchmark Date.

We have considered the following factors in assessing the fairness and reasonableness of the Target Company Appraised Value.

5.2.1 Valuer's qualification

The Valuer, Beijing China Enterprise Appraisals Co., Ltd., is an asset appraisal corporation qualified to provide appraisal services in respect of assets(資產評估資格), as issued by the Ministry of Finance of the PRC.

We note that the key personnels of the Valuer responsible for signing the Business Valuation Report have obtained the professional qualification certificates for asset appraisal issued by China Appraisal Society(中國資產評估協會, "**CAS**"). In this regard, we note that CAS is a national, non-profit organisation which is formed from valuation firms and qualified valuation professionals in the PRC. It is overseen by the Ministry of Civil Affairs and Ministry of Finance of the PRC. The Valuer has confirmed that it is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

In addition, we have also reviewed the terms of the Valuer's engagement, in particular, their scope of work, and noted that it is appropriate for arriving at the opinion required to be given. No limitation on the scope of work which might adversely impact on the degree of assurance given by them in the Business Valuation Report has been noted. We have also reviewed the Business Valuation Report and discussed with the Valuer regarding the methodologies adopted, together with the bases and assumptions for the valuation of the equity interest in Target Company, which are further elaborated below.

Considering the above, we believe that the Valuer has sufficient knowledge and experience to undertake the valuation of equity interest in Target Company competently, and we are satisfied that the scope of work is sufficient and appropriate.

5.2.2 Valuation methodology

We have conducted an interview with the Valuer to enquire into and understand the valuation methodology adopted for valuing the equity interest in the Target Company.

We note that the Valuer has adopted the asset-based approach (the "**Asset-based Approach**") in arriving at the Target Company Appraised Value and assuming that the Target Company will continue to operate and the assets under evaluation will continue to be conducted according to their current purpose and manner of utilization. The Asset-based Approach uses the balance sheet of the assessed entity or operating entity as at the valuation benchmark date as the basis for assessing the value of each of the assets and liabilities that can be identified both on- and off-balance-sheet to determine the value of the target of appraisal. The assets and liabilities of the Target Company are evaluated by specific assessment method corresponding to such assets and liabilities. Based on our discussion with the Valuer, we understand that the Asset-

based Approach is one of the commonly adopted approaches for valuing companies of similar nature and is also in line with normal market practices. We are further advised by the Valuer that the Target Company has clear ownership to its various assets and liabilities, with relatively complete supporting documentation available. This enables the value of each asset and liability to be reasonably assessed and estimated using appropriate methods, rendering the adoption of the Asset-based Approach appropriate for the valuation.

We understand that the Valuer has also considered the market approach, which involves determining the value of the appraisal object based on the market price of comparable companies by comparing the target of appraisal with comparable companies. Since the Target Company operates in an industry with similar listed companies, where operating and financial data of such listed companies are publicly available, relevant information can be obtained in a relatively sufficient, accurate, and reliable manner. Therefore, the listed company comparison approach under the market approach could also be adopted for the valuation. This approach refers to the valuation method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios and determining the value of the appraised enterprise based on a comparative analysis with the appraised enterprise. We further understand that the Valuer ultimately adopted the results from the Asset-based Approach to determine the appraised value of the Target Company. We concur with the Valuer that the market approach is one of the commonly adopted valuation methodologies and can be applied in the case of the Target Company. At the same time, we also note from the Valuer that the market approach involves numerous subjective assumptions, and the result can be sensitive to changes in certain inputs. Therefore, we consider Valuer's decision to adopt valuation results from the Asset-based Approach, in which the inputs are subject to less uncertainty and can be obtained from the market, to be reasonable.

Given the above, we are of the view that the valuation methodology adopted by the Valuer for valuing the equity interest in the Target Company is fair and reasonable.

5.2.3 Basis and assumptions

The Valuer's valuation is carried out on a market value basis, being the "estimated value of the target of appraisal in a normal and fair transaction on the valuation benchmark date between a willing buyer and a willing seller, each acting rationally and without any coercion". We note that in the case of the Transaction, the Debt-to-Equity Swap Agreement shall be entered into by the parties thereto on normal commercial terms following arm's length negotiations; and we are not aware of any unique circumstances relating to the Transaction such as distressed or compulsory sale.

For the Asset-based Approach, the Valuer assesses each item's value in the balance sheet of Target Company in determining the value of Target Company. The following table (summarised from the Business Valuation Report) sets out the basis in deriving the Target Company Appraised Value.

	RMB'000
Net asset value ("**NAV**") of Target Company as at the Valuation Benchmark Date	3,072,110.6
Add:	
– revaluation surplus on non-current assets	3,260,034.7
Less:	
– revaluation impairment on current assets	(1,628,935.3)
Target Company Appraised Value as at the Valuation Benchmark Date	**4,703,210.0**

As set out in the table above, the Valuer has estimated a total revaluation surplus of approximately RMB1.63 billion for the Target Company, comprising a revaluation surplus on non-current assets of approximately RMB3.26 billion and a revaluation impairment on current assets of approximately RMB1.63 billion. The total revaluation surplus is added back to the audited NAV of the Target Company as at the Valuation Benchmark Date, deriving the Target Company Appraised Value of RMB4,703,210,000 for the entire equity interest in the Target Company as at the Valuation Benchmark Date.

The revaluation surplus and impairment are derived from the Target Company's non-current assets and current assets by deducting their respective book values from their market values as estimated by the Valuer, as further discussed below.

5.2.3.1 Valuation of non-current assets

The revaluation surplus on non-current assets of approximately RMB3.26 billion primarily relates to the valuation of (i) long-term equity investments; (ii) investment properties; and (iii) fixed assets. Based on our discussions with the Valuer and our review of the workings, we note the following:

(i) The revaluation surplus on long-term equity investments mainly arises from revaluation on 28 investee companies. The Valuer conducted an overall valuation of the long-term equity investments by first assessing and obtaining the entire shareholders' equity value of each investee entity, and then multiplying this by the Group's shareholding percentage to derive the value attributable to the Group's equity interest. Depending on the operating status of each investee company and the availability of financial information for valuation, the Valuer primarily adopted the following methods to determine the valuation of the investee companies: (a) for companies in normal operation where the relevant management accounts or accountant reports for such entities are readily available, the asset-based approach was mainly used to estimate the total shareholders' equity value; and (b) for investee companies in the process of cancellation where relevant financial information for valuation are not readily available, such investments were valued at nil;

(ii) The revaluation surplus on the investment properties mainly arises from revaluation of 70 investment properties, which are primarily held for rental operations. The Valuer adopted income approach to determine the valuation of such investment properties. The income approach involves capitalisation of expected rental income at an appropriate yield rate or capitalisation rate. The expected rental income was primarily determined with reference to prevailing market rental levels for comparable properties in similar locations, after taking into account the scale of properties and their specific characteristics. The Valuer has adopted capitalisation rate with reference to a risk-free rate plus risk adjustment, after considering factors such as the property's usage, the rental-to-sale price ratio of properties in the area, the local socio-economic environment and real estate operating risks. This approach was considered appropriate for investment properties where (a) future income is relatively stable, with reasonable possibility to be profitable and operating in the long-term; and (b) future income and associated risks can be reasonably estimated.

(iii) The revaluation surplus on fixed assets mainly arises from 14 buildings, 13 vehicles, and 430 items of electronic equipment. We understand that the Valuer applied a combination of the income approach, replacement cost approach, and market comparable approach for the valuation of these fixed assets, depending on the nature of each asset.

a. For the income approach, which was used for buildings expected to generate rental income, the methodology is the same as that discussed in point (ii) above.

b. For the replacement cost approach, the Valuer first estimated the full replacement cost of the asset and then determined its value by multiplying this cost by a newness rate that reflects the asset's depreciation. The replacement cost was primarily determined based on available market information, with reference to the a) purchase price, b) transportation, installation (if applicable) and other related expenses, c) capital costs; and d) deductible taxes. The newness rate for equipment was determined primarily with reference to the asset's economic useful life, actual usage, and current operating conditions, with adjustment made based on the on-site inspection (if applicable). The newness rate for vehicles was determined primarily based on mileage and service life, with adjustment made based on the on-site inspection.

c. For the market comparable approach, which was applied to assets such as vehicles and electronic equipment (whose acquisition dates are relatively long ago and for which second-hand market quotations are available and the market is active), the Valuer referenced current market prices of similar assets and made appropriate adjustments to derive the appraised value.

For real estate for self-use or with available market transaction cases, the market approach was adopted to more objectively reflect the market value of the subject property at the time of valuation, with appropriate adjustments made, such as locations and properties status, to determine the appraised value.

5.2.3.2 Valuation of current assets

The revaluation impairment on current assets of approximately RMB1.63 billion primarily relates to the valuation of other receivables. The nature and the relevant factors and circumstances leading to the depreciation in the appraised value of the other receivables are set out in section "X. VALUATION CONCLUSION – (IV) Comparison of Valuation Conclusion and Carrying Amount and Reasons for Changes" to Appendix IV – Summary of Business Valuation Report to the Circular. Based on our discussions with the Valuer and our review of the workings, we note that the Valuer adopted a combination of individual identification and ageing analysis to determine the appraised value of other receivables. Under this approach, receivables with sufficient evidence of full recovery were valued at their carrying amount, while those considered irrecoverable were written down to nil. For receivables with potential recovery risks, expected credit losses are calculated by reference to historical credit loss experience, current conditions and forecasts of future economic conditions, using exposure at default and the lifetime expected credit loss rate.

To assess the fairness and reasonableness of the impairment on other receivables, we have discussed the matter with the Valuer, reviewed the Business Valuation Report, and obtained the relevant underlying workings. We noted that other receivables were primarily determined based on the book value of such other receivables, with bad debt provisions accrued by the auditor. No additional provision for bad debts on other receivables was made by the Valuer. As advised by the Valuer, this approach is in line with normal market practices.

Separately, we observed that additional impairments were recognised on certain intercompany balances or loans in relation to other receivables. Such additional impairments were recognised because certain subsidiaries held as long-term investments had negative net assets post-valuation while their registered capital had been fully paid up, resulting in a zero-valuation value for those long-term investments. The recoverable amount of such receivables was therefore assessed based on the post-valuation debt-to-asset ratio of the respective subsidiaries. We obtained the detailed underlying workings for the impairment assessment of other receivables and noted that the Valuer applied the post-valuation debt-to-asset ratio of the relevant subsidiaries to determine the recoverable amount of the related other receivables. Based on our discussions with the Valuer, we understand that the above approaches are commonly adopted for valuing other receivables of a similar nature and are also consistent with normal market practices.

In view of the foregoing, we consider that the impairment on other receivables is fair and reasonable, and is in the interests of the Company and its shareholders as a whole.

Based on our review of the Business Valuation Report, the underlying documents as mentioned above and our interview with the Valuer, the Company's representation to the Valuer is aligned with our understanding.

Based on the above, we consider that the above basis and assumptions made by the Valuer in this regard are fair and reasonable.

5.2.4 Section conclusion

Following our discussions with the Valuer and a review of each valuation basis and approach adopted for the major balance sheet items mentioned above, which collectively form the aggregate market value of key balance sheet items and, in turn, derive the Target Company Appraised Value under the Asset-based Approach, we concur with the Valuer's view that the valuation methodology adopted by the Valuer for determining the market value of such assets and the underlying basis for valuation is fair and reasonable.

Having considered that (i) the Valuer has the relevant qualification, competence and experience to prepare the Business Valuation Report; (ii) the Valuer's scope of work is appropriate for performing the valuation of equity interest in Target Company; (iii) the valuation methodology of the Asset-based Approach is appropriate and in line with normal market practices; and (iv) the valuation assumptions and underlying basis are fair and reasonable, we are of the view that the Target Company Appraised Value is fairly and reasonably derived at.

5.3 Section conclusion

Having considered the factors above, we are of the view that the terms of the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

6. Property Valuation Report

Pursuant to Rule 5.03 of the Listing Rules, since the consolidated assets of the Target Group comprises mainly of property interests, including industrial parks, urban residential buildings, and office buildings, a separate valuation report has also been conducted in respect of the property interests concerned. The Property Valuer has been appointed to appraise the market value of the properties held by the Target Group as at the Property Valuation Date. According to the Property Valuation Report, the aggregate value of the property interests held by the Target Group in

existing state as at the Property Valuation Date amounted to approximately RMB9,081.1 million. The full text of the property valuation report containing its valuation methodology and other general information is set out in Appendix V to the Circular.

6.1 Property Valuer's qualification

The Property Valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, is a qualified independent valuer specializing in real estate and business valuation.

We note that the key personnel of the Property Valuer responsible for signing the Property Valuation Report is a Chartered Surveyor who has 32 years' experience in the valuation of various fields of the property industry in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region. The Property Valuer has confirmed that it is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

In addition, we have also reviewed the terms of the Property Valuer's engagement, in particular, their scope of work, and noted that it is appropriate for arriving at the opinion required to be given. No limitation on the scope of work which might adversely impact on the degree of assurance given by them in the Property Valuation Report has been noted. We have also reviewed the Property Valuation Report and discussed with the Property Valuer regarding the methodologies adopted, together with the bases and assumptions for the valuation of the property interest held by Target Group.

Considering the above, we believe that the Property Valuer has sufficient knowledge and experience to undertake the valuation of property interest held by Target Group competently, and we are satisfied that the scope of work is sufficient and appropriate.

6.2 Valuation methodology, basis and assumptions

We have conducted an interview with the Property Valuer to enquire into and understand the valuation methodology, basis and assumptions adopted for valuing the property interests held by the Target Group.

The Property Valuer's valuation is carried out on a market value basis, being "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

We noted that the Property Valuer adopted the comparison approach and the income approach in arriving at the valuation of the properties, depending on the types of properties held by the Target Group.

Under the comparison approach: –

(i) For properties held for sale, properties held for future development, and a portion of the properties held for investment, the Property Valuer assumed the sale of each of these properties in its existing state with the benefit of immediate vacant possession, and made reference to comparable sales transactions available in the relevant market, subject to appropriate adjustments based on factors such as location, size, condition, amenities and comparable sales, etc.;

(ii) For properties held under development, the Property Valuer valued them on the basis that each of these properties would be developed and completed in accordance with the latest development proposals provided by the Target Group. The Property Valuer adopted the comparison approach by making reference to comparable sales evidence available in the relevant market, and also took into account the accrued construction costs and professional fees relevant to the stage of construction as at the valuation date, as well as the remaining costs and fees expected to be incurred for completing the development.

Under the income approach, for the remaining portion of the properties held for investment, as well as the properties held and occupied by the Target Group, the Property Valuer considered the actual rents in the existing tenancy agreements (where applicable) and also compared them with similar developments located in comparable areas to the subject properties for the calculation of market rent. The rental streams were then capitalised at an appropriate capitalisation rate to determine the market value.

Based on our discussions with the Property Valuer, we understand that the comparison approach and the income approach are commonly adopted approaches for valuing properties of a similar nature and are also in line with normal market practices.

We also reviewed the reconciliation workings between the aggregate value of the properties as set out in the Property Valuation Report and the appraised value of the same properties under the Business Valuation Report. While the Business Valuation Report values the entire equity interest of the Target Company, the Property Valuation Report assesses the property interests held by the Target Group. Given their different purposes, valuation targets, and bases of assessment, the two reports are not directly comparable. Nonetheless, we noted from the workings that, after excluding the two immaterial properties for which the Valuer adopted the net book values provided by the Company rather than conducting a direct property valuation, the Valuer determined the market value of the property interests to be approximately RMB9,291.8 million as at 30 November 2025, while the Property Valuer assessed their market value at approximately RMB8,943.6 million as at 28 February 2026. After adjusting for the Target Group's carried-forward property interests of RMB512.6 million and additional construction costs of RMB241.1 million incurred between 30 November 2025 and 28 February 2026, the net difference is approximately RMB76.6

million, or about 0.86% of the value reported by the Property Valuer. On this basis, we concur with the Management that there are no material differences between the conclusions of the two valuation reports.

Based on our review of the Property Valuation Report, the underlying documents as mentioned above and our interview with the Property Valuer, the Company's representation to the Property Valuer is aligned with our understanding.

Given the above, we are of the view that the valuation methodology, basis and assumptions adopted by the Property Valuer for valuing the property interests held by the Target Group is fair and reasonable.

7. Potential financial effects of the Transaction

Upon Completion, the Company's shareholding in the Target Company will decrease from 100% to 64.36%. The Target Company will remain a subsidiary of the Company and its financial results, assets, and liabilities will continue to be consolidated with the financial statements of the Group. It is expected that the Group will not record any profit or loss in its consolidated statement of profit or loss arising from the Transaction.

With respect to the Group's financial position, total indebtedness will be reduced by RMB2,604.29 million, the amount of the Capital Increase, thereby lowering the Target Group's total liabilities. Accordingly, this reduction in debt will result in a corresponding increase in the Group's net asset value by the same amount.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that (i) the entering into of the Debt-to-Equity Swap Agreement is in the interests of the Company and the Shareholders as a whole; and (ii) the terms of the Debt-to-Equity Swap Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the proposed resolution at the AGM to approve the entering into of the Debt-to-Equity Swap Agreement.

Yours faithfully,
For and on behalf of
Altus Capital Limited

Jeanny Leung
Responsible Officer

*Ms. Jeanny Leung ("**Ms. Leung**") is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. She is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Ms. Leung has over 30 years of experience in corporate finance advisory and commercial field in Greater China, in particular, she has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance advisory transactions.*

The details of the Directors proposed to be re-elected at the Annual General Meeting are set out below:

1. **Dr. XIANG Dong**, aged 55, an executive Director since 30 March 2026. Dr. XIANG graduated from the Economics and Management School of Wuhan University with a doctorate degree in accountancy. He possesses the title of senior accountant, as well as professional qualifications of the Certified Public Accountant, the Fellow of Chartered Certified Accountant (FCCA) and the Legal Professional Qualification. Dr. XIANG is currently a director and the chief financial officer of Shum Yip Group Limited and a director of Shum Yip Holdings Company Limited. Dr. XIANG served as the director and the chief financial officer of Shenzhen Port Group Co., Ltd., the director and the chief financial officer of Shenzhen SEZ Construction and Development Group Co., Ltd., the financial officer of Shenzhen Smart City Technology Development Group Co., Ltd., the director of the finance department and the officer of the settlement center of Shenzhen Investment Holdings Company Limited. Dr. XIANG is currently a non-independent director of Shenzhen Yantian Port Holdings Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 000088.SZ). Dr. XIANG has extensive experience in financial management, financial auditing and investment.

   The Company has entered into an appointment letter with Dr. XIANG for a term of 3 years commencing on 30 March 2026, subject to retirement by rotation and re-election in accordance with the Articles of Association. Dr. XIANG is currently entitled to receive a basic salary of HK$330,000 per annum which is subject to annual review by the Board.

2. **Mr. LI Wai Keung,** aged 69, an independent non-executive Director since 27 September 2004. Mr. LI graduated from The Hong Kong Polytechnic and holds a master's degree in Business Administration from The University of East Asia. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. LI had worked for Henderson Land Development Company Limited (12.HK). He was an independent non-executive director of Sun Century Group Limited (1383.HK), a director of Shenzhen City Airport (Group) Company Limited (000089.SZ), an executive director and financial controller of GDH Limited, an executive director of Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (124.HK), a non-executive director of Guangdong Investment Limited (270.HK) and an independent non-executive director of Legend Upstar Holdings Limited (formerly known as Midland IC&I Limited, the shares of which were listed on the Main Board of the Stock Exchange and were withdrawn from listing on 30 March 2026). Mr. LI is currently an executive director of Hans Energy Company Limited (554.HK), an independent non-executive director of China South City Holdings Limited (1668.HK), Centenary United Holdings Limited (1959.HK) and Midland Holdings Limited (1200.HK). In addition, he was appointed as a committee member of the 12th Chinese People's Political Consultative Conference of Guangdong Province on 17 January 2018 and appointed as a standing committee member of the 12th Chinese People's Political Consultative Conference of Guangdong Province on 27 January 2018. Mr. LI is also a management accounting advisor of the Ministry of Finance, PRC and the honorary president of Hong Kong Business Accountants Association Limited.

   As at the Latest Practicable Date, Mr. LI had beneficial interest in 1,180,880 Shares within the meaning of Part XV of the SFO.

   The Company has entered into an appointment letter with Mr. LI for a term of 3 years commencing on 1 January 2026, subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. LI is currently entitled to a director's fee of HK$380,000 per annum.

   Mr. LI has confirmed (i) his independence with reference to the factors set out in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the Listing Rules) of the Company; and (iii) that there are no other factors that may affect his independence.

3. **Professor GONG Peng**, aged 61, an independent non-executive Director since 31 December 2022. Prof. GONG holds a bachelor's degree and a master's degree in Geography from Nanjing University and a doctor's degree from the Faculty of Environment, University of Waterloo, Canada. He is a professor of Department of Geography and Department of Earth Sciences, a Chair Professor of Global Sustainability, and Vice President for Academic Development of The University of Hong Kong. He was a full Professor at the University of California, Berkeley, and the Chair of the Department of Earth System Science, the Dean of the Faculty of Science and the Director of China Urban Research Institute at Tsinghua University. Prof. GONG was a member of the Expert Group of Global Change and Response, Ministry of Science and Technology of China, a Deputy Director of Smart City Committee, Science and Technology Commission of Ministry of Housing and Urban-Rural Development, and a Deputy Director of Urban Development Examination Expert Steering Committee. Internationally, he served as a member of the Future Earth Consultative Committee and a member of the Earth Commission and is presently a member of the International Advisory Group of the Lancet. He was elected as a foreign member of the European Academy of Sciences in 2020, and was elected as a member of the International Eurasian Academy of Sciences in 2021.

   The Company has entered into an appointment letter with Prof. GONG for a term of 3 years commencing on 31 December 2025, subject to retirement and re-election in the Articles of Association. Prof. GONG is currently entitled to a director's fee of HK$330,000 per annum.

   Prof. GONG has confirmed (i) his independence with reference to the factors set out in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the Listing Rules) of the Company; and (iii) that there are no other factors that may affect his independence.

   Save as disclosed above and as at the Latest Practicable Date, none of the above Directors (i) has any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company; (ii) holds any other position with the Company or its subsidiaries; (iii) has held any directorships in any other listed companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; (iv) is interested in or is deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (v) has no other matters relating to his/her appointment that need to be brought to the attention of the Shareholders or the Stock Exchange or to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

This appendix serves as an explanatory statement required to be sent to the Shareholders under Rule 10.06(1)(b) of the Listing Rules to provide the requisite information to Shareholders for their consideration of the Buy-back Mandate and also constitutes the memorandum as required under Section 239(2) of the Companies Ordinance. Neither this explanatory statement nor the proposed Shares buy-back has any unusual features.

1. SHARES IN ISSUE

As at the Latest Practicable Date, the total number of Shares in issue comprised 8,898,793,115 Shares with no treasury shares.

Subject to the passing of the ordinary resolution no. 4 set out in the Notice of Annual General Meeting, and on the assumption that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 889,879,311 Shares (excluding any treasury shares). Shares will be cancelled upon buy-backs by the Company.

2. REASONS FOR BUY-BACKS

Buy-backs of Shares will only be made when the Directors believe that such buy-back(s) will benefit the Company and its Shareholders. Such buy-back(s) may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

3. FUNDING OF BUY-BACKS

In buying back its own shares, the Company may only apply funds legally available for such purpose in accordance with the laws of Hong Kong and the Articles of Association. The Companies Ordinance provides that the amount of capital repaid in connection with a share buy-back may only be paid from the distributable profits of the company or from the proceeds of a new issue of shares made for the purpose of the buy-back.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2025) in the event that the Buy-back Mandate is exercised in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. GENERAL

The Directors will exercise the power to buy back Shares pursuant to ordinary resolution no. 4 set out in the Notice of Annual General Meeting in accordance with the Listing Rules and the applicable laws and regulations of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Buy-back Mandate if the Buy-back Mandate is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares held by them to the Company, or have undertaken not to do so, if the Buy-back Mandate is approved by the Shareholders.

If as a result of a buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Shum Yip Group had an indirect interest in 5,622,994,189 Shares, representing approximately 63.19% of the total number of Shares in issue through its 90% interests in Shum Yip Holdings, being a substantial shareholder of the Company.

In the event that the Directors exercise in full the power to buy back Shares which is proposed to be granted pursuant to ordinary resolution no. 4 set out in the Notice of Annual General Meeting, the interest of Shum Yip Group in the Company held through Shum Yip Holdings would be increased to approximately 70.21% of the total number of Shares in issue. The Directors will use their best endeavours to ensure that the Buy-back Mandate will not be exercised to the extent that the number of Shares held by the public would be reduced to less than 25% of the total number of Shares in issue.

Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of an exercise of the Buy-back Mandate.

5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Shares	
	Highest	**Lowest**
	HK$	*HK$*
2025		
May	0.80	0.74
June	1.30	0.71
July	1.12	0.87
August	0.97	0.83
September	1.01	0.82
October	1.08	0.84
November	0.99	0.84
December	0.91	0.79
2026		
January	0.92	0.80
February	0.90	0.84
March	0.84	0.68
April	0.82	0.70
May (up to Latest Practicable Date)	0.93	0.81

6. SHARE BUY-BACK MADE BY THE COMPANY

The Company had not bought back any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three years ended 31 December 2023, 2024 and 2025 were set out in the relevant annual reports and interim report of the Company posted on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.shenzheninvestment.com).

Please also see below quick links to the relevant annual report:

- Annual report of the Company for the year ended 31 December 2023 (https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042602397.pdf)

- Annual report of the Company for the year ended 31 December 2024 (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042804381.pdf)

- Annual report of the Company for the year ended 31 December 2025 (https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0428/2026042802105.pdf)

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 March 2026, being the most recent practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the indebtedness of the Group was as follows:

1. Bank and other borrowings and loans from related parties

As at the close of business on 31 March 2026, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular, the Group had total outstanding bank loans and other borrowings of approximately HK$39,110 million, comprising secured current bank loans of approximately HK$344 million, unsecured current bank loans of approximately HK$11,739 million, secured current Commercial Mortgage-backed Securities ("**CMBS**") of other borrowings of approximately HK$180 million, secured non-current bank loans of approximately HK$1,001 million, unsecured non-current bank loans of approximately HK$18,577 million and secured non-current CMBS of approximately HK$7,269 million. As at 31 March 2026, certain land and buildings, properties under development, completed properties held for sale, trade receivables and investment properties of the Group had been pledged to banks to secure bank loans granted to the Group.

As at 31 March 2026, the Group had total outstanding loans from related parties of approximately HK$24,733 million, comprising loans from the ultimate holding company of approximately HK$18,104 million, loans from the immediate holding company of approximately HK$4,081 million, loans from fellow subsidiaries of approximately HK$1,779 million, loans from non-controlling interests of approximately HK$769 million.

2. Lease liabilities

As at 31 March 2026, the Group, as a lessee, had current lease liabilities of HK$65 million and non-current lease liabilities of HK$176 million.

3. Contingent liabilities or guarantees

As at 31 March 2026, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had the following contingent liabilities or guarantees:

(i) On 29 November 2024, Chengdu Fengze Investment Co., Ltd. and Shum Yip Terra (Holdings) Company Limited (collectively, "Subsidiaries"), both being non-wholly-owned subsidiaries of the Group, received a statement of claim from the Intermediate People Court of Chengdu City regarding the claims by Sichuan Haofu Industrial Co., Ltd. against the Subsidiaries and four individuals (all of the individuals are not directors or senior management of the Company) regarding the disputes in earnings distribution over the investment of "198"Congshu Area in Chenghua district, Chengdu, the People's Republic of China, with a claim amount of approximately RMB220 million. The first trial of the case commenced on 24 December 2024 and is now in progress. Chengdu Fengze Investment Co., Ltd. and Shum Yip Terra (Holdings) Company Limited have engaged external legal advisers to handle the litigation, and will rigorously defend the litigation to protect the legitimate interest of the Group. Based on the current assessment and the legal opinions, management considers that the litigation has no material adverse financial impact on the operations of the Group.

(ii) The Group had given guarantees to a maximum extent of approximately HK$13,307 million to banks for housing loans extended by the banks to the purchasers of the Group's properties. Pursuant to the terms of the financial guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the buyer of the Group's properties obtained the individual property ownership certificate.

(iii) The Group has given guarantees amounted to HK$225 million in respect of bank loans and other borrowings to Taizhou Shum Yip Investment Development Limited and Guangzhou Bizhen Real Estate Development Limited, both of which are joint ventures of the Group.

(iv) The Group provided loan guarantees amounted to HK$332 million to the parties affected by the urban renewal project, using their demolished properties as collateral for the loan. Pursuant to the terms of the guarantees, if there is default on repayment by these affected parties, the Group is responsible for repaying the outstanding bank loans with any accrued interest and penalties owed to the bank. The Group is then entitled to take over the legal ownership of the repossessed properties. The Group's guarantee period extends from the date of signing the guarantee contract until the affected parties obtain the ownership certificate of the repossessed properties.

Save as aforesaid, and apart from intra-group liabilities, at the close of business on 31 March 2026, the Group had no other outstanding mortgages, charges, debentures, term loans, or other loan capital or bank overdrafts or loans or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, debt securities, guarantees or other contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that, taking into account the effect of the transaction (i.e. the Capital Increase and deemed disposal of equity interest in a subsidiary), the anticipated cash flows generated from the Group's operations, existing bank facilities available to the Group, and the continuous financial support from the ultimate holding company, the Group will have sufficient working capital to meet with its financial obligations as and when they fall due for a period of at least 12 months from the date of this circular. The Company has obtained the relevant confirmation 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 property development, property investment, and property management in the PRC. Amidst the complex and severe market environment, the overall operations of the principal businesses of the Group were stable.

For the year ended 31 December 2025, the Group's revenue amounted to HK$40.4 billion, representing a year-on-year increase of 159%. The Group generated gross profit of HK$6.556 billion, representing a year-on-year increase of 47.7%, with overall gross profit margin of 16.2%, and operating profit was HK$1.673 billion. Loss attributable to owners of the Company was HK$4.366 billion. If excluding the net effect of changes in fair value of investment properties and financial assets attributable to the Group, provision for impairment of inventories and the effect of results from and provision for impairment for investment in associates and joint ventures, the profit attributable to owners of the Company (i.e. core net profit) was HK$501 million.

The PRC real estate industry has witnessed fundamental changes in its underlying logic, where it has comprehensively transformed from "competing on speed of expansion" to "developing through value exploration", and evolved from a "manufacturing-oriented model" to an "integrated model of product-service-operation". The core competition element has shifted from "land-acquisition frequency" to "asset efficiency" and "operational quality", with its core logic lying in the deep exploration on intrinsic value of each project.

Amidst the current industry backdrop, the Group encountered challenges of sluggish sales and compressed margins in its development activities, accordingly, it has resolved to gradually divest the real estate development business and reduce the proportion thereof, hoping to enhance the balance and anti-cyclicality of the Group's business through structural optimization, and to alleviate the market fluctuation.

Facing the impact of downturn in property development, the Group made visionary deployments on operating assets management and explored the diversified development of multiple operating fields including properties, commercial operations and hotels, gathering critical momentum in its transforming businesses. UpperHills, a benchmark project successfully developed by the Group, has become a typical sample of "growing against headwinds" in the commercial circles of Shenzhen and even the whole country.

Funding pressure remains a challenge for the industry. Given the complex and volatile features of current market both domestically and internationally along with the fact that the overall funding environment remains tight, the optimization of debt structure and maintaining balance in cash flows are the priorities of the Group's operation and management. The Group will adhere to prudent investment principles, strengthen the overall management and control of funds, accelerate the capital recovery, and optimize the asset-liability structure, so as to safeguard the Group's long term financial stability. Besides, systematic reform of the existing organizational structure and control model is required to deepen operational synergies and foster mechanism innovation to ensure the synchronous upgrading of control capabilities and transformation goals, and thereby fully stimulating the vitality of each business segment.

In light of the above, the Group acquires a clear and resolute positioning for its transformation during the "15th Five-Year Plan" period. The Group will promote the comprehensive transformation in its principal business from traditional "real estate development" to "the management of real estate assets and the integrated urban operations service", aiming to foster a business portfolio with robust anti-cyclicality that provides long-term and stable cash flows and performance contributions. Over the next five years, real estate asset management and urban integrated operation will become the core pillars of the Group's performance, with real estate assets under management reaching HK$50 billion and rental and operating revenue reaching HK$10 billion level.

The Company will implement a series of measures during the "15th Five-Year Plan" period to drive its strategic transformation.

Firstly, by implementing a strategy of "controlling new supply while optimizing our existing inventory", the Group will proactively and systematically reduce the proportion of traditional development business while steadily increasing the scale and profit contribution of real estate asset management and urban integrated operation. This will clearly define the focus of our transformation at the source of resource allocation.

Secondly, building an asset management system to release asset value. The Company will establish a full-cycle asset management system of "investment, financing, development, management and investment exit", explore innovative financing models, and make investment in real-estate sector through various methods including market acquisition and development synergies. The Group will enhance the profitability and market value of relevant assets through professional and refined operation and management, while seizing the opportunities from the expansion of domestic REITs, and actively exploring the use of asset securitization tools to form a virtuous cycle of "investment, financing, development, management and investment exit", transforming static assets into dynamic capital that supports our business growth.

Thirdly, enhancing refined operation and fostering core competitiveness. Leveraging the Group's comprehensive capabilities across the entire real estate investment, development, ownership, operations, and services value chain to further enhance product offerings and service capabilities. The Group will focus on the refined management of its portfolio properties, strengthen our proprietary brands, and strive to establish our commercial property management as a leading brand in the Greater Bay Area and elevate our property management scale into the top tier nationally.

Fourthly, the Group will reform its management and control system and strengthen organizational support. The Group will upgrade its management and control system, precisely recruit the talent needed for transformation and development, and innovate incentive mechanisms to ensure that resource allocation, organizational efficiency, and staffing align with our transformation goals, thereby providing comprehensive support for the execution of the aforementioned strategies.

The Group will uphold long-termism and anchor its transformation direction of being a "real estate asset management and urban integrated operation service provider" with strategic resolve, and steadfastly enhance the Group's core competitiveness and operating results.

This report is prepared in accordance with the Asset Valuation Standards of China

Asset Valuation Report
on the Value of the Entire Shareholders' Equity of
Shum Yip Pengji Holdings Co., Ltd.
Involved in the Proposed Capital Increase of
Shum Yip Pengji Holdings Co., Ltd.

I. SUMMARY OF THE ASSET VALUATION REPORT

II. PURPOSE OF THE APPRAISAL

III. TARGET AND SCOPE OF APPRAISAL

IV. TYPE OF VALUE

V. VALUATION BENCHMARK DATE

VI. BASIS OF APPRAISAL

VII. VALUATION APPROACHES

VIII. THE IMPLEMENTATION PROCESS AND STATUS OF THE APPRAISAL PROCEDURE

IX. APPRAISAL ASSUMPTIONS

X. VALUATION CONCLUSION

I. SUMMARY OF THE REPORT

Shum Yip Group Limited:

Beijing China Enterprise Appraisals Co., Ltd. has been engaged by your company to appraise the market value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd. involved in the proposed capital increase as of the valuation benchmark date in accordance with the laws, administrative regulations and asset valuation standards and in line with the principles of independence, objectivity and impartiality as well as following the necessary appraisal procedures. The summary of the asset valuation report is set out below:

Purpose of the Appraisal: Shum Yip Pengji Holdings Co., Ltd. intends to carry out a capital increase. In this regard, it is necessary to appraise the market value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd. as at the valuation benchmark date to provide reference for the value of the above economic behavior.

Target of Appraisal: The value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd.

Scope of Appraisal: All assets and liabilities of Shum Yip Pengji Holdings Co., Ltd., including current assets, long-term equity investment, investment properties, fixed assets, intangible assets, other non-current assets, current liabilities and non-current liabilities.

Valuation benchmark date: 30 November 2025

Type of Value: Market value

Valuation Approaches: Asset-based approach and market approach

Valuation Conclusion: This asset valuation report adopts the valuation result of the asset-based approach as the valuation conclusion. Specific valuation conclusions are as follows: As of the valuation benchmark date, the carrying amount of total assets of Shum Yip Pengji Holdings Co., Ltd. was RMB13,139.9878 million, and the appraised value was RMB14,771.0872 million, with an increase in value of RMB1,631.0994 million and an appreciation rate of 12.41%; the carrying amount of total liabilities was RMB10,067.8772 million, and the appraised value was RMB10,067.8772 million, with no increase or decrease in value; the carrying amount of net assets was RMB3,072.1106 million, and the appraised value was RMB4,703.2100 million, with an increase in value of RMB1,631.0994 million and an appreciation rate of 53.09%.

