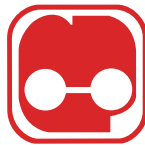

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Carrianna Group Holdings Company Limited** (the “Company”), you should at once hand this circular to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any losses howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



佳寧娜集團控股有限公司

CARRIANNA GROUP HOLDINGS COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00126)

**MAJOR AND CONNECTED TRANSACTION
DISPOSAL OF THE ENTIRE EQUITY INTEREST IN
PROFIT SMART GROUP HOLDINGS LIMITED**

A letter from the Board is set out on pages 5 to 16 of this circular.

The Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder have been approved by a written shareholder's approval obtained from Mr. Ma Kai Cheung, Mr. Ma Kai Yum, Regent World Investments Limited and Grand Wealth Investments Limited collectively, pursuant to Rule 14.44 of the Listing Rules in lieu of a general meeting of the Company. This circular is being despatched to the Shareholders for information only.

This circular will remain on the Stock Exchange's website at www.hkexnews.hk on the “Latest Listed Company Information” for at least 7 days from the date of its publication and on the website of the Company at www.carrianna.com.

25 September 2026

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DEFINITIONS

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

“Allied Ray”	Allied Ray Investment Holdings Limited, a company incorporated in Seychelles with limited liability and a 1.95% shareholder of the Disposal Company
“Board”	the board of directors of the Company
“Business Day(s)”	any day(s) (excluding Saturday, Sunday and public holiday) on which commercial banks in Hong Kong are open for general banking transactions
“Company”	Carrianna Group Holdings Company Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 126)
“Completion”	completion of the Disposal
“Completion Date”	the fifth Business Day after the date on which the conditions precedent are fulfilled (or such other date as the parties may agree in writing) which in any event shall be a day falling on or before the Long Stop Date
“Consideration”	the consideration for the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Equity Interest by the Vendor pursuant to the Sale and Purchase Agreement
“Disposal Company”	Profit Smart Group Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to (i) approximately 76.17% by the Vendor; (ii) approximately 21.88% by the Purchaser; and (iii) approximately 1.95% by Allied Ray
“Disposal Group”	the Disposal Company and its subsidiaries
“Group”	the Company and its subsidiaries
“Guarantor 1”	Chu Chun Fung, a merchant and 85% shareholder and a director of the Purchaser

DEFINITIONS

“Guarantor 2”	Chu Chun Kit, a merchant and the son of the Guarantor 1
“Guarantor 3”	Lai Che Mei, a merchant and 15% shareholder of the Purchaser
“Guarantor 4”	Chau Siu Lin, a merchant and the spouse of the Guarantor 1
“Guarantors”	collectively, the Guarantor 1, the Guarantor 2, the Guarantor 3 and the Guarantor 4
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	individual(s) or company(ies) which is/are independent of and not connected with the Company and its connected persons (within the meaning of the Listing Rules)
“Latest Practicable Date”	21 September 2026 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date falling on the expiry of a 3-month period following the date of the Sale and Purchase Agreement or such later date as may be extended for a further 3-month period solely to fulfil the conditions precedent
“PRC”	the People’s Republic of China
“Properties”	collectively, the following properties:

DEFINITIONS

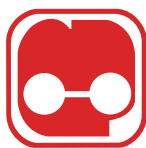
- (a) 5 properties and 1 carparking space located at Wah Sang Industrial Building, Sha Tin, Hong Kong, the registered owners of which are (i) Rainbow Union Limited (owned by the Guarantor 1 as to 99% and the Guarantor 4 as to 1%); (ii) Cheung Shing F & B Limited (owned by the Guarantor 1 as to 99% and the Guarantor 4 as to 1%); (iii) Kit Yi Property Limited (owned by the Guarantor 1 as to 50% and the Guarantor 4 as to 50%); and (iv) Charm View Corporation Limited (owned by the Guarantor 1 as to 50% and the Guarantor 4 as to 50%); and
- (b) 1 carparking space at Providence Peak, Tai Po, Hong Kong, the registered owner of which is Vantage Wealth Limited (owned by the Guarantor 1 as to 100%)

