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USAS Building System (Shanghai) Co., Ltd.
美聯鋼結構建築系統（上海）股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2671)

**DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION
IN RELATION TO THE DISPOSAL OF 43% EQUITY INTEREST
IN MEGA CONSTRUCTION (JIANGSU) CO., LTD.**

INTRODUCTION

The Board announces that on 26 May 2026, the Company (as vendor) entered into the Equity Transfer Agreement with the Purchaser, pursuant to which the Company agreed to dispose of, and the Purchaser agreed to acquire, the Sale Equity, representing 43% of the equity interest in MEGA Construction, at a consideration of RMB33,858,900 (the “Disposal”).

Immediately before Completion, the Company held 51% of the equity interest in MEGA Construction and MEGA Construction was a non-wholly owned subsidiary of the Company. Upon Completion, the equity interest held by the Company in MEGA Construction was reduced to 8% and MEGA Construction ceased to be a subsidiary of the Company.

THE EQUITY TRANSFER AGREEMENT

Date

26 May 2026

Parties

- (1) the Company, as vendor; and
- (2) the Purchaser (Suzhou Xiangyang Technology Industrial Development Co., Ltd.* (蘇州翔陽科技產業發展有限公司)), as purchaser.

As at the date of this announcement, the Purchaser is owned as to 99.8% by Mr. Sun Yang, who is a supervisor of MEGA Construction and, together with the Purchaser, a substantial shareholder of MEGA Construction. Further information on the parties is set out in the section headed “INFORMATION ON THE PARTIES” below.

Subject matter

Pursuant to the Equity Transfer Agreement, the Company agreed to dispose of, and the Purchaser agreed to acquire, the Sale Equity, being 43% of the equity interest in MEGA Construction, free from all encumbrances and together with all rights attaching thereto as at Completion.

Consideration and basis of the Consideration

The Consideration for the Sale Equity is RMB33,858,900, which shall be settled by the Purchaser in the manner set out in the Equity Transfer Agreement.

The Consideration was determined after arm’s length negotiations between the Company and the Purchaser with reference to, among other things, the appraised value of the entire equity interest of MEGA Construction as at 31 December 2025 of RMB78,741,694.49 as set out in the Valuation Report. 43% of such appraised value is approximately RMB33,858,928.63, and the Consideration represents approximately such amount.

The Directors (including the independent non-executive Directors) consider that the terms of the Equity Transfer Agreement (including the Consideration) are on normal commercial terms, are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

Payment terms and Completion

Pursuant to the terms of the Equity Transfer Agreement, the Purchaser was required to pay the Consideration by one lump sum wire-transfer to the Company’s bank account on or before 31 May 2026. Completion took place on 29 May 2026.

Upon Completion and as at the date of this announcement, MEGA Construction is owned as to 92% by the Purchaser and 8% by the Company. Following Completion, MEGA Construction is no longer a subsidiary of the Company and its accounts are not consolidated into the consolidated financial statements of the Group.

INFORMATION ON THE VALUATION

The Consideration was primarily determined with reference to the Valuation Report. In order to comply with the requirements set out in the Stock Exchange's Guidance Materials for Listed Issuers (in particular Guidance Letter HKEX-GL116-23 on the disclosure of the basis of consideration and business valuations), the following information in relation to the Valuation is disclosed:

The Valuer, its qualification and independence

The Valuation was prepared by 上海辛湘土地房地產資產評估有限公司 (Shanghai Xinxiang Land and Real Estate Asset Valuation Co., Ltd.*) (the “**Valuer**”), an independent qualified valuer in the PRC, and is set out in its valuation report numbered Hu Xin Xiang Ping Bao Zi (2026) No. 039 (滬辛湘評報字(2026)第039號) dated 12 April 2026. The Valuer and its asset appraisers are members of the China Appraisal Society and hold the requisite qualifications to prepare the Valuation. As at the date of this announcement, the Valuer is a third party independent of the Company and its connected persons, and the Valuer has confirmed that it has no relationship with the Company, the Purchaser or their respective associates that could reasonably be regarded as affecting its independence.

Effective date of the Valuation and valuation base date

The date of the Valuation Report is 12 April 2026 and the valuation base date is 31 December 2025. The Valuation is stated to be valid for a period of one year, from 12 April 2026 to 11 April 2027.

