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If you have sold or transferred all your shares in **EDA Group Holdings Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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EDA GROUP HOLDINGS LIMITED

EDA集團控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2505)

MAJOR TRANSACTION IN RELATION TO THE LEASE AGREEMENT

Unless the context otherwise requires, capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

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

The transaction being the subject matter of this circular has been approved in writing by a closely allied group of Shareholders in lieu of holding of a general meeting pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only.

* For identification purpose only

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DEFINITIONS

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

“Board” or “Director(s)”	the board of directors of the Company
“BVI”	the British Virgin Islands
“Commencement Date”	23 July 2026, being the date of commencement of the term of the Lease Agreement
“Company”	EDA Group Holdings Limited, an exempted company incorporated in the Cayman Islands on 17 September 2020 with limited liability
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“EDA Cloud UK Ltd.”	a company incorporated with limited liability in Manchester, the UK, a wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries from time to time
“Independent Third Party(ies)”	person who is not a connected person of the Company and is a third party independent of and not connected with the Company or its connected persons
“Landlord”	FAROE INVESTMENTS WOLVERHAMPTON S.A.R.L., a company incorporated with limited liability in Luxembourg
“Latest Practicable Date”	20 August 2026, being the latest practicable date before the publication of this circular for ascertaining certain information to be included in this circular
“Lease Agreement”	the lease agreement dated 23 July 2026 entered into among the Tenant and the Landlord in respect of the lease of the Premises

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Liu Yong Trust”	has the meaning ascribed to it in the Prospectus
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Pre-IPO RSU Plan”	has the meaning ascribed to it in the Prospectus
“Pre-IPO Share Option Scheme”	has the meaning ascribed to it in the Prospectus
“Premises”	Approximately 324,366 square feet of space located at Citadel Logistics Centre, Black Country Route, Wednesbury, West Midlands, the UK
“Prospectus”	prospectus of the Company dated 20 May 2024
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	has the meaning ascribed to it in the Prospectus
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares with nominal value of US\$0.01 each in the share capital of our Company
“Shareholder(s)”	registered holders of the Shares from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Tenant”	EDA Cloud UK Ltd., a company incorporated with limited liability in Manchester, the UK
“UK”	The United Kingdom

DEFINITIONS

“£” Pounds, the lawful currency of the UK

“%” per cent.

Note: for illustrative purpose of this circular only, conversion of £ into RMB is made at the rate of £1.00 =RMB9.0744

LETTER FROM THE BOARD



EDA GROUP HOLDINGS LIMITED

EDA集團控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2505)

Executive Directors:

Mr. Liu Yong (*Chairman*)

Ms. Li Qin (*Chief Executive Officer*)

Mr. Cheung Man Yu

(Chief Financial Officer and Company Secretary)

Non-executive Directors:

Mr. Zuo Manlun

Mr. Luo Jianfeng

Independent Non-executive Directors:

Mr. Ng Cheuk Him

Mr. Wong Ping Yee Natalis

Mr. Huang Risheng

Mr. Zhan Linkun

Registered Office:

Vistra (Cayman) Limited

P.O. Box 31119

Grand Pavilion Hibiscus Way

802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

Principal Place of Business

in Hong Kong:

Unit G, 35/F

Plaza 88, No 88 Yeung Uk Road

Tsuen Wan, New Territories

Hong Kong

21 August 2026

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION IN RELATION TO THE LEASE AGREEMENT

INTRODUCTION

Reference is made to the announcement of the Company dated 23 July 2026 in relation to the Lease Agreement, whereby the Tenant, a wholly owned subsidiary of the Company, entered into the Lease Agreement with the Landlord in relation to the tenancy of the Premises located in West Midlands, the UK.

LETTER FROM THE BOARD

The purposes of this circular are to provide the Shareholders with, among other things, further information of the Lease Agreement and the transaction contemplated thereunder and other information as required under the Listing Rules.

LEASE AGREEMENT

The key terms of the Lease Agreement are summarised as follows:

Date:	23 July 2026
Landlord:	FAROE INVESTMENTS WOLVERHAMPTON S.A.R.L.
Tenant:	EDA Cloud UK Ltd.
Premises:	Approximately 324,366 square feet of space located at Citadel Logistics Centre, Black Country Route, Wednesbury, West Midlands, the UK
Usage:	Warehouse storage and distribution uses, together with office uses and such other uses ancillary to the foregoing uses
Lease term:	Ten (10) years from and including the Commencement Date, or such earlier termination as provided in the Lease Agreement

LETTER FROM THE BOARD

Total Rent:

The total rent comprises (i) the rent (the “**Rent**”), (ii) the insurance rent (the “**Insurance Rent**”), (iii) any VAT payable on the foregoing sums and (iv) any interest due under the Lease Agreement.

- **Rent:** For the first twenty (20) months from and including the Commencement Date, the annual rent is the sum of £1,378,555.50 (equivalent to approximately £4.25 per square foot). After the end of the foregoing 20-month period, the annual rent is the sum of £2,757,111 (equivalent to approximately £8.50 per square foot). The foregoing rent is subject to review under the Lease Agreement or any interim rent payable under the Landlord and Tenant Act 1954, provided that the Rent shall be reduced by 50% for the period of 10 months from the 5th anniversary of the Commencement Date.