“Purchaser”	Delight Rich International Limited, a company incorporated in the British Virgin Islands with limited liability
“Sale and Purchase Agreement”	the agreement dated 7 August 2026 entered into among the Vendor, the Purchaser, the Guarantors and the Disposal Company in respect of the Disposal
“Sale Equity Interest”	76.17% of the equity interest of the Disposal Company
“Security Documents”	collectively, the following security documents to be executed in favour of the Vendor as security for the Instalment Payments on or before Completion until the Consideration and all other fees and expenses have been fully paid by the Purchaser to the Vendor: (i) the charge over the Sale Equity Interest; (ii) the charge over the equity interest in the Disposal Company currently held by the Purchaser; (iii) the mortgages over the Properties; and (iv) the assignment of rentals in respect of the Properties as security

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Elite Brave Development Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company
“%”	per cent

LETTER FROM THE BOARD



佳寧娜集團控股有限公司
CARRIANNA GROUP HOLDINGS COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00126)

Executive Directors:

Mr. Ma Kai Cheung (*Honorary Chairman*)
Mr. Ma Kai Yum (*Chairman*)
Mr. Liang Rui
Mr. Ma Hung Man

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

Non-executive Director:

Mr. Ma Hung Ming, John

*Principal Place of Business
in Hong Kong:*

26th Floor, Phase II
Wylar Centre
200 Tai Lin Pai Road
Kwai Chung
New Territories
Hong Kong

Independent non-executive Directors:

Mr. Wong See King
Mr. Cheung Wah Fung, Christopher
Ms. Liu Ling Ling, Samantha

25 September 2026

To the Shareholders,

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION
DISPOSAL OF THE ENTIRE EQUITY INTEREST IN
PROFIT SMART GROUP HOLDINGS LIMITED

INTRODUCTION

On 7 August 2026, (after the trading hours of the Stock Exchange), the Vendor (being a direct wholly-owned subsidiary of the Company), the Purchaser, the Guarantors and the Disposal Company entered into the Sale and Purchase Agreement in relation to the Disposal. Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Equity Interest for an aggregate Consideration of HK\$66,150,000 subject to the terms of the Sale and Purchase Agreement. As at the date of the Sale and Purchase Agreement, the Disposal Company is held as to (i) 76.17% by the Vendor; (ii) 21.88% by the Purchaser; and (iii) 1.95% by Allied Ray.

LETTER FROM THE BOARD

THE DISPOSAL

The principal terms of the Sale and Purchase Agreement are set out below:

- Date : 7 August 2026
- Parties : (1) the Vendor;
- (2) the Purchaser;
- (3) the Guarantors; and
- (4) the Disposal Company

Assets to be disposed

Pursuant to the Sale and Purchase Agreement, the Vendors agreed to sell, and the Purchaser agreed to purchase, the Sale Equity Interest, representing 76.17% equity interest in the Disposal Company.

Consideration

The aggregate Consideration for the Disposal is HK\$66,150,000 payable to the Group by the Purchaser by way of solicitor's cheque or cashier's order in the following manner:

- (i) HK\$51,121,000 has been paid by the Purchaser as at the date of the Sale and Purchase Agreement; and
- (ii) a sum of HK\$1,000,000 (the “**Instalment Payments**”) shall be payable within the first five calendar days of each calendar month commencing from the fourth calendar month subsequent to the date of the Sale and Purchase Agreement until the entire amount of Consideration and the interest accrued thereon are fully paid, save that the last amount payable shall necessarily amount to no more than HK\$1,000,000.

