C&D INTERNATIONAL INVESTMENT GROUP LIMITED
建 發 國 際 投 資 集 團 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1908)

C&D Property Management Group Co., Ltd
建 發 物 業 管 理 集 團 有 限 公 司
(Incorporated in the British Virgin Islands with limited liability)
(Stock Code: 2156)

(1) CONNECTED TRANSACTION ACQUISITION OF 100% EQUITY INTERESTS IN LIANFA PROPERTY

(1) DISCLOSEABLE AND CONNECTED TRANSACTION ACQUISITION OF 100% EQUITY INTERESTS IN LIANFA PROPERTY

(2) CONTINUING CONNECTED TRANSACTION ENTRUSTED MANAGEMENT AGREEMENT

(3) INSIDE INFORMATION TERMINATION OF MEMORANDUM OF UNDERSTANDING REGARDING THE ACQUISITION OF C&D CITY SERVICE

Reference is made to the joint announcement of C&D International and C&D Property dated 10 April 2026.

ACQUISITION OF 100% EQUITY INTERESTS IN LIANFA PROPERTY

On 11 September 2026 (after trading hours), Xiamen Lianfa, a subsidiary of C&D Inc., entered into the Equity Transfer Agreement with Xiamen Lirong, a wholly-owned subsidiary of C&D Property, pursuant to which Xiamen Lianfa agreed to sell, and Xiamen Lirong agreed to acquire, 100% equity interests in Lianfa Property. The aggregate cash consideration under the Equity Transfer Agreement shall be RMB304.41 million, which was determined with reference to the Valuation Report.

Upon completion of the transaction contemplated under the Equity Transfer Agreement, Xiamen Lirong will hold 100% equity interests in Lianfa Property. As such, Lianfa Property will become an indirect subsidiary of C&D Property and C&D International and its financial results will be consolidated into the financial statements of C&D Property and C&D International.

ENTRUSTED MANAGEMENT AGREEMENT

On 11 September 2026 (after trading hours), C&D Property Service, a wholly-owned subsidiary of C&D Property, entered into the Entrusted Management Agreement with Xiamen C&D, Xiamen Huayi (a subsidiary of Xiamen C&D) and C&D City Service for a term commencing on 11 September 2026 and ending on 31 December 2028. Pursuant to the Entrusted Management Agreement, Xiamen C&D and Xiamen Huayi agreed to exclusively entrust C&D Property Service to provide management services to C&D City Service.

LISTING RULES IMPLICATIONS

C&D Inc. is a controlling shareholder of C&D International and C&D Property, and Xiamen Lianfa is a subsidiary of C&D Inc.. Xiamen Lianfa is therefore an associate of C&D Inc. and a connected person of C&D International and C&D Property. Accordingly, the Lianfa Property Acquisition constitutes a connected transaction of each of C&D International and C&D Property under Chapter 14A of the Listing Rules.

C&D City Service is an indirectly wholly-owned subsidiary of Xiamen C&D, and Xiamen C&D is a controlling shareholder of C&D International and C&D Property, therefore C&D City Service is an associate of Xiamen C&D, and a connected person of each of C&D International and C&D Property. Accordingly, the transactions contemplated under the Entrusted Management Agreement constitute continuing connected transactions of each of C&D International and C&D Property under Chapter 14A of the Listing Rules.

C&D International

Given the highest applicable percentage ratios in respect of the Lianfa Property Acquisition is more than 0.1% but less than 5%, the Lianfa Property Acquisition is subject to the reporting and announcement requirements but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As all applicable percentage ratios in respect of the annual cap for the transactions contemplated under the Entrusted Management Agreement is less than 0.1%, the transactions contemplated under the Entrusted Management Agreement will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

C&D Property

As one or more of the applicable percentage ratios in respect of the Lianfa Property Acquisition is more than 5% but less than 25%, the Lianfa Property Acquisition constitutes a discloseable and connected transaction of C&D Property and are subject to the reporting, announcement and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the annual caps for the transactions contemplated under the Entrusted Management Agreement exceed 0.1% but are less than 5%, the transactions contemplated under the Entrusted Management Agreement will be subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

TERMINATION OF MEMORANDUM OF UNDERSTANDING REGARDING THE ACQUISITION OF C&D CITY SERVICE

The C&D City Service Acquisition will not proceed as the parties were unable to agree on the terms of the C&D City Service Acquisition and enter into a definitive agreement.

Reference is made to the joint announcement of C&D International and C&D Property dated 10 April 2026.

1. ACQUISITION OF 100% EQUITY INTERESTS IN LIANFA PROPERTY

On 11 September 2026 (after trading hours), Xiamen Lianfa, a subsidiary of C&D Inc., entered into the Equity Transfer Agreement with Xiamen Lirong, a wholly-owned subsidiary of C&D Property, pursuant to which Xiamen Lianfa agreed to sell, and Xiamen Lirong agreed to acquire, 100% equity interests in Lianfa Property. The aggregate cash consideration under the Equity Transfer Agreement shall be RMB304.41 million, which was determined with reference to the Valuation Report.

EQUITY TRANSFER AGREEMENT

Date

11 September 2026 (after trading hours)

Parties

(a) Xiamen Lianfa, as vendor; and

(b) Xiamen Lirong, as purchaser.

Subject matter

Pursuant to the Equity Transfer Agreement, Xiamen Lianfa agreed to sell, and Xiamen Lirong agreed to acquire, 100% equity interests in Lianfa Property in cash. Upon completion of the Equity Transfer Agreement, Lianfa Property will become a wholly-owned subsidiary of Xiamen Lirong.

Consideration

The consideration for the Lianfa Property Acquisition shall be RMB304.41 million (tax inclusive), which was determined based on arm's length negotiation among Xiamen Lianfa and Xiamen Lirong with reference to the appraised value of Lianfa Property based on the Valuation Report.

Within ten business days from the date on which the conditions precedent are satisfied or waived and the completion of the transfer of the equity interests of Lianfa Property, Xiamen Lirong shall pay the first instalment of the consideration of RMB254.41 million to Xiamen Lianfa.

Subject to the completion of the transfer of the equity interests of Lianfa Property, Xiamen Lirong shall pay the second instalment of the consideration of RMB50 million to Xiamen Lianfa within ten business days from 30 June 2027.