The Rent shall be payable quarterly in advance. The Rent will be reviewed on the 5th anniversary of the Commencement Date and such other review dates pursuant to the relevant legislation (the “**Review Dates**”). The review rent from and including the Review Date will be the higher of:

- (i) **The CPI Rent:** the rent calculated by adjusting the initial rent annually by reference to the “all items” Consumer Prices Index, subject to a minimum annual increase of 2% and a maximum of 4%; and
- (ii) **The Open Market Rent:** the rent at which the Premises could reasonably be expected to be let as a whole in the open market, without a fine or premium, by a willing landlord to a willing tenant under a 10-year lease on the same terms as the lease, applying certain assumptions (including that the Premises are in good repair and the tenant has had a fitting-out rent-free period) and disregarding the tenant’s occupation, goodwill, and any improvements carried out by the Tenant during the lease term.

LETTER FROM THE BOARD

- **Insurance Rent:** an amount equivalent to the total cost to the Landlord of insuring the Premises against the insured risks for their full reinstatement cost, against loss of Rent for the risk period of three years from the date of the relevant damage or destruction, and against public liability, together with any related broker commissions, any commission or fee payable to insurance brokers, and any applicable insurance premium tax, payable within five business days of written demand.
- **VAT:** VAT is payable on the Rent at the prevailing standard rate in the UK, which is currently 20%. The Tenant is registered for VAT in the UK and, subject to compliance with the applicable requirements of HM Revenue & Customs and receipt of valid VAT invoices, the VAT payable on the Rent is recoverable as input tax through the Tenant's UK VAT returns.

For the purpose of estimating the VAT payable on the Rent, the Company has taken into account the rent review mechanism under the Lease Agreement. The reviewed Rent from and including the Review Date of 23 July 2031 will be the higher of the CPI Rent and the Open Market Rent and cannot be determined at present. Having regard to HKFRS 16 (in particular that in-substance fixed lease payments include those payments that cannot be avoided under the contract), the Company has adopted the contractual minimum annual increase of 2% under the CPI Rent mechanism, applied on a compounded basis for each of the five notional annual CPI reviews up to the Review Date, with each annual result rounded up to the nearest £10 pursuant to clause 8.4.1(b) of the Lease Agreement. In accordance with HKFRS 16, the lease payments used in the measurement reflect only the contractual minimum uplift of 2% per annum (compounded annually), being the floor under the CPI Rent mechanism; the Company has not forecasted any increase in the Consumer Prices Index above the contractual 2% floor, nor any Open Market Rent in excess of the CPI Rent. On that basis, the reviewed annual Rent with effect from the Review Date is £3,044,100, calculated as follows:

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Notional annual CPI review	Calculation	Amount after rounding up to nearest £10
Starting Rent	—	2,757,111
1st anniversary	$£2,757,111 \times 1.02 = 2,812,253.22$	2,812,260
2nd anniversary	$£2,812,260 \times 1.02 = 2,868,505.20$	2,868,510
3rd anniversary	$£2,868,510 \times 1.02 = 2,925,880.20$	2,925,890
4th anniversary	$£2,925,890 \times 1.02 = 2,984,407.80$	2,984,410
5th anniversary (Review Date)	$£2,984,410 \times 1.02 = 3,044,098.20$	3,044,100

LETTER FROM THE BOARD

Taking into account the 50% Rent reduction for the ten-month period from the 61st month to the 70th month (applied to the reviewed Rent of £3,044,100), the estimated aggregate Rent and corresponding VAT are calculated as follows:

Period/item	Calculation	Amount (£)
First 20 months	$£1,378,555.50 \times 20/12$	2,297,592.50
Months 21–60	$£2,757,111 \times 40/12$	9,190,370.00
Months 61–70 (reviewed Rent, less 50%)	$£3,044,100 \times 50\% \times 10/12$	1,268,375.00
Months 71–120 (reviewed Rent)	$£3,044,100 \times 50/12$	12,683,750.00
Estimated aggregate Rent		25,440,087.50
Estimated VAT on Rent	$£25,440,087.50 \times 20\%$	5,088,017.50

Accordingly, assuming (i) the reviewed annual Rent of £3,044,100 with effect from the Review Date, being the contractual 2% CPI floor compounded annually for five years and rounded up to the nearest £10, (ii) the reviewed Rent remaining unchanged thereafter, and (iii) VAT at the current standard rate of 20% applying throughout the lease term, the estimated aggregate Rent is approximately £25.4 million and the corresponding estimated VAT payable on the Rent is approximately £5.1 million.

LETTER FROM THE BOARD

The Insurance Rent is not fixed under the Lease Agreement. It is payable by the Tenant upon written demand and is determined by reference to the actual costs incurred by the Landlord in insuring the Premises, including the relevant insurance premium and the other insurance-related costs recoverable under the Lease Agreement. As such costs are variable and the Landlord has not provided an estimate covering the entire lease term, the Company is presently unable to reliably estimate the aggregate Insurance Rent, or the corresponding VAT thereon, for the lease term. Any VAT chargeable on the Insurance Rent will be calculated at the prevailing applicable rate based on the actual amount of Insurance Rent charged by the Landlord. Subject to compliance with the applicable requirements of HM Revenue & Customs and receipt of valid VAT invoices, such VAT is expected to be recoverable as input tax through the Tenant's UK VAT returns.