The Consideration was determined based on arm's length negotiations between the Vendor and the Purchaser having considered the following factors: (a) the financial conditions and performance of the Disposal Group as set out in the section headed “Financial information of the Disposal Group” of this circular; (b) the reasons for and benefits of the Disposal as set out in the section headed “Reasons for and benefits of the Disposal” of this circular; and (c) the Valuation of 76.17% of the equity interest of the Disposal Group as at 31 July 2026 as appraised by an independent valuer at HK\$59,800,000. The Consideration represents a premium of approximately 10.6% to the Valuation. For further details, please refer to the section headed “Valuation” of this circular.

LETTER FROM THE BOARD

Interest shall accrue for each Instalment Payment from the Completion Date at the rate of 5% per annum on a monthly basis (the “**Interest Rate**”). The interest rate was determined based on arm’s length negotiations between the Vendor and the Purchaser after taking into consideration the (i) prevailing market interest rate with reference to the 1-month Hong Kong Interbank Offered Rate (HIBOR) as at 31 July 2026 of 2.675%; (ii) the effective interest rate of bank loans of the Group for the year ended 31 March 2026 of approximately 1.5% – 8.0%, as stated in the annual report of the Company for the year ended 31 March 2026; (iii) the effective interest rate of bank loans of the Group with Hong Kong banks for the month ended 31 July 2026 of approximately 3.9% – 7.2%; (iv) the average cost of funding for the year ended 31 March 2026 of approximately 5.19%, which is calculated by dividing the finance costs on bank borrowings paid during the period of approximately HK\$76,327,000 by the total interest-bearing bank borrowings during the period of approximately HK\$1,470,276,000, as stated in the annual report of the Company for the year ended 31 March 2026; and (v) the average cost of funding for the month ended 31 July 2026 of approximately 5.14% per annum, which is calculated by dividing the financial costs on bank borrowings paid during the month of approximately HK\$4,977,000 by the total interest-bearing bank borrowings during the month of approximately HK\$1,161,811,000 and multiplying by 12. The Directors consider the Interest Rate to be fair and reasonable with reference to the prevailing market interest rate as (i) the Interest Rate is similar to the average cost of funding of the Group for the past financial year and the month immediately before the Sale and Purchase Agreement was entered into; (ii) there is no material difference between the Interest Rate and the effective interest rate of bank loans of the Group; and (iii) the Consideration is at a premium of approximately 10.6% over the Valuation. Assuming there is no default or early repayment of the Instalment Payments, upon full payment of the Consideration and the interest accrued thereon, the expected aggregate amount of the interest accrued as such will be HK\$725,629.

The Instalment Payments are expected to be made after the Completion. As security for the Instalment Payments, the Purchaser will, and will procure the relevant parties to, execute the Security Documents in favour of the Vendor. The Guarantors also agreed to guarantee the liabilities of the Purchaser. According to valuations conducted by independent valuer, the aggregate value of the Properties as at late July 2026 was approximately HK\$21,470,000. This arrangement was agreed by the Vendor and the Purchaser after arm’s length negotiations having considered the following factors: (a) the valuation of the Properties in the aggregate sum of HK\$21,470,000, which is sufficient to cover the Instalment Payments with a loan-to-value (LTV) ratio of around 70%; (b) the availability of the financial resources of the Purchaser and the feasibility for the Purchaser to settle the Instalment Payments, in particular, the Group considered the monthly repayment schedule of the Instalment Payments to be acceptable in view of the Consideration being at a premium of approximately 10.6% over the Valuation; (c) the securities to be given by the Security Documents which include, *inter alia*, a share charge over the Sale Equity Interest and the shares in the Disposal Company currently held by the Purchaser, offering further protection to the Company and its Shareholders; and (d) the reasons for and benefits of the Disposal as set out in the section headed “Reasons for and benefits of the Disposal” of this circular.

LETTER FROM THE BOARD

The Directors consider that the risk of default of the Purchaser is remote. In the event that the Purchaser defaults, the Company can recover the outstanding amount under the Sale and Purchase Agreement in full given (i) the mortgage to be executed in respect of the Properties, the valuation of which is sufficient to cover the Instalment Payments; and (ii) other securities to be executed, including, *inter alia*, the share charges over the Sale Equity Interest and the equity interest in the Disposal Company currently held by the Purchaser.