Conditions precedent

Completion of the Lianfa Property Acquisition is conditional upon the fulfilment or waiver of the following conditions:

(a) all necessary internal approvals, authorisations and corporate procedures required to be obtained by Xiamen Lianfa and Xiamen Lirong in connection with the Equity Transfer Agreement and the transactions contemplated thereunder having been duly obtained and completed;

(b) no law, regulation, rule or governmental order having been enacted, promulgated, implemented or adopted by any competent authority which prohibits, restricts or otherwise renders unlawful the consummation of the transactions contemplated under the Equity Transfer Agreement;

(c) the representations and warranties made by Xiamen Lianfa under the Equity Transfer Agreement remaining true, accurate and complete in all material respects as at the completion date;

(d) prior to completion, claims or indebtedness between Lianfa Property and Xiamen Lianfa and its associates shall be settled, recovered or repaid; and Lianfa Property shall enter into corresponding framework agreements with relevant connected persons which shall set out the principal terms of the continuing connected transactions according to the requirements of the Listing Rules; and

(e) there having been no material adverse change in respect of Lianfa Property during the period from the Benchmark Date to the completion date.

Xiamen Lirong may, at its sole discretion, waive in writing any of the above conditions precedent (other than those which are incapable of waiver under applicable laws).

Completion

Completion shall take place upon Xiamen Lirong being registered as the sole shareholder of the equity interests in Lianfa Property and upon completion of the relevant equity transfer procedures.

Upon completion, Lianfa Property will become a wholly-owned subsidiary of Xiamen Lirong and an indirect wholly-owned subsidiary of C&D Property, and its financial results will be consolidated into the financial statements of C&D Property.

Other Matters

Xiamen Lirong is entitled to or liable for all profits and losses of Lianfa Property during the period from the Benchmark Date to the completion date.

During the period from the date of the Equity Transfer Agreement to 30 June 2027, if Xiamen Lirong is liable for any liabilities, losses and responsibilities as a result of Lianfa Property's violation of laws, regulations, breach of contract or infringement in respect of taxation, labour and personnel, social insurance, housing provident fund, project subcontracting, work safety, environmental protection, or accrued liabilities, contingent liabilities or undisclosed liabilities of Lianfa Property (other than those reflected in the financial statements) existing prior to the completion date, Xiamen Lirong is entitled to deduct the amount thereof from the second installment of the consideration.

VALUATION

The Valuation Report was issued by the Valuer on 5 July 2026 using the market approach as the basis for the final valuation. According to the Valuation Report, the appraised value of the entire shareholders' equity of Lianfa Property as at the Benchmark Date was RMB304.41 million.

Further details of the Valuation Report containing, among other things, the principal assumptions,valuation model and inputs used in the preparation of the Valuation, are set out in the Appendix to this announcement.

Valuer's background and independence

The Valuer is a professional and qualified valuer in PRC. Taking into consideration the Valuer independence from C&D International, C&D Property and their respective connected persons, and the qualification and experience of the Valuer in business valuations, the C&D International Board and C&D Property Board are satisfied with the Valuer's independence and are of the view that the Valuer is competent to conduct the Valuation.

Opinions from the C&D International Board and C&D Property Board

The C&D International Board and C&D Property Board had discussed with the Valuer and reviewed the Valuation Report, and has fully considered the appropriateness of the valuation method adopted by the Valuer as well as the selection criteria of the comparable companies and the valuation assumptions. The C&D International Board and C&D Property Board were of the opinion that the valuation results are fair and reasonable.

INFORMATION OF LIANFA PROPERTY

As at the date of this announcement, the registered capital of Lianfa Property subscribed and paid-in by Xiamen Lianfa was RMB50 million; and Xiamen Lianfa holds Lianfa Property's entire equity interests.

Lianfa Property is principally engaged in property management business in the PRC, and mainly provides residential and commercial property management services to properties developed by Xiamen Lianfa and its related parties.

Set out below is certain financial information from the consolidated statements of Lianfa Property:

Unit: RMB

	For the year ended 31 December 2024 (audited)	**For the year ended 31 December 2025 (audited)**
Profit before taxation	46,160,876.55	57,896,428.34
Profit after taxation	39,204,324.62	48,038,756.10

The total assets and net assets from the audited consolidated statements of Lianfa Property as at 31 March 2026 (i.e., the Benchmark Date) were RMB909,558,432.94 and RMB62,533,269.38, respectively.

INFORMATION ABOUT THE PARTIES TO THE EQUITY TRANSFER AGREEMENT

Xiamen Lirong is a company established with limited liability in the PRC, a wholly-owned subsidiary of C&D Property and is principally engaged in investment and asset management.

Xiamen Lianfa is a company established with limited liability in the PRC, a subsidiary of C&D Inc. and is principally engaged in the development and sales of properties in the PRC. C&D Inc. is principally engaged in supply chain operation, real estate development and industrial investment, etc..

REASONS FOR AND BENEFITS OF THE LIANFA PROPERTY ACQUISITION

C&D Property and its subsidiaries are principally engaged in property management services, community value-added and synergy services, value-added services to non-property owners and commercial property operation management services in the PRC.

C&D International is principally engaged in the businesses of real estate development and real estate industry chain investment services in the PRC. C&D Property is a subsidiary of C&D International.

C&D International and C&D Property are of the view that (1) through the acquisition of Lianfa Property, C&D Property will expand the gross floor area under management of its property management business, enhance its management concentration in core cities, and increase economies of scale, which will help boost the revenue and profit scale of its property management business; (2) the Lianfa Property Acquisition aims to further strengthen C&D Property's competitive advantages and sustainable development capabilities, accelerate the construction of a comprehensive property service system, and deliver more stable and sustained value returns to all shareholders.

Each of the C&D International Directors and C&D Property Directors (excluding the independent non-executive Directors of C&D Property, who will express their views after considering the advice from the independent financial adviser) considers that the terms of the Equity Transfer Agreement are fair and reasonable and that the Lianfa Property Acquisition is in the interest of C&D International and C&D Property and their respective shareholders as a whole.

APPROVAL BY THE BOARD

C&D International

To the best of the knowledge, information and belief of the C&D International Directors having made all reasonable enquiries, and in view of the fact that Mr. Lin Weiguo, Mr. Xu Xiaoxi, Mr. Cheng Dongfang and Ms. Ye Yanliu, being directors of C&D International, also serve as directors of Lianfa Group, they may have or may be perceived to have conflicts of interest in the transactions contemplated under the Equity Transfer Agreement. On a prudent basis, they have abstained from voting on the relevant resolutions approving the transactions contemplated under the Equity Transfer Agreement. Save as aforesaid, none of directors of C&D International was required to abstain from voting on the C&D International Board resolution for considering and approving the transactions contemplated under the Equity Transfer Agreement.