Specific valuation results of the asset-based approach are detailed in the following summary of valuation results:

Summary of the valuation results of the asset-based approach

Valuation benchmark date: 30 November 2025 *Amount unit: RMB0'000*

Item	Carrying amount A	Appraised value B	Increase (decrease) in value C=B-A	Appreciation rate % D=C/A×100%
Current assets	1,058,420.33	895,526.80	(162,893.53)	(15.39)
Non-current assets	255,578.45	581,581.92	326,003.47	127.56
Of which: Long-term equity investment	185,246.57	388,258.33	203,011.76	109.59
Investment properties	4,356.75	123,053.50	118,696.75	2,724.43
Fixed assets	1,510.72	5,824.92	4,314.20	285.57
Intangible assets	46.24	26.99	(19.25)	(41.63)
Other non-current assets	64,418.18	64,418.18	0.00	0.00
Total assets	**1,313,998.78**	**1,477,108.72**	**163,109.94**	**12.41**
Current liabilities	873,396.74	873,396.74	0.00	0.00
Non-current liabilities	133,390.98	133,390.98	0.00	0.00
Total liabilities	**1,006,787.72**	**1,006,787.72**	**0.00**	**0.00**
Net assets	**307,211.06**	**470,321.00**	**163,109.94**	**53.09**

Note: The target of appraisal is the value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd., which is represented based on the standalone financial statements of the parent company.

The market values of the properties held by subsidiaries are reflected within the value of long-term equity investments.

The market value of properties for which the appraised entity has obtained real estate ownership certificates (excluding two properties in Taizhou Fenghuangsanjuyuan and Taizhou Jinxiushuanghecheng) is RMB9,291,772,700.

This asset valuation report is issued solely for the purpose of providing value reference for the economic behavior described herein, and the valuation conclusion is valid for one year from the valuation benchmark date.

Users of the asset valuation report shall fully consider the assumptions, limitations and explanatory notes on special matters, as well as their impacts on the valuation conclusion specified in the asset valuation report.

The content above is an extract from the full asset valuation report. For further details of this valuation to fully understand and appropriately use the valuation conclusions, you are advised to read the complete report carefully.

II. PURPOSE OF THE APPRAISAL

Shum Yip Pengji Holdings Co., Ltd. intends to carry out a capital increase. In this regard, it is necessary to appraise the market value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd. as at the valuation benchmark date to provide reference for the value of the above economic behavior.

Regarding this matter, Shum Yip Group Limited issued the "Notice on Commencing Preliminary Work such as Asset Valuation Involved in the Conversion of the Group's Debt in Pengji Company into Equity" (Shum Yip Fa [2025] No. 182)(《關於開展將集團對鵬基公司債權轉為股權所涉及的資產評估等前期工作的通知》(深業發 [2025] 182號)) on 24 December 2025.

III. TARGET AND SCOPE OF APPRAISAL

(I) Target of Appraisal

The target of appraisal is the value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd.

(II) Scope of Appraisal

The scope of appraisal covers all assets and liabilities of Shum Yip Pengji Holdings Co., Ltd.

As of the valuation benchmark date, the assets within the scope of appraisal included current assets, long-term equity investment, investment properties, fixed assets, intangible assets, and other non-current assets; liabilities included current liabilities and non-current liabilities.

On a consolidated basis, the carrying amount of total assets was RMB15,929,875,600; the carrying amount of liabilities was RMB11,678,835,400; the carrying amount of net assets was RMB4,251,040,200; and the net assets attributable to the parent company was RMB3,820,114,300.

For the parent company, the carrying amount of total assets was RMB13,139,987,800; the carrying amount of total liabilities was RMB10,067,877,200; and the carrying amount of net assets was RMB3,072,110,600.

The target and scope of appraisal in the engagement are consistent with those involved in the economic behavior. As of the valuation benchmark date, the carrying amounts of the assets and liabilities within the scope of appraisal have been audited by BDO China Shu Lun Pan Certified Public Accountants LLP, which has issued a special audit report on asset and capital verification.

The conditions of the major assets within the scope of appraisal are as follows:

1. Inventories

Inventories included in the scope of valuation are consumables in use, development products, and development costs. Consumables in use consist of office supplies; development products mainly include buildings and structures such as Bagualing Zhongxin Science & Technology Building (八卦嶺眾鑫科技大廈), Bagualing Commercial Street (八卦嶺商業街), Pengxing Garden Carpark (鵬興花園車庫), and Shops of Buji Sunshine Garden (布吉陽光花園); development costs mainly consist of preliminary costs for urban renewal projects such as the Bagualing Urban Renewal and Reconstruction Project (八卦嶺更新改造項目) in Futian District, the Time Mansion Hotel Urban Renewal Project (上林苑酒店城市更新項目), and the Liantang Industrial Zone Project (蓮塘工業區項目).

2. Long-term equity investment

A total of 28 long-term equity investments are included in the scope of appraisal, as detailed in the table below:

Name of the investee unit	Date of investment	Agreed investment period	Principal activities	Operating status	Proportion of equity interest held
1-01 Hunan Shum Yip Pengxing Real Estate Co., Ltd.*(湖南深業鵬興置業有限公司)	2018-11-13	Long-term	Property development	Normal operation	100.00%
1-02 Huizhou Shum Yip Real Estate Co., Ltd.*(惠州深業置業有限公司)	2021-11-30	Long-term	Property development	Normal operation	100.00%
1-03 Shenzhen Shum Yip Pengji Time Mansion Investment Development Co., Ltd.*(深圳市深業鵬基上林苑投資發展有限公司)	2017-12-04	Long-term	Property development	Normal operation	100.00%
1-05 Taizhou Shum Yip Pengji Investment Co., Ltd.*(泰州深業鵬基投資有限公司)	2007-11-26	Long-term	Property development	Normal operation	100.00%
1-06 Shenzhen Shum Yip Pengji Urban Renewal Co., Ltd.*(深圳市深業鵬基城市更新有限公司)	2017-12-07	Long-term	Property development	Normal operation	100.00%
1-08 Dongguan Gaofa Real Estate Co., Ltd.*(東莞市高發房地產有限公司)	2007-05-28	Long-term	Property development	Normal operation	100.00%
1-09 Huizhou Zhongkai Pengji Investment Co., Ltd.*(惠州市仲愷鵬基投資有限公司)	2006-10-27	Long-term	Property development	Normal operation	100.00%

Name of the investee unit	Date of investment	Agreed investment period	Principal activities	Operating status	Proportion of equity interest held
1-10 Shenzhen Shenshan Special Cooperation Zone Shum Yip Pengji Investment Development Co., Ltd.*（深圳市深汕特別合作區深業鵬基投資發展有限公司）	2016-02-05	Long-term	Property development	Normal operation	100.00%
1-11 Taizhou Shum Yip Real Estate Co., Ltd.*（泰州深業置業有限公司）	2021-10-12	Long-term	Property development	Normal operation	100.00%
1-12 Dongguan Shum Yip Songshan Lake Real Estate Co., Ltd.*（東莞市深業松山湖置業有限公司）	2019-11-14	Long-term	Property development	Normal operation	100.00%
1-13 Huizhou Pengji Investment Co., Ltd.*（惠州市鵬基投資有限公司）	2004-07-16	Long-term	Property development	Normal operation	100.00%
1-14 Shum Yip Pengji Shanty Area Redevelopment Investment Development (Shenzhen) Co., Ltd.*（深業鵬基棚改投資發展(深圳)有限公司）	2017-12-04	Long-term	Property development	Normal operation	100.00%
1-15 Shum Yip Xinchang Operation Management (Shenzhen) Co., Ltd.*（深業新場運營管理(深圳)有限公司）	2013-03-04	Long-term	Property development	Normal operation	100.00%
1-16 Changsha Pengji Real Estate Co., Ltd.*（長沙鵬基地產有限公司）	2002-12-02	Long-term	Property development	Normal operation	80.00%
1-17 Shenzhen Shum Yip Hardware Co., Ltd.*（深圳深業五金有限公司）	1997-08-12	Long-term	Original principal business has ceased, currently mainly engaged in property lease	Normal operation	75.00%
1-18 Shenzhen Zhongfa Industrial Co., Ltd.*（深圳市中發實業股份有限公司）	1988-03-30	Long-term	Original principal business has ceased, currently mainly engaged in property lease	Normal operation	74.57%
1-19 Shenzhen Jinghua Displays Electronics Co., Ltd.	1987-01-02	Long-term	Manufacturing	Normal operation	70.00%
1-20 Shenzhen Shenye Minghong Real Estate Development Co., Ltd.	2014-05-26	Long-term	Property development	Normal operation	65.00%
1-21 Shenzhen Pengji Longdian Security Co., Ltd.*（深圳鵬基龍電安防股份有限公司）	1989-07-12	Long-term	Fire door production	Normal operation	63.46%
1-22 Shenzhen Shum Yip Asset Management Co., Ltd.*（深圳深業資產管理有限公司）	2012-04-25	Long-term	Asset management	Normal operation	60.00%
1-23 Shenzhen Kechuang Yuncheng Industrial Co., Ltd.*（深圳市科創雲城實業有限公司）	2017-09-14	Long-term	Property development	Normal operation	56.00%
1-24 Taizhou Shum Yip Investment Development Limited	2007-12-21	Long-term	Property development	Normal operation	51.00%
1-25 Shenzhen Pengsheng Real Estate Industrial Co., Ltd.*（深圳鵬盛地產實業有限公司）	1989-08-03	Long-term	Property development	Normal operation	50.00%
1-26 Shenzhen Shum Yip Pengji Baohua Investment Co., Ltd.*（深圳市深業鵬基寶華投資有限公司）	2011-10-18	Long-term	Property development	Normal operation	50.00%
1-27 Shenzhen Rongsheng Property Service Co., Ltd.*（深圳市榮生物業服務有限公司）	1985-04	Long-term	Property lease	Normal operation	30.00%

Name of the investee unit	Date of investment	Agreed investment period	Principal activities	Operating status	Proportion of equity interest held
1-28 Shenzhen Fu'an Jiye Shanty Area Redevelopment Service Co., Ltd.*(深圳市福安基業棚改服務有限公司)	2018-05	Long-term	Property development	Normal operation	49.00%
1-29 Shenzhen International Construction Machinery Co., Ltd.* (深圳國際建築機械有限公司)	1985-07-15	Long-term	Original principal business has ceased, currently mainly engaged in property lease	Normal operation	100.00%
1-4 Shenzhen Time Mansion Hotel Co., Ltd.*(深圳市上林苑酒店有限公司)	1986-06	Long-term	Hotel	Dissolved	100.00%

* *The English names of the PRC companies above represent the best efforts in translating the Chinese names of these companies as no English names have been registered.*

3. Investment properties

A total of 70 items of investment properties are included in the scope of valuation. The registered owners as stated in the ownership title certificates already obtained are all Shum Yip Pengji Holdings Co., Ltd. Among them: 9 properties including Pengxing Shops (S/N 59-67) have been disposed of but have not yet undergone accounting treatment; the Bagualing Meat and Vegetable Market and Canteen Composite Building (S/N 68-70) have been demolished, and a resettlement agreement has been signed with Time Mansion Investment. Details of the investment properties are as follows:

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
1	Shen Fang Di Zi No.3000776008 Shen Fang Di Zi No.3000776011 Shen Fang Di Zi No.3000776013 Shen Fang Di Zi No.3000776048 Shen Fang Di Zi No.3000776050	Bagualing Block 10 Composite Building	Self-built	Commercial/ residential	Frame	August 1985	1,279.89
2	Yue (2018) Shenzhen Shi Bu Dong Chan Quan No.0080370	Bagualing Block 11	Self-built	Plant	Frame	December 1985	2,078.58
3	Shen Fang Di Zi No.3000776054 Shen Fang Di Zi No.3000776052	Bagualing Block 12	Self-built	Dormitory	Brick-concrete	August 1985	1,595.14
4	No Certificate	Bagualing Block 13	Self-built	Dormitory	Brick-concrete	August 1985	5,756.44
5	Shen Fang Di Zi No.3000774015 Shen Fang Di Zi No.3000774142 Shen Fang Di Zi No.3000774145 Shen Fang Di Zi No.3000774147 Shen Fang Di Zi No.3000774148 Shen Fang Di Zi No.3000774170 Shen Fang Di Zi No.3000774174 Shen Fang Di Zi No.3000774176 Shen Fang Di Zi No.3000774336 Shen Fang Di Zi No.3000774347 Shen Fang Di Zi No.3000774349 Shen Fang Di Zi No.3000776000 Shen Fang Di Zi No.3000776032	Bagualing Block 15	Self-built	Dormitory	Brick-concrete	January 1986	925.24
6	Shen Fang Di Zi No.3000776029 Shen Fang Di Zi No.3000776031	Bagualing Block 18	Self-built	Dormitory	Brick-concrete	January 1986	266.65

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
7	Shen Fang Di Zi No.3000776048	Bagualing Block 20	Self-built	Dormitory	Brick-concrete	September 1988	5,652.60
8	No Certificate	Bagualing Block 26	Self-built	Dormitory	Brick-concrete	September 1988	52.09
9	Shen Fang Di Zi No.3000776040	Bagualing Block 30	Self-built	Dormitory	Brick-concrete	December 1985	2,677.20
10	Shen Fang Di Zi No.3000774030 Shen Fang Di Zi No.3000776034	Bagualing Block 31	Self-built	Dormitory	Brick-concrete	January 1986	1,942.53
11	Yue (2024) Shenzhen Shi Bu Dong Chan Quan No.0343005	Bagualing Block 41	Self-built	Dormitory	Brick-concrete	June 1995	50.51
12	No Certificate	Bagualing Block 424	Self-built	Plant	Frame	December 1984	2,224.43
13	No Certificate	Bagualing Block 430	Self-built	Plant	Frame	December 1984	2,336.51
14	Shen Fang Di Zi No.3000353920 Yue (2024) Shenzhen Shi Bu Dong Chan Quan No.0346226 Yue (2024) Shenzhen Shi Bu Dong Chan Quan No.0346072 Yue (2024) Shenzhen Shi Bu Dong Chan Quan No.0346306 Shen Fang Di Zi No.3000740321	Bagualing Block 43	Self-built	Commercial/ residential	Frame	June 1995	733.96
15	Shen Fang Di Zi No.3000773967 Shen Fang Di Zi No.3000773968 Shen Fang Di Zi No.3000774002 Shen Fang Di Zi No.3000774004 Shen Fang Di Zi No.3000774011 Shen Fang Di Zi No.3000774179 Shen Fang Di Zi No.3000774180 Shen Fang Di Zi No.3000774181 Shen Fang Di Zi No.3000774184 Shen Fang Di Zi No.3000774186 Shen Fang Di Zi No.3000774286 Shen Fang Di Zi No.3000774290 Shen Fang Di Zi No.3000774292 Shen Fang Di Zi No.3000774295 Shen Fang Di Zi No.3000774306 Shen Fang Di Zi No.3000774310 Shen Fang Di Zi No.3000774316 Shen Fang Di Zi No.3000774317 Shen Fang Di Zi No.3000774319 Shen Fang Di Zi No.3000774322 Shen Fang Di Zi No.3000774324 Shen Fang Di Zi No.3000774328 Shen Fang Di Zi No.3000774330 Shen Fang Di Zi No.3000774360 Shen Fang Di Zi No.3000774363 Shen Fang Di Zi No.3000774368 Shen Fang Di Zi No.3000774377 Shen Fang Di Zi No.3000774381 Shen Fang Di Zi No.3000774387 Shen Fang Di Zi No.3000774426 Shen Fang Di Zi No.3000774427 Shen Fang Di Zi No.3000774431 Shen Fang Di Zi No.3000776002 Shen Fang Di Zi No.3000776041 Shen Fang Di Zi No.3000776044 Shen Fang Di Zi No.3000776259	Bagualing Block 47	Self-built	Dormitory	Brick-concrete	January 1986	2,876.01
16	Shen Fang Di Zi No.3000776028	Bagualing Block 48	Self-built	Office	Brick-concrete	January 1986	5,740.19

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
17	Shen Fang Di Zi No.3000776005 Shen Fang Di Zi No.3000776023 Shen Fang Di Zi No.3000776021 Shen Fang Di Zi No.3000776024 Shen Fang Di Zi No.3000776020 Shen Fang Di Zi No.3000776018 Shen Fang Di Zi No.3000776022 Shen Fang Di Zi No.3000774590 Shen Fang Di Zi No.3000776033 Shen Fang Di Zi No.3000776255 Shen Fang Di Zi No.3000776260	Bagualing Block 49	Self-built	Commercial	Brick-concrete	December 1984	3,326.49

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
18	No Certificate	Bagualing Block 513	Self-built	Plant	Frame	December 1984	969.81
19	No Certificate	Bagualing Block 514	Self-built	Plant	Frame	December 1984	1,766.63
20	Shen Fang Di Zi No.3000062247	Bagualing Block 515	Self-built	Plant	Frame	December 1984	1,972.50
21	Shen Fang Di Zi No.3000062246	Bagualing Block 523	Self-built	Plant	Frame	July 1984	2,358.00
22	Shen Fang Di Zi No.3000062242	Bagualing Block 532	Self-built	Plant	Frame	October 1984	1,060.10
23	Shen Fang Di Zi No.3000258646	Bagualing Block 534	Self-built	Canteen/ dormitory	Frame	June 1996	3,210.78
24	Shen Fang Di Zi No.3000062254	Bagualing Block 618	Self-built	Plant	Frame	July 1985	3,190.68
25	Shen Fang Di Zi No.3000061663 Shen Fang Di Zi No.3000061682	Bagualing Block 6 Plant	Self-built	Plant	Frame	August 1984	1,112.83
26	No Certificate	Bagualing Block 9	Self-built	Dormitory	Brick-concrete	August 1985	337.59
27	No Certificate	Bagualing Auto Parts Market Block 40	Self-built	Dormitory	Frame	August 1985	588.17
28	No Certificate	Bagualing Auto Parts Market Block 41	Self-built	Dormitory	Frame	August 1985	1,004.42
29	Shen Fang Di Zi No.3000740317	Bagualing Auto Parts Market Block 42	Self-built	Dormitory	Frame	August 1985	1,005.42
30	Shen Fang Di Zi No.3000659736	Bagualing Shengshi Peng Cheng	Self-built	Commercial	Frame	December 2005	1,944.63
31	No Certificate	An Hua Building	Self-built	Office	Frame	September 1991	610.00
32	Yue (2023) Shenzhen Shi Bu Dong Chan Quan No.0486817	Shangbu Block 102 Section C	Self-built	Plant	Frame	December 1983	705.00
33	Shen Fang Di Zi No.3000061858	Shangbu Block 201 Plant	Self-built	Plant	Frame	December 1983	865.43
34	Shen Fang Di Zi No.3000061854 Shen Fang Di Zi No.3000388766 Shen Fang Di Zi No.3000388768 Shen Fang Di Zi No.3000388769 Shen Fang Di Zi No.3000388772 Shen Fang Di Zi No.3000388781 Shen Fang Di Zi No.3000388784	Shangbu Block 402A Dormitory	Self-built	Dormitory	Brick-concrete	December 1984	713.92
35	Shen Fang Di Zi No.3000061847 Shen Fang Di Zi No.3000327176 Shen Fang Di Zi No.3000061848 Shen Fang Di Zi No.3000061849 Shen Fang Di Zi No.3000061846	Shangbu Block 501 Office Building	Self-built	Office	Frame	August 1984	3,263.63
36	Shen Fang Di Zi No.3000061856 Shen Fang Di Zi No.3000061855	Shangbu Block 503 Dormitory	Self-built	Dormitory	Brick-concrete	December 1984	1,147.30
37	Shen Fang Di Zi No.3000061852	Shangbu Block 505	Self-built	Industrial storage	Frame	March 1985	2,142.30
38	Shen Fang Di Zi No.4000580083 Shen Fang Di Zi No.4000580084 Shen Fang Di Zi No.4000580085 Shen Fang Di Zi No.4000580086 Shen Fang Di Zi No.4000580087 Shen Fang Di Zi No.4000580088 Shen Fang Di Zi No.4000580089 Shen Fang Di Zi No.4000580090	Orient Technology Park Block 1 (Huake Building)	Self-built	Plant	Frame	January 2002	7,103.46

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
39	Shen Fang Di Zi No.4000612276 Shen Fang Di Zi No.4000612278 Shen Fang Di Zi No.4000612281 Shen Fang Di Zi No.4000612284 Shen Fang Di Zi No.4000612287 Shen Fang Di Zi No.4000612291 Shen Fang Di Zi No.4000612292 Shen Fang Di Zi No.4000612298 Shen Fang Di Zi No.4000612299 Shen Fang Di Zi No.4000612300 Shen Fang Di Zi No.4000612301 Shen Fang Di Zi No.4000612302 Shen Fang Di Zi No.4000612303 Shen Fang Di Zi No.4000612304 Shen Fang Di Zi No.4000612322 Shen Fang Di Zi No.4000612323 Shen Fang Di Zi No.4000612325 Shen Fang Di Zi No.4000612330 Shen Fang Di Zi No.4000612340 Shen Fang Di Zi No.4000612342 Shen Fang Di Zi No.4000612344 Shen Fang Di Zi No.4000612345 Shen Fang Di Zi No.4000612348 Shen Fang Di Zi No.4000612349 Shen Fang Di Zi No.4000612352 Shen Fang Di Zi No.4000612353 Shen Fang Di Zi No.4000612355 Shen Fang Di Zi No.4000612356 Shen Fang Di Zi No.4000612417 Shen Fang Di Zi No.4000612418 Shen Fang Di Zi No.4000612419 Shen Fang Di Zi No.4000612420 Shen Fang Di Zi No.4000612421 Shen Fang Di Zi No.4000612422 Shen Fang Di Zi No.4000612423 Shen Fang Di Zi No.4000612424 Shen Fang Di Zi No.4000612573 Shen Fang Di Zi No.4000612592	Orient Technology Park Block 1 (Qiaozhu Ge)	Self-built	Dormitory	Brick-concrete	January 2002	1,976.45

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
	Shen Fang Di Zi No.4000612594						
	Shen Fang Di Zi No.4000612614						
	Shen Fang Di Zi No.4000612615						
	Shen Fang Di Zi No.4000612616						
	Shen Fang Di Zi No.4000612618						
	Shen Fang Di Zi No.4000612621						
	Shen Fang Di Zi No.4000612624						
	Shen Fang Di Zi No.4000612627						
	Shen Fang Di Zi No.4000612753						
	Shen Fang Di Zi No.4000613227						
	Shen Fang Di Zi No.4000613228						
	Shen Fang Di Zi No.4000613229						
	Shen Fang Di Zi No.4000613231						
	Shen Fang Di Zi No.4000613232						
	Shen Fang Di Zi No.4000613233						
	Shen Fang Di Zi No.4000613235						
	Shen Fang Di Zi No.4000613237						
	Shen Fang Di Zi No.4000613326						
	Shen Fang Di Zi No.4000613328						
	Shen Fang Di Zi No.4000613330						
	Shen Fang Di Zi No.4000613333						
	Shen Fang Di Zi No.4000613336						
	Shen Fang Di Zi No.4000613338						
	Shen Fang Di Zi No.4000613339						
	Shen Fang Di Zi No.4000613340						
	Shen Fang Di Zi No.4000613341						
	Shen Fang Di Zi No.4000613342						
	Shen Fang Di Zi No.4000613343						
	Shen Fang Di Zi No.4000613345						
	Shen Fang Di Zi No.4000613348						
	Shen Fang Di Zi No.4000613349						
	Shen Fang Di Zi No.4000613350						
	Shen Fang Di Zi No.4000613352						
40	Shen Fang Di Zi No.4000208667	Orient Technology Park Block 3 (Qiaofeng Ge)	Self-built	Dormitory	Brick-concrete	January 2002	1,816.60
	Shen Fang Di Zi No.4000208668						
	Shen Fang Di Zi No.4000208669						
	Shen Fang Di Zi No.4000208675						
	Shen Fang Di Zi No.4000208716						
	Shen Fang Di Zi No.4000208717						
	Shen Fang Di Zi No.4000208718						
	Shen Fang Di Zi No.4000208720						
	Shen Fang Di Zi No.4000208721						
	Shen Fang Di Zi No.4000208722						
	Shen Fang Di Zi No.4000208724						
	Shen Fang Di Zi No.4000208725						
	Shen Fang Di Zi No.4000208726						
	Shen Fang Di Zi No.4000208728						
	Shen Fang Di Zi No.4000208729						
	Shen Fang Di Zi No.4000208730						
	Shen Fang Di Zi No.4000208731						
	Shen Fang Di Zi No.4000208732						
	Shen Fang Di Zi No.4000208733						
	Shen Fang Di Zi No.4000208742						
	Shen Fang Di Zi No.4000208749						
	Shen Fang Di Zi No.4000208763						

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
	Shen Fang Di Zi No.4000208764						
	Shen Fang Di Zi No.4000208765						
	Shen Fang Di Zi No.4000208766						
	Shen Fang Di Zi No.4000208767						
	Shen Fang Di Zi No.4000208768						
	Shen Fang Di Zi No.4000208769						
	Shen Fang Di Zi No.4000208770						
	Shen Fang Di Zi No.4000208771						
	Shen Fang Di Zi No.4000208772						
	Shen Fang Di Zi No.4000208773						
	Shen Fang Di Zi No.4000208774						
	Shen Fang Di Zi No.4000208775						
	Shen Fang Di Zi No.4000208776						
	Shen Fang Di Zi No.4000208777						
	Shen Fang Di Zi No.4000208778						
	Shen Fang Di Zi No.4000208779						
	Shen Fang Di Zi No.4000208780						
	Shen Fang Di Zi No.4000208781						
	Shen Fang Di Zi No.4000208782						
	Shen Fang Di Zi No.4000208783						
	Shen Fang Di Zi No.4000208785						
	Shen Fang Di Zi No.4000208786						
	Shen Fang Di Zi No.4000208787						
	Shen Fang Di Zi No.4000208805						
	Shen Fang Di Zi No.4000208806						
	Shen Fang Di Zi No.4000208807						
	Shen Fang Di Zi No.4000208808						
	Shen Fang Di Zi No.4000208828						
	Shen Fang Di Zi No.4000208830						
	Shen Fang Di Zi No.4000208835						
	Shen Fang Di Zi No.4000208836						
	Shen Fang Di Zi No.4000208837						
	Shen Fang Di Zi No.4000208838						
	Shen Fang Di Zi No.4000208839						
	Shen Fang Di Zi No.4000208841						
	Shen Fang Di Zi No.4000208842						
	Shen Fang Di Zi No.4000208843						
	Shen Fang Di Zi No.4000208856						
	Shen Fang Di Zi No.4000612619						
	Shen Fang Di Zi No.4000612780						
	Shen Fang Di Zi No.4000612781						
	Shen Fang Di Zi No.4000613357						
	Shen Fang Di Zi No.4000613362						
	Shen Fang Di Zi No.4000613363						
	Shen Fang Di Zi No.4000613364						

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
41	Shen Fang Di Zi No.4000613371 Shen Fang Di Zi No.4000613372 Shen Fang Di Zi No.4000613574 Shen Fang Di Zi No.4000613577 Shen Fang Di Zi No.4000613579 Shen Fang Di Zi No.4000613580 Shen Fang Di Zi No.4000613581 Shen Fang Di Zi No.4000613987 Shen Fang Di Zi No.4000613990 Shen Fang Di Zi No.4000613998 Shen Fang Di Zi No.4000613999 Shen Fang Di Zi No.4000614000 Shen Fang Di Zi No.4000614020 Shen Fang Di Zi No.4000614021 Shen Fang Di Zi No.4000614030 Shen Fang Di Zi No.4000614031	Orient Technology Park Block 4 (Qiaoya Ge)	Self-built	Dormitory	Brick-concrete	January 2002	431.91
42	No Certificate	Orient Technology Park Canteen	Self-built	Commercial	Brick-concrete	June 2002	931.88
43	Shen Fang Di Zi No.4000611888 Shen Fang Di Zi No.4000611878 Shen Fang Di Zi No.4000611736 Shen Fang Di Zi No.4000611733	Gaofa Block 2 Composite Building	Self-built	Commercial/ office/ apartment/ catering	Frame	May 1993	3,795.42
44	No Certificate	Kengzi Industrial Land	Self-built	Land plot	Vacant land		8,323.58
45	Shen Fang Di Zi No.2000049125 Shen Fang Di Zi No.2000049126 Shen Fang Di Zi No.2000049127 Shen Fang Di Zi No.2000049128 Shen Fang Di Zi No.2000049129 Shen Fang Di Zi No.2000049130	Liantang Block 101	Self-built	Dormitory	Brick-concrete	July 1993	4,041.84
46	Shen Fang Di Zi No.2000054665	Liantang Block 102	Self-built	Dormitory	Brick-concrete	July 1993	4,789.24
47	Shen Fang Di Zi No.2000054666	Liantang Block 103	Self-built	Commercial/ dormitory	Frame	December 1994	3,153.67
48	No Certificate	Liantang Block 104	Self-built	Dormitory	Brick-concrete	December 1994	410.58
49	Shen Fang Di Zi No.2000049135	Liantang Block 105	Self-built	Dormitory	Brick-concrete	October 1993	673.64
50	Shen Fang Di Zi No.2000049139	Liantang Block 106	Self-built	Dormitory	Brick-concrete	August 1992	899.65
51	Shen Fang Di Zi No.2000049140	Liantang Block 107	Self-built	Dormitory	Brick-concrete	August 1992	1,358.27
52	Shen Fang Di Zi No.2000049143 Shen Fang Di Zi No.2000049144	Liantang Block 108	Self-built	Commercial/ dormitory	Frame	August 1992	1,540.44

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
53	Shen Fang Di Zi No.2000054668	Liantang Block 109	Self-built	Dormitory	Brick-concrete	December 1994	4,789.24
54	Shen Fang Di Zi No.2000054670	Liantang Block 110	Self-built	Dormitory	Brick-concrete	February 1995	4,789.24
55	Shen Fang Di Zi No.2000475261 Shen Fang Di Zi No.2000475262 Shen Fang Di Zi No.2000475264 Shen Fang Di Zi No.2000475266 Shen Fang Di Zi No.2000475268 Shen Fang Di Zi No.2000475269	Liantang Block 703	Self-built	Plant	Frame	May 1994	11,206.53
56	Shen Fang Di Zi No.2000475269	Liantang Block 705	Self-built	Plant	Frame	November 1989	2,265.00
57	Shen Fang Di Zi No.2000475271	Liantang Block 709	Self-built	Plant	Frame	July 1994	1,687.44
58	Shen Fang Di Zi No.2000475254 Shen Fang Di Zi No.2000475256 Shen Fang Di Zi No.2000475257 Shen Fang Di Zi No.2000475259 Shen Fang Di Zi No.2000475260	Liantang Block 711	Self-built	Plant	Frame	July 1994	7,949.14
59		Pengxing Block 63 Shop 126#	Self-built	Shops			
60		Pengxing Block 61 Shop 120#	Self-built	Shops			
61		Pengxing Block 61 Shop 119#	Self-built	Shops			
62		Pengxing Block 59 Shop 111#	Self-built	Shops			
63		Pengxing Block 59 Shop 110#	Self-built	Shops			
64		Pengxing Block 59 Shop 109#	Self-built	Shops			
65		Pengxing Block 59 Shop 106#	Self-built	Shops			
66		Pengxing Block 58 Shop 103#	Self-built	Shops			
67		Pengxing Block 52-55 Shops	Self-built	Shops			
68		Bagualing Meat and Vegetable Market	Self-built	Commercial			3,897.60
69		Bagualing Area 2-3 Block 5 Canteen Composite Building	Self-built	Composite Building			16,936.42
70		Bagualing Area 2-3 Block 5 Canteen Composite Building	Self-built	Composite Building			
Total investment properties – Buildings							**164,250.84**

Most of the aforementioned investment properties have obtained ownership title certificates, while 13 properties have not yet obtained ownership title certificates. The details are as follows:

S/N	Certificate No.	Property Name	Source	Use	Structure	Completion Date	Gross Floor Area per Certificate (m^2)
1	No Certificate	Bagualing Block 13	Self-built	Dormitory	Brick-concrete	August 1985	5,756.44
2	No Certificate	Bagualing Block 26	Self-built	Dormitory	Brick-concrete	September 1988	52.09
3	No Certificate	Bagualing Block 424	Self-built	Plant	Frame	December 1984	2,224.43
4	No Certificate	Bagualing Block 430	Self-built	Plant	Frame	December 1984	2,336.51
5	No Certificate	Bagualing Block 513	Self-built	Plant	Frame	December 1984	969.81
6	No Certificate	Bagualing Block 514	Self-built	Plant	Frame	December 1984	1,766.63
7	No Certificate	Bagualing Block 9	Self-built	Dormitory	Brick-concrete	August 1985	337.59
8	No Certificate	Bagualing Auto Parts Market Block 40	Self-built	Dormitory	Frame	August 1985	588.17
9	No Certificate	Bagualing Auto Parts Market Block 41	Self-built	Dormitory	Frame	August 1985	1,004.42
10	No Certificate	An Hua Building	Self-built	Office	Frame	September 1991	610.00
11	No Certificate	Orient Technology Park Canteen	Self-built	Commercial	Brick-concrete	June 2002	931.88
12	No Certificate	Kengzi Industrial Land	Self-built	Land plot	Vacant land		8,323.58
13	No Certificate	Liantang Block 104	Self-built	Dormitory	Brick-concrete	December 1994	410.58
Total							**25,312.13**

4. Fixed assets

(1) Buildings

A total of 14 items of buildings are included in the scope of valuation. The registered owners as stated in the certificates are all Shum Yip Pengji Holdings Co., Ltd. Among them, the floor areas of Bagualing Block 49 and Block 47 are included and reported under investment properties. Details of the buildings are as follows:

S/N	Certificate No.	Property Name	Use	Structure	Gross Floor Area (m^2)
1		Switching Station No. 1			604
2		Switching Station No. 3			604
3	Yue (2018) Shenzhen Shi Bu Dong Chan Quan No.0207555; Yue (2018) Shenzhen Shi Bu Dong Chan Quan No.0208683	Bagualing Block 611	Office	Frame	10,418.02
4		Bagualing Dormitory Second Canteen			573
5	Shen Fang Di Zi No.3000061859 Shen Fang Di Zi No.3000061853	Shangbu Block 303 Dormitory	Single dormitory	Brick-concrete	745
6		Shangbu Switching Station			400
7	Shen Fang Di Zi No.4000611885	Gaofa Block 3 Apartment	Property management room	Brick-concrete	322.84
8	Shen Fang Di Zi No.4000612428 Shen Fang Di Zi No.4000612427 Shen Fang Di Zi No.4000612426 Shen Fang Di Zi No.4000612425 Shen Fang Di Zi No.4000611602 Shen Fang Di Zi No.4000611539 Shen Fang Di Zi No.4000611547 Shen Fang Di Zi No.4000611508 Shen Fang Di Zi No.4000611599 Shen Fang Di Zi No.4000611504 Shen Fang Di Zi No.4000611593 Shen Fang Di Zi No.4000611881 Shen Fang Di Zi No.4000611880 Shen Fang Di Zi No.4000611883	Gaofa Block 4 Apartment	Single dormitory	Brick-concrete	457.49
9		Residential Unit in São Paulo, Brazil			100
10	Shen Fang Di Zi No.3000776005 Shen Fang Di Zi No.3000776023 Shen Fang Di Zi No.3000776021 Shen Fang Di Zi No.3000776024 Shen Fang Di Zi No.3000776020 Shen Fang Di Zi No.3000776018 Shen Fang Di Zi No.3000776022 Shen Fang Di Zi No.3000774590 Shen Fang Di Zi No.3000776033 Shen Fang Di Zi No.3000776255 Shen Fang Di Zi No.3000776260	Bagualing Block 49 (FW Portion)	Single dormitory	Brick-concrete	

S/N	Certificate No.	Property Name	Use	Structure	Gross Floor Area (m^2)
11	Shen Fang Di Zi No.3000773967 Shen Fang Di Zi No.3000773968 Shen Fang Di Zi No.3000774002 Shen Fang Di Zi No.3000774004 Shen Fang Di Zi No.3000774011 Shen Fang Di Zi No.3000774179 Shen Fang Di Zi No.3000774180 Shen Fang Di Zi No.3000774181 Shen Fang Di Zi No.3000774184 Shen Fang Di Zi No.3000774186 Shen Fang Di Zi No.3000774286 Shen Fang Di Zi No.3000774290 Shen Fang Di Zi No.3000774292 Shen Fang Di Zi No.3000774295 Shen Fang Di Zi No.3000774306 Shen Fang Di Zi No.3000774310 Shen Fang Di Zi No.3000774316 Shen Fang Di Zi No.3000774317 Shen Fang Di Zi No.3000774319 Shen Fang Di Zi No.3000774322 Shen Fang Di Zi No.3000774324 Shen Fang Di Zi No.3000774328 Shen Fang Di Zi No.3000774330 Shen Fang Di Zi No.3000774360 Shen Fang Di Zi No.3000774363 Shen Fang Di Zi No.3000774368 Shen Fang Di Zi No.3000774377 Shen Fang Di Zi No.3000774381 Shen Fang Di Zi No.3000774387 Shen Fang Di Zi No.3000774426 Shen Fang Di Zi No.3000774427 Shen Fang Di Zi No.3000774431 Shen Fang Di Zi No.3000776002 Shen Fang Di Zi No.3000776041 Shen Fang Di Zi No.3000776044 Shen Fang Di Zi No.3000776259	Bagualing Block 47 (FW Portion)	Single dormitory	Brick-concrete	
12	Shen Fang Di Zi No.2000049143 Shen Fang Di Zi No.2000049144	Liantang Block 108 (FW Portion)	Single dormitory	Frame	588.1
13	Shen Fang Zi No.11296	Unit 1001, 1/F, Block C, Nanyang Building		Frame	13.22
14	Shen Fang Di Zi No.3000061855 Shen Fang Di Zi No.3000061856	Collective Dormitory (Shangbu) Block 503 Unit 401/403		Brick-concrete	1,147.3
Total Buildings					**15,972.97**

(2) Vehicles

A total of 13 items of vehicles are included in the scope of valuation, primarily consisting of business vehicles such as Mitsubishi Jeeps, Buick wagons, Volvo sedans, and Audi cars. As of the valuation benchmark date, 1 Mitsubishi Jeep and 1 Audi car have been scrapped, and 3 vehicles have been disposed of. The remaining vehicles are well-maintained and can be used normally.