The foregoing estimates (i) are illustrative only, as the actual reviewed Rent will be the higher of the CPI Rent and the Open Market Rent determined in accordance with the Lease Agreement; (ii) assume that the reviewed Rent remains unchanged after the Review Date; (iii) do not forecast any CPI increase above the contractual 2% floor or any Open Market Rent in excess of the CPI Rent; (iv) are subject to any future change in the applicable UK VAT rate; and (v) in respect of the Insurance Rent, are subject to the Landlord's actual insurance costs. As the relevant VAT is expected to be recoverable as input tax, it is not expected to constitute an ultimate cost to the Group.

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- **Interest:** Interest may become payable under the Lease Agreement in the following circumstances:
 - (i) Default interest. Pursuant to clause 9.7 of the Lease Agreement, if the Rent is not paid on its due date, or any other amount payable under the Lease Agreement is not paid within five Business Days after its due date, the Tenant shall pay interest on the outstanding amount at 4% per annum above the base lending rate of Lloyds Bank plc from time to time, calculated from the relevant due date until payment or acceptance of payment.
 - (ii) Rent-review shortfall interest. Pursuant to clause 8.5.1 of the Lease Agreement, if the Revised Rent is agreed or determined after the relevant Review Date, the Tenant shall pay interest on the shortfall between the Rent previously paid and the Revised Rent at the base rate of Lloyds Bank plc from time to time, calculated daily by reference to the dates on which the relevant instalments would have fallen due.

The above contractual interest is contingent in nature. Assuming that the Tenant pays all amounts when due and that the Revised Rent is agreed or determined on or before the relevant Review Date, no contractual interest is expected to be payable. Accordingly, the estimated amount of interest payable under the Lease Agreement is nil on such basis. The actual amount, if any, cannot presently be reliably estimated as it would depend on, among other matters, the amount and duration of any future payment default, the Lloyds Bank plc base lending rate prevailing at the relevant time, the amount of the Revised Rent and the time required to agree or determine the Revised Rent. For the avoidance of doubt, the above contractual interest is distinct from the finance cost recognised under HKFRS 16 on the unwinding of the discount on the lease liability. The estimated HKFRS 16 finance cost of approximately £0.5 million for the first year of the Lease Agreement has been disclosed separately in this circular.

LETTER FROM THE BOARD

Rent Review:

The first Review Date will be 23 July 2031, being the fifth anniversary of the Commencement Date. From and including the Review Date, the Revised Rent will be the higher of the CPI Rent and the Open Market Rent determined in accordance with the Lease Agreement. Under the Lease Agreement, the Rent otherwise payable will be reduced by 50% for the ten-month period commencing on 23 July 2031, applied to the Revised Rent.

At the time of the Rent review, the Rent will be adjusted strictly in accordance with the rent review mechanism under the Lease Agreement (i.e. the higher of the CPI Rent and the Open Market Rent), which forms part of the terms of the Lease Agreement. The rent review will not result in the entry into a new lease agreement. Pursuant to clause 8.5.4 of the Lease Agreement, once the Revised Rent has been agreed or determined, the Landlord, the Tenant and any guarantor shall sign a memorandum recording the revised level of Rent. If the Revised Rent is higher than the Rent then payable, the Group's future rental cash outflows will increase. The Group will account for the change in lease payments in accordance with HKFRS 16, including remeasuring the lease liability and making a corresponding adjustment to the carrying amount of the right-of-use asset, as applicable. The remeasurement may result in changes to the Group's depreciation charges and finance costs during the remaining lease term.

Bank Guarantee:

The Tenant will deliver a bank guarantee in a form agreeable to the Landlord, pursuant to which the bank guarantees the Tenant's payment of the Rent or any VAT thereof for a maximum aggregate liability not exceeding £1,654,266.60, for the duration of the lease.

The rent payable under the Lease Agreement has been determined after arm's length negotiations between the Landlord and the Tenant, after taking into consideration the prevailing market rents for comparable premises in the vicinity of the Premises, and was agreed at market levels. The rent payable will be satisfied by the Group's internal resources.

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BASIS OF DETERMINATION OF THE RENT

The Company has reviewed the independently published property-level rental comparables for named large warehouse and logistics premises in Wolverhampton from 2023–2025. Four comparables have been identified and all fall within the vicinity of the Premises.

The 2023–2025 comparables ranged from approximately £7.50 per square foot per annum to £8.50 per square foot per annum. The Premises is approximately 324,366 square feet. The normal contractual annual Rent of £2,757,111 is equivalent to approximately £8.50 per square foot per annum and is consistent with the prevailing market rents indicated by those comparables. No 2026 availability comparable near the Premises stating both area and rent was identified.