C&D Property

To the best of the knowledge, information and belief of the C&D Property Directors having made all reasonable enquiries, and in view of the fact that Mr. Lin Weiguo, being a director of C&D Property, also serves as a director of Lianfa Group, he may have or may be perceived to have conflicts of interest in the transactions contemplated under the Equity Transfer Agreement. On a prudent basis, he has abstained from voting on the relevant resolutions approving the transactions contemplated under the Equity Transfer Agreement. Save as aforesaid, none of directors of C&D Property was required to abstain from voting on the C&D Property Board resolution for considering and approving the transactions contemplated under the Equity Transfer Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, C&D Real Estate held 16,773,000 issued shares in C&D International, representing approximately 0.73% of the issued share capital of C&D International, and Well Land International Limited held 1,321,328,302 issued shares in C&D International, representing approximately 57.05% of the issued share capital of C&D International, and is wholly-owned by C&D Real Estate. Accordingly, C&D Real Estate held an aggregate of 1,338,101,302 issued shares in C&D International, representing approximately 57.78% of the issued share capital of C&D International. C&D Real Estate was owned as to 64.654% and 35.346% by C&D Inc. and Xiamen C&D, respectively.

As at the date of this announcement, C&D International (which held 565,032,364 C&D Property Shares and controlled the voting rights of 219,945,505 C&D Property Shares, representing an aggregate of approximately 55.74% of the C&D Property Shares) and Well Land International Limited (which held 85,633,525 C&D Property Shares (excluding 219,945,505 C&D Property Shares, the voting rights of which has been entrusted to C&D International), representing approximately 6.08% of the C&D Property Shares) are C&D Property's controlling shareholders.

C&D Inc. is a controlling shareholder of C&D International and C&D Property, and Xiamen Lianfa is a subsidiary of C&D Inc.. Xiamen Lianfa is therefore an associate of C&D Inc. and a connected person of C&D International and C&D Property. Accordingly, the Lianfa Property Acquisition constitutes a connected transaction of each of C&D International and C&D Property under Chapter 14A of the Listing Rules.

C&D International

Given the highest applicable percentage ratios in respect of the Lianfa Property Acquisition is more than 0.1% but less than 5%, the Lianfa Property Acquisition is subject to the reporting and announcement requirements but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

C&D Property

As one or more of the applicable percentage ratios in respect of the Lianfa Property Acquisition is more than 5% but less than 25%, the Lianfa Property Acquisition constitutes a discloseable and connected transaction of C&D Property and are subject to the reporting, announcement and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

GENERAL

The C&D Property IBC will be established to consider and advise the C&D Property Independent Shareholders on the transactions contemplated under the Equity Transfer Agreement. An independent financial adviser will be appointed by C&D Property to advise the C&D Property IBC and C&D Property Independent Shareholders as to whether the terms of the Equity Transfer Agreement are fair and reasonable, and the transactions contemplated under the Equity Transfer Agreement are entered into on normal commercial terms or better in the ordinary and usual course of business of C&D Property, and in the interests of C&D Property and the C&D Property Shareholders as a whole.

C&D Property will despatch a circular to the C&D Property Shareholders on or before 9 October 2026, which is more than 15 business days after publication of this announcement, as more time is required to prepare the information to be included in the circular.

2. ENTRUSTED MANAGEMENT AGREEMENT

On 11 September 2026 (after trading hours), C&D Property Service, a wholly-owned subsidiary of C&D Property, entered into the Entrusted Management Agreement with Xiamen C&D, Xiamen Huayi (a subsidiary of Xiamen C&D) and C&D City Service for a term commencing on 11 September 2026 and ending on 31 December 2028. Pursuant to the Entrusted Management Agreement, Xiamen C&D and Xiamen Huayi agreed to exclusively entrust C&D Property Service to provide management services to C&D City Service subject to the terms and conditions therein. The principal terms of the Entrusted Management Agreement are as follows:

Date

11 September 2026 (after trading hours)

Parties

(1) Xiamen C&D

(2) Xiamen Huayi

(3) C&D Property Service

(4) C&D City Service

Term

11 September 2026 to 31 December 2028

Subject Matter

C&D Property Service is entrusted with the overall and effective management of the business operations of C&D City Service. During the term of the Entrusted Management Agreement, C&D Property Service shall be fully responsible for the comprehensive management of C&D City Service and its subsidiaries, including daily operation management, business management, personnel management, financial management, fund management and all other operational activities.

For the avoidance of doubt, the Entrusted Management Agreement does not involve any transfer of the equity interests or ownership of assets of C&D City Service, and C&D Property Service only provides management services and receives service fees thereunder. During the term of the Entrusted Management Agreement, C&D Property Service and C&D City Service shall each bear their own costs and expenses.

Save for the following shareholder rights, Xiamen C&D and Xiamen Huayi delegated the corresponding shareholder rights of equity interest they held in C&D City Service to C&D Property Service for exercise on their behalf:

(1) to elect and change directors;

(2) to consider and approve the reports of the board of directors of C&D City Service;

(3) to consider and approve the profit distribution and loss recovery plans of C&D City Service;

(4) to resolve on changes to the registered capital of C&D City Service;

(5) to resolve on the issuance of bonds by C&D City Service;

(6) to resolve on the merger, division, dissolution, liquidation or change of corporate form of C&D City Service;

(7) to amend the articles of association of C&D City Service.

Service Fees and Pricing basis

The entrusted management service fee comprises a base management fee and a performance incentive fee.

(1) Base management fee: 1% of the "annual operating income" of C&D City Service; and

(2) Performance incentive fee: 10% of the surplus (if any), between C&D City Service's "annual net profit attributable to owners of the parent company" less "10% of the annual average net assets attributable to owners of the parent company". If C&D City Service's "annual net profit attributable to owners of the parent company" is less than "10% of the average net assets attributable to owners of the parent company", no performance incentive fee is payable for such year or period.

"Operating income", "net profit attributable to owners of the parent company" and "net assets attributable to owners of the parent company" refer to the results as shown in the consolidated financial statements of C&D City Service audited by an independent third-party accountant. "Annual average net assets attributable to owners of the parent company" means the arithmetic average of the opening and closing balances of net assets attributable to owners of the parent company for the corresponding accounting year.

For the purpose of calculating the service fees, (i) government subsidies, tax penalties and non-recurring impairment losses (ii) incidental, one-off or non-recurring income, expenditure or losses; and (iii) losses or increased costs arising from non-market conduct shall be excluded.