(3) Electronic Equipment

A total of 430 items of electronic equipment are included in the scope of valuation, mainly comprising air conditioners, computers, copiers, televisions, and office desks and chairs for company's daily office use. As of the valuation benchmark date, the equipment is well-maintained and can be used normally.

IV. TYPE OF VALUE

Based on the purpose of this appraisal, market conditions, and the specific circumstances of the target of appraisal, the value type of the target of appraisal is determined to be market value.

Market value refers to the estimated value of the target of appraisal in a normal and fair transaction on the valuation benchmark date between a willing buyer and a willing seller, each acting rationally and without any coercion.

V. VALUATION BENCHMARK DATE

The valuation benchmark date of this report is 30 November 2025.

The valuation benchmark date is determined by the principal. Factors considered when determining the valuation benchmark date primarily include the realization of economic behaviors and the conditions at the end of the accounting period. Asset valuation provides a reference to the asset value at a specific point of time, and selecting the end of the accounting period as the valuation benchmark date comprehensively reflects the overall condition of the assets of the target of appraisal; furthermore, the valuation benchmark date has been chosen to be relatively close to the planned realization of the relevant economic behavior, to ensure that the valuation results effectively serve their purpose, the valuation scope is accurately delineated, the assets are accurately and efficiently checked and verified, and the bases for valuation and pricing are reasonably selected.

VI. BASIS OF APPRAISAL

(I) Economic behavior basis

1. Shum Yip Group Limited (Shum Yip Fa [2025] No. 182) "Notice on Commencing Preliminary Work such as Asset Valuation Involved in the Conversion of the Group's Debt in Pengji Company into Equity"(《關於開展將集團對鵬基公司債權轉為股權所涉及的資產評估等前期工作的通知》)(24 December 2025).

(II) Legal and regulation basis

1. Asset Appraisal Law of the People's Republic of China(《中華人民共和國資產評估法》)(adopted at the 21st meeting of the Standing Committee of the 12th National People's Congress on 2 July 2016);

2. Company Law of the People's Republic of China(《中華人民共和國公司法》)(revised for the second time at the 7th meeting of the Standing Committee of the 14th National People's Congress on 29 December 2023);

3. Civil Code of the People's Republic of China(《中華人民共和國民法典》)(adopted at the third session of the 13th National People's Congress on 28 May 2020);

4. Urban Real Estate Administration Law of the People's Republic of China(《中華人民共和國城市房地產管理法》)(amended for the third time at the 12th meeting of the Standing Committee of the 13th National People's Congress on 26 August 2019);

5. Land Administration Law of the People's Republic of China(《中華人民共和國土地管理法》)(amended for the third time at the 12th meeting of the Standing Committee of the 13th National People's Congress on 26 August 2019);

6. Enterprise Income Tax Law of the People's Republic of China(《中華人民共和國企業所得稅法》)(amended for the second time at the 7th meeting of the Standing Committee of the 13th National People's Congress on 29 December 2018);

7. Law of the People's Republic of China on State-owned Assets in Enterprises(《中華人民共和國企業國有資產法》)(adopted at the fifth meeting of the Standing Committee of the 11th National People's Congress on 28 October 2008);

8. Interim Regulation on the Supervision and Administration of State-owned Assets of Enterprises(《企業國有資產監督管理暫行條例》)(Decree No. 378 of the State Council, revised for the second time on 2 March 2019);

9. Provisional Regulations of the People's Republic of China on Value-added Tax(《中華人民共和國增值稅暫行條例》)(Decree No. 134 of the State Council, revised for the second time on 19 November 2017);

10. Measures for the Financial Supervision and Administration of the Asset Appraisal Industry(《資產評估行業財政監督管理辦法》)(Decree No. 86 of the Ministry of Finance, and revised under Decree No. 97 of the Ministry of Finance);

11. Measures for Administration of Appraisal of State-owned Assets (《國有資產評估管理辦法》)(Decree No. 91 of the State Council, revised on 29 November 2020);

12. Interim Measures for Administration of Appraisal of State-owned Assets of Enterprises (《企業國有資產評估管理暫行辦法》)(Order No. 12 of the State-owned Assets Supervision and Administration Commission);

13. Measures for the Supervision and Administration of State-owned Equity of Listed Companies (《上市公司國有股權監督管理辦法》)(Order No. 36 of the State-owned Assets Supervision and Administration Commission, the Ministry of Finance, and the China Securities Regulatory Commission);

14. The Administrative Measures for the Supervision and Administration of Enterprise State-owned Assets Transactions (《企業國有資產交易監督管理辦法》)(Order No. 32 of the State-owned Assets Supervision and Administration Commission and Ministry of Finance);

15. Notice on Matters Related to the Enhancement of Administration of Appraisal of State-owned Assets of Enterprises (《關於加強企業國有資產評估管理工作有關問題的通知》)(GZWCQ [2006] No. 274);

16. Notice on Issuing the Detailed Rules for the Implementation of the Measures for Administration of Appraisal of State-owned Assets (《關於印發〈國有資產評估管理辦法施行細則〉的通知》)(GZBF [1992] No. 36);

17. Notice on Matters Regarding Review of Valuation Reports of State-owned Assets of Enterprises (《關於企業國有資產評估報告審核工作有關事項的通知》)(GZCQ [2009] No. 941);

18. Notice from the Ministry of Finance and the State Taxation Administration on Comprehensive Implementation of Trial of Replacing Business Tax with Value-added Tax (《財政部國家稅務總局關於全面推開營業稅改徵增值稅試點的通知》)(Cai Shui [2016] No. 36);

19. Notice from the Ministry of Finance and the State Taxation Administration on Adjusting the Value-added Tax Rate (《財政部稅務總局關於調整增值稅稅率的通知》)(Cai Shui [2018] No. 32);

20. Work Guidelines for Filing of Projects for Appraisal of State-owned Assets of Enterprises (《企業國有資產評估項目備案工作指引》)(GZFCQ [2013] No. 64);

21. Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》)(Order No. 65 of the Ministry of Finance and the State Taxation Administration);

22. Announcement on Deepening of Reform of Policies in Relation to Value-added Tax (《關於深化增值稅改革有關政策的公告》)(Announcement No. 39 of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs in 2019);

23. Accounting Standards for Business Enterprises – Basic Standards (《企業會計準則－基本準則》)(Decree No. 33 of the Ministry of Finance) and Decision of the Ministry of Finance on the Revision of the Accounting Standards for Business Enterprises – Basic Standards (《財政部關於修改〈企業會計準則－基本準則〉的決定》)(Decree No. 76 of the Ministry of Finance).

(III) Basis of valuation standards

1. Basic Standards for Assets Appraisal (《資產評估基本準則》)(CZ [2017] No. 43);

2. Code of Ethics for Assets Appraisal (《資產評估職業道德準則》)(Zhong Ping Xie [2017] No. 30);

3. Practice Standards for Assets Appraisal – Asset Valuation Reports (《資產評估執業準則－資產評估報告》)(Zhong Ping Xie [2018] No. 35);

4. Practice Standards for Assets Appraisal – Asset Appraisal Procedures (《資產評估執業準則－資產評估程序》)(Zhong Ping Xie [2018] No. 36);

5. Practice Standards for Assets Appraisal – Asset Appraisal Approaches (《資產評估執業準則－資產評估方法》)(Zhong Ping Xie [2019] No. 35);

6. Practice Standards for Assets Appraisal – Asset Appraisal Entrustment Contract (《資產評估執業準則－資產評估委託合同》)(Zhong Ping Xie [2017] No. 33);

7. Practice Standards for Assets Appraisal – Asset Appraisal Files (《資產評估執業準則－資產評估檔案》)(Zhong Ping Xie [2018] No. 37);

8. Practice Standards for Assets Appraisal – Enterprise Value (《資產評估執業準則－企業價值》)(Zhong Ping Xie [2018] No. 38);

9. Practice Standards for Assets Appraisal – Real Estate (《資產評估執業準則－不動產》)(Zhong Ping Xie [2017] No. 38);

10. Practice Standards for Assets Appraisal – Machinery Equipment (《資產評估執業準則－機器設備》)(Zhong Ping Xie [2017] No. 39);

11. Practice Standards for Assets Appraisal – Intellectual Property (《資產評估執業準則－知識產權》)(Zhong Ping Xie [2023] No. 14);

12. Guidance on Valuation Report of State-owned Assets of Enterprises (《企業國有資產評估報告指南》)(Zhong Ping Xie [2017] No. 42);

13. Quality Control Guidance on the Business of Asset Appraisal Agency (《資產評估機構業務質量控制指南》)(Zhong Ping Xie [2017] No. 46);

14. Guiding Opinions on Types of Value under Asset Appraisal (《資產評估價值類型指導意見》)(Zhong Ping Xie [2017] No. 47);

15. Guiding Opinions on Legal Ownership of Asset Appraisal Object (《資產評估對象法律權屬指導意見》)(Zhong Ping Xie [2017] No. 48);

16. Guiding Opinions on Valuation of Investment Properties (《投資性房地產評估指導意見》)(Zhong Ping Xie [2017] No. 53).

(IV) Ownership basis

1. State-owned asset ownership registration certificate (國有資產產權登記證);

2. State-owned land use certificate;

3. Housing ownership certificate or real estate right certificate;

4. Motor vehicle driving license;

5. Other relevant title certificates.

(V) Basis of price determination

1. Financial Rules for Basic Construction (《基本建設財務規則》)(Decree No. 81 of the Ministry of Finance);

2. Provisions on the Standards for Compulsory Scrapping of Motor Vehicles (《機動車強制報廢標準規定》)(Order No. 12 of 2012 of the Ministry of Commerce, the National Development and Reform Commission, the Ministry of Public Security and the Ministry of Environmental Protection);

3. Foreign exchange rates and the loan prime rate (LPR) quoted from the market as at the valuation benchmark date;

4. Project feasibility study reports, project investment estimates, design estimates and other materials provided by the assessed entity;

5. Relevant engineering budget and final account materials provided by the enterprise;

6. Engineering contracting contracts signed between the enterprise and relevant units;

7. Payment progress statistics and relevant payment vouchers provided by the enterprise for construction in progress;

8. Financial statements and audit reports of previous years provided by the enterprise;

9. Current and future annual market forecast data of main products provided by the enterprise;

10. Other relevant appraisal information recorded and collected by appraisers during field investigation;

11. Regulations on the Management of Construction Costs for Basic Construction Projects (《基本建設項目建設成本管理規定》)(Cai Jian [2016] No. 504);

12. Notice of the National Development and Reform Commission on Further Opening up the Prices of Professional Services for Construction Projects (《國家發展改革委關於進一步放開建設項目專業服務價格的通知》)(Fa Gai Jia Ge [2015] No. 299);

13. Other information related to this asset valuation.

(VI) Other references

1. Glossary for Asset Appraisal Standards (2020)(《資產評估準則術語2020》)(Zhong Ping Xie [2020] No. 31);

2. Asset Appraisal Expert Guidance No. 8 – Inspection and Verification of Asset Appraisal (《資產評估專家指引第8號－資產評估中的核查驗證》)(Zhong Ping Xie [2019] No. 39);

3. Regulations for Urban Land Valuation (《城鎮土地估價規程》)(GB/T 18508-2014);

4. Regulation on Urban Land Gradation and Classification (《城鎮土地分等定級規程》)(GB/T 18507-2014);

5. Current Land Use Classification (《土地利用現狀分類》)(GB/T 21010-2017);

6. Regulations for Standard Land Price (《標定地價規程》)(TD/T 1052-2017);

7. Technical Specifications for Dynamic Monitoring of Urban Land Prices (《城市地價動態監測技術規範》)(TD/T 1009-2007);

8. Technical Specification on Land Price Evaluation for Transfer of State-Owned Construction Land Use Rights (《國有建設用地使用權出讓地價評估技術規範》)(Guo Tu Zi Ting Fa [2018] No. 4);

9. Standard for Real Estate Appraisal (《房地產估價規範》)(GB/T 50291-2015);

10. Standard for Evaluation of Damage and Maintenance Levels of Buildings (Trial) (《房屋完損等級評定標準(試行)》)(Cheng Zhu Zi [1984] No. 678);

11. The list of assets and valuation declaration form provided by the assessed entity;

12. The asset and capital verification report issued by BDO China Shu Lun Pan Certified Public Accountants LLP;

13. The database of Beijing China Enterprise Appraisals Co., Ltd..

VII. VALUATION APPROACHES

The valuation approaches adopted in this valuation are the asset-based approach and the market approach.

The income approach is a general term for various valuation approaches that capitalise or discount the expected income of the target of appraisal to determine its value.

The market approach is a general term for appraisal methods that determine the value of a target of appraisal based on the market price of comparable subjects by comparing the target of appraisal with comparable subjects. The listed company comparison approach in the market approach has been adopted for the current valuation. This approach refers to the valuation method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios and determining the value of the appraised enterprise based on a comparative analysis with the appraised enterprise.

The asset-based approach refers to the valuation method that uses the balance sheet of the assessed entity or operating entity as at the valuation benchmark date as the basis for assessing the value of each of the assets and liabilities that can be identified both on- and off-balance-sheet to determine the value of the target of appraisal.

The valuation approaches adopted for this valuation are the asset-based approach and the market approach. The rationale for the selection of the valuation methods is set out as follows:

The ownership of various assets and liabilities of Shum Yip Pengji Holdings Co., Ltd. is clear, and the relevant information is relatively complete. The value of each asset and liability can be assessed and estimated by adopting appropriate methods. Therefore, it is appropriate to adopt the asset-based approach for the appraisal.

There are listed companies in the open market that are comparable to the assessed entity in terms of business scope, operating region, asset scale, and financial position. Relevant indicators can be reasonably adjusted; therefore, it is appropriate to adopt the market approach for the appraisal.

As most of the development products of the assessed entity are tail-end properties, and there are no commencement or sales plans for the land to be developed, there is significant uncertainty in the forecast of future cash flows. The management is unable to forecast the future operating cash flows, therefore, it is not appropriate to adopt the income approach for this appraisal.

(I) Asset-based approach

1. Current assets

(1) Cash and bank balances, including cash on hand and bank deposits.

① Cash on hand

The back-calculation method is used to verify the balance of cash on hand as of the valuation benchmark date, which is reconciled with the cash journal and the balance of the cash account in the general ledger. The verified carrying amount is taken as the appraised value. The formula for the back-calculation method is: Cash on hand on the date of inventory + cash expenditures from the valuation benchmark date to the date of inventory – cash receipts from the valuation benchmark date to the date of inventory = cash amount on the valuation benchmark date.

② Bank deposits

The appraised value is determined based on the verified value through the verification of bank statements and bank confirmations.

(2) *Trade receivables:* The valuers determine the appraised value according to the potentially recoverable amount of each payment, on the basis of verifying the correctness of the receivables. For those receivables which are, with sufficient reason, believed to be fully recoverable, the appraised value is calculated as the total amount of the receivables; for receivables part of which is probably non-recoverable, if it is difficult to determine the amount of non-recoverable receivables, the valuers analyze the amount, the duration and reasons of arrears, the recovery of payments, the funds, credit, and operation and management conditions of debtors, by reference to historical data and through on-site investigation, and estimate the non-recoverable amount according to the aging analysis method, and calculate the appraised value after deducting such amount as the risk loss; if there is conclusive evidence that receivables cannot be recovered, the appraised value shall be nil; the ''provision for bad debts'' account on the book shall be nil.

(3) *Prepayments:* The valuers check relevant materials purchase contracts or supply agreements to understand the services and goods received between the valuation benchmark date and the on-site verification date. If the supplier is not found to be bankrupt, cancelled, or unable to provide goods or services on schedule as specified in contracts, the verified carrying amount is the appraised value. For those prepayments in respect of which there is conclusive evidence showing the impossibility of receiving corresponding goods, and which cannot form corresponding assets or interests, the appraised value is nil.

(4) *Other receivables:* The valuers investigated and understood the reasons for the formation of other receivables, customer composition, credit status of entities and individuals, and the recovery of other receivables in historical years, and conducted selective examinations of relevant contracts. The appraised value is determined by combining individual identification with aging analysis. The valuation method is the same as that for trade receivables.

(5) Consumables in stock, primarily consisting of office supplies. The valuers verified the consumables in stock through inventory counting and determined the appraised value based on the verified carrying amount.

(6) Development products

As of the valuation benchmark date, the development products of the assessed entity are products for normal sale. The appraised value is determined based on the selling price as of the valuation benchmark date less selling expenses, all taxes, and an appropriate amount of net profit after tax. The specific formula for calculating the appraised value is as follows:

Appraised value of development products = Area of development products × Unit selling price × (1 – sales taxes and surcharges rate – selling expense rate – income tax rate – net profit rate × deduction rate).

(7) Development cost

The development cost of properties is calculated according to the following formula:

The basic principle of the hypothetical development method (residual method) is based on the expected value to be obtained after the real estate is developed according to the planned use and conditions, less the outstanding construction costs, investment interest, selling taxes and expenses, and reasonable profit for continued development, to calculate the value of the development project. The formula for the hypothetical development method is as follows:

Appraised value = Estimated sales amount of the project – Necessary expenditures for subsequent development – Administrative expenses – Selling expenses – Investment interest – Sales taxes and surcharges – Land appreciation tax – Profit for continued investment – Income tax

① Value after real estate development

Estimated sales amount of the project

For the pre-sold portion, the sales amount thereof is determined based on the total price of the signed pre-sale contracts.

For the unsold portion, the amount is determined based on the estimated absorption progress and selling prices of the saleable properties upon completion of development.

② Subsequent development costs

Real estate development costs primarily include land costs, preliminary engineering fees, construction and installation engineering fees, and indirect development costs. The assessed entity implements a strict approval system for the total budgeted investment of development projects. Therefore, regarding the input of development costs for future years, this appraisal makes forecasts based on the total budgeted investment of the project and the costs already incurred as of the benchmark date, combined with the development plan and actual development status of the project.

③ Selling expenses

For selling expenses, the total value after real estate development of the unsold portion is used as the calculation basis. Selling expenses for the subsequent construction and development period and the annual operating period are forecasted based on the common selling expense ratios in the industry and the actual circumstances of the project.

④ Administrative expenses

Administrative expenses primarily include various administrative expenses incurred during the construction process of the continued project. Values are taken as a certain percentage of the continued construction costs. Administrative expenses for the subsequent construction and development period and the annual operating period are forecasted based on the common administrative expense ratios in the industry and the actual circumstances of the project.

⑤ Value-added tax (VAT)

In accordance with the provisions of the "Provisional Administrative Measures on the Collection and Management of Value-added Tax on the Sale of Self-developed Real Estate Projects by Real Estate Development Enterprises(《房地產開發企業銷售自行開發的房地產項目增值稅徵收管理暫行辦法》)" (Announcement No. 18 of 2016 of the State Taxation Administration), regarding the calculation of VAT, general taxpayers among real estate development enterprises selling self-developed real estate projects shall apply the general tax calculation method. The sales amount is calculated based on the balance of the total price and extra-price charges obtained after deducting the land price corresponding to the real estate project sold in the current period.

Sales amount = (Total price and extra-price charges – Land price allowed to be deducted in the current period)/(1 + 9%)

It is also stipulated that general taxpayers among real estate development enterprises selling self-developed old real estate projects may choose to apply the simplified tax calculation method at a levy rate of 5%. Once the simplified tax calculation method is chosen, it shall not be changed to the general tax calculation method within 36 months. Under the simplified tax calculation method at a levy rate, the sales amount is the total price and extra-price charges obtained, and the corresponding land price shall not be deducted.

Note: Definition of old real estate projects:

A. Real estate projects with a contract commencement date specified in the "Permit for Commencement of Construction Work" before 30 April 2016.

B. Construction projects where the "Permit for Commencement of Construction Work" does not specify a contract commencement date or where a "Permit for Commencement of Construction Work" has not been obtained, but the commencement date specified in the construction engineering contract is before 30 April 2016.

⑥ Sales taxes and surcharges

Sales taxes and surcharges = VAT (Business Tax) payable × rate of taxes and surcharges + Business Tax payable

(Business Tax payable and related surcharges refer to taxes and fees that were due but unpaid before the benchmark date)

⑦ Land appreciation tax (LAT)

In accordance with the "Notice on Issues Concerning the Basis for Calculating Deed Tax, Property Tax, Land Appreciation Tax, and Personal Income Tax after Replacing Business Tax with Value-added Tax (《關於營改增後契稅房產稅土地增值稅個人所得稅計稅依據問題的通知》)" (Cai Shui [2016] No. 43), LAT is calculated based on the pre-levy rate of property pre-sale income.

Where:

A. Income obtained from the transfer of real estate is income excluding VAT.

B. For VAT input tax amounts involved in the LAT deduction items stipulated in the "Provisional Regulations of the People's Republic of China on Land Appreciation Tax (《中華人民共和國土地增值稅暫行條例》)" and other regulations, those allowed to be credited against the output tax amount shall not be included in the deduction items; those not allowed to be credited against the output tax amount may be included in the deduction items.

⑧ Investment interest

Investment interest = Land appraised value × interest rate × subsequent development period + (subsequent development costs + administrative expenses) × interest rate × subsequent development period/2

⑨ Profit on investment for continued development

Profit on investment for continued development = Land appraised value × subsequent development period × investment profit rate + (subsequent development costs + administrative expenses) × subsequent development period/2 × investment profit rate

The annual investment profit rate is taken as 6% for this appraisal, based on the average profit rate of the real estate industry and the characteristics of the project.

⑩ Income tax

Calculated based on the income tax rate stipulated by current tax laws.

Appraised value = Real estate value after development – development costs – selling expenses – administrative expenses – sales taxes and surcharges – investment interest – profit on investment for continued development – land appreciation tax – income tax

2. Long-term equity investment

The valuers first carried out verification of the reasons for the formation, carrying amount, and actual status of the long-term equity investments, and consulted investment agreements, balance sheets, income statements, and articles of association to confirm the authenticity and completeness of the long-term investments. Different methods were adopted for the appraisal based on actual circumstances. A total of 28 long-term equity investments are included in the scope of valuation, primarily consisting of real estate development project companies and property leasing companies.

In this overall valuation of long-term equity investments, the valuers first assess and obtain the value of the entire shareholders' equity in the investee, which is then multiplied by the shareholding percentages to arrive at the value of the partial shareholders' equity. As the business types of the long-term equity investment units are the same, this long-term equity asset valuation explanation is prepared using illustrative examples for real estate development project companies with ongoing development projects, project companies with only tail-end properties for sale, and property leasing companies, respectively.

Details of the valuation method adopted for the investee and the rationale and basis for the selection of the valuation method are set out as follows:

Name of the investee unit	Principal activities	Operating status	Valuation method	Valuation method selected in the conclusion	Whether a long-term equity investment explanation was written
1-01 Hunan Shum Yip Pengxing Real Estate Co., Ltd.*(湖南深業鵬興置業有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-02 Huizhou Shum Yip Real Estate Co., Ltd.*(惠州深業置業有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	Yes
1-03 Shenzhen Shum Yip Pengji Time Mansion Investment Development Co., Ltd.*(深圳市深業鵬基上林苑投資發展有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-05 Taizhou Shum Yip Pengji Investment Co., Ltd.*(泰州深業鵬基投資有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-06 Shenzhen Shum Yip Pengji Urban Renewal Co., Ltd.*(深圳市深業鵬基城市更新有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-08 Dongguan Gaofa Real Estate Co., Ltd.*(東莞市高發房地產有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-09 Huizhou Zhongkai Pengji Investment Co., Ltd.*(惠州市仲愷鵬基投資有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-10 Shenzhen Shenshan Special Cooperation Zone Shum Yip Pengji Investment Development Co., Ltd.*(深圳市深汕特別合作區深業鵬基投資發展有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-11 Taizhou Shum Yip Real Estate Co., Ltd.*(泰州深業置業有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-12 Dongguan Shum Yip Songshan Lake Real Estate Co., Ltd.*(東莞市深業松山湖置業有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-13 Huizhou Pengji Investment Co., Ltd.*(惠州市鵬基投資有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-14 Shum Yip Pengji Shanty Area Redevelopment Investment Development (Shenzhen) Co., Ltd.*(深業鵬基棚改投資發展(深圳)有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-15 Shum Yip Xinchang Operation Management (Shenzhen) Co., Ltd.*(深業新場運營管理(深圳)有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-16 Changsha Pengji Real Estate Co., Ltd.*(長沙鵬基地產有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	Yes

Name of the investee unit	Principal activities	Operating status	Valuation method	Valuation method selected in the conclusion	Whether a long-term equity investment explanation was written
1-17 Shenzhen Shum Yip Hardware Co., Ltd.*(深圳深業五金有限公司)	Original principal business has ceased, currently mainly engaged in property lease	Normal operation	Asset-based approach	Asset-based approach	Yes
1-18 Shenzhen Zhongfa Industrial Co., Ltd.*(深圳市中發實業股份有限公司)	Original principal business has ceased, currently mainly engaged in property lease	Normal operation	Asset-based approach	Asset-based approach	No
1-19 Shenzhen Jinghua Displays Electronics Co., Ltd.	Manufacturing	Normal operation	Based on actual transaction price	Based on actual transaction price	No
1-20 Shenzhen Shenye Minghong Real Estate Development Co., Ltd.	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-21 Shenzhen Pengji Longdian Security Co., Ltd.*(深圳鵬基龍電安防股份有限公司)	Fire door production	Normal operation	Asset-based approach	Asset-based approach	No
1-22 Shenzhen Shum Yip Asset Management Co., Ltd.*(深圳深業資產管理有限公司)	Asset management	Normal operation	Asset-based approach	Asset-based approach	No
1-23 Shenzhen Kechuang Yuncheng Industrial Co., Ltd.*(深圳市科創雲城實業有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-24 Taizhou Shum Yip Investment Development Limited	Property development	Normal operation	Net asset proportion method	Net asset proportion method	No
1-25 Shenzhen Pengsheng Real Estate Industrial Co., Ltd.*(深圳鵬盛地產實業有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-26 Shenzhen Shum Yip Pengji Baohua Investment Co., Ltd.*(深圳市深業鵬基寶華投資有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-27 Shenzhen Rongsheng Property Service Co., Ltd.*(深圳市榮生物業服務有限公司)	Property lease	Normal operation	Asset-based approach	Asset-based approach	No
1-28 Shenzhen Fu'an Jiye Shanty Area Redevelopment Service Co., Ltd.*(深圳市福安基業棚改服務有限公司)	Property development	Normal operation	Asset-based approach	Asset-based approach	No
1-29 Shenzhen International Construction Machinery Co., Ltd.*(深圳國際建築機械有限公司)	Original principal business has ceased, currently mainly engaged in property lease	Normal operation	Asset-based approach	Asset-based approach	No
1-4 Shenzhen Time Mansion Hotel Co., Ltd.*(深圳市上林苑酒店有限公司)	Hotel	In the process of cancellation	Book value method	Book value method	No

* *The English names of the PRC companies above represent the best efforts in translating the Chinese names of these companies as no English names have been registered.*

3. Investment properties

For real estate mainly used for rental operations, the income approach is selected for this appraisal.

The current status of the target of appraisal is all for rental operations, with relatively stable income, profitability, and the possibility of long-term operation. Future income and risks can be reasonably estimated. After analysis, the income approach is primarily adopted for this appraisal.

The income approach is a method that predicts the future income of the target of appraisal and uses the yield rate or capitalisation rate, and income multiplier to convert future income into value to obtain the value of the target of appraisal.

The formula for the income approach is as follows:

$$P = \frac{A}{(\mathrm{Y} - \mathrm{g})} \times \left(1 - \left(\frac{1+g}{1+Y}\right)^{n}\right) + L$$

Where:

P – appraised price under the income approach;
A – annual net income during the period of benefit;
g – annual growth rate of income;
Y – yield rate;
n – period of future available income;
L – residual value of buildings at the end of the period.

4. Buildings

(1) For real estate mainly used for rental operations, the income approach is selected for this appraisal.

The current status of the target of appraisal is all for rental operations, with relatively stable income, profitability, and the possibility of long-term operation. Future income and risks can be reasonably estimated. After analysis, the income approach is primarily adopted for this appraisal.

The income approach is a method that predicts the future income of the target of appraisal and uses the yield rate or capitalisation rate, and income multiplier to convert future income into value to obtain the value of the target of appraisal.

The formula for the income approach is as follows:

$$P = \frac{A}{(\mathrm{Y} - \mathrm{g})} \times \left(1 - \left(\frac{1+g}{1+Y}\right)^{n}\right) + L$$

Where:

P – appraised price under the income approach;
A – annual net income during the period of benefit;
g – annual growth rate of income;
Y – yield rate;
n – period of future available income;
L – residual value of buildings at the end of the period.

(2) For real estate for self-use or with existing market transaction cases, the market approach can objectively reflect the market value of the target of appraisal at the time of valuation; therefore, the market approach is adopted for the appraisal. This involves selecting qualified comparables and making corrections for transaction conditions, transaction date, regional status, equity status, and physical status to determine the appraised value.

Valuation using the market approach shall be conducted according to the following steps:

① Collect transaction comparables;
② Select comparables;
③ Establish a comparable price basis;
④ Make corrections for transaction conditions;
⑤ Make corrections for transaction date;
⑥ Make corrections for regional factors;
⑦ Make corrections for individual factors;
⑧ Calculate the comparative price.

The formula for valuation under the market approach is as follows:

Price of the real estate to be valued = Transaction price of the comparable × Normal transaction conditions/Transaction conditions of the comparable × Price index of the real estate to be valued on the valuation benchmark date/ Price index of the comparable real estate on the transaction date × Regional factor value of the real estate to be valued/Regional factor value of the comparable real estate × Individual factor value of the real estate to be valued/Individual factor value of the comparable real estate.

5. Equipment fixed assets

Based on the characteristics of various types of equipment, the type of value for appraisal, the status of information collection, and other relevant conditions, most of the equipment has been in use for a long period. The appraisal is primarily conducted based on second-hand equipment market prices, with some items appraised using the cost approach.

(1) Cost approach

The formula for the cost approach is as follows:

Appraised value = Replacement cost × Comprehensive newness rate

① Determination of replacement cost

A. Determination of replacement cost of machinery and equipment

For equipment that requires installation, the replacement cost generally consists of the purchase price of equipment, transportation and miscellaneous expenses, installation engineering fee, preliminary and other costs of the construction project, and capital cost. For equipment that does not require installation, the replacement cost generally consists of the purchase price of equipment and transportation and miscellaneous expenses. Meanwhile, according to the provisions of "Circular (Cai Shui [2016] No. 36)" and "Announcement No. 39 of 2019 of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs," for general VAT taxpayers, the corresponding VAT should be deducted from the replacement cost for equipment that meets the conditions for VAT deduction. The formulas for the replacement cost of equipment are as follows:

Replacement cost of equipment requiring installation = Purchase price of equipment + Transportation and miscellaneous expenses + Installation engineering fee + Preliminary and other costs + Capital cost – Deductible VAT

Replacement cost of equipment not requiring installation = Purchase price of equipment + Transportation and miscellaneous expenses – Deductible VAT

a. Purchase price of equipment

For machinery and equipment, the purchase price is primarily comprehensively determined through consultations with manufacturers market prices as of the valuation benchmark date, or by reference to recent contract prices for similar equipment as of the valuation benchmark date. For small equipment, the purchase price is mainly determined by querying market quotation information as of the valuation benchmark date. For equipment without market quotation information, the purchase price is primarily determined by reference to the purchase price of similar equipment or through adjustments using price indices.

b. Transportation and miscellaneous expenses

Transportation and miscellaneous expenses refer to the freight, loading and unloading charges, and other related various miscellaneous fees incurred during the transportation of equipment. These are determined with reference to the ''Handbook of Common Data and Parameters for Asset Valuation'' based on the distance of the route between the equipment's origin and its destination. The calculation formula for transportation and miscellaneous expenses is as follows:

Transportation and miscellaneous expenses = Purchase price of equipment × Transportation and miscellaneous expense rate

If the contract price includes transportation expenses, they will not be calculated repeatedly.

c. Installation engineering fee

The installation engineering fee is determined comprehensively based on the final accounts of the project and other materials provided by the principal, the type, characteristics, and weight of the equipment, the degree of consumption of labor, materials, and machinery, combined with information obtained through market inquiries, and considering relevant necessary expenses and in accordance with relevant regulations.

If the equipment foundation is inseparable from the building, the equipment foundation fee is considered in the asset appraisal of buildings (structures); in other circumstances, the equipment foundation fee is considered in the equipment installation engineering fee.

For small equipment that does not require installation, the installation fee is not considered.

If the purchase price includes installation and testing fees, they will not be calculated repeatedly.

d. Preliminary and other costs

Preliminary and other costs include project construction management fees, survey and design fees, project supervision fees, feasibility study fees, bidding agency fees, environmental impact assessment fees, and joint trial operation fees. The calculation of each fee is based on the relevant charging standards formulated by various national ministries and commissions.

According to "Circular (Cai Shui [2016] No. 36)," the trial for replacing business tax with value-added tax has been fully implemented nationwide since 1 May 2016. The rates for preliminary fees within the scope of replacing business tax with value-added tax shall exclude the corresponding value-added portion of the tax rate.

e. Capital cost

Capital cost is calculated according to the reasonable construction period of the assessed entity, by reference to the RMB Loan Prime Rate (LPR) of financial institutions for the same period published by the People's Bank of China on the valuation benchmark date, based on the sum of the purchase price of equipment, transportation and miscellaneous expenses, installation engineering fee, and preliminary and other costs, and based on the even investment of capital. The formula for capital cost is as follows:

Capital cost = (Purchase price of equipment + Transportation and miscellaneous expenses + Installation engineering fee + Preliminary and other costs) × Reasonable construction period × Loan Prime Rate × 1/2

f. Deductible VAT

In accordance with the provisions of the documents "Circular (Cai Shui [2016] No. 36)" and "Announcement No. 39 of 2019 of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs," for items that meet the conditions for VAT deduction, the deductible VAT is calculated.

For transportation equipment, the replacement cost is determined based on the market price as of the valuation benchmark date, plus vehicle purchase tax, license fee, and other reasonable expenses. The calculation formula for the replacement cost of transportation equipment is as follows:

Replacement cost = Purchase price + Purchase price × 10%/(1 + 13%) + License fee – Deductible VAT in the purchase price

② Determination of comprehensive newness rate

A. For special equipment and general machinery and equipment, the remaining useful life is determined primarily based on the economic useful life and used life of the equipment, through the on-site inspection of the use and technical status of the equipment. The comprehensive newness rate is then determined according to the following formula:

Comprehensive newness rate = Remaining useful life/(Used life + Remaining useful life) × 100%

Determination of remaining useful life: The remaining useful life is determined primarily based on the economic useful life and used life of the equipment, through the on-site inspection of the use and technical status of the equipment.

B. For small equipment such as electronic equipment and air conditioners, the comprehensive newness rate is determined primarily based on its economic useful life; for large electronic equipment, the work environment and operating status of the equipment are also taken into reference to determine the comprehensive newness rate. The calculation formulas are as follows:

Newness rate based on the service life = (Economic useful life – Used life)/Economic useful life × 100%

Comprehensive newness rate = Newness rate based on the service life × Adjustment coefficient

C. For vehicles, the theoretical newness rate is determined primarily based on the mandatory vehicle scrapping standards issued by the state, using both the mileage and service life methods according to the principle of whichever is lower, and then adjusted based on the on-site inspection. The calculation formulas are as follows:

Newness rate based on the service life = (Specified service life – Used life)/Specified service life × 100%

Newness rate based on mileage = (Specified mileage – Traveled mileage)/Specified mileage × 100%

Comprehensive newness rate = Theoretical newness rate × Adjustment coefficient

③ Determination of appraised value

Appraised value = Replacement cost × Comprehensive newness rate

(2) Market approach

For certain transportation vehicles, electronic equipment, and office furniture, the appraisal is conducted using the market approach based on the second-hand equipment market price as of the valuation benchmark date.