Valuation approach and reasons for its selection

The Valuer adopted the asset-based approach in arriving at the appraised value of the entire equity interest of MEGA Construction. Having regard to the purpose of the Valuation (being an equity transfer), the Valuer selected the asset-based approach and adopted the value derived from the asset-based approach as the final appraised value.

Appraised value and reconciliation of book values and appraised values

Under the asset-based approach, the Valuer appraised each of the assets and liabilities of MEGA Construction as at the valuation base date of 31 December 2025 on a going concern basis. Based on the Valuation, the appraised value of the entire equity interest of MEGA Construction as at 31 December 2025 was approximately RMB78,741,694.49, representing an appreciation of approximately RMB41,261.19 over the audited net asset value of MEGA Construction of approximately RMB78,700,433.30 as at the same date. A summary of the appraised values, book values and the differences is set out below:

Item	Book value (RMB)	Appraised value (RMB)	Difference (RMB)
Total current assets	248,941,631.54	248,941,631.54	—
Fixed assets	457,312.81	498,574.00	41,261.19
Intangible assets (net)	153,461.38	153,461.38	—
Right-of-use assets	181,031.86	181,031.86	—
Total assets	249,733,437.59	249,774,698.78	41,261.19
Total liabilities	171,033,004.29	171,033,004.29	—
Net asset value (total equity)	78,700,433.30	78,741,694.49	41,261.19

Key inputs, assumptions and explanation of the differences

The Valuation was prepared on the bases and assumptions that, among others: (i) the transaction relating to the Valuation is conducted in an open market on the assumption of a fair transaction (that is, a transaction in which both parties act on an equal footing, each having adequate opportunity and time to access sufficient market information so as to make an informed and rational judgment as to the function, use and transaction price of the relevant assets); (ii) MEGA Construction continues as a going concern and its assets continue to be used for their existing purposes; (iii) the accounting policies adopted by MEGA Construction in the future are, in all material respects, consistent with those adopted as at the valuation base date; (iv) there is no material change in the relevant laws, regulations, tax and macroeconomic policies applicable to MEGA Construction after the valuation base date; and (v) the information provided by the Company and MEGA Construction is true, complete and reliable.

Under the asset-based approach, the current and monetary assets and liabilities were appraised principally by reference to their verified book values, while the fixed assets (comprising machinery and equipment, vehicles and electronic equipment) were appraised using the replacement cost method (appraised value = full replacement cost × residual value rate). The only difference between the aggregate book value and the aggregate appraised value arose from the revaluation of the fixed assets, which resulted in an appreciation of approximately RMB41,261.19 (representing an appreciation rate of approximately 9% over the book value of the fixed assets). Such difference is immaterial to the overall appraised value of the entire equity interest of MEGA Construction.

The Valuation does not constitute a profit forecast

As the appraised value of the entire equity interest of MEGA Construction was arrived at using the asset-based approach and was not based on any discounted cash flows or projections of profits, earnings or cash flows, the Valuation does not constitute a profit forecast under Rule 14.61 of the Listing Rules. Accordingly, the requirements under Rule 14.60A of the Listing Rules do not apply to the Valuation.

INFORMATION ON THE PARTIES

The Company and the Group

The Company is a joint stock company incorporated in the PRC with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2671). The Company is an integrated prefabricated steel structure building (“**PS building**”) subcontracting service provider in the industrial sector of PS building market. It offers integrated services for construction projects across industries, covering project design and optimisation, procurement, manufacturing and installation. The Company is primarily engaged in the construction of PS buildings in the PRC, and to a lesser extent, overseas. The Group’s business is organised into three business categories: (i) PS building subcontracting services, (ii) general contracting services, and (iii) industrial environmental equipment.

The Purchaser and Mr. Sun Yang

The Purchaser, Suzhou Xiangyang Technology Industrial Development Co., Ltd.* (蘇州翔陽科技產業發展有限公司), is a company established under the laws of the PRC and is owned as to 99.8% by Mr. Sun Yang. To the best knowledge of the Board based on the information available, the Purchaser is principally engaged in investment holding. Mr. Sun Yang is an investor in the general contracting business and a supervisor of MEGA Construction. Mr. Sun Yang and the Purchaser are substantial shareholders of MEGA Construction. Save for their respective interests in MEGA Construction as disclosed in this announcement, the Company confirms that, to the best of the Board’s knowledge, information and belief and having made all reasonable enquiries, each of the Purchaser and Mr. Sun Yang is independent of and not connected with the Company and its connected persons (other than by reason of the matters described in this announcement).