The comparables were considered with appropriate allowance for differences in transaction type, date, location, size, specification, condition, lease term and incentives. Having considered the foregoing, and taking into account the location, accessibility, size, condition and specifications of the Premises, the ten-year lease term, the reduced Rent during the first 20 months, the 50% reduction in Rent for ten months from 23 July 2031, the terms of the Group's existing warehouse leases and the Group's operational requirements, the Directors consider that the normal annual Rent of approximately £8.50 per square foot was determined after arm's length negotiations by reference to the prevailing market rents for comparable premises in the vicinity of the Premises, and was agreed at market levels. On this basis, and taking into account the negotiated rent concessions, the Directors consider the Rent fair and reasonable and in the interests of the Company and the Shareholders as a whole.

RIGHT-OF-USE ASSETS TO BE RECOGNISED BY THE COMPANY

The value (unaudited) of the right-of-use assets to be recognised by the Company under the Lease Agreement is approximately £18.8 million (equivalent to approximately RMB171.0 million) which is the present value of lease payments throughout the lease term under the Lease Agreement, discounted using the incremental borrowing rate and adjustment to fair value at initial recognition of refundable rental deposit and provision for reinstatement costs in accordance with HKFRS 16. Incremental borrowing rate of the lease liability is determined with reference to the prevailing interest rate of the Group's external borrowings. The estimation adopts the contractual minimum annual increase of 2% as the CPI Rent under the rent review mechanism, applied on a compounded basis for each of the five notional annual rent reviews up to the Review Date of 23 July 2031, with each annual result rounded up to the nearest £10 pursuant to clause 8.4.1(b) of the Lease Agreement. The Company has not forecasted any increase in the Consumer Prices Index above the contractual 2% floor, nor any Open Market Rent in excess of the CPI Rent. The CPI Rent represents the commercially realistic consensus of the Parties that tracks market trend; it is not

LETTER FROM THE BOARD

reasonably expected that Market Rent will materially exceed the CPI rent, if at all. Therefore, using the base case of CPI Rent to calculate the right-of-use assets to be recognised and to categorise the transaction is reasonable.

The working figure of the right-of-use assets to be recognised is £18,848,494.82, as compared with £18,244,061.51 previously disclosed in the Company's announcement dated 23 July 2026 (equivalent to approximately £18.2 million or RMB165.6 million). The increase of approximately £0.6 million arises solely from the change in the estimation of the reviewed Rent, and does not affect the classification of the entering of the Lease Agreement as a major transaction. The estimated right-of-use asset remains subject to review and final audit by the Company's auditor.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in the provision of first mile international freight services and last-mile fulfilment services, including overseas warehousing, other value added services and deliveries for the cross-border e-commerce participants based in the Chinese Mainland.

INFORMATION ABOUT THE PARTIES

The Tenant

The Tenant is a wholly owned subsidiary of the Company and a company incorporated with limited liability in Manchester, the UK. The Tenant is principally engaged in the provision of warehousing services in Northwest England.

The Landlord

To the best knowledge of the Directors having made all reasonable enquiry, the Landlord is a limited liability company incorporated and registered in Luxembourg and is principally engaged in property investment.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Landlord is wholly owned by Oxenwood Maple S.à r.l. ("**Oxenwood Maple**"), a company incorporated in Luxembourg. Mr. Thomas Aldridge Wilson Boardman, Mr. Yacine Abdelmalek Bouaka, Ms. Kadri Lindjäv and Ms. Nataliia Masliuchenko (the "**Senior Managing Officials**") are registered as Senior Managing Officials of Oxenwood Maple in the Luxembourg Register of Beneficial Owners under the applicable fallback registration mechanism, as no natural person meeting the applicable beneficial-ownership threshold has been identified. Based on available public information, the registrable beneficial owners of the Landlord are (a) Alberta Investment Management Corporation ("**AIMCo**"), a Canadian institutional investment manager

LETTER FROM THE BOARD

wholly owned by the Province of Alberta, Canada, which is registered in its capacity as trustee of a trust and holds, directly or indirectly, more than 25% of the shares and voting rights in the Landlord and the right to appoint or remove a majority of the board of directors of the Landlord; and (b) His Majesty The King in Right of Alberta (being the Crown in right of the Province of Alberta, Canada), which likewise holds, directly or indirectly, more than 25% of the shares and voting rights in the Landlord and the right to appoint or remove a majority of the board of directors of the Landlord. Accordingly, the ultimate ownership and control of the Landlord rests with governmental and public institutional entities, and not with any natural person.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Landlord, Oxenwood Maple, the Senior Managing Officials, AIMCo and His Majesty The King in Right of Alberta are Independent Third Parties.

FINANCIAL EFFECT OF THE ACQUISITION OF RIGHT-OF-USE ASSETS

It is expected that upon the completion of the transaction contemplated under the Lease Agreement, there will be an increase in total assets of approximately £18.8 million (equivalent to approximately RMB171.0 million), comprising an increase in right-of-use assets of approximately £18.8 million (equivalent to approximately RMB171.0 million). There will be an increase in total liabilities of approximately £18.8 million (equivalent to approximately RMB171.0 million), comprising an increase in lease liabilities of approximately £18.8 million (equivalent to approximately RMB171.0 million). Under HKFRS 16, only payments made for the right to use the underlying asset (i.e., fixed or in-substance fixed lease payments, and variable lease payments that depend on an index or a rate) are included in the measurement of the lease liability and the corresponding right-of-use assets. The Insurance Rent is, in substance, a reimbursement for non-lease components and/or variable payments based on the Landlord's actual costs rather than consideration for the right of use of the premises; therefore it is excluded from the lease payments used to measure right-of-use assets and is expensed as incurred.