① For transportation vehicles with a long period of use, there are more market transaction cases and the market is active. Therefore, the market approach is adopted for the appraisal of vehicles that meet the conditions for the market approach.

The market approach refers to the method that estimates the objective and reasonable price or value of a target of appraisal by comparing the target of appraisal with similar vehicles that have been traded near the time of valuation, and making appropriate corrections to the known prices of these similar vehicles.

Valuation using the market approach shall be conducted according to the following steps:

A. Collect transaction instances;
B. Select comparable instances;
C. Establish a comparable price basis;
D. Make corrections for transaction conditions;
E. Make corrections for registration time;
F. Make corrections for mileage factors;
G. Make corrections for individual factors;
H. Calculate the adjusted price.

The calculation formula for valuation under the market approach is as follows:

Price of the vehicle to be valued = Transaction price of the comparable × Normal transaction conditions/Transaction conditions of the comparable vehicle × Price index of the vehicle to be valued on the registration date/Price index of the comparable vehicle on the registration date × Mileage factor value of the vehicle to be valued/Mileage factor value of the comparable vehicle × Individual factor value of the vehicle to be valued/Individual factor value of the comparable vehicle.

② For certain electronic equipment and office furniture, the appraisal is conducted using the market approach based on the second-hand equipment market price as of the valuation benchmark date.

6. Right-of-use assets

Right-of-use assets are the rights of the enterprise to use the leased assets during the lease term. Upon verification, the original amounts of the relevant right-of-use assets are correct. The enterprise has provided for depreciation during the lease term, and the corresponding value or rights still exist after the period. Therefore, the verified carrying amount is taken as the appraised value.

7. Other intangible assets

Other intangible assets included in the scope of valuation are purchased office software.

For software that is no longer traded in the market but can continue to be used for its original purpose, the depreciation rate is determined with reference to the original purchase cost of the enterprise and the market price trends of similar software. The appraised value is calculated according to the following formula:

Appraised value = Original purchase price × (1 – depreciation rate)

8. Deferred income tax assets

For the appraisal of deferred income tax assets, the accounting content is the impact value on corporate income tax of temporary differences arising from the credit loss allowance provided by the assessed entity. The valuers verified and confirmed the appraised value of deferred income tax assets by combining the impairment allowance of relevant accounting items, the estimated impairment risk, and the income tax rate applicable to the assessed entity as of the valuation benchmark date.

9. Long-term deferred expenses

For the appraisal of long-term deferred expenses, the valuers conducted selective examinations of original accounting vouchers, contracts, invoices, etc., to verify the authenticity and completeness of the accounting contents. Upon verification, the original amounts of long-term deferred expenses are authentic and accurate, and the amortization balance is correct. For long-term deferred expenses already reflected in the appraised value of the property, the appraised value is zero; the appraisal value of the remaining long-term deferred expenses are determined based on the verified carrying amount.

10. Other non-current assets

Other non-current assets consist of demolition and relocation compensation income. The valuers investigated and understood the reasons for the occurrence of other non-current assets and consulted relevant bases and account books. Other non-current assets take the verified carrying amount as the appraisal value.

11. Liabilities

Liabilities of the assessed entity include trade payables, advance receipts, employee benefits payable, tax payable, other payables, non-current liabilities due within one year, long-term borrowings, lease liabilities, and deferred income tax liabilities. The valuers first checked the consistency between the subsidiary ledger and the general ledger and verified specific items. Meanwhile, the valuers conducted selective examinations of relevant accounting vouchers and other information of payments. Based on the selective examination of the vouchers, the valuers confirmed whether the carrying amount of the debts was authentic and determined the appraised value based on the verified carrying amount.

(II) Market approach

Among the market approach and its derivative methods, the listed company comparison approach refers to the specific method of obtaining and analyzing the operating and financial data of comparable companies, calculating appropriate value ratios, and determining the value of the target of appraisal. After comprehensive consideration, the listed company comparison approach is adopted for this appraisal.

1. Introduction to the listed company comparison approach

The listed company comparison approach refers to the specific method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating appropriate value ratios, and determining the value of the target of appraisal based on a comparative analysis with the assessed entity. Comparable enterprises in the listed company comparison approach shall be listed companies normally traded in the open market.

When adopting the listed company comparison approach, certain public indicators such as the Price-to-Book ratio (P/B), Price-to-Earnings ratio (P/E), Price-to-Sales ratio (P/S), and Enterprise Value-to-EBITDA ratio (EV/EBITDA) are generally selected for comparison with comparable companies based on the market conditions of the target of appraisal. By comparing the relevant factors of each indicator between the target of appraisal and the comparable companies and adjusting for differences in factors affecting the indicators, the P/B, P/E, P/S, and EV/EBITDA of the target of appraisal are obtained, based on which the equity value of the target company is calculated.

Value of operating assets of the assessed entity = Determined value ratio of the assessed entity × Corresponding indicator of the assessed entity

Equity value of the assessed entity = Determined value ratio of the assessed entity × Corresponding indicator of the assessed entity × (1 – discount for lack of marketability rate) + Net value of non-operating assets and liabilities = Value of operating assets × (1 – discount for lack of marketability rate) + Net value of non-operating assets and liabilities

2. Basic logic of the listed company comparison appraisal approach

The basic logic of the listed company comparison approach adopted for this appraisal is as follows:

(1) Selection of the capital market

After clarifying the basic information of the assessed entity (including the target of appraisal and its relevant equity position, such as the nature of the enterprise, capital scale, business scope, business scale, market share, and growth potential) and the development of the industry globally, it is considered that the assessed entity's business is primarily property development, for which listed companies with similar businesses can be found in the domestic A-share trading market. The domestic A-share trading market is active, allowing enterprise value to be fairly reflected. Finally, as the assessed entity is a domestic company, the financial data of listed companies in the domestic A-share trading market is easily accessible. Based on the above considerations, the domestic A-share trading market is selected as the capital market for the selection of comparable listed companies.

(2) Selection of quasi-comparable listed companies

After the capital market is confirmed, comparable listed companies engaged in the same industry, the same or similar business as that of the assessed entity, and having principal businesses in the same or similar geographical locations are selected as quasi-comparable listed companies.

Detailed research and analysis are conducted on the specific circumstances of the comparable listed companies, including their principal business scope, main target markets, business structure, business model, company size, profitability, and operating stage. Through the analysis and comparison of the business and financial conditions of these quasi-comparable listed companies, the comparable listed companies are selected.

Selection of comparable listed companies

The selection principles adopted for determining the comparable listed companies in this valuation are as follows:

i. Operating in the same industry, with the same or similar principal business;

ii. Similar business structure and operating model;

iii. Comparable in terms of enterprise size and growth, with equivalent profitability;

iv. Operating in similar market segments.

Based on the above principles and with reference to the status of the quasi-comparable listed companies, the following judgments are made:

As Shum Yip Pengji is primarily engaged in real estate development, the selection of comparable companies mainly considers listed companies with the same business scope and similar main target markets, revenue composition, company size, and profitability. The detailed analysis is as follows:

i Target market: the quantitative standard requires revenue from the South China region to exceed 40%

Shenzhen Properties A derives 82.71% of its revenue from South China; Yuehongyuan A generates 100% of its revenue in Guangdong (Dongguan); CMS Jiyu derives 42% of its revenue from South China. All three companies derive ≥42% of their revenue/managed area from South China, and their regional policies and market environments are identical to those of Shum Yip Pengji, meeting the aforementioned quantitative standard.

ii Revenue structure: the quantitative standard requires that revenue covers development, property management and operations

Shenzhen Properties A engages in property management + real estate development; Yuehongyuan A engages in real estate development + property leasing; CMS Jiyu engages in property management + asset management; Shum Yip Pengji engages in real estate development + property management + asset operations.

These three comparable companies cover the entire value chain from development to property management and operations, which highly overlaps with the business structures of Shum Yip Pengji, meeting the aforementioned quantitative standard.

iii Company scale: the quantitative standard requires the net assets attributable to parent company shareholders falling within the range of RMB1.0-4.0 billion

The net assets attributable to parent company shareholders of Shenzhen Properties A, Yuehongyuan A, CMS Jiyu, and Shum Yip Pengji are RMB3.377 billion, RMB1.098 billion, RMB3.318 billion, and RMB3.820 billion, respectively, all falling within the range of RMB1.0-4.0 billion and meeting the aforementioned quantitative standard.

iv Profitability: the quantitative standard requires gross profit margins falling within the range of 8-25%

The gross profit margins of Shenzhen Properties A, Yuehongyuan A, CMS Jiyu, and Shum Yip Pengji are 20.65%, 8.02%, 12.08%, and 13.03%, respectively, all falling within the range of 8-25% and meeting the aforementioned quantitative standard.

Based on the above qualitative and quantitative analysis, the following companies were selected for this study: Shenzhen Properties & Resources Development (Group) Co., Ltd.*(深圳市物業發展(集團)股份有限公司) (Stock Code: 000011.SZ, Stock Abbreviation: Shenzhen Properties A), Dongguan Winnerway Industrial Zone Co., Ltd.*(東莞宏遠工業區股份有限公司) (Stock Code: 000573.SZ, Stock Abbreviation: Yuehongyuan A), and China Merchants Property Operation & Service Co., Ltd.*(招商局積餘產業運營服務股份有限公司) (Stock Code: 001914.SZ, Stock Abbreviation: CMS Jiyu) as comparable companies.

The comparable listed companies selected for this appraisal are set out in the table below:

Comparable Company 1	Comparable Company 2	Comparable Company 3
000011.SZ	000573.SZ	001914.SZ
Shenzhen Properties & Resources Development (Group) Co., Ltd.*(深圳市物業發展(集團)股份有限公司)(Stock Abbreviation: Shenzhen Properties A)	Dongguan Winnerway Industrial Zone Co., Ltd.*(東莞宏遠工業區股份有限公司)(Stock Abbreviation: Yuehongyuan A)	China Merchants Property Operation & Service Co., Ltd.*(招商局積餘產業運營服務股份有限公司)(Stock Abbreviation: CMS Jiyu)
The principal activities of Shenzhen Properties & Resources Development (Group) Co., Ltd. include industrial-city space development, property management services, industrial ecosystem operation, catering business, and engineering supervision business. The company's main products are industrial-city space development, property management services, industrial ecosystem operation, catering business, and engineering supervision business.	The principal activities of Dongguan Winnerway Industrial Zone Co., Ltd. include real estate development. The company's main products are residences, shops, parking spaces, recycled lead, raw coal, industrial park plant leasing, and hydropower installation and maintenance services.	The principal activities of China Merchants Property Operation & Service Co., Ltd. include property management business, asset management business, and other businesses. The company's main products are property management and asset management.

(3) Analysis and adjustment of business, financial data, and information

The business and financial position of the selected comparable listed companies are compared with those of the assessed entity, analyzed, and adjusted as necessary. Firstly, various information on the comparable listed companies is collected, such as listed company announcements, industry statistics, and research reports from research institutions. The market, business, and financial information obtained from public channels is analyzed and adjusted to ensure that the financial information of the reference enterprises is as accurate and objective as possible and comparable with the financial information of the assessed entity.

i The assessed entity

The financial position based on consolidated financial statements of the assessed entity for recent three years (before adjustment) is set out in the following table:

Unit of amount: RMB0'000

Item	30 November 2025 consolidated	31 December 2024 consolidated	31 December 2023 consolidated	31 December 2022 consolidated
Total assets	1,592,987.56	1,631,280.03	1,634,259.77	1,605,323.55
Total liabilities	1,167,883.54	1,090,553.34	1,114,232.96	1,118,962.71
Interests attributable to the owners	425,104.02	540,726.69	520,026.81	486,360.83
Interests attributable to owners of the parent company	382,011.43	487,706.40	464,801.63	443,654.59

The operating position of the assessed entity for recent three years (before adjustment) is set out in the following table:

Unit of amount: RMB0'000

Item	January to November 2025 consolidated	2024 consolidated	2023 consolidated	2022 consolidated
Total operating revenue	238,167.60	151,664.99	320,769.00	689,694.48
Operating cost	207,633.97	82,846.75	189,681.27	521,411.20
Operating profit	–75,737.84	86,101.38	136,270.27	137,605.57
Total profit	–73,920.87	87,699.57	136,992.92	136,657.81
Net profit	–75,769.66	70,345.05	105,745.46	110,204.00
Net profit attributable to the parent company	–71,133.00	69,518.04	93,226.52	91,598.93

Adjustments in the statement:

① adjustments in the non-operating assets and liabilities

② adjustments in the non-recurrent profit or loss

③ adjustments in the long-term equity investment units whose main business is not real estate development

Position after adjustments is as follows:

The financial position of the assessed entity for recent three years (after adjustment) is set out in the following table:

Unit of amount: RMB0'000

Item	30 November 2025 consolidated	31 December 2024 consolidated	31 December 2023 consolidated	31 December 2022 consolidated
Total assets	1,044,174.36	1,119,877.95	1,152,262.83	1,213,278.70
Total liabilities	416,436.87	391,480.34	439,452.17	457,121.08
Interests attributable to the owners	627,737.48	728,397.61	712,810.66	756,157.62
Interests attributable to owners of the parent company	589,677.58	679,734.14	659,888.57	716,381.81

The operating position of the assessed entity for recent three years (after adjustment) is set out in the following table:

Unit of amount: RMB0'000

Item	2025 (annualized) consolidated	2024 consolidated	2023 consolidated	2022 consolidated
Total operating revenue	180,443.80	114,867.70	278,358.33	636,960.31
Operating cost	156,929.57	56,086.04	157,699.08	481,987.95
Operating profit	–26,519.84	38,399.62	93,720.91	107,273.60
Total profit	–26,519.84	38,399.62	93,720.91	107,273.60
Net profit	–27,069.76	30,412.39	81,618.34	92,943.77
Net profit attributable to the parent company	–25,496.34	30,032.63	81,042.91	92,262.44

(4) Selection, calculation, and adjustment of the value ratio

After analyzing and adjusting the business and financial data of the comparable listed companies, it is necessary to select an appropriate value ratio and conduct necessary analysis and adjustment of the value ratio based on the above work.

① Selection of the value ratio

Shum Yip Pengji is primarily a property development and operation enterprise, which belongs to an asset-heavy industry; therefore, it is appropriate to adopt the Price-to-Book ratio (P/B) for the appraisal. The characteristics of the specific indicator adopted are as follows:

Price-to-Book ratio (P/B): Refers to the ratio of value per share to net assets per share. This indicator reflects, to a certain extent, the correlation between the enterprise's historical investment scale, capital accumulation, and the appraisal, and is applicable to enterprises with a large asset scale.

The valuation formula is as follows:

Total shareholders' equity value of the investee = P/B of the investee × net assets attributable to the parent company of the investee as at the base date × (1 – lack of marketability discount) + net non-operating assets + value of separately assessed long-term equity investments

Where:

P/B of the subject company = weighted average of the adjusted P/B of the comparable companies = Σ [comparable company P/B × comparable company adjustment factor × weight of the comparable company]

Comparable company P/B adjustment factor = $\prod$ (adjustment factor for influencing factor Ai)

Adjustment factor for influencing factor Ai= coefficient of the subject company / coefficient of the comparable company

Taking into account the above factors comprehensively, the P/B is adopted as the appraisal indicator for this comparable company method appraisal.

1. Comparative Analysis of Comparable Companies

Through the comparison of various indicators and information of the Investee and the comparable listed companies, a comprehensive analysis is conducted to compare the differences between the Investee and the comparable listed companies.

The main indicators for the comparative scoring between the Investee and each of the comparable listed companies are set out as follows:

Amount unit: RMB0'000

Correction factors	Indicators	Shum Yip Pengji	Shenzhen Properties A	Yuehongyuan A	CMS Jiyu
Asset management scale	Total assets *(RMB0'000)*	1,044,153.23	1,356,447.33	145,778.27	910,766.50
	Net assets attributable to the parent company *(RMB0'000)*	589,544.94	337,707.39	109,832.24	331,786.38
	Net assets per share	5.66	5.67	1.72	3.13
Profitability	Net profit margin	(3.67%)	2.82%	(12.75%)	5.00%
	Gross profit margin	13.03%	20.65%	8.02%	12.08%
	Return on total assets (ROA)	(5.90%)	0.56%	(3.74%)	10.24%
	Net profit	(6,620.44)	8,830.34	(5,541.25)	94,726.00
Growth capability	Compound growth rate of net profit	(305.18%)	203.36%	2.97%	8.12%
	Compound growth rate of total assets	(6.76%)	4.83%	(4.66%)	0.94%
	Compound growth rate of gross profit margin	(74.53%)	16.64%	(8.47%)	1.00%
Risk management capability	Gearing ratio	39.88%	76.11%	24.79%	63.04%
	Current ratio	510.54%	406.65%	1156.75%	159.41%
	Quick ratio	70.02%	80.08%	367.26%	137.90%
Operating ratios	Total asset turnover	16.68%	23.63%	29.11%	209.08%
	Inventory turnover	16.42%	23.11%	42.23%	1,466.81%
	Current asset turnover	16.76%	23.80%	31.04%	228.98%

Using Shum Yip Pengji as the benchmark and adjustment target, the index coefficient of Shum Yip Pengji is set to 100. The indicators of comparable companies are compared with those of Shum Yip Pengji to determine the adjustment coefficient. If the index coefficient of comparable companies is lower than that of Shum Yip Pengji, the adjustment coefficient is less than 100; if the index coefficient of comparable companies is higher than that of Shum Yip Pengji, the adjustment coefficient is greater than 100.

Based on the description of the adjustment factors and the method for determining the adjustment coefficients mentioned above, the adjustment coefficients for each influencing factor are detailed in the table below:

Correction factors	Shum Yip Pengji	Shenzhen Properties A	Yuehongyuan A	CMS Jiyu
Asset management scale	100.0000	98.0000	85.0000	93.0000
Profitability	100.0000	109.0000	97.0000	110.0000
Growth capability	100.0000	115.0000	108.0000	110.0000
Risk management capability	100.0000	95.0000	112.0000	95.0000
Operating ratios	100.0000	100.0000	101.0000	115.0000

2. Determination of the Correction Coefficient Table

P/B correction coefficient = Score of Shum Yip Pengji/Score of comparable company.

Based on the determined adjustment coefficients, the P/B coefficient adjustment table is as follows:

Correction factors	Shum Yip Pengji	Shenzhen Properties A	Yuehongyuan A	CMS Jiyu
Asset management scale	1.0000	1.0204	1.1765	1.0753
Profitability	1.0000	0.9174	1.0309	0.9091
Growth capability	1.0000	0.8696	0.9259	0.9091
Risk management capability	1.0000	1.0526	0.8929	1.0526
Operating ratios	1.0000	1.0000	0.9901	0.8696
Correction coefficient	1.0000	0.8569	0.9928	0.8135

3. Determination of the Price-to-Book Ratio (P/B) of Comparable Listed Companies as at the Valuation Benchmark Date

Price-to-Book ratio (P/B) of comparable companies: determined based on the market value of comparable listed companies as at the valuation benchmark date and the net assets attributable to the parent company for 2025 (annualised), with adjustments made for the company's non-operating assets and liabilities. The adjusted Price-to-Book ratio (P/B) is as follows:

Amount unit: RMB0'000

Item	Calculation process	Shenzhen Properties A	Yuehongyuan A	CMS Jiyu
1. Market value before adjustment	1	591,211.26	280,843.47	1,164,259.97
2. Net value of non-operating assets	2	1,668.19	54,678.79	752,712.56
3. Adjusted market value	=1-2	589,543.07	226,164.67	411,547.41
4. Adjusted net assets attributable to the parent company	4	337,707.39	109,832.24	331,786.38
5. P/B after adjusting for non-operating assets and liabilities	=3/4	1.75	2.06	1.24

4. Determination of the Target Company's Price-to-Book Ratio (P/B)

Based on the adjustment factors derived, the comprehensively adjusted Price-to-Book ratio (P/B) of the comparable companies are calculated. For this valuation, the arithmetic mean of the three comparable companies' adjusted Price-to-Book ratio (P/B) is adopted as the Price-to-Book ratio (P/B) of the target company.

Applying the formula: Price-to-Book ratio (P/B) of the target company = ∑ (comparable company P/B × comparable company P/B adjustment factor × weight of the comparable company), the calculation of Shum Yip Pengji's P/B value is set out below:

Item	Shenzhen Properties A	Yuehongyuan A	CMS Jiyu
Market Price per Share	9.9200	4.4000	10.9800
Net Assets per Share	5.6664	1.7208	3.1290
P/B Ratio (as at Valuation Benchmark Date)	1.7457	2.0592	1.2404
Adjustment Factor	0.8569	0.9928	0.8135
P/B Ratio (Adjusted)	1.4959	2.0444	1.0091
Average		1.52	

5. Analysis of the Lack of Liquidity Discount Rate

Since the comparable companies selected for this assessment are all listed companies with highly liquid shares, and the valuation object is a non-listed company, a lack of liquidity discount needs to be considered.

Market liquidity refers to the ability to buy and sell securities in a given market quickly and at low transaction costs, without hindrance.

The Discount for Lack of Marketability (DLOM) is a quantification of the degree of liquidity impairment relative to a more liquid investment. A certain degree or percentage of the DLOM should be deducted from the equity value to reflect the lack of market liquidity.

Drawing on international methods for quantitatively studying of the DLOM, this assessment combines domestic realities with the price differences before and after equity IPOs and empirical research conclusions on liquidity discounts in the valuation of non-listed company equity to estimate the DLOM.

This valuation uses comparable listed companies in the real estate development industry in 2025 to calculate the lack of liquidity rate. The average calculated value is 25.50%, and this assessment uses 25.50% as the final lack of liquidity discount rate.

6. Determination of Non-Operating Asset Value

Non-operating assets and liabilities refer to assets and liabilities unrelated to the investee's production and operation, and not included in the company's free cash flow forecast after the valuation benchmark date. The net value of non-operating assets after deducting non-operating liabilities is RMB2,182,873,000.

7. Value of Separately Valued Long-Term Equity Investment

The value of long-term equity investment units whose main business is not real estate development and are included in the adjusted financial statements is RMB171,692,500.

8. Market Approach Valuation Result

The total shareholders' equity value of the investee = investee's price-to-book ratio (P/B) × investee's net assets attributable to parent company as of the valuation benchmark date × (1 – lack of liquidity discount rate) + net value of non-operating assets + value of separately valued long-term equity investment. The specific valuation results are as follows:

Amount unit: RMB0'000

Item	Shum Yip Pengji
Net Assets Attributable to Parent Company (Valuation Benchmark Date)	589,677.58
Price-to-Book Ratio (P/B Ratio, Adjusted)	1.52
Liquidity Discount	25.50%
Control Premium	0.00%
+Non-recurring Investments	–218,287.30
+Long-term Investments	17,169.25
Total Shareholders' Equity Value	466,632.84

VIII. THE IMPLEMENTATION PROCESS AND STATUS OF THE APPRAISAL PROCEDURE

The appraisers implemented the appraisal from 18 December 2025 to 30 January 2026 on the assets involved in the target of appraisal. The implementation process and status of the major appraisal procedures are set out below:

(I) Acceptance of the engagement

On 18 December 2025, we reached an agreement with the principal on the fundamental aspects of the appraised business, including the purpose, target, and scope of the appraisal, the valuation benchmark date, and the rights and obligations of the parties, and prepared the corresponding appraisal plan in consultation with the principal.

(II) Preliminary preparations

After accepting the engagement, our project team drew up a specific appraisal work plan and formed an appraisal team according to the purpose of the appraisal, the characteristics of the target of appraisal and the time frame. At the same time, a list of information required for the appraisal and a declaration form were prepared according to the actual needs of the project.

(III) On-site investigation

The appraisers conducted necessary check and verification on the assets and liabilities involved in the target of appraisal, and necessary investigation on the operating and management status of the assessed entity from 20 December 2025 to 30 December 2025.

1. Asset verification

(1) Instructing the assessed entity to complete forms and prepare information to be provided to the asset appraisal agency

The appraisers instructed the financial and asset management personnel of the assessed entity to fill in the detailed and accurate reports on the assets included in the scope of appraisal in accordance with the "Detailed Asset Appraisal Sheets" provided by the asset appraisal agency, its filling-in requirements and the list of information on the basis of their own asset inventories, and at the same time, collected and prepared the documents proving ownership of the assets and the documents reflecting the performance, condition, economic, and technical indicators of the assets.

(2) Initial review and refinement of Detailed Asset Appraisal Sheets completed by the assessed entity

The appraisers reviewed relevant documentation to understand the details of specific assets included in the scope of appraisal. The appraisers then carefully examined various types of "Detailed Asset Appraisal Sheets" for completeness, accuracy, clarity and other status of asset descriptions. Drawing on their experience and available information, the appraisers checked for any omissions in the forms and provided feedback to the assessed entity to enhance the "Detailed Asset Appraisal Sheets" as necessary.

(3) On-site field surveys

In accordance with the type, quantity and distribution of assets included in the scope of appraisal, the appraisers, with the cooperation of the relevant personnel of the assessed entity and in accordance with the relevant provisions of the asset appraisal standards, conducted on-site surveys of each asset and adopted different survey methods for different asset properties and characteristics.

(4) Additions, modifications and refinements to the Detailed Asset Appraisal Sheets

Based on the results of the on-site field surveys and adequate communication with the relevant personnel of the assessed entity, the appraisers further improved the "Detailed Asset Appraisal Sheets" to achieve consistency between the accounts, tables and physical assets.

(5) Inspection of documentary evidence of title

The appraisers conducted inspections of the documentary evidence of title for assets included in the scope of appraisal, such as inventories, buildings, investment properties, and vehicles. In cases where the title information was incomplete or the title was unclear, the appraisers requested the enterprise to verify the information or issue relevant explanatory documents on the title.

2. The due diligence appraisers have conducted the necessary investigations in order to fully understand the operating and management conditions of the assessed entity and the risks it faces. The main contents of the investigation are set out as follows:

(1) The history of the assessed entity, major shareholders and their shareholding ratios, necessary property rights;

(2) Business management structure;

(3) The asset, financial, production and operation management status of the assessed entity;

(4) Information on the assessed entity's business plans, development plans and financial projections;

(5) Previous appraisals and transactions of the target of appraisal and the assessed entity;

(6) Macro and regional economic factors affecting the production and operation of the assessed entity;

(7) The development status and prospects of the industry in which the assessed entity is located;

(8) Other relevant information materials.

(IV) Data collection

The appraisers have collected appraisal information in accordance with the specific circumstances of the appraisal project, including information independently obtained directly from the market and other channels, information obtained from relevant parties, such as the principal, and information obtained from government departments, various professional bodies and other relevant departments, and have conducted the necessary analysis, summarization and collation of the appraisal information collected so as to form the basis for the appraisal and estimation.

(V) Appraisal estimates

Based on the specific circumstances of each type of assets and the selected valuation methods, the appraisers selected corresponding formulas and parameters for analysis, calculation and judgment, and formed preliminary valuation conclusions. The project leader summarized the preliminary conclusions of the various types of asset appraisal, wrote and formed a preliminary asset valuation report.

(VI) Internal review

In accordance with the provisions of our valuation business process management approach, the project leader submits the preliminary asset valuation report upon completion to us for internal review. After completion of the internal review, the project leader would communicate with the principal or other relevant parties agreed by the principal on the relevant contents of the asset valuation report on the premise of not affecting the independent judgment on the appraisal conclusion. Upon completion of the above asset appraisal procedures, a formal asset valuation report is issued and submitted.

IX. APPRAISAL ASSUMPTIONS

The assumptions adopted for the analysis and estimations in this asset valuation report are as follows:

(I) Transaction assumption assumes that all the assets to be valued are already in the process of transaction, and the appraisal professional carries out the valuation based on a simulated market which involves the transaction conditions of the assets to be valued;

(II) It is assumed that the assets traded or intended to be traded on the market, and both of the parties to the transaction of the assets are in equal position and have enough opportunities and time to obtain market information, the transaction behaviors are voluntary and rational, and both can make rational judgment on the functions, purpose and transaction price and others of the assets;

(III) It is assumed that the assets to be valued will continue to be used according to their current use and methods of use and others;

(IV) It is assumed that there are no material changes to the state's prevailing laws, regulations and policies, and macroeconomic conditions, and there are no material changes to the political, economic and social environment of the regions in which the parties to this transaction are located;

(V) Based on the actual status of the assets on the valuation benchmark date, it is assumed that the enterprise continues as a going concern;

(VI) It is assumed that there are no substantial changes in such indicators as interest rates, exchange rates, tax bases, tax rates and policy-based levies related to the assessed entity after the valuation benchmark date;

(VII) It is assumed that the management of the assessed entity after the valuation benchmark date is responsible, stable and capable of performing their duties;

(VIII) Unless otherwise stated, it is assumed that the company is in full compliance with all relevant laws and regulations;

(IX) It is assumed that there will be no force majeure and unforeseeable factors having a material adverse impact on the assessed entity after the valuation benchmark date;

(X) It is assumed that the accounting policies to be adopted by the assessed entity after the valuation benchmark date and the accounting policies adopted at the time of preparing this asset valuation report are consistent in material aspects;

(XI) It is assumed that the assessed entity's scope and mode of operation after the valuation benchmark date are consistent with the current status on the basis of the existing management method and management standard;

(XII) In the calculation of asset value and corporate value, the impact of possible engineering quality problems, cost increases caused by construction delays, and contingent liabilities on the valuation results was not considered, and development costs can be effectively controlled within the budget.

The valuation conclusion in this asset valuation report was effective as at the valuation benchmark date on the aforesaid assumptions. The signing asset appraiser(s) and this asset appraisal institution will not bear any responsibility for different valuation conclusions arising from any significant change in the aforesaid assumptions.

X. VALUATION CONCLUSION

(I) Valuation results of the market approach

As of the valuation benchmark date, the carrying amount of total assets of Shum Yip Pengji Holdings Co., Ltd. was RMB13,139.9878 million, the carrying amount of total liabilities was RMB10,067.8772 million, and the carrying amount of net assets was RMB3,072.1106 million.

The value of the entire shareholders' equity after valuation under the market approach was RMB4,666.3284 million, representing an increase in appraised value of RMB1,594.2178 million and an appreciation rate of 51.89%.

(II) Valuation results of the asset-based approach

As of the valuation benchmark date, the carrying amount of total assets of Shum Yip Pengji Holdings Co., Ltd. was RMB13,139.9878 million, and the appraised value was RMB14,771.0872 million, with an increase in value of RMB1,631.0993 million and an appreciation rate of 12.41%; the carrying amount of total liabilities was RMB10,067.8772 million, and the appraised value was RMB10,067.8772 million, with no increase or decrease in value; the carrying amount of net assets was RMB3,072.1106 million, and the appraised value was RMB4,703.2100 million, with an increase in value of RMB1,631.0994 million and an appreciation rate of 53.09%.

The specific valuation results of the asset-based approach are detailed in the following summary of valuation results:

Summary of the valuation results of the asset-based approach

Valuation benchmark date: 30 November 2025 *Amount unit: RMB0'000*

Item	Carrying amount A	Appraised value B	Increase value C=B-A	Appreciation rate % D=C/A×100%
Current assets	1,058,420.33	895,526.80	(162,893.53)	(15.39)
Non-current assets	255,578.45	581,581.92	326,003.47	127.56
Of which: Long-term equity investment	185,246.57	388,258.33	203,011.76	109.59
Investment properties	4,356.75	123,053.50	118,696.75	2,724.43
Fixed assets	1,510.72	5,824.92	4,314.20	285.57
Intangible assets	46.24	26.99	(19.25)	(41.63)
Other non-current assets	64,418.18	64,418.18	0.00	0.00
Total assets	**1,313,998.78**	**1,477,108.72**	**163,109.94**	**12.41**
Current liabilities	873,396.74	873,396.74	0.00	0.00
Non-current liabilities	133,390.98	133,390.98	0.00	0.00
Total liabilities	**1,006,787.72**	**1,006,787.72**	**0.00**	**0.00**
Net assets	**307,211.06**	**470,321.00**	**163,109.94**	**53.09**

(III) Valuation conclusion

The value of the entire shareholders' equity after valuation under the market approach was RMB4,666.3284 million, and the value of the entire shareholders' equity after valuation under the asset-based approach was RMB4,703.2100 million, with a difference of RMB36.8816 million, representing a difference rate of 0.79%.

The value of the entire shareholders' equity appraised under the asset-based approach is the result of the accumulation of individual assets, while the valuation conclusion of the market approach reflects the market investors' perception of the enterprise value. The difference is mainly due to the different perspectives considered by the two valuation methods. In this appraisal, the major assets are Inventories -development products consisting of tail-end properties and development costs for which there are no development plans. The asset-based approach primarily adopts the static hypothetical development method for these assets, which calculates the appraised value at the time of valuation by assuming the current market price and subsequent development costs upon completion of development, less expenses, taxes, and appropriate profit. The valuation process has considered the future income of the real estate development projects, which is easily verified in the market and

effectively reflects the current asset value of the enterprise. Due to the unfavorable development of the real estate industry in recent years, market investors have been relatively cautious regarding the market valuation of real estate enterprises. The valuation conclusions of the market approach and the asset-based approach in this appraisal are relatively close, which further reflects the current status of the major assets of the assessed entity.

Based on the above analysis, the valuation conclusion of this asset valuation report adopts the valuation result of the asset-based approach, namely, the valuation result of the value of the entire shareholders' equity of Shum Yip Pengji Holdings Co., Ltd. was RMB4,703.2100 million.

Due to the limitation of objective conditions, the asset valuation report does not consider the impact of premium or discount that may arise due to control or lack of control over the value of the target of appraisal.

(IV) Comparison of Valuation Conclusion and Carrying Amount and Reasons for Changes

1. The appraised value of current assets was RMB8,955,268,036.21, representing an impairment of RMB1,628,935,256.26 and an impairment rate of 15.39%.

   The detailed breakdown is as follows:

Item Name	Book Value	Appraised Value	Increase/Decrease	Appreciation Rate%
Cash and Cash Equivalents	97,064,889.42	97,064,889.42	0.00	0.00
Accounts Receivable	24,130,162.27	24,130,162.27	0.00	0.00
Prepayments	101,405.80	101,405.80	0.00	0.00
Other Receivables	10,205,223,403.26	8,567,479,455.69	(1,637,743,947.57)	(16.05)
Inventory	257,683,431.72	266,492,123.03	8,808,691.31	3.42
Total Current Assets	10,584,203,292.47	8,955,268,036.21	(1,628,935,256.26)	(15.39)

Key Inputs and Assumptions for Calculating the Valuation of Current Assets

1. Cash and Cash Equivalents: Cash on hand is verified using a backward calculation method. The formula is: Cash on hand on the inventory date + Cash outflows from the valuation benchmark date to the inventory date – Cash inflows from the valuation benchmark date to the inventory date = Cash amount on the valuation date; Bank deposits are valued based on bank statements and confirmation letters.

2. Accounts Receivable/Other Receivables: A combination of aging analysis and individual assessment methods is used. The valuation is determined based on the recoverable amount. Accounts with no risk of recovery are valued at book value; accounts that cannot be recovered are valued at zero. Bad debt provisions are also valued at zero.

3. Prepayments: If the supplier performs normally, they are valued at book value; if they cannot form assets/equity, they are valued at zero.

4. Inventory (Developed Products): Appraised value = Developed product area × Selling price per unit × (1 – Sales tax and surcharge rate – Selling expense rate – Income tax rate – Net profit margin × Deduction rate).

5. Inventory (Development Costs): Using the hypothetical development method, appraised value = Projected sales revenue – Necessary subsequent development expenditures – Administrative expenses – Selling expenses – Investment interest – Sales tax and surcharges – Land appreciation tax – Profit from continued construction investment – Income tax.

The main reasons for the appreciation in appraised value are as follows:

As of the valuation benchmark date, some of the company's subsidiaries had negative net assets at book value, indicating insolvency. Their ability to continue operating and repay debts, as well as the basis for distributing profits to shareholders, no longer existed. Therefore, the shareholders' equity value of the company's long-term equity investments in these subsidiaries was no longer valid. Based on the principles of prudence in asset valuation and fair value measurement requirements, the valuation of the long-term equity investments in these subsidiaries was determined to be zero.