The Board is of the view that the terms of the Disposal, including the Consideration of HK\$66,150,000, the interest receivable and the arrangement of Instalment Payments are fair and reasonable taking account the factors in the preceding paragraphs and the following factors:

- (i) the valuation of the market value of 76.17% of the equity interest of the Disposal Group as at 31 July 2026 is approximately HK\$59,800,000 and there would be a premium of approximately 10.6% from the Consideration on the Disposal;
- (ii) the Group will be able to receive substantial amount of cash of approximately HK\$66,000,000 which could be used to reserve for the settlement of future finance costs of the Group and general working capital of the Group; and
- (iii) the net profit margin of the Disposal Group is minimal, which was only approximately 1.60% for the year ended 31 March 2025 and 2.36% for the year ended 31 March 2026, and the management considered the performance to be unsatisfactory in light of the current economic environment and consumer market.

Conditions Precedent

Completion of the Sale and Purchase Agreement is subject to the fulfilment or waiver of the following conditions:

- (a) the Company having complied with all the compliance requirements under the Listing Rules (including but not limited to shareholders' approval requirements) and the Stock Exchange in connection with the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (b) the Vendor having complied with all legal and regulatory requirements in connection with the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (c) the obtaining by the Vendor of all external and internal approvals approving the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (d) the rights issue of the Disposal Company (the “**Rights Issue**”) having been cancelled and terminated to the satisfaction of the Vendor.

LETTER FROM THE BOARD

The Rights Issue was intended for raising capital for (i) opening new bakery shop(s) and decoration of existing bakery shop(s); (ii) repayment of debts; and (iii) increasing the general working capital of the Disposal Group, and approved by the shareholders of the Disposal Company by way of general meeting on 29 May 2025. An aggregate of 2,888,580 shares in the Disposal Company was allotted and issued to the subscribing shareholders (i.e. the Vendor and the Purchaser) on 7 July 2025, at the subscription price of HK\$6.00 per share.

Since the approval of the Rights Issue and the issue of the notice of Rights Issue on 30 May 2025, the Disposal Group had been unable to locate suitable opportunity for the opening of new shops. The Disposal Group and its shareholders further observed that the economy worsened with increased market volatility. Based on the unaudited management accounts of the Disposal Group, the retail business of the Disposal Group incurred net losses for 3 consecutive months from June 2025 to August 2025. Thereafter, the retail business of the Disposal Group only recorded a net profit of (i) HK\$1,013,000 during the period from June 2025 to March 2026; and (ii) HK\$168,000 during the period from April 2026 to July 2026, which the Disposal Group and its shareholders considered risky and not attractive to justify the initial investment for opening new shops. The board of directors of the Disposal Company had since adopted a relatively conservative strategy, and had put the business expansion plans of the Disposal Group and all plans relating to the Rights Issue on hold to wait for the economy to recover.

As at the date of the Sale and Purchase Agreement, no capital had been injected into the Disposal Company in relation to the Rights Issue. Due to the intended Disposal and the entering into of the Sale and Purchase Agreement on 7 August 2026, the Rights Issue and any shares allotted and issued thereunder had to be cancelled in order to reflect the correct shareholding status in the Disposal Company. Accordingly, the aggregate subscription price receivable by the Disposal Company in the sum of approximately HK\$17,300,000 was cancelled, which was calculated with reference to the aggregate number of 2,888,580 subscription shares multiplied by the subscription price of HK\$6.00 per share.

No funds were received by the Disposal Company out of the Rights Issue, and no refund to its shareholders was made accordingly.

Cancellation and termination of the Rights Issue was completed on 10 August 2026.

As at the Latest Practicable Date, conditions (c) and (d) have been fulfilled.