VAT is expected to be recoverable as input tax through the Tenant's UK VAT returns, subject to compliance with the applicable requirements of HM Revenue & Customs and receipt of valid VAT invoices. Accordingly, the recoverable VAT will not be included in the initial measurement of the right-of-use asset or lease liability under HKFRS 16 and is not expected to have a material net impact on the Group's profit or loss or net assets. The payment and subsequent recovery or offset of VAT may, however, result in a temporary cash-flow and working-capital impact, depending on the timing of payment to the Landlord and recovery or offset through the Tenant's VAT returns.

Based on the updated estimation described in the section headed "Lease Agreement" above, namely the contractual 2% CPI floor compounded annually for five years to the Review Date (rounded up to the nearest £10), the estimated aggregate Rent throughout the lease term is

LETTER FROM THE BOARD

approximately £25.4 million and the estimated gross VAT thereon at the current UK standard VAT rate of 20% is approximately £5.1 million. The foregoing estimate takes into account the 50% Rent reduction for the ten-month period from the 61st month to the 70th month, but excludes VAT on the Insurance Rent and other variable sums. The actual reviewed Rent will be the higher of the CPI Rent and the Open Market Rent determined in accordance with the Lease Agreement and may differ from this estimation. Such VAT is expected to be recoverable and therefore is not expected to constitute an ultimate cost to the Group.

No default interest or rent-review shortfall interest is expected to arise if the Tenant pays all amounts when due and the Revised Rent is agreed or determined on or before the relevant Review Date. Therefore, the estimated financial effect of contractual interest is nil on this basis. If any contractual interest becomes payable, it will be recognised as an expense or finance cost in the period in which it is incurred and will result in a corresponding cash outflow. It will not form part of the initial measurement of the right-of-use asset or lease liability. Such contractual interest is distinct from the finance cost recognised under HKFRS 16 on the unwinding of the discount on the lease liability.

The Group expects the transaction contemplated under the Lease Agreement will increase the annual depreciation charges of right-of-use assets by approximately £0.9 million (equivalent to approximately RMB8.6 million) and finance costs by approximately £0.5 million (equivalent to approximately RMB4.9 million) in the first year of the Lease Agreement.

REASONS AND BENEFITS FOR THE ENTERING INTO LEASE AGREEMENT

The Board is of the view that the entering into the Lease Agreement is an opportunity for the Group to enhance its global logistics network and footprint which is in line with the overall strategy development direction of the Group to become a leading global artificial intelligence logistics technology service group. The Premises under the Lease Agreement will be used as a self-operated warehouse by the Company in the UK.

The terms and conditions of the Lease Agreement were arrived at after arm's length negotiation with reference to (i) the existing tenancies of other warehouse lease agreements that the Group has entered into; and (ii) the attributes of the Premises such as geographical location, size and lease term. The Directors consider that the terms and conditions of the Lease Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 “Leases”, the Group will recognise right-of-use assets in the consolidated financial statements of the Group in connection with the tenancy of the Premises. Accordingly, the lease transactions under the Lease Agreement will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the value of the right-of-use assets in connection with the tenancy of the Premises under the Lease Agreement exceed 25% but all are less than 100%, the transaction contemplated thereunder constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules. The actual value of the right-of-use assets to be recognised by the Group will be subject to review and final audit by the auditors of the Company.

The Company has also illustrated the estimated right-of-use asset and the corresponding lease liability at the contractual high point of the CPI Rent mechanism, namely the maximum annual increase of 4% applied on the same compounded and rounded basis. On that illustration, the reviewed annual Rent with effect from the Review Date is £3,354,470, and the corresponding lease liability, would be approximately £19.8 million (equivalent to approximately RMB179.4 million). The incremental impact as compared with the 2% low-point (the corresponding lease liability is approximately £18.8 million, equivalent to approximately RMB171.0 million) is approximately £1.0 million (equivalent to approximately RMB8.4 million), which does not affect the classification of the entering of the Lease Agreement as a major transaction.

The Company has considered both the historical growth trend of open market rents and the forecast future growth in open market rents, with reference to publicly available market information. Based on such information, the Company considers that any increase in the annual rent upon the Review Date is unlikely to be material and would not result in any change to the classification the entering of the Lease Agreement as a major transaction.

In determining the amount of right-of-use assets to be recognised under HKFRS 16 “Leases”, the Company and its auditors have taken into account the rent review mechanism in the Lease Agreement, see “Right-of-Use Assets to be Recognised by the Company” for details.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Lease Agreement and the transaction contemplated thereunder, and no Shareholder is required to abstain from voting on the

LETTER FROM THE BOARD

resolution(s) for approving the Lease Agreement and the transaction contemplated thereunder if the Company was required to convene a general meeting for the approval of the Lease Agreement and the transaction contemplated thereunder.