Regarding the company's other receivables from these subsidiaries, the valuation process was based primarily on the subsidiaries' asset and liability structure and actual debt-to-equity ratio as of the valuation benchmark date. It also considered the overall debt repayment capacity and the subsidiaries' ability to continue operating and fulfill its obligations. Following the principles of prudent accounting and valuation, the recoverable amount was reasonably calculated, and this recoverable amount was used as the fair appraised value of other receivables, fully considering the risk of non-recovery.

The appraised value of non-current assets was RMB5,815,819,129.80, representing an impairment of RMB2,555,784,508.40 and an increase of 15.39%. The main reasons for the appreciation in appraised value of the non-current assets are as follows:

1. The appraised value of investment properties was RMB1,230,535,000.00, representing an increase in value of RMB1,186,967,460.98 and an appreciation rate of 2,724.43%. The reason for the appreciation in appraised value was that the buildings self-built by the enterprise were constructed at an early stage, and market prices increased with the development of the real estate market in Shenzhen.

2. The appraised value of long-term equity investment was RMB3,882,583,319.17, representing an increase in value of RMB2,030,117,655.95 and an appreciation rate of 109.59%. The appreciation in appraised value was mainly resulted from the accumulated historical operating profits of the long-term equity investment units.

3. The appraised value of the original value of buildings (structures) increased by RMB2,935,925.64, representing an appreciation rate of 5.44%; the appraised value of the net value increased by RMB43,830,810.46, representing an appreciation rate of 335.84%. The reason for the appreciation in appraised value was that the buildings self-built by the enterprise were constructed at an early stage, and market prices increased with the development of the real estate market in Shenzhen.

4. The appraised value of the original value of machinery and equipment decreased by RMB11,565,388.81, representing an impairment rate of 87.9%; the appraised value of the net value decreased by RMB688,945.19, representing an impairment rate of 33.51%. The main reasons for the appreciation in appraised value are as follows:

(1) Transportation equipment: The reason for the impairment in the appraisal of vehicles was technological progress and continuous updates of equipment functions, which led to a downward trend in the market prices of vehicles of the same model, as well as the use of the second-hand equipment market price method for the appraisal of certain vehicles, resulting in the impairment of vehicles.

(2) Electronic equipment: The reason for the impairment in the appraisal of electronic equipment was the increasingly rapid pace of replacement of electronic products, the downward trend in the market prices of electronic equipment with the same configuration, and the use of the second-hand equipment market price method for the appraisal of certain equipment.

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this circular received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 28 February 2026 of the property interests held by Shum Yip Pengji Holdings Co., Ltd. and its subsidiaries, joint ventures and associates.



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tel +852 2846 5000 fax +852 2169 6001
Company Licence No.: C-030171

21 May 2026

The Board of Directors
Shenzhen Investment Limited
8th Floor New East Ocean Centre
No. 9 Science Museum Road
Tsim Sha Tsui, Kowloon
Hong Kong

Dear Sirs,

In accordance with the instructions of Shenzhen Investment Limited (the "**Company**") to value the property interests held by Shum Yip Pengji Holdings Co., Ltd. ("**Shum Yip Pengji**") and its subsidiaries, joint ventures and associates (hereinafter together referred to as the "**Target Group**") in the People's Republic of China (the "**PRC**"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the property interests as at 28 February 2026 (the "**valuation date**").

Our valuation is carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

We have valued the property interests in Group I which are held for sale, property interests in Group III which are held for future development by the Target Group and portions of the property interest in Group IV which are held for investment by the Target Group by the comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

For the purpose of our valuation, real estate development for sale are those the Construction Work Completion and Inspection Certificates/Tables or Real Estate Title Certificates thereof are issued by the relevant local authorities or are in the process of application, this also includes the property interest which has been contracted to be sold, but the formal assignment procedure of which has not yet been completed; and real estate development for future development are those the Construction Work Commencement Permits are not issued while the State-owned Land Use Rights Certificates/Real Estate Title Certificates have been obtained.

In valuing the property interests in Group II which are currently under development by the Target Group, we have assumed that they will be developed and completed in accordance with the latest development proposals provided to us by the Target Group. In arriving at our opinion of values, we have adopted the comparison approach by making reference to comparable sales evidence as available in the relevant market and have also taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date and the remainder of the cost and fees expected to be incurred for completing the development. We have relied on the accrued construction cost and professional fees information provided by the Target Group according to the different stages of construction of the properties as at the valuation date, and we did not find any material inconsistency from those of other similar developments.

For the purpose of our valuation, real estate development under development are those for which the Construction Work Commencement Permits have been issued while the Construction Work Completion and Inspection Tables of the buildings have not been issued.

We have valued the remaining portions of property interests in Group IV which are held for investment and the property interests in Group V which are held and occupied by the Target Group by the income approach by taking into account the rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the market value at an appropriate capitalization rate.

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited; the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Company and the Target Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of title documents including State-owned Construction Land Use Rights Grant Contracts, Real Estate Title Certificates and other official plans relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC Legal Advisors – Zhong Yin (Shenzhen) Law Firm, concerning the validity of the property interests in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory and that no unexpected cost and delay will be incurred during construction. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the properties was carried out in the period between January 2026 and March 2026 by about 6 technical staffs including Mr. Jimmy Gu, Mr. Samuel Feng, Ms. Sophie Chen, Ms. Mia Lei, Mr. Edward Ye and Mr. Vincent Xu. They are Chartered Surveyors/China Real Estate Appraisers/China Public Valuers and/or have 5 to 13 years' experience in the valuation of properties in the PRC and possess academic background in subjects relating to real estate valuation.

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

Climate change, sustainability, resilience, and ESG are increasingly influencing investment approaches as they may affect prospects for rental and capital growth, and susceptibility to obsolescence. Properties that do not meet the sustainability characteristics expected in the market may represent a higher investment risk, particularly as occupiers become more conscious of ESG impacts on operational workspace, which could impact on vacancy and rental levels. This view is supported by RICS in their recently published guidance note "Sustainability and ESG in commercial property valuation and strategic advice (3rd Edition)".

While some of the sustainability and ESG initiatives are considered subjective and intangible, they cannot always be demonstrated with quantifiable evidence. Based on our research and local market knowledge, there is not yet any direct and tangible evidence of ESG being reflected in specific investment behaviours and/or pricing considerations for assets of a similar nature to the subject property, although it is acknowledged that ESG criteria is forming part of an increasing number of investment mandates. However more tangible benefits such as energy efficiency are realizable in operational costs. We have not undertaken full asset and market investigations in this regard. Whilst there is currently no direct and tangible evidence to suggest that the market is making pricing adjustments for ESG, we will continue to monitor market movements and sentiment.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB) in respect of all the properties.

Our summary of values and valuation certificates are attached below for your attention.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Eddie T. W. Yiu
MRICS MHKIS R.P.S. (GP)
Senior Director

Notes: Eddie T. W. Yiu is a Chartered Surveyor who has 32 years' experience in the valuation of various fields of the property industry in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

SUMMARY OF VALUES

Abbreviation:

Group I: Property interest held for sale by the Target Group

Group II: Property interest held under development by the Target Group

Group III: Property interest held for future development by the Target Group

Group IV: Property interest held for investment by the Target Group

Group V: Property interest held and occupied by the Target Group

"–" or N/A: Not Applicable or Not Available

No.	Property	Market value in existing state as at the valuation date *RMB* **Group I:**	Market value in existing state as at the valuation date *RMB* **Group II:**	Market value in existing state as at the valuation date *RMB* **Group III:**	Market value in existing state as at the valuation date *RMB* **Group IV:**	Market value in existing state as at the valuation date *RMB* **Group V:**	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
1.	Portions of Time Mansion located at the eastern side of Bagua Road and the northern side of Bagua Er Road Futian District Shenzhen City Guangdong Province The PRC (深業上林苑)	84,200,000	–	–	–	–	84,200,000	–
2.	Portions of Time Mansion located at the eastern side of Bagua Road and the northern side of Bagua Er Road Futian District Shenzhen City Guangdong Province The PRC (深業上林苑)	–	–	–	No Commercial Value *Note 1*	–	No Commercial Value *Note 1*	335,500,000

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
3.	Shum Yip Chuangzhi Building located at No. 48 Baoji Road Longgang District Shenzhen City Guangdong Province The PRC (深業創智大廈)	–	–	–	313,000,000	12,400,000	325,400,000	–
4.	Portions of Shum Yip Cloud Center located at the intersection of Nanhuan Avenue and Changchun Road Guangming District Shenzhen City Guangdong Province The PRC (深業雲築)	1,180,200,000	–	–	–	–	1,180,200,000	–
5.	Portions of Shum Yip Cloud Center located at the intersection of Nanhuan Avenue and Changchun Road Guangming District Shenzhen City Guangdong Province The PRC (深業雲築)	–	–	–	No Commercial Value *Note 2	–	No Commercial Value *Note 2	66,100,000
6.	Portions of Pengsheng Village located at No. 39 Bagua Yi Road Futian District Shenzhen City Guangdong Province The PRC (鵬盛村)	–	–	–	No Commercial Value *Note 3	–	No Commercial Value *Note 3	184,800,000

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
7.	Portions of Pengsheng Nianhua located at No. 39 Bagua Yi Road Futian District Shenzhen City Guangdong Province The PRC (鵬盛年華)	–	–	–	No Commercial Value *Note 4	–	No Commercial Value *Note 4	67,100,000
8.	Portions of Ba Gua Ling Industrial Zone located at Bagua Road Futian District Shenzhen City Guangdong Province The PRC (八卦嶺工業區)	–	–	–	103,000,000 *Note 5	43,500,000	146,500,000 *Note 5	154,600,000
9.	Portions of Sheng Shi Peng Cheng located at No. 123 Bagua Yi Road Futian District Shenzhen City Guangdong Province The PRC (盛世鵬程)	–	–	–	31,600,000	–	31,600,000	–
10.	Zhongxin Science & Technology Building located at No. 31 Bagua Road Futian District Shenzhen City Guangdong Province The PRC (眾鑫科技大廈)	89,900,000	–	–	–	–	89,900,000	–

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
11.	Level 18 of An Hua Building located at No. 8 Yingchun Road Luohu District Shenzhen City Guangdong Province The PRC (安華大廈)	–	–	–	No Commercial Value *Note 6	–	No Commercial Value *Note 6	2,600,000
12.	Portions of Buji Sunshine Garden located at No. 120 Changlong Road Longgang District Shenzhen City Guangdong Province The PRC (布吉陽光花園)	22,100,000	–	–	–	–	22,100,000	–
13.	Portions of Orient Technology Park located at No. 3 Shenyun Road Nanshan District Shenzhen City Guangdong Province The PRC (東方科技園)	–	–	–	93,300,000	–	93,300,000	–
14.	Portions of Gao Fa Technology Park located at North Ring Avenue Nanshan District Shenzhen City Guangdong Province The PRC (高發科技園)	–	–	–	No Commercial Value *Note 7	5,200,000	5,200,000 *Note 7	40,700,000

No.	Property	Market value in existing state as at the valuation date *RMB* **Group I:**	Market value in existing state as at the valuation date *RMB* **Group II:**	Market value in existing state as at the valuation date *RMB* **Group III:**	Market value in existing state as at the valuation date *RMB* **Group IV:**	Market value in existing state as at the valuation date *RMB* **Group V:**	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
15.	A parcel of industrial land located at the northern side of Renmin West Road and the western side of Yizhuo Road Lane 1 Keng Zi Town Longgang District Shenzhen City Guangdong Province The PRC	–	–	–	No Commercial Value *Note 8	–	No Commercial Value *Note 8	15,300,000
16.	Portions of Pengji Liantang Industrial Zone located at No. 2 Pengxing Road Luohu District Shenzhen City Guangdong Province The PRC (鵬基蓮塘工業區)	–	–	–	446,100,000	–	446,100,000	–
17.	Zhongfa Building located at No. 72 Bagua Road Futian District Shenzhen City Guangdong Province The PRC (中發大廈)	–	–	–	–	No Commercial Value *Note 9	No Commercial Value *Note 9	47,200,000
18.	Pengji Industrial Town located at No. 3 Liuhe Road Longgang District Shenzhen City Guangdong Province The PRC (鵬基工業城)	–	–	–	46,900,000	–	46,900,000	–

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
19.	Portions of Phases 1 to 9 of Wanlin Lake located at Nos. 23-29 Jinbang Road Huicheng District Huizhou City Guangdong Province The PRC (鵬基萬林湖1-9期)	183,300,000	–	–	17,900,000	–	201,200,000	–
20.	Portions of Wanlin Hua Fu located at No. 30 Jinbang Road Huicheng District Huizhou City Guangdong Province The PRC (深業萬林華府)	–	501,800,000	453,200,000	–	–	955,000,000	–
21.	Portions of Garden Hills located at the eastern side of Hechang Wu Road and the northern side of Huifeng Qi Road Huicheng District Huizhou City Guangdong Province The PRC (深業半山名苑)	366,800,000	–	–	25,900,000	–	392,700,000	–
22.	Portions of Cloud Ladder located at the western side of Hechang Wu Road and the southern side of Huifeng Ba Road Huicheng District Huizhou City Guangdong Province The PRC (深業半山雲階)	581,300,000	–	–	–	–	581,300,000	–

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
23.	Huizhou Yunqi Mansion located at the southern side of North Yi Road and the western side of East Er Road Huicheng District Huizhou City Guangdong Province The PRC (深業雲棲府)	–	688,900,000	–	–	–	688,900,000	–
24.	Portions of Dongguan Starry Lakeshore located at the southeastern side of the junction of Huanhu Road and Daxue Road Songshan Lake Dongguan City Guangdong Province The PRC (深業松湖雲城)	185,500,000	–	–	–	–	185,500,000	–
25.	Portions of Euro-view Garden located at No. 3 southern side of Gangkou Avenue Wanjiang District Dongguan City Guangdong Province The PRC (深業歐景城(鵬基歐景麗苑))	7,900,000	–	–	6,800,000	–	14,700,000	–

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
26.	Portions of Splendid City located at No. 88 Jiangyan Avenue Sanshui Subdistrict Jiangyan District Taizhou City Jiangsu Province The PRC (錦繡薑城)	42,700,000	–	–	–	–	42,700,000	–
27.	Portions of Shum Yip Yunqi Garden located at the western side of Hailing South Road and the southern side of Yunlong Lake Road Hailing District Taizhou City Jiangsu Province The PRC (深業雲棲苑)	135,400,000	–	–	–	–	135,400,000	–
28.	Yunjing Garden located at the eastern side of Yinfeng South Road and the northern side of Haihe Road Hailing District Taizhou City Jiangsu Province The PRC (深業雲境花園)	–	747,200,000	1,022,500,000	–	–	1,769,700,000	–

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
29.	Portions of Fenghuangsanjuyuan located at the eastern side of Taizhou Avenue and the southern side of Huaihe Road Hailing District Taizhou City Jiangsu Province The PRC (泰州鳳凰三居苑)	–	–	–	71,200,000	–	71,200,000	–
30.	Portions of Jinxiushuanghecheng located at No. 100 Taihu Road Hailing District Taizhou City Jiangsu Province The PRC (錦繡雙河城)	–	–	–	66,300,000	–	66,300,000	–
31.	Portions of Shum Yip Heron Mansion located at the southwestern side of the intersection of Yanghu Avenue and Shihutang Road Yuelu District Changsha City Hunan Province The PRC (深業鷺棲府)	482,700,000	–	–	–	–	482,700,000	–
32.	Portions of Rui Cheng located at the southern side of Kaiyuan Road Changsha County Changsha City Hunan Province The PRC (深業睿城)	70,800,000	–	–	–	–	70,800,000	–

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	The total market value in existing state as at the valuation date *RMB*	The total market value in existing state for reference as at the valuation date *RMB*
33.	Portions of Shumyip Xihui located at the northern side of Kaiyuan Road Changsha County Changsha City Hunan Province The PRC (深業喜匯)	37,700,000	–	–	–	–	37,700,000	–
	Total:	**3,470,500,000**	**1,937,900,000**	**1,475,700,000**	**1,222,000,000**	**61,000,000**	**8,167,200,000**	**913,900,000**

Notes:

1. In the valuation of property no. 2, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB335,500,000 assuming the property could be freely transferred by the Target Group.

2. In the valuation of property no. 5, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB66,100,000 assuming the property could be freely transferred by the Target Group.

3. In the valuation of property no. 6, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB184,800,000 assuming the property could be freely transferred by the Target Group.

4. In the valuation of property no. 7, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB67,100,000 assuming the property could be freely transferred by the Target Group.

5. In the valuation for portions of the property no. 8 in Group IV, we have attributed no commercial value to such portion of the property given that transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of such portion of the property as at the valuation date would be RMB154,600,000 assuming such portion of the property could be freely transferred by the Target Group.

6. In the valuation of property no. 11, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB2,600,000 assuming the property could be freely transferred by the Target Group.

7. In the valuation for portions of the property no. 14 in Group IV, we have attributed no commercial value to such portions of the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of such portion of the property as at the valuation date would be RMB40,700,000 assuming the property could be freely transferred by the Target Group.

8. In the valuation of property no. 15, we have attributed no commercial value to the property without any proper title certificates under the name of the Target Group and the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB15,300,000 assuming all relevant title certificates have been obtained by the Target Group and the property could be freely transferred by the Target Group.

9. In the valuation of property no. 17, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB47,200,000 assuming the property could be freely transferred by the Target Group.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
1.	Portions of Time Mansion located at the eastern side of Bagua Road and the northern side of Bagua Er Road Futian District Shenzhen City Guangdong Province The PRC (深業上林苑)	Time Mansion is located at the eastern side of Bagua Road and the northern side of Bagua Er Road. It is well-served by public transportation with about 20 minutes' driving distance to Shenzhen Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Time Mansion had been developed into a residential development in one phase. Time Mansion was completed in 2025 and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Time Mansion. The classification, usage and gross floor area details of the property were set out in note 7. The land use rights of the property have been granted for a term expiring on 25 July 2061 for commercial use.	As at the valuation date, the property was vacant.	84,200,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract and its supplementary agreement, the land use rights of a parcel of land with a site area of approximately 6,015.21 sq.m. were contracted to be granted to Shenzhen Shenye Pengji Time Mansion Investment Development Co., Ltd. (深圳市深業鵬基上林苑投資發展有限公司, "**Time Mansion Investment**", a wholly-owned subsidiary of Shum Yip Pengji) for a term of 40 years for commercial use commencing from 26 July 2021. The total land premium was RMB197,177,414.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 6,015.21 sq.m. have been granted to Time Mansion Investment for a term expiring on 25 July 2061 for commercial use. According to the remarks of the aforesaid title certificate, the talent apartments of the property will be purchased by the Futian District Housing and Construction Bureau.

3. Pursuant to a Construction Work Planning Permit, Time Mansion has been approved for construction.

4. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Time Mansion.

5. Pursuant to a Pre-sale Permit, the Target Group is entitled to sell portions of Time Mansion to purchasers.

6. Pursuant to a Construction Work Completion and Inspection Table, the construction of Time Mansion has been completed and passed the inspection acceptance.

7. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Apartment	1,297.06	
	Talent Apartment	3,916.82	
	Total:	5,213.88	N/A

8. As advised by the Target Group, various apartment units with a total gross floor area of approximately 119.73 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB4,334,170 (inclusive of 9% VAT). Such portions of the property have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. According to the Notes of the Real Estate Title Certificate mentioned in Note 2, the talent apartments of the property will be purchased by the Futian District Housing and Construction Bureau. As advised by the Target Group, the total consideration is RMB37,867,815 (inclusive of 9% VAT) at the cost price. In arriving at our opinion on the market value of the property, we have taken into account the aforesaid consideration of such portions of the property.

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

    a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are apartment units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB40,900 to RMB42,600 per sq.m. for apartment units. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Apartment Comparable	**A**	**B**	**C**
Name	China Merchants Zhonghuan• Xi Yu (招商中環•禧寓)	Shum Yip Tai Fu Plaza (深業泰富廣場)	Qingfeng Chuangtou Building (清鳳創投大廈)
Location	Luohu District, Shenzhen City	Luohu District, Shenzhen City	Futian District, Shenzhen City
Existing usage	Apartment	Apartment	Apartment
Gross floor area (sq.m.)	82.00	49.06	61.38
Location and accessibility	Superior	Superior	Inferior
Unit selling price (RMB/sq.m.)	42,600	41,800	40,900
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Inferior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Inferior than the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–3.0%	2.0%	3.5%
Adjusted unit price (RMB/sq.m.)	41,320	42,640	42,330

Based on the analysis of the three comparable properties, the adjusted average unit rate for apartment unit is RMB42,100 per sq.m. and RMB38,600 per sq.m. (exclusive of 9% VAT).

We multiply the adjusted average unit rate by the gross floor area of the non-pre-sold portion, and add the total consideration (exclusive of VAT) of the pre-sold portion and the cost price of the talent apartments to arrive at our valuation opinion of this property.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Time Mansion Investment has obtained full title of the land use rights and the building ownership rights. Time Mansion Investment has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

    b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

12. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
2.	Portions of Time Mansion located at the eastern side of Bagua Road and the northern side of Bagua Er Road Futian District Shenzhen City Guangdong Province The PRC （深業上林苑）	Time Mansion is located at the eastern side of Bagua Road and the northern side of Bagua Er Road. It is well-served by public transportation with about 20 minutes' driving distance to Shenzhen Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Time Mansion had been developed into a residential development in one phase. Time Mansion was completed in 2025, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Time Mansion. The classification, usage and gross floor area details of the property were set out in note 8. The land use rights of the property have been granted for a term expiring on 25 July 2061 for commercial use.	As at the valuation date, the property was vacant.	No Commercial Value

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract and its supplementary agreement, the land use rights of a parcel of land with a site area of approximately 6,015.21 sq.m. were contracted to be granted to Time Mansion Investment for a term of 40 years for commercial use commencing from 26 July 2021. The total land premium was RMB197,177,414.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 6,015.21 sq.m. have been granted to Time Mansion Investment for a term expiring on 25 July 2061 for commercial use.

3. Pursuant to a Construction Work Planning Permit, Time Mansion has been approved for construction.

4. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Time Mansion.

5. Pursuant to a Pre-sale Permit, the Target Group is entitled to sell portions of Time Mansion to purchasers.

6. Pursuant to a Construction Work Completion and Inspection Table, the construction of Time Mansion has been completed and passed the inspection acceptance.

7. Pursuant to a Relocation and Resettlement Agreement and a Confirmation of Resettlement for Commercial and Office Premises entered into between Time Mansion Investment and Shum Yip Pengji, various retail and office units with a total gross area of 20,834.02 sq.m. will be transferred to Shum Yip Pengji in the form of resettlement housing.

8. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Office	16,431.76	
	Retail	4,402.26	
	Total:	20,834.02	N/A

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units and office units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor ranges from RMB6.4 to RMB6.8 per sq.m. per day and office units ranges from RMB2.5 to RMB3 per sq.m.; and

   c. Based on our research on retail and office markets in the surrounding area, the stabilized market yield ranges from 4.75% to 5.75% for retail units and ranges from 4% to 5% for office units.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Pursuant to the Civil Code, the alteration of property rights shall take effect upon being recorded in the Real Estate Register. The property has not been registered for title ownership. Although both parties have entered into a contract, the contractual relationship only creates obligatory rights and obligations between the two parties. Without registration, the effect of property right change is not valid and therefore, Shum Yip Pengji only has the rights of occupation and use under the contract, lacking the legal right of disposal. Shum Yip Pengji is not entitled to alteration of property rights change such as transfer, mortgage or capital contribution for shares. It is recommended that Shum Yip Pengji promptly complete title confirmation and registration procedures in accordance with applicable laws and regulations, including the Interim Regulations on Real Estate Registration, to realize the public notice of its real rights and achieve full legal protection of its property interests.

11. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

12. In the valuation of this property, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB335,500,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
3.	Shum Yip Chuangzhi Building located at No. 48 Baoji Road Longgang District Shenzhen City Guangdong Province The PRC (深業創智大廈)	Shum Yip Chuangzhi Building is located at No. 48 Baoji Road, Longgang District, Shenzhen City. It is well-served by public transportation with about 30 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a newly-developed residential and commercial area served by various public facilities and convenient transportation network. Shum Yip Chuangzhi Building had been developed into a commercial development in one phase. Block Nos. 1 and 2 of Shum Yip Chuangzhi Building were completed in 2025 and were held for investment (the "**IP**"). Block No. 3 of that was held and occupied by the Target Group (the Fixed Asset, "**FA**"). As advised by the Target Group, the remaining fully fitted-out cost of the IP of the property is estimated to be approximately RMB36,430,000 as at the valuation date. As at the valuation date, the property comprised the IP and the FA of Shum Yip Chuangzhi Building. The classification, usage and gross floor area details of the property were set out in note 6. The land use rights of the property have been granted for a term expiring on 10 May 2045 for industrial use.	As at the valuation date, portions of the property were vacant, portions of property were rented to various third parties and portions of the property were held and occupied by the Target Group.	325,400,000

Notes:

1. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 8,436.49 sq.m. have been granted to Shenzhen International Construction Machinery Co., Ltd. (深圳國際建築機械有限公司, "**Shenzhen Construction**", a wholly-owned subsidiary of Shum Yip Pengji) for a term expiring on 10 May 2045 for industrial use.

2. Pursuant to a Construction Work Planning Permit, Block Nos. 1 and 2 of Shum Yip Chuangzhi Building have been approved for construction.

3. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Block Nos. 1 and 2 of Shum Yip Chuangzhi Building.

4. Pursuant to a Construction Work Completion and Inspection Table, the construction of Block Nos. 1 and 2 of Shum Yip Chuangzhi Building has been completed and passed the inspection acceptance.

5. Pursuant to a Real Estate Title Certificate, Block No. 3 of the property with a gross floor area of approximately 2,213.53 sq.m. is owned by Shenzhen Construction. The relevant land use rights have been granted to Shenzhen Construction for a term expiring on 10 May 2045 for industrial use.

6. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Office	26,214.51	N/A
	Retail	713.16	N/A
	Apartment	7,661.40	N/A
	Car parking spaces	9,711.83	245
	Ancillary/Others	5,221.95	N/A
	Sub-total:	49,522.85	245
Group V – held and occupied	Office	2,213.53	N/A
	Sub-total:	2,213.53	NA
	Total:	51,736.38	245

7. According to various tenancy agreements, portions of the property with a total lettable area of approximately 4,244 sq.m. were rented to various third parties with the expiry dates between 28 February 2026 and 18 January 2027. The annual rent as at the valuation date was approximately RMB6,366,000, exclusive of management fees, water and electricity charges.

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

   a. For the IP in Group IV and the FA in Group V, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units/office units/apartment units/car parking spaces of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor/office units/apartment/car parking spaces ranges from RMB4.7 to RMB5.2 per sq.m. per day for retail units on the first floor, RMB1.5 to RMB2.5 per sq.m. per day for office units, RMB3.9 to RMB4.5 per sq.m. per day for apartment units and RMB12.0 to RMB14.0 per space per day for car parking spaces; and

   c. Based on our research on retail/office/apartment/car parking spaces markets in the surrounding area, the stabilized market yield ranges from 5.0% to 6.0% for retail units, ranges from 4.0% to 5.0% for office units, ranges from 3.0% to 4.0% for apartment units and ranges from 3.0% to 4.0% for car parking spaces.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. For Block Nos. 1 and 2 of the property, Shenzhen Construction has obtained Real Estate Title Certificate (land), Construction Land Planning Permit, Construction Work Commencement Permit and Construction Work Completion and Inspection Table. These Portions comply with the Urban and Rural Planning Law, Construction Law, Regulations on the Quality Management of Construction Projects, and other relevant provisions, with no legal defects such as illegal construction or unauthorized construction. Shenzhen Construction holds legitimate de facto property rights and quasi-real rights over such portion of the property, but further title confirmation through initial registration is required; and

b. For Block No. 3 of the property, Shenzhen Construction has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law.

10. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group IV – held for investment	313,000,000
Group V – held and occupied	12,400,000
Total:	325,400,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
4.	Portions of Shum Yip Cloud Center located at the intersection of Nanhuan Avenue and Changchun Road Guangming District Shenzhen City Guangdong Province The PRC (深業雲築)	Shum Yip Cloud Center is located at the intersection of Nanhuan Avenue and Changchun Road, Guangming District, Shenzhen City. It is well-served by public transportation with about 40 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Shum Yip Cloud Center had been developed into a residential development in two phases. Shum Yip Cloud Center was completed between 2022 to 2023, the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Shum Yip Cloud Center. The classification, usage and gross floor area details of the property were set out in note 7. The land use rights of the property have been granted for a term expiring on 16 November 2090 for residential use.	As at the valuation date, the property was vacant.	1,180,200,000

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts, the land use rights of 2 parcels of land with a site area of approximately 48,680.98 sq.m. were contracted to be granted to Shenzhen Shenye Minghong Real Estate Development Co., Ltd. (深圳市深業明宏地產開發有限公司, "**Shenye Minghong**", a 65%-owned subsidiary of Shum Yip Pengji) for a term of 70 years for residential use commencing from 17 November 2020. The total land premium was RMB976,536,883.

2. Pursuant to 2 Real Estate Title Certificates, the land use rights of 2 parcels of land with a total site area of approximately 48,680.98 sq.m. have been granted to Shenye Minghong for a term expiring on 16 November 2090 for residential use.

3. Pursuant to 2 Construction Work Planning Permits, Shum Yip Cloud Center has been approved for construction.

4. Pursuant to 2 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of Shum Yip Cloud Center.

5. Pursuant to 2 Pre-sale Permits, Shenye Minghong is entitled to sell portions of Shum Yip Cloud Center to purchasers.

6. Pursuant to 2 Construction Work Completion and Inspection Tables, the construction of Shum Yip Cloud Center has been completed and passed the inspection acceptance.

7. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Residential	32,643.08	
	Retail	11,011.42	
	Total:	43,654.50	N/A

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are apartment and retail units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB30,000 to RMB35,000 per sq.m. for residential units and RMB23,000 to RMB27,000 for retail units on the first floor. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Apartment Comparable	**A**	**B**	**C**
Name	Gemdale Upview (金地明峰府)	Gong Yuan (悅見公園里)	Glory of Thrones (龍湖•御湖境)
Location	Guangming District, Shenzhen City	Guangming District, Shenzhen City	Guangming District, Shenzhen City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	93.59	84.73	88.84
Location and accessibility	Inferior	Superior	Inferior
Unit selling price (RMB/sq.m.)	30,000	35,000	30,500
Adjustment factors:			
Location and accessibility	Inferior than the property	Superior than the property	Inferior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	2%	–2%	2%
Adjusted unit price (RMB/sq.m.)	30,600	34,300	31,100

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB32,000 per sq.m. and RMB29,400 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Universal （星河天地）	The One Mansion （光明1號）	Acesite Park （龍光玖龍台）
Location	Guangming District, Shenzhen City	Guangming District, Shenzhen City	Guangming District, Shenzhen City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	78.56	86	55.45
Location and accessibility	Inferior	Superior	Normal
Unit selling price (RMB/sq.m.)	23,000	27,000	25,000
Adjustment factors:			
Location and accessibility	Inferior than the property	Superior than the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	3%	–3%	0%
Adjusted unit price (RMB/sq.m.)	23,700	26,200	25,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB25,000 per sq.m. and RMB22,900 per sq.m. (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas of the corresponding property types of the property to arrive at our valuation opinion of this property.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Shenye Minghong has obtained full title of the land use rights and the building ownership rights. Shenye Minghong has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

10. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
5.	Portions of Shum Yip Cloud Center located at the intersection of Nanhuan Avenue and Changchun Road Guangming District Shenzhen City Guangdong Province The PRC (深業雲築)	Shum Yip Cloud Center is located at the intersection of Nanhuan Avenue and Changchun Road, Guangming District, Shenzhen City. It is well-served by public transportation with about 40 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Shum Yip Cloud Center had been developed into a residential development in two phases. Shum Yip Cloud Center was completed between 2022 to 2023, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the unsold units and IP of Shum Yip Cloud Center. The classification, usage and gross floor area details of the property were set out in note 8. The land use rights of the property have been granted for a term expiring on 16 November 2090 for residential use.	As at the valuation date, the property was vacant.	No Commercial Value

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts, the land use rights of 2 parcels of land with a site area of approximately 48,680.98 sq.m. were contracted to be granted to Shenye Minghong for a term of 70 years for residential use commencing from 17 November 2020. The total land premium was RMB976,536,883.

2. Pursuant to 2 Real Estate Title Certificates, the land use rights of 2 parcels of land with a total site area of approximately 48,680.98 sq.m. have been granted to Shenye Minghong for a term expiring on 16 November 2090 for residential use.

3. Pursuant to 2 Construction Work Planning Permits, Shum Yip Cloud Center has been approved for construction.

4. Pursuant to 2 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of Shum Yip Cloud Center.

5. Pursuant to 2 Pre-sale Permits, Shenye Minghong is entitled to sell portions of Shum Yip Cloud Center to purchasers.

6. Pursuant to 2 Construction Work Completion and Inspection Tables, the construction of Shum Yip Cloud Center has been completed and passed the inspection acceptance.

7. Pursuant to a Relocation and Resettlement Agreement, its supplementary agreement and a Confirmation of Resettlement for Commercial and Office Premises entered into between Shenye Minghong and Shenzhen Shenye Hardware Co., Ltd. (深圳深業五金有限公司, "**Shenye Hardware**", a 75%-owned subsidiary of Shum Yip Pengji), various residential units with a total gross area of 2,064.48 sq.m. will be transferred to Shenye Hardware in the form of resettlement housing.

8. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Residential	2,064.48	
	Total:	2,064.48	N/A

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB30,000 to RMB35,000 per sq.m. for residential units. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Gemdale Upview (金地明峰府)	Gong Yuan (悅見公園里)	Glory of Thrones (龍湖•御湖境)
Location	Guangming District, Shenzhen City	Guangming District, Shenzhen City	Guangming District, Shenzhen City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	93.59	84.73	88.84
Location and accessibility	Inferior	Superior	Inferior
Unit selling price (RMB/sq.m.)	30,000	35,000	30,500
Adjustment factors:			
Location and accessibility	Inferior than the property	Superior than the property	Inferior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	2%	–2%	2%
Adjusted unit price (RMB/sq.m.)	30,600	34,300	31,100

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB32,000 per sq.m. and RMB29,400 per sq.m. (exclusive of 9% VAT).

We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Pursuant to the Civil Code, the alteration of property rights shall take effect upon being recorded in the Real Estate Register. The property has not been registered for title ownership. Although both parties have entered into a contract, the contractual relationship only creates obligatory rights and obligations between the two parties. Without registration, the effect of property right change is not valid and therefore, Shenye Hardware only has the rights of occupation and use under the contract, lacking the legal right of disposal. Shenye Hardware is not entitled to alteration of property rights change such as transfer, mortgage or capital contribution for shares. It is recommended that Shenye Hardware promptly complete title confirmation and registration procedures in accordance with applicable laws and regulations, including the Interim Regulations on Real Estate Registration, to realize the public notice of its real rights and achieve full legal protection of its property interests.

11. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

12. In the valuation of this property, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB66,100,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
6.	Portions of Pengsheng Village located at No. 39 Bagua Yi Road Futian District Shenzhen City Guangdong Province The PRC (鵬盛村)	Pengsheng Village is located at No. 39 Bagua Yi Road, Futian District, Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Pengsheng Village had been developed into a residential development in one phase. A portion of Pengsheng Village were completed between 1992 to 1994, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Pengsheng Village. The classification, usage and gross floor area details of the property were set out in note 3. The land use rights of the property have been granted for terms expiring on 27 April 2041, 28 April 2041 and 27 April 2061 for residential use.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	No Commercial Value

Notes:

1. Pursuant to 9 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 14,034.39 sq.m. are owned by Shenzhen Peng Sheng Real Estate & Industrial Co., Ltd. (深圳鵬盛地產實業有限公司, "**Peng Sheng**", a 50%-owned joint venture of Shum Yip Pengji). The relevant land use rights have been granted to Peng Sheng for terms expiring on 27 April 2041 and 28 April 2041 for residential use.

2. Pursuant to a Real Estate Title Certificate, portions of the property with a total gross floor area of approximately 884.52 sq.m. is owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 27 April 2061 for residential use.

3. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Retail	14,918.91	
	Total:	14,918.91	N/A

4. According to various tenancy agreements, portions of the property with a total lettable area of approximately 11,288.26 sq.m. were rented to various third parties with the expiry dates between 31 March 2026 and 31 July 2030. The annual rent as at the valuation date was approximately RMB15,118,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor ranges from RMB8 to RMB10 per sq.m. per day for front-facing retail units and from RMB3 to RMB4 per sq.m. for internal-facing retail units; and

   c. Based on our research on retail markets in the surrounding area, the stabilized market yield ranges from 5.75% to 6.75% for retail units.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Peng Sheng has obtained legal and valid ownership. However, the ownership of such properties is limited and the rights to dispose of (such as transfer and mortgage) are restricted; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

7. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

8. In the valuation of this property, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB184,800,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
7.	Portions of Pengsheng Nianhua located at No. 39 Bagua Yi Road Futian District Shenzhen City Guangdong Province The PRC (鵬盛年華)	Pengsheng Nianhua is located at No. 39 Bagua Yi Road, Futian District, Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Pengsheng Nianhua had been developed into a residential development in one phase. Pengsheng Nianhua was completed between 1992 to 1994, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Pengsheng Nianhua. The classification, usage and gross floor area details of the property were set out in note 2. The land use rights of the property have been granted for terms expiring on 27 April 2041 and 27 April 2061 for residential use.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	No Commercial Value

Notes:

1. Pursuant to 22 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 7,761.48 sq.m. is owned by Peng Sheng. The relevant land use rights have been granted to Peng Sheng for a term expiring on 27 April 2041 for residential use.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Retail	7,761.48	
	Total:	7,761.48	N/A

3. According to various tenancy agreements, portions of the property with a total lettable area of approximately 7,038.05 sq.m. were rented to various third parties with the expiry dates between 30 April 2026 and 30 June 2028. The annual rent as at the valuation date was approximately RMB6,729,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor ranges from RMB5 to RMB6 per sq.m. per day; and

   c. Based on our research on retail markets in the surrounding area, the stabilized market yield ranges from 5.75% to 6.75% for retail units.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Peng Sheng has obtained legal and valid ownership. However, the ownership of such properties is limited and the rights to dispose of (such as transfer and mortgage) are restricted; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

6. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

7. In the valuation of this property, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB67,100,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
8.	Portions of Ba Gua Ling Industrial Zone located at Bagua Road Futian District Shenzhen City Guangdong Province The PRC (八卦嶺工業區)	Ba Gua Ling Industrial Zone is located at Bagua Road Futian District Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed industrial area served by various public facilities and convenient transportation network. Ba Gua Ling Industrial Zone had been developed into an industrial development in one phase. Ba Gua Ling Industrial Zone was completed during 1984 to 1996, portions of that were held for investment (the "**IP**"), portions of that were held and occupied by the Target Group (the Fixed Asset, "**FA**"). As at the valuation date, the property comprised the IP and FA of Ba Gua Ling Industrial Zone. The classification, usage and gross floor area details of the property were set out in note 4. The land use rights of the property have been granted for terms expiring on 11 October 2033 for industrial, commercial, dormitory and office uses, 1 February 2043 for other use and 29 November 2063 for dormitory use.	As at the valuation date, portions of the property were vacant, portions of property were rented to various third parties and portions of the property were held and occupied by the Target Group.	146,500,000

Notes:

1. Pursuant to 87 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 33,726.82 sq.m. are owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for terms expiring on 11 October 2033 for industrial, commercial, dormitory and office uses, 1 February 2043 for other use. According to the Notes, such portions of the property are non-commodity housing.

2. Pursuant to 14 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 19,410.82 sq.m. are owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for terms expiring on 11 October 2033 for industrial, commercial, dormitory and office uses and 29 November 2063 for dormitory use.

3. For various industrial units and residential units with a total gross floor area of approximately 15,609.09 sq.m., we have not been provided with any Real Estate Title Certificates.

4. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Dormitory	28,278.55	
	Retail	9,240.92	
	Office	5,740.19	
	Industrial	15,068.23	
	Sub-total:	58,327.89	N/A
Group V – held and occupied by the Target Group	Industrial	10,418.02	
	Sub-total:	10,418.02	N/A
	Total:	68,745.91	N/A

5. According to various tenancy agreements, portions of the property with a total lettable area of approximately 41,846.76 sq.m. were rented to various third parties with the expiry dates between 28 February 2026 and 31 May 2031. The annual rent as at the valuation date was approximately RMB31,906,000, exclusive of management fees, water and electricity charges.

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

   a. For the IP in Group IV and the FA in Group V, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the dormitory/retail units/office units/industrial units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable dormitory units ranges from RMB1.5 to RMB1.8 per sq.m. per day, comparable retail units on the first floor ranges from RMB4 to RMB5 per sq.m. per day, comparable office units ranges from RMB2.2 to RMB2.5 per sq.m. per day, comparable industrial units ranges from RMB2.2 to RMB2.5 per sq.m. per day; and

   c. Based on our research on dormitory/retail/office/industrial markets in the surrounding area, the stabilized market yield ranges from 3.5% to 4.5% for dormitory units, ranges from 6.25% to 7.25% for retail units, ranges from 4% to 5% for office units and ranges from 4.75% to 5.75% for industrial units.

7. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. For portions of the property mentioned in note 1 as non-commodity housing, Shum Yip Pengji has obtained legal and valid ownership. However, the ownership of such properties is limited and the rights to dispose of (such as transfer and mortgage) are restricted;

   b. For portions of the property mentioned in note 2, Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law;

c. With respect to properties for which the Certificate of Completion and Acceptance has been obtained but for which real estate title certificates have not yet been issued as mentioned in note 3, Shum Yip Pengji has the right to occupy, use, earn from, as well as de facto rights of disposition. However, in the absence of formal property registration, such rights lack the legal effect of public notice required for disposition under property law. It is recommended that Shum Yip Pengji further complete the title confirmation registration procedures in accordance with legal regulations such as the Provisions of Shenzhen Municipality on Handling Historical Issues Related to Real Estate Registration on State-Owned Construction Land; and

d. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

8. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group IV – held for investment	103,000,000
Group V – held and occupied	43,500,000
Total:	146,500,000

9. In the valuation for portions of the property in Group IV mentioned in note 1 with restriction on transferability, we have attributed no commercial value to such portion of the property given that transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of such portion of the property as at the valuation date would be RMB154,600,000 assuming such portion of the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
9.	Portions of Sheng Shi Peng Cheng located at No. 123 Bagua Yi Road Futian District Shenzhen City Guangdong Province The PRC (盛世鵬程)	Sheng Shi Peng Cheng is located at Bagua Yi Road, Futian District, Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Sheng Shi Peng Cheng had been developed into a residential development in one phase. Sheng Shi Peng Cheng was completed in 2005, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Sheng Shi Peng Cheng. The classification, usage and gross floor area details of the property were set out in note 2. The land use rights of the property have been granted for a term expiring on 17 November 2062 for commercial, residential and ancillary uses.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	31,600,000

Notes:

1. Pursuant to a Real Estate Title Certificate, the property with a total gross floor area of approximately 1,944.63 sq.m. is owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 17 November 2062 for commercial, residential and ancillary uses.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Retail	1,944.63	
	Total:	1,944.63	N/A

3. According to various tenancy agreements, portions of the property with a total lettable area of approximately 1,510.63 sq.m. were rented to various third parties with the expiry dates between 31 March 2026 and 31 January 2029. The annual rent as at the valuation date was approximately RMB1,755,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor ranges from RMB4 to RMB5 per sq.m. per day; and

   c. Based on our research on retail markets in the surrounding area, the stabilized market yield ranges from 4.75% to 5.75% for retail units.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

6. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
10.	Zhongxin Science & Technology Building located at No. 31 Bagua Road Futian District Shenzhen City Guangdong Province The PRC （眾鑫科技大廈）	Zhongxin Science & Technology Building is located at No. 31 Bagua Road, Futian District, Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is well-developed industrial and residential area served by various public facilities and convenient transportation network. Zhongxin Science & Technology Building had been developed into an office and commercial development in one phase. Zhongxin Science & Technology Building was completed in 2001 and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Zhongxin Science & Technology Building. The classification, usage and gross floor area details of the property were set out in note 2. The land use rights of the property have been granted for a term expiring on 11 December 2051 for office, guesthouse and ancillary service uses.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	89,900,000

Notes:

1. Pursuant to 8 Real Estate Title Certificates, the property with a total gross floor area of approximately 1,944.63 sq.m. is owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 11 December 2051 for office, guesthouse and ancillary service uses.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Office	2,895.42	
	Guesthouse	2,269.04	
	Ancillary service (retail)	4,407.54	
	Total:	9,572.00	N/A

3. According to various tenancy agreements, portions of the property with a total lettable area of approximately 2,539.08 sq.m. were rented to various third parties with the expiry dates between 28 February 2026 and 9 July 2027. The annual rent as at the valuation date was approximately RMB2,265,000, exclusive of management fees, water and electricity charges.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are office and retail units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB9,500 to RMB11,500 per sq.m. for office and guestroom units, RMB13,000 to RMB17,000 per sq.m. for retail units on the first floor. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Office Comparable	**A**	**B**	**C**
Name	Zhongshen Garden Building (中深花園大廈)	Sinlikon Zhihui Zongbu Building (信利康智慧總部大廈)	Hanfu Center (漢富中心)
Location	Futian District, Shenzhen City	Futian District, Shenzhen City	Futian District, Shenzhen City
Existing usage	Office	Office	Office
Gross floor area (sq.m.)	1,000	10,000	2,100
Location and accessibility	Normal	Inferior	Normal
Unit selling price (RMB/sq.m.)	9,500	10,000	11,500
Adjustment factors:			
Location and accessibility	Similar with the property	Inferior than the property	Similar with the property
Building quality	Inferior than the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	3%	3%	0%
Adjusted unit price (RMB/sq.m.)	9,800	10,300	11,500

Based on the analysis of the three comparable properties, the adjusted average unit rate for office unit is RMB10,500 per sq.m. and RMB10,000 per sq.m. (exclusive of 5% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Union Plaza (聯合廣場)	Modern International Building (現代國際大廈)	Zhongshen Garden Building (中深花園大廈)
Location	Futian District, Shenzhen City	Futian District, Shenzhen City	Futian District, Shenzhen City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	388	56.01	58.5
Location and accessibility	Normal	Superior	Normal
Unit selling price (RMB/sq.m.)	16,000	17,000	13,000

Retail Comparable	**A**	**B**	**C**
Adjustment factors:			
Location and accessibility	Similar with the property	Superior than the property	Similar with the property
Building quality	Inferior than the property	Similar with the property	Inferior than the property
Layout	Inferior than the property	Similar with the property	Inferior than the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	6%	–3%	6%
Adjusted unit price (RMB/sq.m.)	17,000	16,500	13,800

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB15,800 per sq.m. and RMB15,000 per sq.m. (exclusive of 5% VAT).

We multiply the adjusted average unit rates by the gross floor areas of the corresponding property types of the property to arrive at our valuation opinion of this property.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

6. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
11.	Level 18 of An Hua Building located at No. 8 Yingchun Road Luohu District Shenzhen City Guangdong Province The PRC (安華大廈)	An Hua Building is located at No. 8 Yingchun Road, Luohu District, Shenzhen City. It is well-served by public transportation with about 10 minutes' driving distance to Shenzhen Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. An Hua Building had been developed into an office in one phase. An Hua Building was completed in 1991, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of An Hua Building. The classification, usage and gross floor area details of the property were set out in note 2. As advised by the Target Group, the land use rights of the property have been granted for a term expiring on 31 January 2039 for office use.	As at the valuation date, portions of the property were vacant.	No Commercial Value

Notes:

1. Pursuant to a Property-for-Debt Settlement Agreement, the property with a total gross floor area of approximately 610 sq.m. was transferred to Shum Yip Pengji as a set-off against an outstanding debt.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Office	610	
	Total:	610	N/A

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the office units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable office units ranges from RMB1.5 to RMB2 per sq.m. per day; and

   c. Based on our research on office markets in the surrounding area, the stabilized market yield ranges from 4.75% to 5.75% for office units.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Pursuant to the Civil Code, the creation, alteration, transfer, or termination of property rights shall take effect upon being recorded in the Real Estate Register. Although both parties have entered into a Property-for-Debt Settlement Agreement and the creditor, Shum Yip Pengji, is in actual possession and use of the property, such property has not undergone registration of its title. Consequently, the contractual relationship only creates obligatory rights and obligations between the two parties. Without registration, the effect of property right change is not valid and therefore, Shum Yip Pengji is not entitled to transfer, mortgage, or otherwise dispose of the property.

5. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

6. In the valuation of this property, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB2,600,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
12.	Portions of Buji Sunshine Garden located at No. 120 Changlong Road Longgang District Shenzhen City Guangdong Province The PRC (布吉陽光花園)	Buji Sunshine Garden is located at No. 120 Changlong Road, Longgang District, Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is well-developed residential area served by various public facilities and convenient transportation network. Buji Sunshine Garden had been developed into a residential development in one phase. Buji Sunshine Garden was completed in 1995 and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Buji Sunshine Garden. The classification, usage and gross floor area details of the property were set out in note 2. The land use rights of the property have been granted for a term expiring on 22 February 2065 for commercial and residential uses.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	22,100,000

Notes:

1. Pursuant to 13 Real Estate Title Certificates, the property with a total gross floor area of approximately 1,383.43 sq.m. is owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 22 February 2065 for commercial and residential uses.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Retail	1,383.43	
	Total:	1,383.43	N/A

3. According to various tenancy agreements, portions of the property with a total lettable area of approximately 1,230.97 sq.m. were rented to various third parties with the expiry dates between 31 March 2026 and 31 December 2027. The annual rent as at the valuation date was approximately RMB701,000, exclusive of management fees, water and electricity charges.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are retail units newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties RMB16,000 to RMB18,000 per sq.m. for retail units on the first floor. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Retail Comparable	**A**	**B**	**C**
Name	Sino-ocean XIntiandi (遠洋新天地)	City Center (頤安都會中央)	Honortech International (榮德國際)
Location	Longgang District, Shenzhen City	Longgang District, Shenzhen City	Longgang District, Shenzhen City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	62	122	108
Location and accessibility	Inferior	Normal	Normal
Unit selling price (RMB/sq.m.)	16,000	16,000	18,000
Adjustment factors:			
Location and accessibility	Inferior than the property	Similar with the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	2%	0%	0%
Adjusted unit price (RMB/sq.m.)	16,300	16,000	18,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB16,800 per sq.m. and RMB16,000 per sq.m. (exclusive of 5% VAT).

We multiply the adjusted average unit rate by the gross floor area of the property to arrive at our valuation opinion of this property.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

a. Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

6. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
13.	Portions of Orient Technology Park located at No. 3 Shenyun Road Nanshan District Shenzhen City Guangdong Province The PRC (東方科技園)	Orient Technology Park is located No. 3 Shenyun Road, Nanshan District, Shenzhen City. It is well-served by public transportation with about 25 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed residential and office area served by various public facilities and convenient transportation network. Orient Technology Park had been developed into a residential and office development. Orient Technology Park was completed in 2002, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Orient Technology Park. The classification, usage and gross floor area details of the property were set out in note 3. The land use rights of the property have been granted for a term expiring on 28 February 2048 for industrial warehouse use.	As at the valuation date, portions of the property were vacant, portions of property were rented to various third parties and portions of the property were held and occupied by the Target Group.	93,300,000

Notes:

1. Pursuant to 162 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 11,338.90 sq.m. are owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 28 February 2048 for industrial warehouse use.

2. For the canteen unit of the property with a gross floor area of approximately 931.88 sq.m., we have not been provided with any Building Ownership Certificates or Real Estate Title Certificates.

3. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Dormitory	4,235.44	
	Industrial	7,103.46	
	Canteen	931.88	
	Total:	12,270.78	N/A

4. According to various tenancy agreements, portions of the property with a total lettable area of approximately 7,298.36 sq.m. were rented to various third parties with the expiry dates between 31 March 2026 and 30 June 2030. The annual rent as at the valuation date was approximately RMB4,092,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the dormitory/industrial units and canteen units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable dormitory units ranges from RMB1.6 to RMB1.9 per sq.m. per day, comparable canteen units ranges from RMB2 to RMB2.5 per sq.m. per day, comparable industrial units ranges from RMB1.4 to RMB1.8 per sq.m. per day; and

   c. Based on our research on dormitory/canteen/industrial markets in the surrounding area, the stabilized market yield ranges from 3.5% to 4.5% for dormitory units, ranges from 6.25% to 7.25% for canteen units and ranges from 4.75% to 5.75% for industrial units.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. For portions of the property mentioned in note 1, Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law;

   b. With respect to properties for which the Certificate of Completion and Acceptance has been obtained but for which real estate title certificates have not yet been issued as mentioned in note 2, Shum Yip Pengji has the right to occupy, use, earn from, as well as de facto rights of disposition (such as self-use, leasing, and internal reallocation). However, in the absence of formal property registration, such rights lack the legal effect of public notice required for disposition under property law. It is recommended that Shum Yip Pengji further complete the title confirmation registration procedures in accordance with legal regulations such as the Provisions of Shenzhen Municipality on Handling Historical Issues Related to Real Estate Registration on State-Owned Construction Land; and

   c. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

7. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
14.	Portions of Gao Fa Technology Park located at North Ring Avenue Nanshan District Shenzhen City Guangdong Province The PRC (高發科技園)	Gao Fa Technology Park is located at North Ring Avenue, Nanshan District, Shenzhen City. It is well-served by public transportation with about 20 minutes' driving distance to Shenzhen North Railway Station under normal traffic condition. The locality of the property is a well-developed industrial area served by various public facilities and convenient transportation network. Gao Fa Technology Park had been developed into an industrial development in one phase. Gao Fa Technology Park was completed in 1993, portions of that were held for investment (the "**IP**"), portions of that were held and occupied by the Target Group (the Fixed Asset, "**FA**"). As at the valuation date, the property comprised the IP and FA of Gao Fa Technology Park. The classification, usage and gross floor area details of the property were set out in note 3. The land use rights of the property have been granted for a term expiring on 7 June 2062 for single dormitory use.	As at the valuation date, portions of property were rented to a third party and portions of the property were held and occupied by the Target Group.	5,200,000

Notes:

1. Pursuant to 4 Real Estate Title Certificates, the property with a total gross floor area of approximately 3,795.42 sq.m. is owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 7 June 2062 for single dormitory use.

2. Pursuant to 14 Real Estate Title Certificates, the property with a total gross floor area of approximately 457.49 sq.m. is owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 7 June 2062 for single dormitory use.

3. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Dormitory	1,488.10	
	Retail	1,690.08	
	Office	617.24	
	Sub-total:	3,795.42	N/A
Group V – held and occupied by the Target Group	Dormitory	457.49	
	Sub-total:	457.49	N/A
	Total:	4,252.91	N/A

4. According to various tenancy agreements, portions of the property with a total lettable area of approximately 3,795.42 sq.m. were rented to a third party with the expiry date on 31 August 2027. The annual rent as at the valuation date was approximately RMB2,543,000, exclusive of management fees, water and electricity charges.

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

   a. For the IP in Group IV and the FA in Group V, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the dormitory/retail units/office units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable dormitory units ranges from RMB1.6 to RMB1.9 per sq.m. per day, comparable canteen units on the first floor ranges from RMB2 to RMB2.5 per sq.m. per day, comparable office units ranges from RMB1.4 to RMB1.8 per sq.m. per day; and

   c. Based on our research on dormitory/retail/office markets in the surrounding area, the stabilized market yield ranges from 3.5% to 4.5% for dormitory units, ranges from 6.25% to 7.25% for retail units and ranges from 4% to 5% for office units.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. For portions of the property mentioned in note 1 classified as "other" in the Notes of the title certificates, Shum Yip Pengji has obtained legal and valid ownership. However, the ownership of such properties is limited and the rights to dispose of (such as transfer and mortgage) are restricted;

   b. For portion of the property mentioned in note 2, Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

   c. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

7. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group IV – held for investment	No Commercial Value
Group V – held and occupied	5,200,000
Total:	5,200,000

8. In the valuation for the IP of this property in Group IV, we have attributed no commercial value to such portions of the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of such portion of the property as at the valuation date would be RMB40,700,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
15.	A parcel of industrial land located at the northern side of Renmin West Road and the western side of Yizhuo Road Lane 1 Keng Zi Town Longgang District Shenzhen City Guangdong Province The PRC	The property is a parcel of land located at the northern side of Renmin West Road and the western side of Yizhuo Road Lane 1, Keng Zi Town, Longgang District, Shenzhen City. It is well-served by public transportation with about 15 minutes' driving distance to Shenzhen Pingshan Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. The property is leased to third party and that was held for investment (the "**IP**"). The classification, usage and area site details of the property were set out in note 3. The land use rights of the property have been granted for a term expiring on 4 March 2049 for industrial use.	As at the valuation date, the property was rented to a third party.	No Commercial Value

Notes:

1. Pursuant to a Land Use Rights Grant Contract – Shen Di He Zi (2003) No. 7403, the land use rights of a parcel of land (Lot No. G14108-0230) with a site area of approximately 8,323.58 sq.m. have been granted to Shenzhen Gaofa Investment Holdings Co., Ltd. (深圳市高發投資控股有限公司, "**Shenzhen Gaofa**", a wholly-owned subsidiary of the Shum Yip Pengji) for a term expiring on 4 March 2049 for industrial use.

2. Pursuant to the Reply to Land Asset Disposal Plan – Shen Guo Fang (2004) No. 162 entered into among Shenzhen Gaofa, Shum Yip Pengji and Shenzhen State-Owned Land Resources and Property Management Bureau (深圳市國土資源和房屋管理局) dated 28 September 2004, the above mentioned land parcel has been stripped from Shenzhen Gaofa and allocated to Shum Yip Pengji.

3. According to the information provided by the Target Group, the site area of the property is set out as below:

Group	Usage	Site Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Industrial	8,323.58	
	Total:	8,323.58	N/A

4. According to a tenancy agreement, the property with a total site area of approximately 8,323.58 sq.m. was rented to a third party with the expiry date on 31 December 2029. The annual rent as at the valuation date was approximately RMB678,000, exclusive of management fees, water and electricity charges.

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

a. We have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject project such as nature, use, site area, layout and accessibility. The selected comparables are industrial lands located in the area close to the subject project. The unit rate of these comparable land sites ranges from RMB1,800 to RMB2,600 per sq.m. for industrial use. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable land parcels and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Land Comparable	**A**	**B**	**C**
Name	A land parcel located in Kengzi Sub-district, Pingshan District	A land parcel located in Kengzi Sub-district, Pingshan District	A land parcel located in Kengzi Sub-district, Pingshan District
Location	Pingshan District, Shenzhen City	Pingshan District, Shenzhen City	Pingshan District, Shenzhen City
Land usage	Industrial	Industrial	Industrial
Site area (sq.m.)	14,995	35,193	15,200
Location and accessibility	Superior	Superior	Superior
Unit price (RMB/sq.m.)	2,027	2,572	1,776
Adjustment factors:			
Nature	Superior than the property	Superior than the property	Superior than the property
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Land use	Superior than the property	Superior than the property	Similar with the property
Site area and layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–15%	–20%	-3%
Adjusted unit price (RMB/sq.m.)	1,720	2,060	1,720

Based on the analysis of the three comparable properties, the adjusted average unit price for land is RMB1,833 per sq.m.

We multiply the adjusted average unit price by the site area of the property to arrive at our valuation opinion of this property.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Pursuant to the Civil Code, the alteration of property rights shall take effect upon being recorded in the Real Estate Register. The property has not been registered for the alteration of title ownership and Shum Yip Pengji did not obtain full real rights for the land parcel. Shum Yip Pengji could complete title registration procedures and the public notice of its real rights to achieve full legal protection of its property interests.

7. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

8. In the valuation of this property, we have attributed no commercial value to the property without any proper title certificates under the name of the Target Group and the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB15,300,000 assuming all relevant title certificates have been obtained by the Target Group and the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
16.	Portions of Pengji Liantang Industrial Zone located at No. 2 Pengxing Road Luohu District Shenzhen City Guangdong Province The PRC (鵬基蓮塘工業區)	Pengji Liantang Industrial Zone is located No. 2 Pengxing Road, Luohu District, Shenzhen City. It is well-served by public transportation with about 20 minutes' driving distance to Shenzhen Railway Station under normal traffic condition. The locality of the property is a well-developed residential and industrial area served by various public facilities and convenient transportation network. Pengji Liantang Industrial Zone had been developed into an industrial development. Pengji Liantang Industrial Zone was completed between 1989 and 1994, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Pengji Liantang Industrial Zone. The classification, usage and gross floor area details of the property were set out in note 3. The land use rights of the property have been granted for a term expiring on 24 February 2042 for industrial warehouse use.	As at the valuation date, portions of the property were vacant, portions of property were rented to various third parties and portions of the property were held and occupied by the Target Group.	446,100,000

Notes:

1. Pursuant to 31 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 51,814.92 sq.m. are owned by Shum Yip Pengji. The relevant land use rights have been granted to Shum Yip Pengji for a term expiring on 24 February 2042 for industrial warehouse use.

2. For various dormitory units with a total gross floor area of approximately 2,243.56 sq.m., we have not been provided with any Real Estate Title Certificates.

3. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Dormitory	26,415.81	
	Industrial	27,642.67	
	Total:	54,058.48	N/A

4. According to various tenancy agreement, portions of the property with a total lettable area of approximately 45,600.94 sq.m. were rented to various third parties with the expiry dates between 28 February 2026 and 31 January 2031. The annual rent as at the valuation date was approximately RMB28,336,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the dormitory and industrial units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable dormitory units ranges from RMB1.6 to RMB2.0 per sq.m. per day, comparable industrial units ranges from RMB1.4 to RMB1.8 per sq.m. per day; and

   c. Based on our research on dormitory/industrial markets in the surrounding area, the stabilized market yield ranges from 3.5% to 4.5% for dormitory units and ranges from 4.75% to 5.75% for industrial units.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. For portions of the property mentioned in note 1, Shum Yip Pengji has obtained full title of the land use rights and the building ownership rights. Shum Yip Pengji has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law;

   b. With respect to properties for which the Certificate of Completion and Acceptance has been obtained but for which real estate title certificates have not yet been issued as mentioned in note 2, Shum Yip Pengji has the right to occupy, use, earn from, as well as de facto rights of disposition. However, in the absence of formal property registration, such rights lack the legal effect of public notice required for disposition under property law. It is recommended that Shum Yip Pengji further complete the title confirmation registration procedures in accordance with legal regulations such as the Provisions of Shenzhen Municipality on Handling Historical Issues Related to Real Estate Registration on State-Owned Construction Land; and

   c. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

7. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
17.	Zhongfa Building located at No. 72 Bagua Road Futian District Shenzhen City Guangdong Province The PRC (中發大廈)	Zhongfa Building is located at No. 72 Bagua Road, Futian District, Shenzhen City. It is well-served by public transportation with about 30 minutes' driving distance to Shenzhen North Railway Station under normal traffic conditions. The locality of the property is a well-developed commercial area served by various public facilities and convenient transportation networks. Zhongfa Building had been developed into an industrial development. Zhongfa Building was completed in 1993 and held and occupied by the Target Group (the Fixed Asset, "**FA**"). The land use rights of the property have been granted for a term of 30 years expiring on 7 November 2022 and 8 November 2022 for industrial use. Pursuant to the Explanation Regarding the Provisions on the Renewal of Land Use Rights in Shenzhen City (關於我市土地使用權續期有關規定的說明) issued by Shenzhen Municipal Planning and Natural Resources Bureau (深圳市規劃和國土資源委員會), the land use rights term would be extended to the statutory maximum term of 50 years for the land use rights for industrial use.	As at the valuation date, the property was held and occupied by the Target Group.	No Commercial Value

Notes:

1. Pursuant to 6 Real Estate Title Certificate, the property with total gross floor area of approximately 6,708.88 sq.m. are owned by Shenzhen Zhongfa Industrial Co., Ltd. (深圳市中發實業有限公司, "**Shenzhen Zhongfa**", a wholly-owned subsidiary of the Shum Yip Pengji). The land use rights of the property have been granted for a term of 30 years expiring on 7 November 2022 and 8 November 2022 for industrial use. Pursuant to the Explanation Regarding the Provisions on the Renewal of Land Use Rights in Shenzhen City (關於我市土地使用權續期有關規定的說明) issued by Shenzhen Municipal Planning and Natural Resources Bureau (深圳市規劃和國土資源委員會), the land use rights term would be extended to the statutory maximum term of 50 years for the land use rights for industrial use.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group V – held and occupied by the Target Group	Industrial	6,708.88	N/A
	Total:	6,708.88	N/A

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the industrial units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable industrial units ranges from RMB1.6 to RMB2.2 per sq.m. per day;

   c. Based on our research on industrial market in the surrounding area, the stabilized market yield ranges from 5.0% to 6.0% for industrial units.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Shenzhen Zhongfa has obtained de facto ownership. However, the ownership of such properties is limited and the rights to dispose of (such as transfer and mortgage) are restricted;

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights; and

   c. The source of the land use rights should be classified as a paid grant of land use rights, and is therefore eligible for automatic extension up to 50 years under the Shenzhen Special Economic Zone Regulations on the Granting of Land Use Rights (2021 Amendment) and the Shenzhen Municipal Planning and Natural Resources Bureau's Explanation Regarding the Provisions on the Renewal of Land Use Rights.

5. For the purpose of this report, the property is classified into the group as "Group V – held and occupied" according to the purpose for which it is held.

6. In the valuation of this property, we have attributed no commercial value to the property given that the transferability of the property is restricted. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB47,200,000 assuming the property could be freely transferred by the Target Group.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
18.	Pengji Industrial Town located at No. 3 Liuhe Road Longgang District Shenzhen City Guangdong Province The PRC (鵬基工業城)	Pengji Industrial Town is located at No. 3 Liuhe Road Longgang District, Shenzhen City. It is well-served by public transportation with about 20 minutes' driving distance to Shenzhen East Railway Station under normal traffic condition. The locality of the property is a well-developed industrial area served by various public facilities and convenient transportation network. Pengji Industrial Town had been developed into a residential development in one phase. Pengji Industrial Town were completed in 1993, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Pengji Industrial Town. The classification, usage and gross floor area details of the property were set out in note 2. The land use rights of the property have been granted for a term expiring on 27 November 2041 for industrial warehouse use.	As at the valuation date, the property was rented to a third party.	46,900,000

Notes:

1. Pursuant to 6 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 25,669 sq.m. are owned by Shenzhen Pengji Property Operation Co., Ltd. (深圳市鵬基物業經營有限公司, "**Pengji Property Operation**", a 60%-owned subsidiary of Shum Yip Pengji). The relevant land use rights have been granted to Pengji Property Operation for a term expiring on 27 November 2041 for industrial warehouse use.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Industrial	25,669	
	Total:	25,669	N/A

3. According to a tenancy agreement, the property with a total lettable area of approximately 25,669 sq.m. were rented to a third party with the expiry date on 28 February 2028. The annual rent as at the valuation date was approximately RMB4,682,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the industrial units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable industrial units ranges from RMB0.5 to RMB0.6 per sq.m. per day; and

   c. Based on our research on industrial markets in the surrounding area, the stabilized market yield ranges from 4.75% to 5.75% for industrial units.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Pengji Property Operation has obtained full title of the land use rights and the building ownership rights. Pengji Property Operation has the right to occupy, use, lease, and mortgage the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

6. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
19.	Portions of Phases 1 to 9 of Wanlin Lake located at Nos. 23-29 Jinbang Road Huicheng District Huizhou City Guangdong Province The PRC (鵬基萬林湖1-9期)	Phases 1 to 9 of Wanlin Lake is located at Nos. 23-29 Jinbang Road, Huicheng District, Huizhou City. It is well-served by public transportation with about 30 minutes' driving distance to Zhongkai Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Phases 1 to 9 of Wanlin Lake had been developed into a residential development in nine phases. Phases 1 to 9 of Wanlin Lake were completed during 2008 to 2015. Portions of the property was held for sale (the "**unsold units**") and portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the unsold units and the IP of Phases 1 to 9 of Wanlin Lake. The classification, usage and gross floor area details of the property were set out in note 6. The land use rights of the property have been granted for terms expiring on 5 January 2075, 16 June 2075 and 27 October 2081 for residential use and 27 October 2081 for commercial use.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	201,200,000

Notes:

1. Pursuant to 5 State-owned Land Use Rights Certificates, the land use rights of 5 parcels of land with a total site area of approximately 526,654.20 sq.m. have been granted to Huizhou Pengji Investment Co., Ltd. (惠州市鵬基投資有限公司, "**Huizhou Pengji Investment**", a wholly-owned subsidiary of Shum Yip Pengji) for terms expiring on 5 January 2075, 16 June 2075 and 27 October 2081 for residential use and 27 October 2081 for commercial use.

2. Pursuant to 74 Construction Work Planning Permits, Phases 1 to 9 of Wanlin Lake have been approved for construction.

3. Pursuant to 10 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of Phases 1 to 9 of Wanlin Lake.

4. Pursuant to 24 Pre-sale Permits, the Target Group is entitled to sell portions of Phases 1 to 9 of Wanlin Lake to purchasers.

5. Pursuant to 9 Construction Work Completion and Inspection Tables, the construction of Phases 1 to 9 of Wanlin Lake has been completed and passed the inspection acceptance.

6. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Retail	16,115.79	N/A
	Car parking spaces	37,657.24	922
	Sub-total:	53,773.03	922
Group IV – held for investment by the Target Group	Kindergarten	2,669.03	N/A
	Sub-total:	2,669.03	N/A
	Total:	56,442.06	922

7. According to a Tenancy Agreement, portions of the property with a total lettable area of approximately 2,669.03 sq.m. were rented to a third party with the expiry date on 31 August 2029. The annual rent as at the valuation date was approximately RMB1,111,000, exclusive of management fees, water and electricity charges.

8. As advised by the Target Group, a retail unit with a gross floor area of approximately 419.29 sq.m. in Group I of the property has been pre-sold to a third party at a consideration of RMB2,373,887 (inclusive of 5% VAT). Such portion of the property has not been legally and virtually transferred and therefore we have included the unit in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted price of such portion of the property.

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

a. For the unsold units in Group I, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB10,000 to RMB12,000 per sq.m. for retail units on the first floor, and RMB70,000 to RMB80,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Retail Comparable	A	B	C
Name	Retail unit in Hongchang Road	Liyuan Xin Cun (麗園新村)	Caijun Jin Cheng (才俊金城)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	96	248	157
Location and accessibility	Normal	Superior	Normal
Unit selling price (RMB/sq.m.)	12,000	11,700	10,000

Retail Comparable	**A**	**B**	**C**
Adjustment factors:			
Location and accessibility	Similar with the property	Superior than the property	Similar with the property
Building quality	Superior than the property	Inferior than the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–3%	–2%	0%
Adjusted unit price (RMB/sq.m.)	11,640	11,470	10,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB11,000 per sq.m. and RMB10,500 per sq.m. (exclusive of 5% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Rongcan Huizhou Center (榮燦惠州中心)	Donghu Garden (東湖花園)	Nanshan Gongguan Phase 1 (南山公館一期)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/space)	73,000	80,000	70,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–4%	–5%	0%
Adjusted unit price (RMB/space)	70,100	76,000	70,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB72,000 per space and RMB68,600 per space (exclusive of 5% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

b. For the IP in Group IV, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the kindergarten of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

c. The unit rent of these comparable kindergarten ranges from RMB0.9 to RMB1.1 per sq.m. per day; and

d. Based on our research on kindergarten markets in the surrounding area, the stabilized market yield ranges from 3.0% to 4.0% for kindergarten.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Huizhou Pengji Investment has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

    b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group I – held for sale	183,300,000
Group IV – held for investment	17,900,000
Total:	201,200,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
20.	Portions of Wanlin Hua Fu located at No. 30 Jinbang Road Huicheng District Huizhou City Guangdong Province The PRC (深業萬林華府)	Wanlin Hua Fu is located at No. 30 Jinbang Road, Huicheng District, Huizhou City. It is well-served by public transportation with about 30 minutes' driving distance to Zhongkai Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Wanlin Hua Fu occupies a parcel of land with a site area of approximately 72,106.08 sq.m., which is being developed into a residential and commercial development in two phases. Phase 1 of Wanlin Hua Fu were under development (the "**CIP**") as at the valuation date and are scheduled to be completed in August 2026. The construction of phase 2 of the property (the "**bare land**") had not been commenced as at the valuation date. As at the valuation date, the property comprised the CIP and bare land of Wanlin Hua Fu. The classification, usage and gross floor area details of the property were set out in note 5. As advised by the Target Group, the development cost (including the land cost) of the CIP of the property is estimated to be approximately RMB930,200,000, of which approximately RMB621,200,000 had been incurred up to the valuation date. The land use rights of the property have been granted for terms expiring on 18 March 2084 for residential use and 18 March 2054 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	955,000,000

Notes:

1. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 72,106.08 sq.m. have been granted to Huizhou Pengji Investment for terms expiring on 18 March 2084 for residential use and 18 March 2054 for commercial use.

2. Pursuant to 13 Construction Work Planning Permits, Phase 1 of Wanlin Hua Fu has been approved for construction.

3. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Phase 1 of Wanlin Hua Fu.