If the management period is less than a full financial year, the management fee for the relevant period shall be calculated by multiplying the full-year base management fee and performance incentive fee, as determined in accordance with the formula set out above, by the proportion of the number of days which C&D Property Service provided management service during that year to the total number of days in that year.

Within three months after the end of each financial year, the parties shall confirm the service fees for the year, and such service fees shall be paid by C&D City Service within five months after the end of the corresponding financial year.

The management fees are determined after arm's length negotiation with reference to the fee arrangements for entrusted management services adopted by certain Chinese state-controlled listed companies, and taking into account the estimated costs of C&D Property Service (namely, the actual costs and expenses incurred by C&D Property Service in the course of its provision of the management services under the Entrusted Management Agreement), in order to achieve an income for C&D Property.

Annual caps

For each of the three years ending 31 December 2028, the aggregate amount receivable by C&D Property Service for transactions contemplated under the Entrusted Management Agreement shall be no more than RMB25 million.

In determining the annual caps under the Entrusted Management Agreement, the following factors have been taken into consideration:

(i) the fee arrangement under the Entrusted Management Agreement;

(ii) potential business turnover and historical financial performance of C&D City Service and its subsidiaries taking into account the anticipated impact of C&D Property Group's management services on C&D City Service's operations.

Historical transaction amounts

There are no historical transaction amounts between C&D Property Group and Xiamen C&D and Xiamen Huayi regarding the management of C&D City Service.

INFORMATION ABOUT THE PARTIES

C&D Property Service is principally engaged in property management services in the PRC.

Xiamen C&D is a company established with limited liability in the PRC and is wholly owned by Xiamen State-owned Assets Supervision and Administration Commission (廈門市人民政府國有資產監督管理委員會). It is principally engaged in the operation and management of state-owned capital within the scope of authorization granted by the state-owned asset supervision and administration authorities and its businesses encompass supply chain operation, urban construction and operation, cultural tourism and exhibition, healthcare, and emerging industries.

Xiamen Huayi is a company established with limited liability in the PRC, a wholly-owned subsidiary of Xiamen C&D and is principally engaged in investment holding.

C&D City Service is a limited liability company established in the PRC and an indirectly wholly-owned subsidiary of Xiamen C&D, and is principally engaged in urban public services and urban space management.

APPROVAL BY THE BOARD

C&D International

To the best of the knowledge, information and belief of the C&D International Directors having made all reasonable enquiries, and in view of the fact that Mr. Xu Xiaoxi, Mr. Cheng Dongfang and Ms. Ye Yanliu, directors of C&D International, are also directors and/or management of Xiamen C&D, they may have or may be perceived to have conflicts of interest or potential conflicts of interest in the transactions contemplated under the Equity Transfer Agreement. On a prudent basis, they have abstained from voting on the relevant resolutions approving the transactions contemplated under the Entrusted Management Agreement. Except as aforesaid, none of the C&D International Directors required to abstain from voting on the C&D International Board resolution for considering and approving the transactions contemplated under the Entrusted Management Agreement.

C&D Property

To the best of the knowledge, information and belief of the C&D Property Directors having made all reasonable enquiries, none of the C&D Property Directors had material interest in the transactions contemplated under the Entrusted Management Agreement, and accordingly none of them was required to abstain from voting on the C&D Property Board resolution for considering and approving the transactions contemplated under the Entrusted Management Agreement.

REASONS FOR AND BENEFIT OF THE ENTERING INTO OF THE ENTRUSTED MANAGEMENT AGREEMENT

C&D Property Group is principally engaged in property management services, community value-added and synergy services, value-added services to non-property owners and commercial property operation management services in the PRC.

The entrusted management arrangement enables C&D Property Group to deploy its established property and community services management capabilities, operational know-how and personnel resources to support the day-to-day operation and management of C&D City Service, without C&D Property Group being required to acquire or consolidate the underlying equity interest in C&D City Service or assume the risks attendant on ownership of its underlying business and assets. By assuming responsibility for the operational management of C&D City Service, C&D Property Group is able to extend the reach of its management expertise into the urban services sector in a capital-efficient manner, thereby generating an additional and relatively stable income stream for C&D Property Group through the management fees receivable.

Transactions contemplated under the Entrusted Management Agreement also facilitates meaningful synergies between C&D Property Group's property management operations and the urban public services and urban space management functions carried out by C&D City Service. C&D Property Group also expects that its participation in the management of C&D City Service will deepen its understanding of, and operational presence in, the urban services sector, which is regarded as a natural extension of, and complementary to, C&D Property Group's core community and property management business, and which is expected to strengthen C&D Property Group's overall competitiveness and support its long-term, diversified and sustainable development.

Based on the above, the C&D Property Directors (including C&D Property's independent non-executive directors) consider that the terms of the Entrusted Management Agreement are on normal commercial terms, fair and reasonable, in the ordinary and usual course of business of C&D Property Group and in the interests of C&D Property and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

C&D City Service is an indirectly wholly-owned subsidiary of Xiamen C&D, and Xiamen C&D is a controlling shareholder of C&D International and C&D Property, therefore C&D City Service is an associate of Xiamen C&D, and a connected person of each of C&D International and C&D Property. Accordingly, the transactions contemplated under the Entrusted Management Agreement constitute continuing connected transactions of each of C&D International and C&D Property under Chapter 14A of the Listing Rules.

C&D International

As all applicable percentage ratios in respect of the annual cap for the transactions contemplated under the Entrusted Management Agreement is less than 0.1%, the transactions contemplated under the Entrusted Management Agreement will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

C&D Property

As one or more of the applicable percentage ratios in respect of the annual caps for the transactions contemplated under the Entrusted Management Agreement exceed 0.1% but are less than 5%, the transactions contemplated under the Entrusted Management Agreement will be subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

3. TERMINATION OF MEMORANDUM OF UNDERSTANDING REGARDING THE ACQUISITION OF C&D CITY SERVICE

C&D International and C&D Property would like to update potential investors and the shareholders of C&D International and C&D Property that the C&D City Service Acquisition will not proceed after friendly negotiations and with the unanimous consent of all parties as the parties were unable to agree on the terms of the Acquisition and enter into a definitive agreement. There will be no adverse material impact on the financial position and operation of each of C&D International and C&D Property as a result of the termination of the C&D City Service Acquisition.

Shareholders and potential investors of C&D International and C&D Property are advised to exercise caution when dealing in the securities of C&D International and C&D Property.