INFORMATION ON MEGA CONSTRUCTION

MEGA Construction (Jiangsu) Co., Ltd.* (美構建設(江蘇)有限公司) is a limited liability company established under the laws of the PRC on 5 June 2018, with a registered capital of RMB100,800,000. As at the date of the Equity Transfer Agreement and immediately prior to Completion, MEGA Construction was a non-wholly owned subsidiary of the Company held as to 51% by the Company and 49% by the Purchaser, and is principally engaged in the provision of general contracting services.

Set out below is a summary of certain audited financial information of MEGA Construction for the two financial years ended 31 December 2024 and 2025, prepared in accordance with the accounting standards applicable to it in the PRC:

	Year ended 31 December 2025 (RMB)	Year ended 31 December 2024 (RMB)
Net profit/(loss) before taxation	3,665,182.63	(9,989,531.56)
Net profit/(loss) after taxation	3,665,182.63	(9,989,531.56)

As at 31 December 2025, the audited net asset value of MEGA Construction was approximately RMB78,700,433.30.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Directors have been continuously reviewing the performance and prospects of the Group's various business segments with a view to optimising its business portfolio and allocating its resources to businesses which are aligned with the Group's long-term development strategy.

MEGA Construction is principally engaged in the provision of general contracting services. In recent years, the general construction contracting market has faced increasing competitive pressure and relatively low profit margins. Having considered the prevailing market conditions, the historical performance of MEGA Construction and its business prospects, the Board considers that the Disposal represents an appropriate opportunity for the Group to streamline its business portfolio and further focus its resources and management attention on its core business segments with stronger growth potential and more sustainable returns.

Upon Completion, MEGA Construction has ceased to be a subsidiary of the Company and its financial results, assets and liabilities will no longer be consolidated into the consolidated financial statements of the Group. The Board considers that the Disposal will reduce the Group's exposure to a relatively low-margin and highly competitive business segment and allow the Group to deploy its financial and management resources more efficiently towards its core businesses and other business opportunities that are consistent with the Group's long-term development strategy.

Following the Disposal, the Group will retain an 8% equity interest in MEGA Construction. The Board considers that retaining such minority interest will enable the Group to maintain an appropriate commercial relationship with MEGA Construction and preserve the flexibility for the parties to explore potential cooperation in suitable projects or business areas in the future, where commercially appropriate and in the interests of the Group.

The proceeds from the Disposal will provide the Group with additional financial flexibility. The Group currently intends to apply the proceeds towards general working capital, repayment of indebtedness and/or investment in business opportunities which are consistent with the Group's development strategy, depending on the Group's actual business needs and market conditions at the relevant time.

The Directors (including the independent non-executive Directors) are of the view that the Equity Transfer Agreement and the transactions contemplated thereunder, although not conducted in the ordinary and usual course of business of the Group, are on normal commercial terms, are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

The Group is expected to record a gain of approximately RMB17,742.31 from the Disposal, being the difference between the Consideration and the carrying amount of the Sale Equity, net of related expenses. The actual gain or loss to be recorded by the Group as a result of the Disposal is subject to review and final audit.

LISTING RULES IMPLICATIONS

Discloseable transaction

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal is more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements thereunder.

Connected transaction

Mr. Sun Yang is a supervisor of MEGA Construction, a subsidiary of the Company, and is therefore a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. The Purchaser is owned as to 99.8% by Mr. Sun Yang and is accordingly an associate of Mr. Sun Yang and a connected person of the Company. Mr. Sun Yang and the Purchaser are also substantial shareholders of MEGA Construction. Accordingly, the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As Mr. Sun Yang and the Purchaser were connected persons of the Company only by virtue of their connection with MEGA Construction (being a subsidiary of the Company at the time the Equity Transfer Agreement was entered into), and the Board (including the independent non-executive Directors) has approved the Equity Transfer Agreement and the transactions contemplated thereunder, and the independent non-executive Directors have confirmed that the terms of the Equity Transfer Agreement are fair and reasonable, that the Disposal is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Disposal is, pursuant to Rule 14A.101 of the Listing Rules, subject to the reporting, announcement and annual review requirements but is exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

No Director had a material interest in the Equity Transfer Agreement or the transactions contemplated thereunder and, accordingly, no Director was required to abstain from voting on the relevant board resolutions.