4. Pursuant to 2 Pre-sale Permits, the Target Group is entitled to sell portions of Wanlin Hua Fu to purchasers.

5. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	(Planned) Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group II – held under development by the Target Group	Residential	100,562.34	N/A
	Retail	8,623.10	N/A
	Car parking spaces	N/A	1,100
	Sub-total:	109,185.44	1,100
Group III – held for future development by the Target Group	Residential	108,797.66	N/A
	Retail	3,366.90	N/A
	Car parking spaces	N/A	1,125
	Kindergarten	3,050	N/A
	Sub-total:	115,214.56	1,125
	Total:	224,400.00	2,225

6. As advised by the Target Group, various residential units with a total gross floor area of approximately 8,176.25 sq.m. in Group II of the property have been pre-sold to various third parties at a total consideration of RMB89,085,656 (inclusive of 9% VAT). Such portions of the property have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

7. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB861,700,000.

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

   a. For the CIP in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB7,500 to RMB12,000 per sq.m. for residential units, RMB11,000 to RMB12,000 per sq.m. for retail units on the first floor, and RMB70,000 to RMB80,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Low-rise Residential			
Comparable	**A**	**B**	**C**
Name	Runyuan (潤園)	Runyuan (潤園)	Kaisa One (佳兆業一號花園)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	283	150	162.32
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	12,000	11,000	11,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Superior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–3%	–3%	–3%
Adjusted unit price (RMB/sq.m.)	11,600	10,700	10,700

Based on the analysis of the three comparable properties, the adjusted average unit rate for low-rise residential unit is RMB11,000 per sq.m. and RMB10,100 per sq.m. (exclusive of 9% VAT).

High-rise Residential			
Comparable	**A**	**B**	**C**
Name	Kaisa One (佳兆業一號花園)	Country Garden Huisheng (碧桂園匯盛)	Wanlin Lake (萬林湖)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	123.28	96	119.52
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	8,000	7,700	7,500
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Superior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–3%	–3%	–3%
Adjusted unit price (RMB/sq.m.)	7,760	7,470	7,280

Based on the analysis of the three comparable properties, the adjusted average unit rate for high-rise residential unit is RMB7,500 per sq.m. and RMB6,900 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Retail unit located in Hong Chang Road	Retail unit located in Nan An Road	Caijun Jin Cheng (才俊金城)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	96	410	157
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/sq.m.)	12,000	11,500	11,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–6%	–6%	0%
Adjusted unit price (RMB/sq.m.)	11,300	10,800	11,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB11,000 per sq.m. and RMB10,100 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Rongcan Huizhou Center (榮燦惠州中心)	Donghu Garden (東湖花園)	Nanshan Gongguan Phase 1 (南山公館一期)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/space)	73,000	80,000	70,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Superior than the property	Similar with the property
Total adjustment	–3%	–5%	0%
Adjusted unit price (RMB/space)	70,800	76,000	70,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB72,300 per space and RMB66,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at the market value of the CIP of the property as if completed as at the valuation date.

b. For the bare land in Group III, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject project such as nature, use, site area, layout and accessibility. The selected comparables are residential lands located in the area close to the subject project. The accommodation value of these comparable land sites ranges from RMB4,000 to RMB4,400 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at an assumed accommodation value for the property. Details of the comparable land parcels and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Land Comparable	**A**	**B**	**C**
Name	A land parcel located in southern side of High-Tech industrial zone, Huicheng District	A land parcel located in Jinshan Xin Cheng, Huicheng District	A land parcel located in south-eastern side of Jinlong Avenue, Huicheng District
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Land usage	Residential	Residential	Residential
Site area (sq.m.)	15,112.00	55,102.57	74,284.81
Location and accessibility	Normal	Normal	Normal
Accommodation value (RMB/sq.m.)	4,000	4,200	4,400
Adjustment factors:			
Nature	Superior than the property	Superior than the property	Similar with the property
Site area and layout	Similar with the property	Inferior than the property	Inferior than the property
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Land use	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–2%	–4%	2%
Adjusted accommodation value (RMB/sq.m.)	3,920	4,030	4,490

Based on the analysis of the three comparable properties, the adjusted average accommodation value for land is RMB4,150 per sq.m.

We multiply the adjusted average accommodation value by the plot ratio accountable gross floor area of the property to arrive at our valuation opinion of this property.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

a. Huizhou Pengji Investment has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law;

b. Huizhou Pengji Investment has lawfully obtained all requisite statutory approvals, including the Land Use Rights Grant Contract, Land Use Rights Certificate, Construction Work Planning Permits, Construction Work Commencement Permit, and Pre-sale Permits. Pursuant to the written confirmation provided by Huizhou Pengji Investment, the land parcel and the CIP of the property are not subject to any encumbrances or restrictions on rights, including but not limited to mortgages, seizures, advance registrations, or successive seizures. Huizhou Pengji Investment holds full and exclusive rights to occupy, use, earn from and legally dispose of the property; and

c. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

10. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group II – held under development	501,800,000
Group III – held for future development	453,200,000
Total:	955,000,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
21.	Portions of Garden Hills located at the eastern side of Hechang Wu Road and the northern side of Huifeng Qi Road Huicheng District Huizhou City Guangdong Province The PRC (深業半山名苑)	Garden Hills is located at the eastern side of Hechang Wu Road and the northern side of Huifeng Qi Road, Huicheng District, Huizhou City. It is well-served by public transportation with about 20 minutes' driving distance to Zhongkai Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Garden Hills had been developed into a residential and commercial development in two phases. Phase I and Phase II of Garden Hills were completed during 2014 to 2021, portions of that were held for investment (the "**IP**"), and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the IP and the unsold units of Garden Hills. The classification, usage and gross floor area details of the property were set out in note 8. The land use rights of the property have been granted for terms expiring on 21 March 2077 for residential use and 21 March 2047 for commercial use.	As at the valuation date, portions of the property were vacant and portions of property were rented to a third party.	392,700,000

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts, the land use rights of 2 parcels of land with a total site area of approximately 421,548 sq.m. were contracted to be granted to Huizhou Zhongkai Pengji Investment Co., Ltd. (惠州市仲愷鵬基投資有限公司, "**Huizhou Zhongkai Pengji**", a wholly-owned subsidiary of Shum Yip Pengji) for terms of 70 years for residential use and 40 years for commercial use commencing from 21 March 2007. The total land premium was RMB350,000,000.

2. Pursuant to 2 Real Estate Title Certificates, the land use rights of various parcels of land with a total site area of approximately 120,012.70 sq.m. have been granted to Huizhou Zhongkai Pengji for terms expiring on 21 March 2077 for residential use and 21 March 2047 for commercial use.

3. Pursuant to 2,562 Real Estate Title Certificates, portions of the property with a total gross floor area of approximately 83,949.43 sq.m. are owned by Huizhou Zhongkai Pengji. The relevant land use rights have been granted to Huizhou Zhongkai Pengji for terms expiring on 21 March 2077 for residential use and 21 March 2047 for commercial use.

4. Pursuant to 21 Construction Work Planning Permits, Phase I and Phase II of Garden Hills have been approved for construction.

5. Pursuant to 3 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of Phase I and Phase II of Garden Hills.

6. Pursuant to 10 Pre-sale Permits, the Target Group is entitled to sell portions of Garden Hills to purchasers.

7. Pursuant to 8 Construction Work Completion and Inspection Tables, the construction of Phase I and Phase II of Garden Hills has been completed and passed the inspection acceptance.

8. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Residential	52,512.07	N/A
	Retail	3,387.16	N/A
	Car parking spaces	24,620.20	2,024
	Sub-total:	80,519.43	2,024
Group IV – held for investment by the Target Group	Kindergarten	3,430.00	N/A
	Sub-total:	3,430.00	N/A
	Total:	83,949.43	2,024

9. According to a Tenancy Agreement, portions of the property with a total lettable area of approximately 3,430 sq.m. were rented to a third party with the expiry date on 31 August 2029. The annual rent as at the valuation date was approximately RMB1,111,000, exclusive of management fees, water and electricity charges.

10. As advised by the Target Group, various residential units and retail units with a total gross floor area of approximately 31,311.96 sq.m. in Group I of the property have been pre-sold to various third parties at a total consideration of RMB191,812,665 (inclusive of 9% VAT). Such portions of the property have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

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

    a. For the unsold units in Group I, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB6,000 to RMB8,000 per sq.m. for residential units, RMB9,900 to RMB11,700 per sq.m. for retail units on the first floor, and RMB30,000 to RMB40,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Fenghuang huafu (碧桂園鳳凰華府)	Yunlong Garden (昊翔源雲瓏花園)	Tianjunfu (方圓天俊府)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	97	99	149
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/sq.m.)	8,000	6,500	6,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Superior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Superior than the property	Superior than the property	Superior than the property
Total adjustment	–20%	–15%	–8%
Adjusted unit price (RMB/sq.m.)	6,400	5,530	5,520

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB5,800 per sq.m. and RMB5,300 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Fenghuang huafu (碧桂園鳳凰華府)	Yunlong Garden (昊翔源雲瓏花園)	Shenghuiyuan (升輝苑)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	100	37	190
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/sq.m.)	11,700	10,200	9,900
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Inferior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Superior than the property	Superior than the property	Similar with the property
Total adjustment	–12%	–8%	3%
Adjusted unit price (RMB/sq.m.)	10,300	9,380	10,200

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB9,960 per sq.m. and RMB9,100 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Guohuishan (鼎峰國匯山)	Garden Hills (半山名苑)	Garden Hills (半山名苑)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Superior	Superior	Superior
Unit selling price (RMB/space)	40,000	30,000	30,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Superior than the property	Similar with the property	Similar with the property
Total adjustment	–15%	–5%	–5%
Adjusted unit price (RMB/space)	34,000	28,500	28,500

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB30,000 per space and RMB28,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of 9% VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

b. For the IP in Group IV, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the kindergarten of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

c. The unit rent of these comparable kindergarten ranges from RMB0.67 to RMB1.00 per sq.m. per day; and

d. Based on our research on kindergarten markets in the surrounding area, the stabilized market yield ranges from 3.0% to 4.0% for kindergarten.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

a. Huizhou Zhongkai Pengji has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group I – held for sale	366,800,000
Group IV – held for investment	25,900,000
Total:	392,700,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
22.	Portions of Cloud Ladder located at the western side of Hechang Wu Road and the southern side of Huifeng Ba Road Huicheng District Huizhou City Guangdong Province The PRC (深業半山雲階)	Cloud Ladder is located at the western side of Hechang Wu Road and the southern side of Huifeng Ba Road, Huicheng District, Huizhou City. It is well-served by public transportation with about 20 minutes' driving distance to Zhongkai Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Cloud Ladder had been developed into a residential and commercial development in one phase. Cloud Ladder was completed during 2020 to 2024, and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Cloud Ladder. The classification, usage and gross floor area details of the property were set out in note 8. The land use rights of the property have been granted for terms expiring on 21 March 2077 for residential use and 21 March 2047 for commercial use.	As at the valuation date, the property was vacant.	581,300,000

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts, the land use rights of 2 parcels of land with a total site area of approximately 421,548 sq.m. were contracted to be granted to Huizhou Zhongkai Pengji Investment Co., Ltd. (惠州市仲愷鵬基投資有限公司, "**Huizhou Zhongkai Pengji**", a wholly-owned subsidiary of Shum Yip Pengji) for terms of 70 years for residential use and 40 years for commercial use commencing from 21 March 2007. The total land premium was RMB350,000,000.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 39,475 sq.m. have been granted to Huizhou Zhongkai Pengji for terms expiring on 21 March 2077 for residential use and 21 March 2047 for commercial use.

3. Pursuant to 1,780 Real Estate Title Certificates, the property with a total gross floor area of approximately 109,073.90 sq.m. is owned by Huizhou Zhongkai Pengji. The relevant land use rights have been granted to Huizhou Zhongkai Pengji for terms expiring on 21 March 2077 for residential use and 21 March 2047 for commercial use.

4. Pursuant to 11 Construction Work Planning Permits, Phase I of Cloud Ladder has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority was given to commence the construction of Cloud Ladder.

6. Pursuant to 2 Pre-sale Permits, the Target Group is entitled to sell portions of Cloud Ladder to purchasers.

7. Pursuant to a Construction Work Completion and Inspection Table, the construction of Cloud Ladder has been completed and passed the inspection acceptance.

8. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Residential	95,389.36	N/A
	Retail	2,804.84	N/A
	Car parking spaces	10,879.70	849
	Total:	109,073.90	849

9. As advised by the Target Group, various residential units and retail units with a total gross floor area of approximately 6,668.20 sq.m. in Group I of the property have been pre-sold to various third parties at a total consideration of RMB48,525,948 (inclusive of 9% VAT). Such portions of the property have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB6,000 to RMB8,000 per sq.m. for residential units, RMB9,900 to RMB11,700 per sq.m. for retail units on the first floor, and RMB30,000 to RMB40,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Fenghuang huafu (碧桂園鳳凰華府)	Yunlong Garden (昊翔源雲瓏花園)	Tianjunfu (方圓天俊府)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	97	99	149
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/sq.m.)	8,000	6,500	6,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Superior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Superior than the property	Superior than the property	Superior than the property
Total adjustment	–18%	–13%	–6%
Adjusted unit price (RMB/sq.m.)	6,560	5,660	5,640

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB6,000 per sq.m. and RMB5,500 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Fenghuang huafu (碧桂園鳳凰華府)	Yunlong Garden (昊翔源雲瓏花園)	Shenghuiyuan (升輝苑)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	100	37	190
Location and accessibility	Superior	Superior	Normal
Unit selling price (RMB/sq.m.)	11,700	10,200	9,900
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Similar with the property
Building quality	Superior than the property	Superior than the property	Inferior than the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Superior than the property	Superior than the property	Similar with the property
Total adjustment	–12%	–8%	3%
Adjusted unit price (RMB/sq.m.)	10,300	9,400	10,200

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB9,970 per sq.m. and RMB9,100 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Guohuishan (鼎峰國匯山)	Garden Hills (半山名苑)	Garden Hills (半山名苑)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Superior	Superior	Superior
Unit selling price (RMB/space)	40,000	30,000	30,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Superior than the property	Similar with the property	Similar with the property
Total adjustment	–15%	–5%	–5%
Adjusted unit price (RMB/space)	34,000	28,500	28,500

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB30,000 per space and RMB28,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Huizhou Zhongkai Pengji has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

    b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

12. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
23.	Huizhou Yunqi Mansion located at the southern side of North Yi Road and the western side of East Er Road Huicheng District Huizhou City Guangdong Province The PRC (深業雲棲府)	Huizhou Yunqi Mansion is located at the southern side of North Yi Road and the western side of East Er Road, Huicheng District, Huizhou City. It is well-served by public transportation with about 20 minutes' driving distance to Huizhou Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Huizhou Yunqi Mansion occupies a parcel of land with a site area of approximately 37,352.76 sq.m., which is being developed into a residential and commercial development in one phase. Portions of Huizhou Yunqi Mansion were under development (the "**CIP**") as at the valuation date and are scheduled to be completed in November 2026. As at the valuation date, the property comprised the CIP of Huizhou Yunqi Mansion. The classification, usage and gross floor area details of the property were set out in note 5. As advised by the Target Group, the development cost (including the land cost) of the CIP of the property is estimated to be approximately RMB1,481,800,000, of which approximately RMB1,331,300,000 had been incurred up to the valuation date. The land use rights of the property have been granted for terms expiring on 10 January 2092 for residential use and 10 January 2062 for commercial use.	As at the valuation date, portions of the property were under construction.	688,900,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract, the land use rights of a parcel of land with a site area of approximately 44,678 sq.m. were contracted to be granted to Huizhou Shenye Property Co., Ltd. (惠州深業置業有限公司, "**Huizhou Shenye Property**", a wholly-owned subsidiary of Shum Yip Pengji) for terms of 70 years for residential use and 40 years for commercial use commencing from 12 November 2021. The total land premium was RMB800,000,000.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 37,352.76 sq.m. have been granted to Huizhou Shenye Property for terms expiring on 10 January 2092 for residential use and 10 January 2062 for commercial use.

3. Pursuant to a Construction Work Planning Permit, portions of Huizhou Yunqi Mansion have been approved for construction.

4. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority was given to commence the construction of portions of Huizhou Yunqi Mansion.

5. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	(Planned) Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group II – held under development by the Target Group	Residential	115,684.25	N/A
	Retail	3,918.36	N/A
	Car parking spaces	N/A	1,078
	Total:	119,602.61	1,078

6. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB936,200,000.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB7,800 to RMB8,500 per sq.m. for residential units, RMB14,900 to RMB18,000 per sq.m. for retail units on the first floor, and RMB30,000 to RMB40,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Bozuan Siji (華髮•旭輝鉑鑽四季)	Shangguan International (合生上觀國際)	Lujianglai (保利•鹿江來)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	96	170	96
Location and accessibility	Normal	Superior	Normal
Unit selling price (RMB/sq.m.)	7,800	8,500	8,100
Adjustment factors:			
Location and accessibility	Similar with the property	Superior than the property	Similar with the property
Building quality	Similar with the property	Superior than the property	Similar with the property
Layout	Similar with the property	Superior than the property	Similar with the property
View	Similar with the property	Superior than the property	Similar with the property
Total adjustment	0%	–5%	0%
Adjusted unit price (RMB/sq.m.)	7,800	8,100	8,100

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB8,000 per sq.m. and RMB7,300 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Jiangwan South Bank (保利達•江灣南岸)	Bozuan Siji (華髮•旭輝鉑鑽四季)	Lujiang Lanwan (華海•漉江藍灣)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	45	26	37
Location and accessibility	Inferior	Superior	Superior
Unit selling price (RMB/sq.m.)	14,900	16,100	18,000
Adjustment factors:			
Location and accessibility	Inferior than the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	–1%	–5%
Adjusted unit price (RMB/sq.m.)	14,900	15,940	17,100

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB16,000 per sq.m. and RMB14,700 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Guohuishan (鼎峰國匯山)	Garden Hills (半山名苑)	Garden Hills (半山名苑)
Location	Huicheng District, Huizhou City	Huicheng District, Huizhou City	Huicheng District, Huizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Superior	Superior	Superior
Unit selling price (RMB/space)	40,000	30,000	30,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Superior than the property	Similar with the property	Similar with the property
Total adjustment	–15%	–5%	–5%
Adjusted unit price (RMB/space)	34,000	28,500	28,500

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB30,000 per space and RMB28,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the corresponding property types of the property to arrive at our valuation opinion of this property.

8. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Huizhou Shenye Property has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

9. For the purpose of this report, the property is classified into the group as "Group II – held under development" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
24.	Portions of Dongguan Starry Lakeshore located at the southeastern side of the junction of Huanhu Road and Daxue Road Songshan Lake Dongguan City Guangdong Province The PRC (深業松湖雲城)	Dongguan Starry Lakeshore is located at the southeastern side of the junction of Huanhu Road and Daxue Road, Songshanhu District, Dongguan City. It is well-served by public transportation with about 30 minutes' driving distance to Songshanhu North Railway Station under normal traffic conditions. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation networks. Dongguan Starry Lakeshore had been developed into a residential and commercial development. Dongguan Starry Lakeshore was completed during 2021 to 2022, the unsold portion of that (the "**unsold units**") was for sale. As at the valuation date, the property comprised the unsold units of Dongguan Starry Lakeshore. The classification, usage and gross floor area details of the property were set out in note 7. The land use rights of the property have been granted for terms expiring on 9 November 2089 for residential use and 9 November 2059 for commercial use.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	185,500,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract and its Supplementary Provision, the land use rights of a parcel of land with a total site area of approximately 50,017.36 sq.m. were contracted to be granted to Dongguan Shenye Songshan Lake Property Co., Ltd. (東莞市深業松山湖置業有限公司, "**Shenye Songshan Lake**", a wholly-owned subsidiary of Shum Yip Pengji) for terms of 70 years for residential use and 40 years for commercial use commencing from 11 October 2019. The total land premium was RMB2,325,660,000.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 50,017.36 sq.m. have been granted to Shenye Songshan Lake for a term expiring on 9 November 2089 for residential use and 9 November 2059 for commercial use.

3. Pursuant to 16 Construction Work Planning Permits, portions of Dongguan Starry Lakeshore have been approved for construction.

4. Pursuant to 13 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of portions of Dongguan Starry Lakeshore.

5. Pursuant to 13 Pre-sale Permits, the Target Group is entitled to sell portions of Dongguan Starry Lakeshore to purchasers.

6. Pursuant to 13 Construction Work Completion and Inspection Tables, the construction of portions of Dongguan Starry Lakeshore has been completed and passed the inspection acceptance.

7. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Retail	3,619.40	N/A
	Car parking spaces	N/A	667
	Total:	3,619.40	667

8. According to various tenancy agreements, portions of the property with a total lettable area of approximately 1,158.57 sq.m. were rented to various third parties with the expiry dates between 28 February 2027 and 31 August 2028. The annual rent as at the valuation date was approximately RMB789,000, exclusive of management fees, water and electricity charges.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB32,000 to RMB34,000 per sq.m. for retail units on the first floor, and RMB114,000 to RMB139,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Retail Comparable	**A**	**B**	**C**
Name	Anhua XiangmiSonghu (安華香蜜松湖)	Country Garden Tianzuan (碧桂園天鑽)	Xinghe City (星河城)
Location	Songshan Lake, Dongguan City	Dalingshan Town, Dongguan City	Dongcheng Subdistrict, Dongguan City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	48.09	40	44
Location and accessibility	Normal	Inferior	Superior
Unit selling price (RMB/sq.m.)	34,000	32,000	34,000
Adjustment factors:			
Location and accessibility	Similar with the property	Inferior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	3%	–6%
Adjusted unit price (RMB/sq.m.)	34,000	33,000	32,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB33,000 per sq.m. and RMB30,300 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Anhua XiangmiSonghu (安華香蜜松湖)	Zhonghai Songhuyunjin (中海松湖雲錦)	Hailun Guoji (海倫國際)
Location	Songshan Lake, Dongguan City	Dalang Town, Dongguan City	Liaobu Town, Dongguan City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/space)	114,000	138,000	120,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	0%	0%
Adjusted unit price (RMB/space)	114,000	138,000	120,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB124,000 per space and RMB113,800 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the corresponding property types of the property to arrive at our valuation opinion of this property.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Shenye Songshan Lake has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

    b. Portions of the property are subject to the mortgage. The mortgage is legally valid and enforceable, and the rights holder's proprietary rights are correspondingly restricted. During the mortgage term, Shenye Songshan Lake may not transfer, lease, re-mortgage, or otherwise dispose of the property without the prior written consent of the mortgagee. In the event that Shenye Songshan Lake fails to repay the secured debt when due, the mortgagee shall be entitled to priority satisfaction from the proceeds of any auction or sale of the mortgaged property.

11. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
25.	Portions of Euro-view Garden located at No. 3 southern side of Gangkou Avenue Wanjiang District Dongguan City Guangdong Province The PRC (深業歐景城(鵬基歐景麗苑))	Euro-view Garden is located at No. 3 southern side of Gangkou Avenue, Wanjiang District, Dongguan City. It is well-served by public transportation with about 15 minutes' driving distance to Xiping Xi Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation networks. Euro-view Garden had been developed into a residential development in one phase. Euro-view Garden was completed during 2012 to 2014, portions of that were held for investment (the "**IP**"), and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the IP and the unsold units of Euro-view Garden. The classification, usage and gross floor area details of the property were set out in note 7. The land use rights of the property have been granted for terms expiring on 29 December 2076 for residential use and commercial use.	As at the valuation date, portions of the property were vacant and portions of property were rented to a third party.	14,700,000

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract, the land use rights of a parcel of land with a total site area of approximately 122,771 sq.m. were contracted to be granted to Dongguan Gaofa Real Estate Co., Ltd. (東莞市高發房地產有限公司, "**Dongguan Gaofa**", a wholly-owned subsidiary of Shum Yip Pengji) for terms of 70 years for residential use commencing from the confirmed transaction date. The total land premium was RMB43,000,000.

2. Pursuant to a State-owned Land Use Rights Certificate, the land use rights of a parcel of land with a site area of approximately 122,771.45 sq.m. have been granted to Dongguan Gaofa for a term expiring on 29 December 2076 for residential use and commercial use.

3. Pursuant to 37 Construction Work Planning Permits, portions of Euro-view Garden have been approved for construction.

4. Pursuant to 37 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of portions of Euro-view Garden.

5. Pursuant to 17 Pre-sale Permits, the Target Group is entitled to sell portions of Euro-view Garden to purchasers.

6. Pursuant to 37 Construction Work Completion and Inspection Tables, the construction of portions of Euro-view Garden has been completed and passed the inspection acceptance.

7. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Car parking spaces	N/A	46
	Sub-total:	N/A	46
Group IV – held for investment by the Target Group	Kindergarten	2,615.72	N/A
	Sub-total:	2,615.72	N/A
	Total:	2,615.72	46

8. According to a tenancy agreement, portions of the property with a total lettable area of approximately 2,615.72 sq.m. was rented to a third party with the expiry date on 31 August 2029. The annual rent as at the valuation date was approximately RMB305,000, exclusive of management fees, water and electricity charges.

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

a. For the unsold units in Group I, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB166,000 to RMB201,000 per sq.m. per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property;

Carparking Comparable	**A**	**B**	**C**
Name	Anhua XiangmiSonghu (萬科中天世紀水岸)	Zhonghai Songhuyunjin (保利首鑄天際)	Hailun Guoji (華潤置地中心悅府)
Location	Dongguan City	Dongguan City	Dongguan City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Normal	Normal	Superior
Unit selling price (RMB/space)	166,000	193,000	201,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	0%	–10%
Adjusted unit price (RMB/space)	166,000	193,000	180,900

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB180,000 per space and RMB171,400 per space (exclusive of 5% VAT).

We multiply the adjusted average unit price by the amount of car parking spaces of the property to arrive at our valuation opinion of this property.

b. For the IP in Group IV, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the kindergarten of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

c. The unit rent of these comparable kindergarten ranges from RMB0.2 to RMB0.4 per sq.m. per day; and

d. Based on our research on kindergarten markets in the surrounding area, the stabilized market yield ranges from 3.0% to 4.0% for kindergarten.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

a. For the carparking spaces of the property, Dongguan Gaofa has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law;

b. For the kindergarten of the property, Dongguan Gaofa has obtained Construction Work Commencement Permit and Construction Work Completion and Inspection Table, but has not obtained the title certificate. The construction quality is qualified and complies with statutory construction requirements. Dongguan Gaofa has obtained the rights to occupy, use and earn from such property. It is recommended that Dongguan Gaofa promptly complete title registration procedures to realize the public notice of its real rights and achieve full legal protection of its property interests; and

c. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group I – held for sale	7,900,000
Group IV – held for investment	6,800,000
Total:	14,700,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
26.	Portions of Splendid City located at No. 88 Jiangyan Avenue Sanshui Subdistrict Jiangyan District Taizhou City Jiangsu Province The PRC (錦繡薑城)	Splendid City is located at No. 88 Jiangyan Avenue, Sanshui Subdistrict, Jiangyan District, Taizhou City. It is well-served by public transportation with about 15 minutes' driving distance to Jiangyan Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Splendid City had been developed into a residential and commercial development in three phases. Splendid City was completed during 2011 to 2021, the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Splendid City. The classification, usage and gross floor area details of the property were set out in note 6. The land use rights of the property have been granted for terms expiring on 8 July 2079 for residential use and 8 July 2049 for commercial use.	As at the valuation date, the property was vacant for sale.	42,700,000

Notes:

1. Pursuant to 5 Real Estate Title Certificates, the land use rights of various parcels of land with a total site area of approximately 178,786.4 sq.m. have been granted to Taizhou Shenye Pengji Investment Co., Ltd. (泰州深業鵬基投資有限公司, "**Taizhou Shenye Pengji**", a wholly-owned subsidiary of Shum Yip Pengji) for terms expiring on 8 July 2079 for residential use and 8 July 2049 for commercial use.

2. Pursuant to 5 Construction Work Planning Permits, Splendid City has been approved for construction.

3. Pursuant to 6 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of Splendid City.

4. Pursuant to 9 Pre-sale Permits, the Target Group is entitled to sell portions of Splendid City to purchasers.

5. Pursuant to 5 Construction Work Completion and Inspection Tables, the construction of Splendid City has been completed and passed the inspection acceptance.

6. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Residential	746.91	N/A
	Retail	1,250.60	N/A
	Car parking spaces	N/A	776
	Total:	1,997.51	776

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB6,200 to RMB7,300 per sq.m. for residential units, RMB7,500 to RMB9,800 per sq.m. for retail units on the first floor, and RMB37,000 to RMB50,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Lanyue Xiangfu (藍岳相府)	Splendid City (錦繡薑城)	Country Garden Phoenix Terrace (碧桂園鳳凰台)
Location	Jiangyan District, Taizhou City	Jiangyan District, Taizhou City	Jiangyan District, Taizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	134	125	116
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	6,700	6,200	7,300
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Superior than the property
Total adjustment	0%	0%	–8%
Adjusted unit price (RMB/sq.m.)	6,700	6,200	6,720

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB6,500 per sq.m. and RMB6,200 per sq.m. (exclusive of 5% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Oriental Paris City (東方巴黎城)	Rongjin Garden (榕錦花園)	Lanyue Xiangfu (藍岳相府)
Location	Jiangyan District, Taizhou City	Jiangyan District, Taizhou City	Jiangyan District, Taizhou City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	79	59	128
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	8,900	9,800	7,500
Adjustment factors:			
Location and accessibility	Similar with the property	Superior than the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Superior than the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–5%	–10%	0%
Adjusted unit price (RMB/sq.m.)	8,460	8,820	7,500

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB8,300 per sq.m. and RMB7,600 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Lanyue Xiangfu (藍岳相府)	Zhongnan Century City (中南世紀城)	Meihao Yiju City (美好易居城)
Location	Jiangyan District, Taizhou City	Taixing City, Taizhou City	Hailing District, Taizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/space)	40,000	37,000	50,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	0%	–18%
Adjusted unit price (RMB/space)	40,000	37,000	41,000

Based on the analysis of the three comparable properties, the adjusted average unit rates for car parking space are RMB39,000 per space, RMB36,000 per space (exclusive of 9% VAT) and RMB37,000 per space (exclusive of 5% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the corresponding property types of the property to arrive at our valuation opinion of this property.

8. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Taizhou Shenye Pengji has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

9. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
27.	Portions of Shum Yip Yunqi Garden located at the western side of Hailing South Road and the southern side of Yunlong Lake Road Hailing District Taizhou City Jiangsu Province The PRC (深業雲棲苑)	Shum Yip Yunqi Garden is located at the western side of Hailing South Road and the southern side of Yunlong Lake Road, Hailing District, Taizhou City. It is well-served by public transportation with about 20 minutes' driving distance to Taizhou Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Shum Yip Yunqi Garden had been developed into a residential and commercial development in one phase. Shum Yip Yunqi Garden was completed in January 2025, the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Shum Yip Yunqi Garden. The classification, usage and gross floor area details of the property were set out in note 7. The land use rights of the property have been granted for terms expiring on 7 November 2091 for residential use and 07 November 2061 for commercial and financial use.	As at the valuation date, the property was vacant for sale.	135,400,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract, the land use rights of a parcel of land with a site area of approximately 19,365 sq.m. were contracted to be granted to Taizhou Shenye Property Co., Ltd. (泰州深業置業有限公司, "**Taizhou Shenye Property**", a wholly-owned subsidiary of Shum Yip Pengji) for terms of 70 years for residential use and 40 years for commercial and financial use commencing from 2 November 2021. The total land premium was RMB398,000,000.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 19,365 sq.m. have been granted to Taizhou Shenye Property for terms expiring on 7 November 2091 for residential use and 07 November 2061 for commercial and financial use.

3. Pursuant to a Construction Work Planning Permit, Shum Yip Yunqi Garden has been approved for construction.

4. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Shum Yip Yunqi Garden.

5. Pursuant to a Pre-sale Permit, the Target Group is entitled to sell portions of Shum Yip Yunqi Garden to purchasers.

6. Pursuant to a Construction Work Completion and Inspection Table, the construction of Shum Yip Yunqi Garden has been completed and passed the inspection acceptance.

7. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Residential	8,114.50	N/A
	Office	7,821	N/A
	Car parking spaces	N/A	153
	Total:	15,935.50	153

8. As advised by the Target Group, various residential units with a total gross floor area of approximately 4,928.72 sq.m. in Group I of the property have been pre-sold to various third parties at a total consideration of RMB43,980,357 (inclusive of 9% VAT). Such portions of the property have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, office units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB8,500 to RMB9,500 per sq.m. for residential units, RMB7,500 to RMB9,500 per sq.m. for office units and RMB40,000 to RMB60,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Meihao Yiju Chen · Grand View Garden (美好易居臣•大觀園)	China Overseas · Riverside Vista (中海•江山望)	Yucheng Prestige Residence (玉城名郡)
Location	Hailing District, Taizhou City	Hailing District, Taizhou City	Hailing District, Taizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	82	113	125
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	9,500	9,000	8,500
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Superior than the property	Similar with the property
View	Similar with the property	Similar with the property	Inferior than the property
Total adjustment	0%	–5%	5%
Adjusted unit price (RMB/sq.m.)	9,500	8,600	8,900

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB9,000 per sq.m. and RMB8,300 per sq.m. (exclusive of 9% VAT).

Office Comparable	**A**	**B**	**C**
Name	Taizhou International Auto City Automobile Trade Center (泰州國際汽車城汽貿中心)	Maoye Paradise (茂業天地)	Landmark Business Center (置地商務中心)
Location	Hailing District, Taizhou City	Hailing District, Taizhou City	Hailing District, Taizhou City
Existing usage	Office	Office	Office
Gross floor area (sq.m.)	101	192	200
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	7,500	9,500	9,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Superior than the property
Total adjustment	0%	0%	–2%
Adjusted unit price (RMB/sq.m.)	7,500	9,500	8,800

Based on the analysis of the three comparable properties, the adjusted average unit rate for office unit is RMB8,600 per sq.m. and RMB7,900 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Wantai International Garden (萬泰國際花園)	Chenxing Qili Xiangxi (晨興七里香溪)	Lanyue Xiangfu (藍岳相府)
Location	Hailing District, Taizhou City	Hailing District, Taizhou City	Jiangyan District, Taizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Normal	Normal	Inferior
Unit selling price (RMB/space)	60,000	48,000	40,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Inferior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	0%	2%
Adjusted unit price (RMB/space)	60,000	48,000	40,800

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB50,000 per space and RMB46,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Taizhou Shenye Property has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law.

11. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
28.	Yunjing Garden located at the eastern side of Yinfeng South Road and the northern side of Haihe Road Hailing District Taizhou City Jiangsu Province The PRC (深業雲境花園)	Yunjing Garden is located at the the eastern side of Yinfeng South Road and the northern side of Haihe Road, Hailing District, Taizhou City. It is well-served by public transportation with about 20 minutes' driving distance to Taizhou Railway Station under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Yunjing Garden occupies a parcel of land with a site area of approximately 132,104 sq.m., which is being developed into a residential development in four phase. Portions of Yunjing Garden were under development (the "**CIP**") as at the valuation date and are scheduled to be completed in in December 2026. The construction of the remaining portion of the property (the "**bare land**") had not been commenced as at the valuation date. As at the valuation date, the property comprised the CIP and bare land of Yunjing Garden. The classification, usage and gross floor area details of the property were set out in note 5. As advised by the Target Group, the development cost (including the land cost) of the CIP of the property is estimated to be approximately RMB1,077,500,000, of which approximately RMB842,300,000 had been incurred up to the valuation date. The land use rights of the property have been granted for a term expiring on 6 March 2093 for residential use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	1,769,700,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract, the land use rights of a parcel of land with a site area of approximately 146,738 sq.m. were contracted to be granted to Taizhou Shenye Property Co., Ltd. (泰州深業置業有限公司, "**Taizhou Shenye Property**", a wholly-owned subsidiary of Shum Yip Pengji) for term of 70 years for residential use commencing from 7 January 2023. The total land premium was RMB1,781,000,000.

2. Pursuant to 4 Real Estate Title Certificates, the land use rights of various parcels of land with a total site area of approximately 132,104 sq.m. have been granted to Taizhou Shenye Property for a term expiring on on 6 March 2093 for residential use.

3. Pursuant to a Construction Work Planning Permit, portions of Yunjing Garden have been approved for construction.

4. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of portions of Yunjing Garden.

5. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	(Planned) Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group II – held under development by the Target Group	Residential	74,281	N/A
	Ancillary	5,134.05	N/A
	Car parking spaces	31,778.22	772
	Sub-total:	111,193.27	772
Group III – held for future development by the Target Group	Residential	176,084	N/A
	Sub-total:	176,084	N/A
	Total:	287,277.27	772

6. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB785,000,000.