The Company has obtained a written approval from EDA Shine International Limited (“**EDA Shine**”) and Samanea China Holdings Limited (“**Samanea**”), being the closely allied group of Shareholders who together hold 257,796,000 shares of the Company, representing approximately 55.7% of the issued share capital of the Company, for the Lease Agreement and the transaction contemplated thereunder in lieu of holding a general meeting of the Company under Rule 14.44 of the Listing Rules. Accordingly, no general meeting of the Company shall be convened to approve the Lease Agreement and the transaction contemplated thereunder.

As at the date of this circular, EDA Shine and Samanea held 152,295,000 and 105,501,000 shares of the Company, representing approximately 32.9% and 22.8% of the issued share capital of the Company respectively and approximately 55.7% in total. The Directors consider that EDA Shine and Samanea to be a closely allied group of Shareholders for the purposes of Rules 14.44 and 14.45 of the Listing Rules based on the following considerations:

- (1) EDA Shine is a company ultimately controlled by Mr. Liu Yong, the founder of the Company, its executive Director and controlling shareholder (as defined in the Listing Rules). Samanea, being an indirect subsidiary of China Lesso Group Holdings Limited (“**China Lesso**”) (stock code: 2128), has been close business associates of Mr. Liu Yong since February 2020, as demonstrated by its initial investment in the Group in the same month as well as subsequent investments;
- (2) a number of the Company’s Directors hold key management positions in China Lesso and Samanea; and
- (3) EDA Shine and Samanea were together shareholders of the Group since February 2020, and have since voted unanimously on all shareholders’ resolutions other than routine resolutions.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the transaction contemplated under the Lease Agreement is fair and reasonable and is in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) would recommend the Shareholders to vote in favour of the relevant resolution regarding the Lease Agreement if the Company were to convene a special general meeting for the approval of the Lease Agreement.

LETTER FROM THE BOARD

GENERAL INFORMATION

Your attention is drawn to Appendix I headed “Financial Information” and Appendix II headed “General Information” to this circular.

By order of the Board
EDA Group Holdings Limited
Mr. Liu Yong
Executive Director and Chairman of the Board

1. FINANCIAL INFORMATION OF THE COMPANY

The Group's financial information for the year ended 31 December 2023, 2024 and 2025 is disclosed in the following document which has been published on the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.edayun.com):

Prospectus of the Company dated 20 May 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0519/2024051900033.pdf>

Annual report of the Company for the year ended 31 December 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042802772.pdf>

Annual report of the Company for the year ended 31 December 2025:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0428/2026042802645.pdf>

2. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, the Directors were not aware of any circumstances or events that could result in a material adverse change in the financial or trading position of the Group since 31 December 2025, the date of the latest audited consolidated financial statements.

3. INDEBTEDNESS

As of the close of business on 30 June 2026, the latest practicable date for determining this indebtedness statement, the Group had total outstanding indebtedness of approximately RMB1,737 million, comprising the following:

Bank and other borrowings

The Group had unsecured and secured, guaranteed interest-bearing bank borrowings of approximately RMB371 million.

Lease liabilities

The Group assesses lease liabilities at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. As of the close of business on 30 June 2026, the Group's total lease liabilities amounted to RMB1,366 million.

Disclaimer

As of the close of business on 30 June 2026, the Group had no issued and outstanding debt securities, nor any other borrowings or indebtedness, including bank overdrafts, liabilities under acceptances (other than normal trade payables), acceptance credits, hire purchase commitments, borrowings subject to mortgages or charges, or any other material contingent liabilities or guarantees.

4. WORKING CAPITAL

Taking into account the financial resources available to the Group, including its internally generated funds, cash and bank balances and available loan and banking facilities, and the financial impact of the transaction contemplated under the Lease Agreement, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least 12 months from the date of this circular.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The global macroeconomic environment was complex and changeable, and the adjustment of trade and tariff policies in some countries brought uncertainty to the cross-border e-commerce industry. The Group will therefore continue with prudent expansion of its warehousing network.

The Group believes that the cross-border e-commerce industry will enter a healthier and higher-quality sustainable development stage, and the strategic value of overseas warehouses as key infrastructure of the industry will become increasingly prominent. The Group will continue to expand its logistics network, in order to seize the opportunities and bring sustainable returns to its Shareholders.

1. RESPONSIBILITY STATEMENT

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

2. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of our Group which is not expiring or determinable by such member of our Group within one year without payment of compensation (other than statutory compensation).

3. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by, or leased to, any member of our Group or were proposed to be acquired or disposed of by, or leased to, any member of our Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of our Group subsisting at the date of this circular and which is significant in relation to the businesses of our Group.

4. DOCUMENTS ON DISPLAY

A copy of the Lease Agreement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edayun.com) from the date of this circular up to 14 days thereafter in accordance with the Listing Rules.

5. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short position of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such

provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (the “**Model Code**”) were as follows:

(a) Interests of Directors and chief executives

Interests in the Shares

Name	Beneficial owner	Number and capacity of shares ^(a)				Total	Percentage of the issued share capital of the Company*
		Interest of corporation controlled	Other interests	Interests jointly held with another person ^(b)	Personal interests		
Liu Yong	11,934,000 (L) ^(c)	—	152,295,000 (L) ^(d)	—	3,480,000 (L) ^(c)	167,709,000 (L)	36.2%
Li Qin	—	—	—	—	13,198,000 (L) ^(e)	13,198,000 (L)	2.8%
Cheung Man Yu	2,566,000 (L) ^(f)	10,269,000 (L) ^(g)	—	167,391,000 (L)	748,000 (L) ^(f)	180,974,000 (L)	39.1%
Luo Jianfeng	—	10,269,000 (L) ^(h)	—	170,705,000 (L)	—	180,974,000 (L)	39.1%
Zuo Manlun	—	10,269,000 (L) ⁽ⁱ⁾	—	170,705,000 (L)	—	180,974,000 (L)	39.1%

* The calculation is based on the total number of 463,315,750 Shares in issue as at the Latest Practicable Date.

(a) The letter “L” denotes the person’s long position in such securities.

(b) Each of Mr. Zuo Manlun, Mr. Luo Jianfeng, Mr. Cheung Man Yu, Ms. Tang Jia Jia and Mr. Qian Yu Cheng entered into an acting-in-concert agreement with Samanea China Holdings Limited in respect of their interests in the Company. Please refer to the Prospectus for details.

(c) Mr. Liu Yong is granted share options under the Pre-IPO Share Option Scheme to subscribe for 9,248,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 6,166,000 Shares. As at the Latest Practicable Date, 3,480,000 Shares under the Company’s Pre-IPO Share Option Scheme have been exercised.

(d) These Shares are held by EDA Shine International Limited, which is owned as to 1% by Edaurora Holdings Limited and as to 99.0% by Skyline Investment International Limited. Skyline Investment International Limited is wholly owned by Sovereign Fiduciaries (Hong Kong) Limited, which is the trustee of the Liu Yong Trust, of which the settlor is Mr. Liu Yong and the beneficiaries are Mr. Liu Yong and Edaurora Holdings Limited. Edaurora Holdings Limited is wholly owned by Mr. Liu Yong, an executive director, the chairman of our board and a controlling shareholder of the Company. Sovereign Fiduciaries (Hong Kong) Limited is a professional trust company and an Independent Third Party of our Group. By virtue of the SFO, each of Sovereign Fiduciaries (Hong Kong) Limited, Skyline Investment International Limited, Edaurora Holdings Limited and Mr. Liu Yong is deemed to be interested in the Shares in which EDA Shine International Limited is interested.

- (e) Ms. Li Qin is granted share options under the Pre-IPO Share Option Scheme to subscribe for 7,919,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 5,279,000 Shares. As at the Latest Practicable Date, 7,919,000 Shares under the Pre-IPO Share Option Scheme and 5,279,000 Shares under the Pre-IPO RSU Plan of the Company have been exercised.
- (f) Mr. Cheung Man Yu is granted share options under the Pre-IPO Share Option Scheme to subscribe for 1,989,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 1,325,000 Shares. As at the Latest Practicable Date, 748,000 Shares under the Company's Pre-IPO Share Option Scheme have been exercised.
- (g) Comprises 10,269,000 Shares held by LittleBear Investment Limited. LittleBear Investment Limited is a company incorporated in the BVI and is wholly owned by Mr. Cheung Man Yu, an executive director of the Company. By virtue of the SFO, Mr. Cheung Man Yu is deemed to be interested in the Shares in which LittleBear Investment Limited is interested.
- (h) Comprises 10,269,000 Shares held by Dawnhill Group Limited. Dawnhill Group Limited is a company incorporated in the BVI and is wholly owned by Mr. Luo Jianfeng, a non-executive director of the Company. By virtue of the SFO, Mr. Luo Jianfeng is deemed to be interested in the Shares in which Dawnhill Group Limited is interested.
- (i) Comprises 10,269,000 Shares held by Zhan Hua Limited. Zhan Hua Limited is a company incorporated in the BVI and is wholly owned by Mr. Zuo Manlun, a non-executive director of the Company. By virtue of the SFO, Mr. Zuo Manlun is deemed to be interested in the Shares in which Zhan Hua Limited is interested.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, as far as the Directors are aware of, the following persons, (other than the Directors or chief executives of the Company whose interests are disclosed above), had interests in the Shares or underlying Shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, and were required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO:

Interests in the Shares

Name of Shareholders	Capacity	Number of issued ordinary shares held ^(a)	Percentage of the issued share capital of the Company*
Sovereign Fiduciaries (Hong Kong) Limited	Trustee	152,295,000 (L) ^(b)	32.9%
Edaurora Holdings Limited	Beneficiary of a trust	152,295,000 (L) ^(b)	32.9%
Skyline Investment International Limited	Interests in a controlled corporation	152,295,000 (L) ^(b)	32.9%
EDA Shine International Limited	Beneficial owner	152,295,000 (L) ^(b)	32.9%
LS DiDi Network Technology Limited ("LS DiDi")	Beneficial owner	27,660,000 (L) ^(c)	6.0%
Samanea China Holdings Limited ("Samanea")	Beneficial Owner	105,501,000 (L) ^(c)	22.8%
	Interest in a controlled corporation	27,660,000 (L) ^(c)	6.0%
	Interests held jointly with another person	47,813,000 (L) ^(d)	10.3%
	Subtotal	180,974,000 (L)	39.1%