DEFINITIONS

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

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Benchmark Date"	31 March 2026
"C&D City Service"	Xiamen C&D City Service Development Co., Ltd. (廈門建發城服發展股份有限公司)*, a company held by Xiamen C&D and Xiamen Huayi as to 95% and 5% respectively as of the date of this announcement and a connected person of C&D International and C&D Property
"C&D City Service Acquisition"	Xiamen Yirui's potential acquisition of C&D City Service's entire equity interest from Xiamen C&D and Xiamen Huayi
"C&D International Board"	the board of directors of C&D International
"C&D International Group"	C&D International and its subsidiaries
"C&D International Shareholders"	the shareholder(s) of C&D International
"C&D Property Board"	the board of directors of C&D Property
"C&D Property Group"	C&D Property and its subsidiaries
"C&D Property IBC"	an independent board committee of C&D Property and comprising all the independent non-executive directors of C&D Property, which will be formed to advise the C&D Property Independent Shareholders on the transactions contemplated under the Equity Transfer Agreement
"C&D Property Independent Shareholders"	C&D Property Shareholders who, under the Listing Rules, are not required to abstain from voting for the resolution approving the transactions contemplated under the Equity Transfer Agreement
"C&D Property Service"	C&D Property Service Group Limited* (建發物業服務集團有限公司), an indirect wholly-owned subsidiary of C&D Property
"C&D Property Shareholders"	the shareholder(s) of C&D Property

"C&D Inc."	Xiamen C&D Inc. (廈門建發股份有限公司), a joint stock company established in the PRC with limited liability on 10 June 1998, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600153), held by Xiamen C&D as to 46.79% and a controlling shareholder of C&D International and C&D Property
"C&D International"	C&D International Investment Group Limited (建發國際投資集團有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
"C&D Property"	C&D Property Management Group Co., Ltd (建發物業管理集團有限公司), a BVI business company incorporated in the BVI with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
"C&D Real Estate"	C&D Real Estate Corporation Limited (建發房地產集團有限公司), a controlling shareholder of C&D International and C&D Property
"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
"Entrusted Management Agreement"	the entrusted management agreement dated 11 September 2026 entered into between Xiamen C&D, Xiamen Huayi and C&D Property Service, pursuant to which C&D Property Service shall provide management services to C&D City Service
"Equity Transfer Agreement"	the equity transfer agreement dated 11 September 2026 between Xiamen Lirong and Xiamen Lianfa, pursuant to which, Xiamen Lianfa agreed to sell, and Xiamen Lirong agreed to acquire 100% equity interests in Lianfa Property
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Lianfa Group"	Lianfa Group Co., Ltd.* (聯發集團有限公司), the direct holding company of Xiamen Lianfa and a subsidiary of C&D Inc.

"Lianfa Property"	Lianfa (Group) Property Services Company Limited* (廈門聯發(集團)物業服務有限公司), a wholly-owned subsidiary of Xiamen Lianfa
"Lianfa Property Acquisition"	the acquisition of 100% equity interests in Lianfa Property by Xiamen Lirong subject to and upon the terms and conditions of the Equity Transfer Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Valuation Report"	the valuation report in respect of 100% of the equity interest in Lianfa Property issued by the Valuer on 5 July 2026
"Valuer"	United Zhonghe Land and Real Estate Asset Appraisal Co., Ltd.* (聯合中和土地房地產資產評估有限公司), an independent valuer appointed to assess the fair value of Lianfa Property, being a third party independent of C&D International, C&D Property and their respective connected persons
"Xiamen C&D"	Xiamen C&D Group Co., Ltd. (廈門建發集團有限公司), a controlling shareholder of C&D International and C&D Property
"Xiamen Huayi"	Xiamen Huayi Industry & Trade Co., Ltd.* (廈門華益工貿有限公司), a wholly-owned subsidiary of Xiamen C&D
"Xiamen Lianfa"	Xiamen Lianfa (Group) Real Estate Co., Limited* (廈門聯發(集團)房地產有限公司), a subsidiary of C&D Inc.
"Xiamen Lirong"	Xiamen Lirong Investment Management Co., Ltd.* (廈門利融投資管理有限公司), a wholly-owned subsidiary of C&D Property

"Xiamen Yirui"	Xiamen Yirui Investment Management Co., Ltd.* (廈門益睿投資管理有限公司), a wholly-owned subsidiary of C&D Property
"%"	per cent.

By Order of the C&D International Board
C&D International Investment Group Limited
Lin Weiguo
Chairman and Executive Director

By Order of the C&D Property Board
C&D Property Management Group Co., Ltd
Qiao Haixia
Chairperson and Executive Director

Hong Kong, 11 September 2026

As at the date of this announcement, the executive directors of C&D International are Mr. Lin Weiguo (Chairman), Mr. Tian Meitan (Chief Executive Officer) and Mr. Xu Yixuan; the non-executive directors of C&D International are Mr. Xu Xiaoxi, Mr. Cheng Dongfang and Ms. Ye Yanliu; and the independent non-executive directors of C&D International are Mr. Wong Chi Wai, Mr. Wong Tat Yan, Paul, Mr. Chan Chun Yee and Mr. Dai Yiyi.

As at the date of this announcement, the executive directors of C&D Property are Ms. Qiao Haixia (Chairperson) and Mr. Huang Danghui (Chief Executive Officer); the non-executive directors of C&D Property are Mr. Lin Weiguo, Mr. Tian Meitian and Mr. Xu Yixuan; and the independent non-executive directors of C&D Property are Mr. Lee Cheuk Yin Dannis, Mr. Li Kwok Tai James and Mr. Wu Yat Wai.

* *For identification purpose only*

APPENDIX — SUMMARY OF THE VALUATION REPORT

Source of Information Relied Upon

In conducting the valuation, the Valuer has referenced and relied on the audited financial statement of Lianfa Property. Save for the above, the Valuation did not rely on the work of other institutions and experts.

Scope of work performed by the Valuer and limitation

The scope of work performed by the Valuer included the following:

1. Clarification of valuation purpose, scope, base date; and preparation of asset declaration forms

2. On-site inspection of physical assets; review of financial records and contracts for non-physical assets and liabilities; collection of ownership documents; and investigation of historical operations and profitability

3. Market research; application of income approach and market approach models; and internal review

The Valuer noted the following limitations:

1. The Valuer relied on financial statements, asset schedules and profit forecasts provided without independent verification

2. Asset ownership verification was based on general investigation only, without substantive verification

3. Consolidated financial statements of one of Lianfa Property's subsidiary, 廈門聯發智能科技股份有限公司, as at 31 March 2026 was unavailable, and this subsidiary's assets was stated at book value of RMB 4,625,700

4. The Valuation did not consider commercial, legal, tax or regulatory factors.

Selection of valuation method

The Valuer considered the income approach and the market approach, and the market approach was adopted in arriving the final results of the Valuation.