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

a. For the CIP in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB10,500 to RMB12,000 per sq.m. for residential units, and RMB40,000 to RMB60,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Country Garden Horizon (碧桂園觀瀾天境)	Harmony Breeze Residence (和風雅居)	Huacheng Guanhe Bay (華誠•官河灣)
Location	Hailing District, Taizhou City	Hailing District, Taizhou City	Hailing District, Taizhou City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	267.33	165	133
Location and accessibility	Normal	Normal	Normal
Unit selling price (RMB/sq.m.)	10,500	11,000	12,000

Residential Comparable	**A**	**B**	**C**
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Similar with the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Superior than the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	–5%	0%
Adjusted unit price (RMB/sq.m.)	10,500	10,450	12,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB11,000 per sq.m. and RMB10,100 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Wantai International Garden (萬泰國際花園)	Chenxing Qili Xiangxi (晨興七里香溪)	Lanyue Xiangfu (藍岳相府)
Location	Hailing District, Taizhou City	Hailing District, Taizhou City	Jiangyan District, Taizhou City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Normal	Normal	Inferior
Unit selling price (RMB/space)	60,000	48,000	40,000
Adjustment factors:			
Location and accessibility	Similar with the property	Similar with the property	Inferior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	0%	0%	2%
Adjusted unit price (RMB/space)	60,000	48,000	41,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB50,000 per space and RMB46,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property to arrive at the market value of the CIP of the property as if completed as at the valuation date.

b. For the bare land in Group III, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject project such as nature, use, site area, layout and accessibility. The selected comparables are residential lands located in the area close to the subject project. The accommodation value of these comparable land sites ranges from RMB5,682 to RMB6,459 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at an assumed accommodation value for the property. Details of the comparable land parcels and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Land Comparable	**A**	**B**	**C**
Name	A land parcel located in East Side of Weiguang Road, North Side of Zhibao River, Hailing District	A land parcel located in North Side of Yangzhou Road, West Side of Jiangzhou North Road, Hailing District	A land parcel located in West Side of Planned Haiguang Road, South Side of Yangzhou Road, Hailing District
Location	Hailing District, Taizhou City	Hailing District, Taizhou City	Hailing District, Taizhou City
Land usage	Residential	Residential	Residential
Site area (sq.m.)	34,221	88,769	26,391
Location and accessibility	Normal	Normal	Normal
Accommodation value (RMB/sq.m.)	5,682	5,820	6,459
Adjustment factors:			
Nature	Similar with the property	Similar with the property	Similar with the property
Location and accessibility	Inferior than the property	Superior than the property	Superior than the property
Land use	Similar with the property	Similar with the property	Similar with the property
Site area and layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	4%	–2%	–10%
Adjusted accommodation value (RMB/sq.m.)	5,910	5,700	5,810

Based on the analysis of the three comparable properties, the adjusted average accommodation value for land is RMB5,807 per sq.m.

We multiply the adjusted average accommodation value by the plot ration accountable gross floor area of the property to arrive at our valuation opinion of this property.

8. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. The property is subject to a maximum-amount mortgage. The mortgage is legally valid and enforceable, and the rights holder's proprietary rights are thereby restricted. During the mortgage term, Taizhou Shenye Property may not transfer, lease, re-mortgage, or otherwise dispose of the property without the prior written consent of the mortgagee. In the event that Taizhou Shenye Property fails to repay the secured debt when due, the mortgagee shall be entitled to priority satisfaction from the proceeds of any auction or sale of the mortgaged property.

9. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date** *(RMB)*
Group II – held under development	747,200,000
Group III – held for future development	1,022,500,000
Total:	1,769,700,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
29.	Portions of Fenghuangsanjuyuan located at the eastern side of Taizhou Avenue and the southern side of Huaihe Road Hailing District Taizhou City Jiangsu Province The PRC (泰州鳳凰三居苑)	Fenghuangsanjuyuan is located at the eastern side of Taizhou Avenue and the southern side of Huaihe Road, Hailing District, Taizhou City. It is well-served by public transportation with about 27 minutes' driving distance to Taizhou Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Fenghuangsanjuyuan had been developed into a residential and commercial development in 4 phases. Fenghuangsanjuyuan was completed in 2017, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Fenghuangsanjuyuan. The classification, usage and gross floor area details of the property were set out in note 2. The land use rights of the property have been granted for a term expiring on 28 February 2058 for commercial use.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	71,200,000

Notes:

1. Pursuant to 13 Real Estate Title Certificates, the property with a total gross floor area of approximately 18,597.67 sq.m. is owned by Taizhou Shenye Investment Development Co., Ltd. (泰州市深業投資發展有限公司, "**Taizhou Shenye Investment**", a 51%-owned subsidiary of Shum Yip Pengji). The relevant land use rights have been granted to Taizhou Shenye Investment for a term expiring on 28 February 2058 for commercial use.

2. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Retail	18,597.67	N/A
	Total:	18,597.67	N/A

3. According to various tenancy agreements, portions of the property with a total lettable area of approximately 14,054.71 sq.m. were rented to various third parties with the expiry dates between 28 February 2026 and 5 November 2031. The annual rent as at the valuation date was approximately RMB4,122,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor ranges from RMB1.2 to RMB1.56 per sq.m. per day; and

   c. Based on our research on retail markets in the surrounding area, the stabilized market yield ranges from 5% to 6% for retail units.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Taizhou Shenye Investment has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

   b. The property is subject to a maximum-amount mortgage. The mortgage is legally valid and enforceable, and the rights holder's proprietary rights are thereby restricted. During the mortgage term, Taizhou Shenye Investment may not transfer, lease, re-mortgage, or otherwise dispose of the property without the prior written consent of the mortgagee. In the event that Taizhou Shenye Investment fails to repay the secured debt when due, the mortgagee shall be entitled to priority satisfaction from the proceeds of any auction or sale of the mortgaged property.

6. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
30.	Portions of Jinxiushuanghecheng located at No. 100 Taihu Road Hailing District Taizhou City Jiangsu Province The PRC （錦繡雙河城）	Jinxiushuanghecheng is located at the eastern side of Chunhui Road, the northern side of Taihu Road and the western side of Chunlan Road, Hailing District, Taizhou City. It is well-served by public transportation with about 17 minutes' driving distance to Taizhou Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Jinxiushuanghecheng had been developed into a residential and commercial development in 2 phases. Jinxiushuanghecheng was completed in 2022, portions of that were held for investment (the "**IP**"). As at the valuation date, the property comprised the IP of Phase II of Jinxiushuanghecheng. The classification, usage and gross floor area details of the property were set out in note 6. The land use rights of the property have been granted for terms expiring on 28 February 2082 for residential use and 28 February 2058 for commercial use.	As at the valuation date, portions of the property were vacant and portions of property were rented to various third parties.	66,300,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract, the land use rights of a parcel of land with a site area of approximately 126,859 sq.m. were contracted to be granted to Taizhou Shenye Investment for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The total land premium was RMB127,000,000.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 90,124 sq.m. have been granted to Taizhou Shenye Investment for terms expiring on 28 February 2082 for residential use and 28 February 2058 for commercial use.

3. Pursuant to a Construction Work Planning Permit, Phase II of Jinxiushuanghecheng has been approved for construction.

4. Pursuant to 2 Construction Work Commencement Permits, permissions by the relevant local authority were given to commence the construction of Phase II of Jinxiushuanghecheng.

5. Pursuant to a Construction Work Completion and Inspection Table, the construction of Phase II of Jinxiushuanghecheng has been completed and passed the inspection acceptance.

6. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group IV – held for investment by the Target Group	Retail	24,005.11	N/A
	Total:	24,005.11	N/A

7. According to various tenancy agreements, portions of the property with a total lettable area of approximately 9,274.81 sq.m. were rented to various third parties with the expiry dates between 15 May 2026 and 2 December 2030. The annual rent as at the valuation date was approximately RMB1,836,000, exclusive of management fees, water and electricity charges.

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

   a. We have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the retail units of the subject project, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   b. The unit rent of these comparable retail units on the first floor ranges from RMB0.93 to RMB1.29 per sq.m. per day; and

   c. Based on our research on retail markets in the surrounding area, the stabilized market yield ranges from 5% to 6% for retail units.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Taizhou Shenye Investment has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law.

10. For the purpose of this report, the property is classified into the group as "Group IV – held for investment" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
31.	Portions of Shum Yip Heron Mansion located at the southwestern side of the intersection of Yanghu Avenue and Shihutang Road Yuelu District Changsha City Hunan Province The PRC (深業鷺棲府)	Shum Yip Heron Mansion is located at the southwestern side of the intersection of Yanghu Avenue and Shihutang Road, Yuelu District, Changsha City. It is well-served by public transportation with about 30 minutes' driving distance to Changsha South Railway Station under normal traffic condition. The locality of the property is a well-developed residential area served by various public facilities and convenient transportation network. Shum Yip Heron Mansion had been developed into a residential and commercial development in one phase. Shum Yip Heron Mansion was completed during 2021 to 2025, the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Shum Yip Heron Mansion. The classification, usage and gross floor area details of the property were set out in note 7. The land use rights of the property have been granted for terms expiring on 14 September 2088 for residential use and 14 September 2058 for commercial use.	As at the valuation date, the property was vacant.	482,700,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract, the land use rights of a parcel of land with a site area of approximately 79,993.85 sq.m. were contracted to be granted to Hunan Shenye Pengxing Property Co., Ltd. (湖南深業鵬興置業有限公司, "**Hunan Pengxing**", a wholly-owned subsidiary of Shum Yip Pengji) for terms expiring on 14 September 2088 for residential use and 14 September 2058 for commercial use.

2. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 79,993.85 sq.m. have been granted to Hunan Pengxing for terms expiring on 14 September 2088 for residential use and 14 September 2058 for commercial use.

3. Pursuant to 2 Construction Work Planning Permits, Shum Yip Heron Mansion has been approved for construction.

4. Pursuant to a Construction Work Commencement Permit, permissions by the relevant local authority were given to commence the construction of Shum Yip Heron Mansion.

5. Pursuant to 14 Pre-sale Permits, the Target Group is entitled to sell Shum Yip Heron Mansion to purchasers.

6. Pursuant to 3 Construction Work Completion and Inspection Tables, the construction of Shum Yip Heron Mansion has been completed and passed the inspection acceptance.

7. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Apartment	36,078.41	N/A
	Retail	1,384.57	N/A
	Car parking spaces	N/A	879
	Total:	37,462.98	879

8. As advised by the Target Group, a retail unit with a gross floor area of approximately 1,113.20 sq.m. in Group I of the property has been pre-sold to a third party at a consideration of RMB18,392,593 (inclusive of 9% VAT). Such portion of the property has not been legally and virtually transferred and therefore we have included the unit in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted price of such portion of the property.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are apartment, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB10,600 to RMB13,000 per sq.m. for apartment units, RMB20,000 to RMB23,100 per sq.m. for retail units on the first floor and RMB112,000 to RMB145,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Apartment Comparable	**A**	**B**	**C**
Name	Poly Tianxi (保利天禧)	Zhonghai Yuejiang Fu (中海閱江府)	Zhongyi Kun Chu (中一鯤出)
Location	Yuelu District, Changsha City	Yuelu District, Changsha City	Yuelu District, Changsha City
Existing usage	Apartment	Apartment	Apartment
Gross floor area (sq.m.)	33.00	61.63	46.10
Location and accessibility	Superior	Inferior	Superior
Unit selling price (RMB/sq.m.)	11,900	10,600	13,000
Adjustment factors:			
Location and accessibility	Superior than the property	Inferior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–10%	1%	–10%
Adjusted unit price (RMB/sq.m.)	10,700	10,700	11,700

Based on the analysis of the three comparable properties, the adjusted average unit rate for Apartment unit is RMB11,000 per sq.m. and RMB10,100 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Zhuoyue Yanghu Qingcui (卓越洋湖晴翠)	Hongyun Street, Lugu Town (麓谷小鎮紅運街)	Peking University Resources Ideal Home (北大資源理想家園)
Location	Yuelu District, Changsha City	Yuelu District, Changsha City	Yuelu District, Changsha City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	161	36	55.43
Location and accessibility	Superior	Superior	Superior
Unit selling price (RMB/sq.m.)	20,000	20,000	23,100
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–2%	–2%	–10%
Adjusted unit price (RMB/sq.m.)	19,600	19,600	20,800

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB20,000 per sq.m. and RMB18,300 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Phase I of Manbohui (萬博匯1期)	Tiandu Building (天都大廈)	Beichen Delta (北辰三角洲)
Location	Yuhua District, Changsha City	Kaifu District, Changsha City	Kaifu District, Changsha City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Superior	Superior	Inferior
Unit selling price (RMB/space)	120,000	145,000	112,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Inferior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–5%	–10%	4%
Adjusted unit price (RMB/space)	114,000	130,500	116,500

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB120,000 per space and RMB110,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

    a. Hunan Pengxing has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

    b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

11. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
32.	Portions of Rui Cheng located at the southern side of Kaiyuan Road Changsha County Changsha City Hunan Province The PRC (深業睿城)	Rui Cheng is located at the southern side of Kaiyuan Road, Changsha County, Changsha City. It is well-served by public transportation with about thirty minutes' driving distance to Huanghua International Airport under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Rui Cheng had been developed into a residential and commercial development in three phases. Rui Cheng was completed during 2017 to 2021, the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Rui Cheng. The classification, usage and gross floor area details of the property were set out in note 3. The land use rights of the property have been granted for a term expiring on 25 August 2074 for residential use and commercial use.	As at the valuation date, the portions of property were vacant for sale.	70,800,000

Notes:

1. Pursuant to 5 State-owned Land Use Rights Certificates, the land use rights of various parcels of land with a total site area of approximately 231,111 sq.m. have been granted to Changsha Pengji Real Estate Co., Ltd. (長沙鵬基地產有限公司, "**Changsha Pengji**", a 80%-owned subsidiary of Shum Yip Pengji) for a term expiring on 25 August 2074 for residential use and for commercial use.

2. Pursuant to 52 Real Estate Title Certificates, portions of the property with a gross floor area of approximately 4,990.22 sq.m. are owned by Changsha Pengji. The relevant land use rights have been granted to Changsha Pengji for a term expiring on 25 August 2074 for residential use and for commercial use.

3. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Residential	208.90	N/A
	Retail	4,495.95	N/A
	Office	285.37	N/A
	Car parking spaces	N/A	1,026
	Total:	4,990.22	1,036

4. As advised by the Target Group, various retail units in Phases I&II with a total gross floor area of approximately 660.09 sq.m. in Group I of the property have been pre-sold to various third parties at a total consideration of RMB11,860,519 (inclusive of 5% VAT). A retail unit in Phase III with a gross floor area of approximately 50.54 sq.m. in Group I of the property has been pre-sold to various third parties at a total consideration of RMB650,000 (inclusive of 9% VAT). Such portions of the property have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

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

   a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are residential, office, retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB5,000 to RMB5,600 per sq.m. for residential units, RMB10,000 to RMB12,000 per sq.m. for retail units on the first floor, RMB4,500 to RMB6,500 per sq.m. for office units, and RMB30,000 to RMB33,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Residential Comparable	**A**	**B**	**C**
Name	Guangyue Xingyuan Runyuan (廣悅星苑潤園)	Rongsheng City (榮盛城)	China Railway Construction International City (中國鐵建國際城)
Location	Changsha County, Changsha City	Changsha County, Changsha City	Changsha County, Changsha City
Existing usage	Residential	Residential	Residential
Gross floor area (sq.m.)	140	130.82	84.42
Location and accessibility	Normal	Superior	Superior
Unit selling price (RMB/sq.m.)	5,000	5,641	5,425
Adjustment factors:			
Location and accessibility	Similar with the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Inferior than the property	Similar with the property	Similar with the property
Total adjustment	5%	–10%	–10%
Adjusted unit price (RMB/sq.m.)	5,250	5,080	4,880

Based on the analysis of the three comparable properties, the adjusted average unit rate for residential unit is RMB5,070 per sq.m. and RMB4,800 per sq.m. (exclusive of 5% VAT).

Office Comparable	**A**	**B**	**C**
Name	Central Smart Valley Industrial Park (中部智谷產業園)	Wanderfu Hyatt International (旺德府凱悅國際)	Mingcheng Green Valley Intelligent Industrial Park (銘誠綠谷智慧產業園)
Location	Changsha County, Changsha City	Changsha County, Changsha City	Changsha County, Changsha City
Existing usage	Office	Office	Office
Gross floor area (sq.m.)	169	460	180
Location and accessibility	Superior	Normal	Superior
Unit selling price (RMB/sq.m.)	5,500	4,500	6,500
Adjustment factors:			
Location and accessibility	Superior than the property	Similar with the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Superior than the property	Superior than the property	Superior than the property
Total adjustment	–15%	–12%	–25%
Adjusted unit price (RMB/sq.m.)	4,680	3,960	4,880

Based on the analysis of the three comparable properties, the adjusted average unit rate for office unit is RMB4,500 per sq.m. and RMB4,100 per sq.m. (exclusive of 9% VAT).

Retail Comparable	**A**	**B**	**C**
Name	Country Garden Central Park (碧桂園中央花園)	China Resources Phoenix City (華潤鳳凰城)	Poly East County (保利東郡)
Location	Changsha County, Changsha City	Changsha County, Changsha City	Changsha County, Changsha City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	43	105	80
Location and accessibility	Superior	Superior	Superior
Unit selling price (RMB/sq.m.)	11,600	12,000	10,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–10%	–12%	–10%
Adjusted unit price (RMB/sq.m.)	10,440	10,560	9,000

Based on the analysis of the three comparable properties, the adjusted average unit rates for retail unit on the first floor is RMB10,000 per sq.m., RMB9,500 per sq.m. (exclusive of 5% VAT) for Phases I&II and RMB9,200 per sq.m. (exclusive of 9% VAT) for Phase III.

Carparking Comparable	**A**	**B**	**C**
Name	Aohai Yunxiang Fu (澳海雲湘賦)	Evergrande Huafu (恒大華府)	Xincheng International Huadu (新城國際花都)
Location	Wangcheng District, Changsha City	Liuyang District, Changsha City	Wangcheng District, Changsha City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Inferior	Inferior	Superior
Unit selling price (RMB/space)	30,000	30,000	33,000
Adjustment factors:			
Location and accessibility	Inferior than the property	Inferior than the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	5%	5%	–10%
Adjusted unit price (RMB/space)	31,500	31,500	29,700

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB30,900 per space and RMB29,000 per space (exclusive of 5% VAT) for Phases I&II and RMB28,000 per space (exclusive of 9% VAT) for Phase III.

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Changsha Pengji has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

7. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026 *RMB*
33.	Portions of Shumyip Xihui located at the northern side of Kaiyuan Road Changsha County Changsha City Hunan Province The PRC (深業喜匯)	Shumyip Xihui is located at the northern side of Kaiyuan Road, Changsha County, Changsha City. It is well-served by public transportation with about thirty minutes' driving distance to Huanghua International Airport under normal traffic condition. The locality of the property is a well-developed residential and commercial area served by various public facilities and convenient transportation network. Shumyip Xihui had been developed into a residential and commercial development in one phase. Shumyip Xihui was completed in 2019, and the unsold portion of that (the "**unsold units**") was vacant for sale. As at the valuation date, the property comprised the unsold units of Shumyip Xihui. The classification, usage and gross floor area details of the property were set out in note 3. The land use rights of the property have been granted for a term expiring on 13 July 2074 for residential use.	As at the valuation date, the portions of property were vacant for sale.	37,700,000

Notes:

1. Pursuant to a Real Estate Title Certificate, the land use rights of a parcel of land with a site area of approximately 27,732 sq.m. have been granted to Changsha Pengji for a term expiring on 13 July 2074 for residential use.

2. Pursuant to 36 Real Estate Title Certificates, portions of the property with a gross floor area of approximately 3,986.62 sq.m. are owned by Changsha Pengji. The relevant land use rights have been granted to Changsha Pengji for a term expiring on 13 July 2074 for residential use.

3. According to the information provided by the Target Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	Nos. of car parking spaces
Group I – held for sale by the Target Group	Retail	3,986.62	N/A
	Car parking spaces	N/A	38
	Total:	3,986.62	38

4. As advised by the Target Group, a car parking space in Group I of the property has been pre-sold to a third party at a consideration of RMB75,000 (inclusive of 9% VAT). Such portion of the property has not been legally and virtually transferred and therefore we have included the car parking space in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted price of such portion of the property.

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

a. We have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the property such as use, size, layout and accessibility of the property. The selected comparables are retail units and carparking spaces newly completed or to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property, which were transacted in 2026. The unit price of these comparable properties ranges from RMB10,000 to RMB12,000 per sq.m. for retail units on the first floor, and RMB30,000 to RMB33,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in location, size, condition and other characters between the comparable properties and the property to arrive at an assumed unit rate for the property. Details of the comparable properties and adjustments are set out below, the lists of the comparable properties are exhaustive based on the above selection criteria at the time we performed the valuation of this property.

Retail Comparable	**A**	**B**	**C**
Name	Country Garden Central Park (碧桂園中央花園)	China Resources Phoenix City (華潤鳳凰城)	Poly East County (保利東郡)
Location	Changsha County, Changsha City	Changsha County, Changsha City	Changsha County, Changsha City
Existing usage	Retail	Retail	Retail
Gross floor area (sq.m.)	43	105	80
Location and accessibility	Superior	Superior	Superior
Unit selling price (RMB/sq.m.)	11,600	12,000	10,000
Adjustment factors:			
Location and accessibility	Superior than the property	Superior than the property	Superior than the property
Building quality	Similar with the property	Superior than the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
View	Similar with the property	Similar with the property	Similar with the property
Total adjustment	–10%	–12%	–10%
Adjusted unit price (RMB/sq.m.)	10,400	10,600	9,000

Based on the analysis of the three comparable properties, the adjusted average unit rate for retail unit on the first floor is RMB10,000 per sq.m. and RMB9,200 per sq.m. (exclusive of 9% VAT).

Carparking Comparable	**A**	**B**	**C**
Name	Aohai Yunxiang Fu (澳海雲湘賦)	Evergrande Huafu (恒大華府)	Xincheng International Huadu (新城國際花都)
Location	Wangcheng District, Changsha City	Liuyang District, Changsha City	Wangcheng District, Changsha City
Existing usage	Car parking space	Car parking space	Car parking space
Type	Normal car parking space	Normal car parking space	Normal car parking space
Location and accessibility	Inferior	Inferior	Superior
Unit selling price (RMB/space)	30,000	30,000	33,000

Carparking Comparable	**A**	**B**	**C**
Adjustment factors:			
Location and accessibility	Inferior than the property	Inferior than the property	Superior than the property
Type	Similar with the property	Similar with the property	Similar with the property
Layout	Similar with the property	Similar with the property	Similar with the property
Total adjustment	5%	5%	–10%
Adjusted unit price (RMB/space)	31,500	31,500	29,700

Based on the analysis of the three comparable properties, the adjusted average unit rate for car parking space is RMB30,900 per space and RMB28,000 per space (exclusive of 9% VAT).

We multiply the adjusted average unit rates by the gross floor areas/amount of car parking spaces of the non-pre-sold portion of the corresponding property types of the property, and add the total consideration (exclusive of VAT) of the pre-sold portion to arrive at our valuation opinion of this property.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC Legal Advisors, which contains, *inter alia*, the following:

   a. Changsha Pengji has the rights to occupy, use, dispose of and earn from the property, and such rights are fully protected by law; and

   b. The property is not subject to any mortgage, seizure, or other encumbrances on rights.

7. For the purpose of this report, the property is classified into the group as "Group I – held for sale" according to the purpose for which it is held.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the 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. DISCLOSURE OF INTERESTS

(A) Directors' and Chief Executives' Interests and Short Positions in the Shares, the Underlying Shares and Debentures

Save as disclosed, as at the Latest Practicable Date, none of the Directors or chief executive of the Company has any interest or short position in the Shares, convertible securities, warrants, options or derivatives, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to be the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Listing Rules, or in accordance with information received by the Company.

(i) Long Position in the Shares

Name of Director	Title	Nature of Interest	Number of Shares	Percentage of Shares in issue[(1)]
Mr. Li Wai Keung	Independent non-executive Director	Beneficial Interest	1,180,880	0.01%

Note:

(1) The percentage was calculated based on 8,898,793,115 Shares in issue as at the Latest Practicable Date. All interests are held in long positions.

(B) Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares and Debentures

So far as is known to the Directors and chief executive of the Company, as at the Latest Practicable Date, the following persons (other than Directors and chief executives of the Company) had, or were deemed or taken to have an interest or short position in the Shares and underlying Shares of the Company, which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Substantial Shareholders	Nature of Interest	Number of Shares or underlying Shares interested	Approximate percentage of shareholding in the total issued share Capital[1]
Shum Yip Group	Interest held by controlled corporation[2]	5,622,994,189	63.19%
Shum Yip Holdings	Beneficial Owner	5,546,307,730	62.33%
	Interest held by controlled corporation[3]	76,686,459	0.86%
ALPHA-OMEGA CORPORATION	Beneficial owner	981,486,312	11.03%

Notes:

(1) The percentage was calculated based on 8,898,793,115 Shares in issue as at the Latest Practicable Date. All interests are held in long positions.

(2) Shum Yip Group is deemed to be interested in the 5,622,994,189 Shares which Shum Yip Holdings is interested in by virtue of Shum Yip Holdings being its direct 90%-owned subsidiary.

(3) These 76,686,459 Shares were held by Goldclass Industrial Limited, a wholly-owned subsidiary of Successful Years Holdings Limited, which in turn is wholly-owned by Shum Yip Finance Company Limited ("**SYF**"). SYF is a wholly-owned subsidiary of Shum Yip Holdings and accordingly, Shum Yip Holdings is deemed to be interested in these 76,686,459 Shares.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons or companies who had any interest or short position in the Shares or underlying Shares of the Company that was required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed 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 contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

4. RIGHTS AND INTERESTS OF DIRECTORS IN COMPETING INTERESTS

As at the Latest Practicable Date, Mr. WANG Yuwen, Ms. CAI Xun and Dr. XIANG Dong are directors of both Shum Yip Holdings and Shum Yip Group. Shum Yip Holdings and Shum Yip Group, through their subsidiaries and associates, have interests in property investment and development businesses in the PRC.

Mr. YAN Zhongyu is a director of Shahe Industrial Co., Ltd. (000014.SZ), whose shares are listed on Shenzhen Stock Exchange and it has interests in property investment and development businesses in the PRC. Mr. YAN is also a non-executive director of Road King Infrastructure Limited (1098.HK), an associated company of the Company, whose shares are listed on the Stock Exchange and is engaged in property investment and development businesses.

Save as disclosed above, the Directors are not aware of any business or interest of the Directors nor any of their respective associates (as defined in the Listing Rules) that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling Shareholder).

5. DIRECTORS' INTERESTS IN SIGNIFICANT TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

None of the Director or entity connected with such Director had a material interest, either directly or indirectly, in any significant transaction, arrangement or contract to the business of the Group to which the Company, any of its subsidiaries or fellow subsidiaries was a party.

None of the Directors, directly or indirectly, has had any interest in any assets which had since 31 December 2025 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

6. MATERIAL LITIGATION

On 29 November 2024, Chengdu Fengze Investment Co., Ltd.(成都豐澤投資有限公司)("**Chengdu Fengze**") and Shum Yip Terra (Holdings) Company Limited(深業泰然(集團)股份有限公司)(''**Shum Yip Terra Company**'', together with Chengdu Fengze, the "**Subsidiaries**"), both being nonwholly-owned subsidiaries of the Company, received a statement of claim(民事起訴狀) from the Intermediate People's Court of Chengdu City(成都市中級人民法院) regarding the claims by Sichuan Haofu Industrial Co., Ltd.(四川浩福實業有限公司)(the "**Claimant**") against the Subsidiaries and four individuals (all of the individuals are not directors or senior management of the Company) regarding the disputes in earnings distribution over the investment of "198" Congshu Area ("198"叢樹片區) in Chenghua district, Chengdu, the People's Republic of China (the "**Litigation**"), with an amount of the claim of approximately RMB220 million. The Subsidiaries have engaged legal advisers to handle the Litigation, and will rigorously defend the Litigation to protect its legitimate interest. The first trial of the case commenced on 24 December 2024 and is now in progress. As the Litigation is still at an early stage, it is difficult to predict the final outcome of the Litigation with certainty and the Company is still assessing the financial impact of the Litigation on the Group.

Save as disclosed above, as at the Latest Practicable Date, so far as the Directors are aware, no member of the Group was engaged in any litigation, arbitration or claim of material importance and there was no litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, the date to which the latest published audited consolidated financial statements of the Group were made up.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

(1) the Debt-to-Equity Swap Agreement; and

(2) the Share Transfer Agreement dated 6 February 2026 regarding the disposal of 70% equity interest in Shenzhen Jinghua Display Electronics Co., Ltd..

9. EXPERT AND CONSENT

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

Name	Qualification
Altus Capital Limited	a licensed corporation to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance
Beijing China Enterprise Appraisals Co., Ltd.*(北京中企華資產評估有限責任公司)	Independent valuer
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Independent property valuer

Each of the above experts has given and confirmed that it has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, advice or report to its name in the form and context in which it is included and all references to its name in the form and context in which it appears. Each of the above experts has further confirmed that as at the Latest Practicable Date, it was not interested in the share capital of any member of the Group, nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. It is not interested, either directly or indirectly, in any assets which have been, since 31 December 2025 (being the date to which the Company's latest audited financial statements 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.

10. CORPORATE INFORMATION OF THE COMPANY

Registered office	8th Floor, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong
Share registrar	Tricor Investor Services Limited 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Company Secretary	Mr. LEE Ka Sze, Carmelo

11. DOCUMENTS ON DISPLAY

Electronic copies of the following documents are published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.shenzheninvestment.com) for a period of 14 days from the date of this circular (both days inclusive):

(a) the Debt-to-Equity Swap Agreement;

(b) the letter from the Independent Board Committee, the text of which is set out on page 27 in this circular;

(c) the letter from the Independent Financial Adviser, the text of which is set out on pages 28 to 49 in this circular;

(d) the Business Valuation Report on the valuation of the entire equity interests of the Target Group issued by the Valuer, a summary of which is set out in Appendix IV to this circular;

(e) the Property Valuation Report on the property interests of the Target Group issued by the Property Valuer as set out in Appendix V to this circular;

(f) the written consents from the experts referred to in the paragraph headed "9. Expert and Consent" in this Appendix;

(g) the material contracts referred to in the paragraph headed "8. Material Contracts" in this Appendix; and

(h) this circular.

深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00604)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shenzhen Investment Limited (the "**Company**") will be held at Picasso Room, B1 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 18 June 2026 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements, the report of the Directors and the independent auditor's report for the year ended 31 December 2025.

2. To consider and approve, if thought fit, the following resolutions, each as a separate resolution:

   (a) to re-elect Dr. XIANG Dong as an executive Director.

   (b) to re-elect Mr. LI Wai Keung, who has served for more than nine years, as an independent non-executive Director.

   (c) to re-elect Prof. GONG Peng as an independent non-executive Director.

   (d) to authorize the Board to fix the remuneration of the Directors.

3. To re-appoint Ernst & Young as the auditor of the Company and to authorize the Board to fix their remuneration.

4. To grant a general mandate to the Directors to buy back shares of the Company.

"**THAT**:

(a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to buy back shares of the Company on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the total number of shares of the Company to be bought back by the Company pursuant to the approval of paragraph (a) of this resolution shall not exceed 10% of the total number of shares of the Company in issue (excluding any treasury shares) as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger or smaller number of shares after the passing of this resolution) and the said approval shall be limited accordingly; and

(c) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and

(iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution."

5. To grant a general mandate to the Directors to allot and issue new shares of the Company.

"**THAT**:

(a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of the Company and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible or exchangeable into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period (as hereinafter defined) to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible or exchangeable into shares of the Company) which would or might require shares to be allotted after the expiry of the Relevant Period (as hereinafter defined);

(c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Pro-Rata Issue (as hereinafter defined); or (ii) the exercise of rights of subscription, conversion or exchange under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible or exchangeable into shares of the Company; or (iii) the exercise of options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the total number of shares of the Company in issue (excluding any treasury shares) as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the shares in the Company into larger or smaller number of shares after the passing of this resolution) and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and

(iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

"Pro-Rata Issue" means an offer of shares or issue of options, warrants or other securities (including bonus issues or offers) giving the rights to subscribe for shares of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such shares (or, where appropriate such other securities) (subject in all cases to such exclusions or other arrangements as Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company)."

6. To extend the general mandate granted to the Directors to allot and issue new shares of the Company.

"**THAT**:

subject to the passing of resolution nos. 4 and 5 set out in the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional shares in the Company pursuant to resolution No. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of a total number of shares of the Company being bought back by the Company under the authority granted pursuant to resolution no. 4 set out in the notice convening this meeting, provided that such extended number of shares shall not exceed 10% of the total number of shares of the Company in issue (excluding any treasury shares) as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the shares in the Company into larger or smaller number of shares after the passing of this resolution)."

7. To grant a mandate to the Directors to grant options under the Share Option Scheme of the Company.

"**THAT**:

(a) subject to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the terms and conditions of the share option scheme adopted by the shareholders of the Company on 31 May 2022 (the "**Share Option Scheme**"), a mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as defined in paragraph (c) below) all the powers of the Company to grant options to subscribe for shares of the Company and/or to make or grant offers of options under the Share Option Scheme that would or might require shares of the Company to be allotted and/or options to be granted under the Share Option Scheme provided that the total number of shares of the Company allotted or to be allotted or agreed conditionally or unconditionally to be allotted upon the exercise of all options granted or to be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares of the Company in issue as at the date of adoption of the Share Option Scheme (such total number to be subject to adjustment in the case of any conversion of all or any of the shares in the Company into larger or smaller number of shares after the passing of this resolution);

(b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to grant options and/or make offers of options under the Share Option Scheme which would or might require shares of the Company to be allotted and/or options to be granted under the Share Option Scheme after the end of the Relevant Period; and

(c) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and

(iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution."

8. To approve, confirm and ratify the Debt-to-Equity Swap Agreement, and all the transactions contemplated thereunder and in connection therewith.

"**THAT**:

(a) the debt-to-equity swap agreement dated 30 March 2026 entered into among the Company, Shum Yip Group Limited*(深業集團有限公司)("**Shum Yip Group**") and Shum Yip Pengji Holdings Co., Ltd.*(深業鵬基(集團)有限公司)(the "**Target Company**") in respect of the conversion of the loans advanced by Shum Yip Group to the Target Company in the aggregate principal amount of RMB2,604,290,000 into an equity investment in the Target Company (the "**Debt-to-Equity Swap Agreement**", a copy of which has been produced before the Meeting marked "A", and initialed by the chairman of the meeting for the purpose of identification), and all transactions contemplated thereunder and in connection therewith be and are hereby approved, confirmed and ratified; and

(b) the Directors of the Company be and are hereby authorized for and on behalf of the Company to sign, execute, perfect, perform and deliver all such other agreements, instruments, deeds and documents and do all such acts or things and take all such steps as they may in their absolute discretion consider to be necessary, desirable, appropriate or expedient to implement or give effect to or otherwise in connection with or incidental to the Debt-to-Equity Swap Agreement and all the transactions contemplated thereunder and to agree to such variations, amendments or waivers as are, in the opinion of the directors of the Company, in the interests of the Company."

By order of the Board
Shenzhen Investment Limited
WANG Yuwen
Chairman

Hong Kong, 21 May 2026

Registered Office:
8th Floor, New East Ocean Centre,
9 Science Museum Road,
Tsimshatsui,
Kowloon,
Hong Kong

* *The English translation is for identification purpose only*

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company.

2. Where there are joint registered holders of any share(s), any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share(s) as if he is solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof.

3. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be delivered to the office of the Company's share registrar, 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 meeting (or any adjournment thereof, as the case may be).

4. Delivery of the proxy form shall not preclude a member of the Company from attending and voting in person at the meeting or poll concerned and, in such event, the proxy form shall be deemed to be revoked.

5. To ascertain the shareholders' entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Friday, 12 June 2026 to Thursday, 18 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the above meeting, the record date for determining the eligibility of Shareholders to attend and vote at the meeting is Thursday, 18 June 2026. In order to be eligible to attend and vote at the meeting, all duly completed transfer forms accompanying the relevant share certificates must be lodged with the office of the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 11 June 2026.

6. At the Annual General Meeting, the chairman of the meeting will put each of the above resolutions to be voted by way of a poll under Article 72 of the Articles of Association of the Company.

7. If a tropical cyclone warning signal no. 8 or above, or "extreme conditions" caused by super typhoons, or a black rainstorm warning signal is in force at any time between 8:30 a.m. and 10:30 a.m. on the day of the meeting, the meeting will be adjourned. The Company will post an announcement on the Company's website (www.shenzheninvestment.com) and the HKEXnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the adjourned meeting.

   The meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.

8. Unless otherwise indicated, capitalized terms used in this notice of annual general meeting shall have the same meaning as those defined in the circular of the Company dated 21 May 2026.