If the above conditions have not been fulfilled or waived on or before the Long Stop Date, then the parties shall not be bound to proceed with the sale and purchase of the Sale Equity Interest, in which case, the Sale and Purchase Agreement shall be terminated and cease to have any effect, and no party shall have any claim against any of the other parties (without prejudice to the rights of any party in respect of antecedent breaches), save for (i) the Vendor shall be entitled to deduct an amount of HK\$1,000,000 as the costs and expenses in connection with the preparation of the transactions contemplated under the Sale and Purchase Agreement; and (ii) the Vendor shall refund to the Purchaser the remaining balance then paid by the Purchaser under the Sale and Purchase Agreement, subject to certain further deduction in the event of diminution of net assets value of the Disposal Group.

LETTER FROM THE BOARD

Completion

Completion shall take place on the Completion Date.

Upon Completion, the Group will cease to hold any interest in the Disposal Company, the Disposal Company will cease to be a subsidiary of the Group and the financial results of the Disposal Company will no longer be consolidated into those of the Group.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in the British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of the Company. The Vendor is principally engaged in investment holding.

INFORMATION OF THE PURCHASER AND THE GUARANTORS

As at the Latest Practicable Date, the Purchaser is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. The Purchaser is owned by the Guarantor 1 and the Guarantor 3 as to 85% and 15% respectively.

As at the Latest Practicable Date, the Guarantors are merchants, the Guarantor 1 is the 85% shareholder and a director of the Purchaser. The Guarantor 2 is the son of the Guarantor 1. The Guarantor 3 is the 15% shareholder of the Purchaser. The Guarantor 4 is the spouse of the Guarantor 1.

Immediately before the Completion, the Purchaser is a substantial shareholder of the Disposal Company and the Guarantor 1, the Guarantor 2 and the Guarantor 4 are the associates of the Purchaser. Therefore the Purchaser, the Guarantor 1, the Guarantor 2 and the Guarantor 4 are connected persons of the Company at the subsidiary level. The Guarantor 1 is also the 15% shareholder of two non-wholly owned subsidiaries of the Company, each of which holds a shop premise in Hong Kong. To the best knowledge of the Directors, they are currently leased to third parties independent to the Group.

Save for the aforesaid, the Purchaser and the Guarantors do not have other relationship with the Company and its connected persons.

INFORMATION OF THE DISPOSAL COMPANY

The Disposal Company is a company incorporated in the British Virgin Islands. As at the Latest Practicable Date, the entire equity interest of the Disposal Company is owned as to (i) approximately 76.17% by the Vendor; (ii) approximately 21.88% by the Purchaser; and (iii) approximately 1.95% by Allied Ray. The Disposal Company is, through its subsidiaries, principally engaged in bakery retail operations and the production of bakery products in Hong Kong.

LETTER FROM THE BOARD

VALUATION

The valuation (the “**Valuation**”) of the market value of 76.17% of the equity interest of the Disposal Group of approximately HK\$59,800,000 as at 31 July 2026 (the “**Valuation Date**”) was prepared by an independent valuer, Peak Vision Appraisals Limited (the “**Independent Valuer**”).

The Independent Valuer has adopted the market approach in the valuation of the market value of the Disposal Company by comparison of the prices at which other similar business nature companies or interests changed hands in arm’s length negotiations. Under the market approach, the guideline public company method is applied as there are a certain number of public traded companies engaged in the same or similar line of business as the Disposal Company that can be identified. For the valuation of the Disposal Company, the valuer employed the enterprise value to earnings before interests and taxes (“**EV/EBIT**”) ratio and price to earnings (“**P/E**”) ratio. The EV/EBIT ratios of the guideline public companies ranged from the minimum of 4.65x to the maximum of 15.96x, resulting in a mean of approximately 11.12x and mean excluding outliers of approximately 12.84x. The P/E ratios of the guideline public companies ranged from the minimum of 3.61x to the maximum of 27.51x, resulting in a mean of approximately 17.06x and mean excluding outliers of approximately 15.46x. The valuer also took into account the overall median control premium of approximately 23.8% and lack of marketability discount of approximately 20.4%.