The market approach determines enterprise value by comparing Lianfa Property with comparable listed companies. Listed companies in the property industry and equity transaction cases are relatively active, which provides a sufficient data foundation for the application of the market approach. The market approach directly draws on actual transaction data and can reflect the collective judgment of investors on the risks, growth prospects and profitability of the property industry, which has an intuitive appraisal process and highly persuasive appraisal results; and can more objectively and realistically reflect the fair value of property management companies under current market conditions.

In contrast, the income approach reflects enterprise value from the perspective of future earnings based on the principle of expected returns, and is more susceptible to subjective assumption biases under the current market environment. The current business environment of the property industry is undergoing profound changes with sharply shrunk incremental market. The property industry has moved away from the model of scale expansion driven by the rapid growth of the real estate sector and is now beset by multiple contradictions of slower growth in scale, pressure on profitability and intensified vicious competition; challenges such as pressure on property management fees, a continuous decline in collection rates, and difficulties in collection are becoming increasingly severe.

Assumption adopted in the market approach valuation

General assumptions

1 Property rights of Lianfa Property are complete and legal, and they continue to operate in current status for their existing intended purposes.

2 Documents and materials provided by Xiamen Lirong, Xiamen Lianfa and Lianfa Property are true, valid and accurate.

3 No significant changes in the national macroeconomic policy and the social and economic environment in the region where the enterprise operates.

4 Tax policies, credit interest rates, exchange rate changes, etc. on which the business operation and asset appraisal are based, have not changed significantly enough to affect the appraisal conclusion.

5 The influence of natural forces and other force majeure factors, and the possible influence of special trading approaches, are not considered.

6 The impact of future auctions, sales and collaterals on asset appraisal prices, or the impact on asset appraisal prices of additional prices paid by special trading approaches when property rights change, or the factors that may affect the value of the assets due to the expenses and taxes for sale, are not considered.

7 Except for the known and disclosed matters, there are no other undeclared off-balance-sheet assets and liabilities, mortgage or guarantee matters, major litigation or post-period events, and Lianfa Property has legal rights to the assets included in the scope of appraisal.

8 All assets to be valued are already in the process of transaction, and the Valuer carries out a valuation based on the transaction conditions of the assets to be valued in a simulated market.

9 Both parties of the assets traded in the market or the assets to be traded in the market are in the same position and have opportunities and time to obtain sufficient market information so as to make reasonable judgment upon the function, usage and transaction price of assets.

10 Lianfa Property is in full compliance with all relevant laws and regulations, and will continue to operate in the foreseeable future.

Special assumptions

1 No material changes in social economic environment and policies of tax and tax rate of Lianfa Property in the future operating periods.

2 The management of Lianfa Property will act with due diligence in the future operating period and Lianfa Property will continue to operate under an operation and management model that is the same as that of the Benchmark Date.

3 Lianfa Property will operate in a stable and sustainable manner in terms of production methods, product structure, investment and development technology in the future.

4 No material adverse effects were caused by other unpredictable and force majeure factors.

5 Data of the selected peer listed companies are reliable and trustworthy.

6 Accounting policies adopted by Lianfa Property in the future are basically consistent with the accounting policies adopted in the preparation of the Valuation Report in material aspects.

7 Lianfa Property has a sufficient pool of talents and its manpower needs are basically met.

8 Contingent assets and contingent liabilities that might exist beyond the assessment declaration provided by Lianfa Property was not considered.

9 The value of each parameter involved in the Valuation excludes the effect of inflation.

10 the historical financial statements and financial statements as at the Benchmark Date of Lianfa Property as well as the financial reports and transaction data of the comparable companies are true and reliable.

11 lease contracts in respect of Lianfa Property's production and operation premises will be renewed upon expiry.

12 Revenues and expenses incurred in each forecast period will be realized in the corresponding forecast period, and risk that receivables are uncollectible were not considered.

13 Value of the assets included in the scope of valuation is reflected on the Benchmark Date under the condition that the current scale and current use are unchanged.

14 Policies with validity periods expiring on 31 December 2027 will cease to have effect upon expiry of their validity period.

Valuation methodology under the market approach

The principle underlying the market approach is the substitution principle, under which similar enterprises should have comparable values. The two commonly adopted approaches under the market approach are the listed company comparison method and the transaction case comparison method.

Under the listed company comparison method, listed companies in the same industry as the appraised enterprise with active stock trading are selected as comparable companies, and market values of Comparables were calculated. Second, value multiples of the subject asset group are selected ("**Value Multiples**"). Finally, the relationship between the market value of the comparable companies and the selected analytical parameters is calculated, which is referred to as the comparison parameters. This multiple is then applied to the corresponding analytical parameters of the appraised enterprise to derive its market value using the formula below.

Equity Value = (Value Multiple of Lianfa Property × Comparison Parameter of Lianfa Property – Interest-Bearing Debt) × (1 + Control Premium) + Net Value of Non-Operating/ Surplus Assets – Minority Interests

Value Multiple of Lianfa Property = Comparable Company's Value Multiple × Adjustment Factor

Selection of Comparable Listed Companies

Lianfa Property is principally engaged in property management services and falls under the sector of "Real Estate — Real Estate Services — Property Management". As at the Benchmark Date, there were eight listed companies in the same industry on the A-share market based on the Valuer's investigation, i.e. Nacity Property (603506.SH); ST Mingcheng (600136.SH); SDG Service (300917.SZ); *ST Wongtee B (200056.SZ); New DaZheng (002968.SZ); Zhongtian Service (002188.SZ); China Merchants Property (001914.SZ); and *ST Wongtee (000056.SZ).

Listed companies which were marked "ST" (Special Treatment) as at the Benchmark Date, bearing risk of delisting in the foreseeable future were removed from the scope of comparable companies.