APPENDIX II

GENERAL INFORMATION

Name of Shareholders	Capacity	Number of issued ordinary shares held ^(a)	Percentage of the issued share capital of the Company*
Lesso Home International Holdings Limited	Interest in a controlled corporation	180,974,000 (L) ^(e)	39.1%
China Lesso Group Holdings Limited	Interest in a controlled corporation	180,974,000 (L) ^(e)	39.1%
Mr. Wong Luen Hei	Interest in a controlled corporation	180,974,000 (L) ^(e)	39.1%
Ms. Zuo Xiaoping	Interest of spouse	180,974,000 (L) ^(e)	39.1%
Zhan Hua Limited	Beneficial Owner	10,269,000 (L) ^(f)	2.2%
Dawnhill Group Limited	Beneficial Owner	10,269,000 (L) ^(g)	2.2%
LittleBear Investment Limited	Beneficial Owner	10,269,000 (L) ^(h)	2.2%
QCJJ Group Limited	Beneficial Owner	6,846,000 (L) ⁽ⁱ⁾	1.5%
Ms. Tang Jia Jia	Interest in a controlled corporation	6,846,000 (L) ⁽ⁱ⁾	1.5%
	Interests held jointly with another person	174,128,000 (L) ^(d)	37.6%
	Subtotal	180,974,000 (L)	39.1%
QCZC Group Limited	Interests held jointly with another person	180,974,000 (L)	39.1%
QCBM Group Limited	Beneficial Owner	6,846,000 (L) ⁽ⁱ⁾	1.5%

Name of Shareholders	Capacity	Number of issued ordinary shares held ^(a)	Percentage of the issued share capital of the Company*
Mr. Qian Yu Cheng	Interest in a controlled corporation	6,846,000 (L) ⁽ⁱ⁾	1.5%
	Interests held jointly with another person	174,128,000 (L) ^(d)	37.6%
	Subtotal	180,974,000 (L)	39.1%

* The calculation is based on the total number of 463,315,750 Shares in issue as at the Latest Practicable Date.

(a) The letter “L” denotes the person’s long position in such securities.

(b) These Shares relate to the same block of Shares in the Company as those set out in note (d) in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above.

(c) LS DiDi is owned as to 70% by Samanea. By virtue of the SFO, Samanea is deemed to be interested in the Shares in which LS DiDi is interested.

(d) Each of Mr. Zuo Manlun, Mr. Luo Jianfeng, Mr. Cheung Man Yu, Ms. Tang Jia Jia and Mr. Qian Yu Cheng entered into an acting-in-concert agreement with Samanea in respect of their interests in the Company. Please refer to the Prospectus for details.

(e) Samanea is wholly owned by Lesso Home International Holdings Limited. Lesso Home International Holdings Limited is wholly owned by China Lesso Group Holdings Limited. Mr. Wong Luen Hei and his spouse, Ms. Zuo Xiaoping, are the controlling shareholders of China Lesso Group Holdings Limited. By virtue of the SFO, each of Lesso Home International Holdings Limited, China Lesso Group Holdings Limited, Mr. Wong Luen Hei and Ms. Zuo Xiaoping is deemed to be interested in the Shares in which Samanea is interested.

(f) These Shares relate to the same block of Shares in the Company as those set out in note (i) in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above.

(g) These Shares relate to the same block of Shares in the Company as those set out in note (h) in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above.

(h) These Shares relate to the same block of Shares in the Company as those set out in note (g) in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above.

- (i) QCJJ Group Limited is a company incorporated in the BVI and is wholly owned by Ms. Tang Jia Jia, a director of four subsidiaries of Samanea, namely LS DiDi, Guangdong Qicheng Information Technology Co., Ltd, Guangzhou LS DiDi Technology Co., Ltd and Treasure Pathway Limited. By virtue of the SFO, Ms. Tang Jia Jia is deemed to be interested in the Shares in which QCJJ Group Limited is interested. QCZC Group Limited is a company incorporated in the BVI and is wholly owned by Ms. Tang Jia Jia. By virtue of the SFO, QCZC Group Limited is deemed to be interested in the Shares in which Ms. Tang Jia Jia is interested.
- (j) QCBM Group Limited is a company incorporated in the BVI and is wholly owned by Mr. Qian Yu Cheng, a director of each of LS DiDi and Guangdong Qicheng Information Technology Co., Ltd, both of which are subsidiaries of Samanea. By virtue of the SFO, Mr. Qian Yu Cheng is deemed to be interested in the Shares in which QCBM Group Limited is interested.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (who were not Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

6. DIRECTOR'S INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of our 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.

7. MATERIAL CONTRACTS

As at the Latest Practicable Date, members of the Group had not entered into any material contracts (not being contracts entered into in the ordinary course of business of the Group) within the two years immediately preceding the date of this circular.

8. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group that would have a material adverse effect on the results of operations or financial conditions of the Group.

9. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Cheung Man Yu, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (b) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.