The valuation report of the Independent Valuer is set out in Appendix II of this circular.

FINANCIAL INFORMATION OF THE DISPOSAL GROUP

Set out below is the unaudited financial information of the Disposal Group for the two years ended 31 March 2025 and 31 March 2026:

	For the year ended 31 March 2025	For the year ended 31 March 2026
	<i>HKD’000</i>	<i>HKD’000</i>
Revenue	132,591	136,418
Profit before taxation	2,708	4,562
Profit after taxation	2,122	3,213

The unaudited net assets value of the Disposal Group as at 31 March 2026 was approximately HK\$56,050,000.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in investment holding, property investment and development, and the operations of hotel, restaurant and food businesses.

LETTER FROM THE BOARD

In view of the current economic uncertainties and volatility in financial markets, the Directors are of the view that it is beneficial to adopt a cautious investment strategy to liquidate its investment in the Disposal Group with an aim to enhance the liquidity position of the Group. Having considered the subdued financial performance of the Disposal Group of profit after taxation of approximately HK\$2,122,000 and approximately HK\$3,213,000 for the year ended 31 March 2025 and the year ended 31 March 2026 respectively, as compared to the Consideration, the Board considers that the Disposal is a good opportunity for the Group to realise its investment and reallocate its financial resources for future development. In addition, the proceeds from the Disposal will be reserved for the payment of the finance costs of the Group in the future and the general working capital of the Group. The Disposal is made in line with the Group's overall strategic planning. The Board considers that the Disposal will optimize allocation of the Group's resources and strengthen the cash flow of the Group.

The Disposal Group represents the whole bakery operations of the Group in Hong Kong as at the Latest Practicable Date. As part of its strategic planning, the Group intends to focus its financial resources under the restaurant and food business segment in the near term, while strengthening other business segments of the Group amid the challenging economic circumstances. Nevertheless, if there is suitable market conditions and business opportunity in the future, the Group does not eliminate the possibility to carry out bakery business on its own.

While the Board notes the profit position of the bakery operations of the Group through the Disposal Group and the improvement of the same during the year ended 31 March 2026 compared to the year ended 31 March 2025, the Board considers that the performance of the Disposal Group to nevertheless be relatively subdued, with unaudited profit after taxation of approximately HK\$2,122,000 and approximately HK\$3,213,000 for the years ended 31 March 2025 and 31 March 2026 respectively. Meanwhile, the Consideration represents a premium of approximately 10.6% to the Valuation. The Board is of the view that, despite the financial performance of the Disposal Group shows signs of improvement, its continuously subdued performance and the limited growth fade away when compared to the Consideration. The Board considers that the Disposal represents a good opportunity to realise the Group's investment and to reallocate and focus its financial resources in sectors with more potential for business growth and development. The Disposal is in line with the Group's strategic plan in respect of the restaurant and food business segment to focus its business development in the Greater Bay Area. Despite the weakened consumer confidence in the immediate future due to global economic factors, the Group considers that customer demand and consumption spending in the Greater Bay Area will remain strong and sustainable, offering great potential for business growth and development.

LETTER FROM THE BOARD

As disclosed in the annual report of the Company for the year ended 31 March 2026, (i) the Group incurred a loss of HK\$40,037,000 during the year ended 31 March 2026 and as at 31 March 2026, the Group had net current liabilities of HK\$780,621,000, cash and cash equivalents of HK\$86,751,000 and interest-bearing borrowings of HK\$1,230,665,000 which have been classified as current liabilities; and (ii) the auditors of the Company considered that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern in these conditions. The Group has been identifying opportunities to raise further funds.