The key financial and market capitalisation indicators of the remaining companies are as follows:

in RMB millions

	As at 31 December 2025		For the year ended 31 December 2025		As at the Benchmark Date	
	Total Asset	Equity Attributable to Shareholders of the Parent Company	Revenue	Net Profit Attributable to Shareholders of the Parent Company	Total Market Capitalisation	PE Ratio
Nacity Property	2,648.66	1,190.88	1,862.29	99.25	2,317.18	23.35
SDG Service	2,185.03	1,195.53	2,972.34	123.87	5,416.45	43.73
New DaZheng	2,031.75	1,211.97	3,013.44	94.87	2,604.46	27.45
Zhongtian Service	610.17	354.31	401.81	32.08	2,171.97	67.71
China Merchants Property	20,071.59	10,724.32	19,273.21	654.58	10,273.77	15.7
Mean	**5,509.44**	**2,935.40**	**5,504.62**	**200.93**	**4,556.76**	**35.59**
Median	**2,185.03**	**1,195.53**	**2,972.34**	**99.25**	**2,604.46**	**27.45**

SDG Service and Zhongtian Service's PE ratios as at the Benchmark Date were significantly higher, which reflects expectation of high growth from their respective shareholders. However, such expectation are not common amongst property management companies as their growth is usually correlated to the speed at which they expand areas under management and may be readily forecasted with moderate effort. The relative high market capitalization of these companies would distort the market approach's estimate of Lianfa Property's intrinsic value, resulting an upward biased valuation. Therefore, the Valuer is of the view that SDG Service and Zhongtian Service should not deemed as comparable to Lianfa Property. Therefore, three companies, namely Nacity Property, New DaZheng and China Merchants Property, were selected as comparables (the "**Comparables**").

Details of the Comparables are as follows:

Nacity Property Service Group Co., Ltd.* (南都物業服務集團股份有限公司) ("**Nacity Property**"), a joint stock company established in the PRC in 1994, is principally engaged in property management services.

New DaZheng Property Group Co., Ltd.* (新大正物業集團股份有限公司) ("**New DaZheng**"), a joint stock company established in the PRC in 1998, is principally engaged in traditional property management services and urban services.

China Merchants Property Operation & Service Co., Ltd.* (招商局積余產業運營服務股份有限公司) ("**China Merchants Property**"), a joint stock company established in the PRC in 1985, is principally engaged in property asset management and services.

Determination of Value Multiples

1. As Lianfa Property operates in a light-asset industry with strong profitability and stable earnings, the earnings-based multiple is appropriate.

2. The revenue-based multiple primarily reflects the relationship between an enterprise's operating scale and its total-investment market value. However, operating scale is not always consistent with operating profitability, mainly due to differences in gross profit margins across enterprises. In addition, the operating scale and its accounting treatment vary among companies, making the revenue-based multiple unsuitable for the Valuation.

3. Lianfa Property has a relatively large proportion of surplus (non-operating) assets and liabilities, which differs significantly from the Comparables, resulting in poor comparability of the adjusted asset value multiples. Therefore, the asset-based multiple is not suitable for the Valuation.

4. Lianfa Property does not belong to a special industry, therefore the special-class multiple is not applicable for the Valuation.

Given that there are significant differences in capital structure (debt levels and financing costs) between Lianfa Property and the Comparables, equity-based indicators such as net profit would be interfered by the interest tax shield effect, undermining the horizontal comparability of profitability indicators. To eliminate the impact of capital structure differences, the Valuation adopts a total-investment basis indicator, primarily including earnings before interest and tax (EBIT), earnings before interest, tax, depreciation and amortisation (EBITDA), and net operating income after tax (NOIAT). This approach strips off the interference of financing structure differences on operating performance, ensuring consistency in the comparison basis. The Valuation ultimately selected EBITDA as the core earnings indicator and constructed an EV/EBITDA valuation model. This indicator effectively avoids the distortion caused by different depreciation/amortisation policies and applicable tax rates, truly reflecting the asset operation efficiency of property management enterprises. Meanwhile, it achieves a matching alignment between enterprise value (EV) and total-investment basis earnings, fairly reflecting the core value of property management enterprises and complying with mainstream market pricing practices.

In summary, the Valuation adopts the earnings-based multiple (EV/EBITDA) to assess the total shareholders' equity value of Lianfa Property.

Calculation of Value Multiples

1. Value of the Comparables

Total-Investment Value of the Comparables = Adjusted Equity Value (After Liquidity Discount) + Debt Value – Surplus (Non-Operating) Asset/Liability Adjustments + Minority Interests

The adjusted equity market values of the Comparables as at the Benchmark Date are as follows:

	Nacity Property	**New DaZheng**	**China Merchants Property**
Fair market value of equity *(RMB'0,000)*	246,813.86	279,721.71	1,138,306.20
Liquidity discount	30.66%	30.66%	30.66%
Adjusted equity market value *(RMB'0,000)*	171,140.73	193,959.03	789,301.52

Notes:

1. Fair market value of equity (considering restricted share liquidity discount) was calculated based on the average closing price over the 30 trading days prior to the Benchmark Date.

2. The Valuation adopted the unlisted company M&A P/E method to determine the liquidity discount and the liquidity discount for the unlisted real estate industry as at the Benchmark Date was 30.66%.

The surplus (non-operating) assets/liabilities of the Comparables are as follows:

(RMB'0,000)

	Nacity Property	New DaZheng	China Merchants Property
I. Non-operating assets			
Long-term equity investments	22,786.64	1,203.20	11,893.82
Construction in progress	1,610.44	411.38	—
Deferred tax assets	613.70	768.75	7,479.34
Total non-operating assets	25,010.78	2,383.33	19,373.16
II. Non-operating liabilities			
Deferred tax liabilities	885.49	503.57	72,993.41
Long-term payables	—	26.94	7,895.59
Estimated Liabilities	—	—	392.00
Deferred income	—	669.00	60.20
Total non-operating liabilities	885.49	1,199.51	81,341.20
III. Surplus assets			
Surplus assets (excess monetary funds)	34,467.77	20,319.78	349,211.74
Total surplus assets	34,467.77	20,319.78	349,211.74
Net non-operating assets/liabilities and surplus assets	58,593.06	21,503.60	287,243.70

Note: Surplus Assets = Cash Balance as at the Benchmark Date – Minimum Cash on Hand

The total-investment value of the Comparables is calculated as follows:

(RMB'0,000)

	Nacity Property	New DaZheng	China Merchants Property
Adjusted equity value	171,140.73	193,959.03	789,301.52
Add: Interest-bearing debt value	11,307.74	4,899.30	61,881.76
Less: Net non-operating assets/liabilities and surplus assets	58,593.06	21,503.60	287,243.70
Add: Minority interests	4,283.10	4,795.85	14,687.26
Total-investment value (EV)	128,138.51	182,150.59	578,626.84