NON-COMPLIANCE WITH THE LISTING RULES AND REMEDIAL MEASURES

The Equity Transfer Agreement was entered into on 26 May 2026. Under Rules 14.34 and 14A.35 of the Listing Rules, the Company was required to publish an announcement in respect of the Disposal as soon as reasonably practicable after the terms of the Disposal had been agreed. However, the announcement was not published within the time required under the Listing Rules. The publication of this announcement therefore constitutes a rectification of such non-compliance.

The Board deeply regrets the delay in publishing this announcement and the non-compliance with the relevant requirements under Chapter 14 and Chapter 14A of the Listing Rules, and would like to stress that such non-compliance was inadvertent and unintentional. The Company has adopted the following remedial measures to strengthen its internal control procedures with a view to ensuring timely compliance with the Listing Rules and to prevent recurrence of similar incidents:

- the Company has circulated additional internal guidelines to, and arranged additional training for, the responsible staff, senior management and the Directors to enhance their understanding of, and ability to identify, the circumstances which are expected to trigger the notification, announcement and other reporting requirements in respect of notifiable transactions under Chapter 14 and connected transactions under Chapter 14A of the Listing Rules;
- the Company will, on an ongoing basis, consult and work more closely with its external professional advisers (including its legal and financial advisers) before entering into any potential notifiable or connected transactions and, where necessary, consult the Stock Exchange on the proper treatment of any proposed transaction; and

- the Company will enhance its internal monitoring and reporting mechanism to ensure that transactions which may constitute notifiable and/or connected transactions are identified and reported to the Board and the Company’s advisers on a timely basis.

Going forward, the Company will continue to comply with the requirements under the Listing Rules by performing corporate governance procedures and making appropriate disclosures in a timely manner to ensure compliance with the Listing Rules.

GENERAL

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“associate(s)”, “connected person(s)”, “connected transaction”, “subsidiary”, “substantial shareholder”, and “supervisor”	have the meanings ascribed to them under the Listing Rules
“Board”	the board of Directors
“Company”	USAS Building System (Shanghai) Co., Ltd.* (美聯鋼結構建築系統(上海)股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2671)
“Completion”	completion of the Disposal in accordance with the terms of the Equity Transfer Agreement
“Consideration”	RMB33,858,900, being the consideration for the Sale Equity payable by the Purchaser to the Company under the Equity Transfer Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Disposal”	the disposal of the Sale Equity by the Company to the Purchaser pursuant to the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 26 May 2026 entered into between the Company and the Purchaser in respect of the Disposal
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MEGA Construction”	MEGA Construction (Jiangsu) Co., Ltd.* (美構建設(江蘇)有限公司), a limited liability company established under the laws of the PRC on 5 June 2018 and, as at the date of this announcement, a non-wholly owned subsidiary of the Company
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan)
“Purchaser”	Suzhou Xiangyang Technology Industrial Development Co., Ltd.* (蘇州翔陽科技產業發展有限公司), a company established under the laws of the PRC which is owned as to 99.8% by Mr. Sun Yang
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	43% of the equity interest in MEGA Construction, being the subject of the Disposal
“Share(s)”	the H Share(s), being the overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)

“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited
“ Valuation ”/“ Valuation Report ”	the valuation of the entire equity interest of MEGA Construction as at 31 December 2025 prepared by the Valuer, as set out in its valuation report numbered 滙辛湘評報字(2026)第039號 dated 12 April 2026
“ Valuer ”	上海辛湘土地房地產資產評估有限公司 (Shanghai Xinxiang Land and Real Estate Asset Valuation Co., Ltd.*), an independent qualified valuer in the PRC
“ % ”	per cent.

* For identification purposes only

By order of the Board
USAS Building System (Shanghai) Co., Ltd.
Mr. Brian B. Y. Chen
Chairman and Executive Director

Shanghai, the PRC, 7 September 2026

As at the date of this announcement, the executive Directors are Mr. Brian B. Y. Chen and Ms. Angela Chen Mah; the non-executive Directors are Mr. Charles Chiang Mah and Mr. Wajdi Maalouf; and the independent non-executive Directors are Mr. He Zhicong, Mr. Liu Xuming and Mr. Chong Hon Wang.