2. *Determination of EBITDA*

Based on the published financial data of the Comparables for January–March 2026, annualised EBITDA is calculated as follows:

(RMB'0,000)

	Nacity Property	**New DaZheng**	**China Merchants Property**
Operating profit	6,987.74	4,589.17	31,659.78
Add: Finance expense	114.15	81.36	(70.47)
Less: Asset impairment losses (new)	—	—	(59.95)
Less: Credit impairment losses (new)	(821.96)	(376.63)	(1,678.08)
Less: Net gain on fair value changes	1,918.51	(9.74)	—
Less: Net investment income	296.45	51.81	159.65
Less: Gain on disposal of assets	0.00	3.41	44.50
EBIT	5,708.89	5,001.68	33,123.19
Add: Depreciation and amortisation	757.66	1,455.15	2,709.70
Annualised EBITDA	25,866.20	25,827.33	143,331.56

EBITDA of Lianfa Property is calculated as follows:

(RMB'0,000)

	2024	**2025**	**2026 (annualised and combined)**
Operating profit	4,555.70	5,782.72	3,043.98
Add: Finance expense	(469.06)	(386.63)	(536.10)
Less: Asset impairment losses (new)	—	—	—
Less: Credit impairment losses (new)	(570.78)	(1,125.53)	(2,877.86)
Less: Net gain on fair value changes	—	—	—
Less: Net investment income	0.00	0.00	0.00
Less: Other income	152.55	133.61	145.04
Less: Gain on disposal of assets	(4.18)	0.21	0.51
EBIT	4,509.06	6,387.80	5,240.19
Add: Depreciation and amortisation	198.94	233.32	199.71
EBITDA (combined basis)	4,708.00	6,621.13	5,439.90
Average annual EBITDA		5,589.67	

3. Value Multiples of Comparables

	Nacity Property	New DaZheng	China Merchants Property
Total-investment value (EV)	128,138.51	182,150.59	578,626.84
EBITDA	25,866.20	25,827.33	143,331.56
EV/EBITDA	4.9539	7.0526	4.0370

Adjustment of Value Multiples

The adjustment factors are analysed from four aspects: profitability indicators, asset operation indicators, risk control indicators, and sustainable development indicators, which respectively quantify differences in earnings quality, asset operation efficiency, financial risk and growth capability, providing support for a reasonable adjustment of the value multiples.

After calculating the indicators and determining the adjustment coefficients, the adjusted value multiples are as follows:

Indicator	Nacity Property	New DaZheng	China Merchants Property
EV/EBITDA of the Comparables	4.9539	7.0526	4.0370
Score of the Comparables	0.7498	0.7831	0.7748
Score of Lianfa Property	0.4832	0.4832	0.4832
Adjustment coefficient	0.6444	0.6170	0.6236
Adjusted EV/EBITDA	3.1923	4.3515	2.5175
Average adjusted EV/EBITDA of Lianfa Property		3.3538	

Operating Asset Value of Lianfa Property

Financial data of Lianfa Property as at the Benchmark Date must be adjusted to a mutually comparable basis. Such adjustments primarily include surplus assets, non-operating assets, interest-bearing debt, non-operating liabilities and minority interests.

1. Lianfa Property had no interest bearing debt as at the Benchmark Date.

2. Net surplus (non-operating) assets

(RMB'0,000)

Item	Book Value	Appraised Value
I. Surplus assets		
Surplus assets (excess monetary funds)	—	—
II. Non-operating assets		
Other receivables — Lianfa Group Co., Ltd.	48,459.82	48,459.82
Other receivables — Liuzhou Lianfa Real Estate Co., Ltd.* (柳州聯發置業有限公司)	25.82	25.82
Other non-current financial assets — Xiamen Lianfa Intelligent Technology Co., Ltd.* (廈門聯發智能科技股份有限公司)	462.57	462.57
Deferred tax assets	846.11	846.11
Subtotal of non-operating assets	49,794.32	49,794.32
III. Non-operating liabilities		
Other payables — Lianfa Group Wuhan Real Estate Development Co., Ltd.* (聯發集團武漢房地產開發有限公司)	62.25	62.25
Other payables — Wuhan Lianqi Real Estate Development Co., Ltd.* (武漢聯齊房地產開發有限公司)	18.98	18.98
Other payables — Zhangzhou Zhanglong Minxinan Park Development Co., Ltd.* (漳州漳龍閩西南園區開發有限公司)	0.02	0.02
Other payables — Nanning Liantai Real Estate Development Co., Ltd.* (南寧聯泰房地產開發有限公司)	0.76	0.76
Other payables — Nanning Lianfa Shengshi Real Estate Co., Ltd.* (南寧聯發盛世置業有限公司)	10.67	10.67
Other payables — Nanchang Lianfa Real Estate Co., Ltd.* (南昌聯發置業有限公司)	2.98	2.98
Other payables — Wuhan Lianruifa Real Estate Development Co., Ltd.* (武漢聯瑞發房地產開發有限公司)	1.05	1.05
Other payables — Shenzhen Lianyue Real Estate Development Co., Ltd.* (深圳聯粵房地產開發有限公司)	113.16	113.16
Non-current liabilities due within one year	1,139.75	1,139.75
Long-term borrowings	36,750.00	36,750.00
Subtotal of non-operating liabilities	38,099.62	38,099.62
IV. Net surplus (non-operating) assets/liabilities	11,694.70	11,694.70

3. As the subject of the Valuation is the entire shareholders' equity of Lianfa Property, it does not involve a change of control. Therefore, no control premium is considered.

4. Non-controlling interest of Lianfa Property = Entire shareholders' equity of Lianfa Property (combined basis) × (Non-controlling interests/Total owners' equity)

Valuation Conclusion

The entire shareholders' equity of Lianfa Property on a combined basis is derived as follows:

(RMB'0,000)

Item	**Appraised value based on EV/ EBITDA**
Value multiple of Lianfa Property	3.3538
Comparative parameter of Lianfa Property	5,589.67
Total investment value of Lianfa Property	18,746.65
Less: interest-bearing debt Lianfa Property	0.00
Add: Net surplus (non-operating) assets	11,694.70
Total shareholders' equity value of Lianfa Property (combined basis) (rounded to '0,000)	30,441.00
Non-controlling interests of Lianfa Property	0.00
Entire shareholders' equity of Lianfa Property (rounded to '0,000)	30,441.00
Book value of net assets (combined statements)	6,253.33
Increase in appraised value	24,187.67
Appreciation rate	386.8%