Having considered and taken into account the matters set out in the preceding paragraphs and (i) the current assets, current liabilities and the expected cash flows of the Group, to which the Board considers it prudent and beneficial to broaden the cash reserves of the Group in order to mitigate to risk of any mispredictions or unexpected differences in actual cash flow and revenue forecast of the Group, consistent with the cautious strategy employed by the Group; (ii) the subdued financial performance and limited business growth of the Disposal Group and the business prospects of the same, which the Board considers not to carry a higher value than the terms of the Disposal; (iii) the current market conditions involving, *inter alia*, an uncertain economy and a volatile market, necessitating careful scrutiny with cautious strategy in evaluating between continual investment and realization for liquidity, in respect of the projects and businesses of the Group; (iv) the progress of the different measures taken by the Group to reduce its net current liabilities, such as refinancing negotiations with banks and realization of properties held by the Group; and (v) other opportunities to raise further funds and whether such opportunities could provide sufficiently adequate capital for address the current borrowings of the Group and would be on better terms over the same, the Directors consider that the Disposal represents an appropriate opportunity for the Company to realise its investment in the Disposal Group and help the Group to improve its existing financial situation and is in the best interests of the Company and the Shareholders as a whole.

By reason of the above, the Board is of the view that the terms of Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

Based on the unaudited financial statements of the Disposal Group for the year ended 31 March 2026, the gain on the Disposal is estimated to be approximately HK\$27,076,000, which is calculated with reference to the fair value of the Consideration of HK\$65,857,000 for the Disposal deducting the adjusted unaudited net assets of the Disposal Group as at 31 March 2026 of approximately HK\$38,781,000.

The fair value of the Consideration of HK\$65,857,000 was calculated with reference to the HK\$51,121,000 paid by the Purchaser on the date of the Sale and Purchase Agreement and the present value of the deferred Instalment Payments in the aggregate sum of HK\$14,736,000.

LETTER FROM THE BOARD

The adjusted unaudited net assets of the Disposal Group as at 31 March 2026 of approximately HK\$38,781,000 was calculated with reference to the unaudited net assets value of the Disposal Group as at 31 March 2026 of approximately HK\$56,050,000; deducted by the cancellation of the rights issue of the Disposal Company of approximately HK\$17,269,000, net of reimbursement of legal and other expenses of approximately HK\$31,000.

The unaudited net assets of the Disposal Group as at 31 March 2026 of approximately HK\$56,050,000 was calculated with reference to the unaudited total assets of the Disposal Group of approximately HK\$96,208,000; deducted by the unaudited total liabilities of the Disposal Group of approximately HK\$40,158,000.

Based on the unaudited consolidated financial statements of the Disposal Group for the year ended 31 March 2026, after Completion, (i) the Group's revenue is expected to decrease by approximately HK\$136,418,000; (ii) the Group's loss before taxation is expected to decrease by approximately HK\$22,514,000, which is calculated with reference to the gain on disposal of approximately HK\$27,076,000 deducting the unaudited profit before taxation of the Disposal Group for the year ended 31 March 2026 of approximately HK\$4,562,000; (iii) the Group's loss after taxation is expected to decrease by approximately HK\$23,863,000, which is calculated with reference to the gain on disposal of approximately HK\$27,076,000 deducting the unaudited profit after taxation of the Disposal Group for the year ended 31 March 2026 of approximately HK\$3,213,000; (iv) the Group's total assets are expected to decrease by HK\$13,082,000, which is calculated with reference to the unaudited total assets of the Disposal Group as at 31 March 2026 of approximately HK\$96,208,000 less the cancellation of aggregate subscription price receivable pursuant to the Rights Issue of approximately HK\$17,269,000 (net of reimbursement of legal and other expenses of approximately HK\$31,000) less the fair value of the Consideration of HK\$65,857,000; (v) the Group's total liabilities are expected to decrease by approximately HK\$40,158,000, which is the unaudited total liabilities of the Disposal Group as of 31 March 2026; and (vi) the Group's net assets are expected to increase by approximately HK\$27,076,000, which is calculated by the expected decrease of the Group's total liabilities of approximately HK\$40,158,000 less the expected decrease of the Group's total assets of approximately HK\$13,082,000.

Shareholders should note that the actual gain or loss on the Disposal to be recorded by the Company will depend on the financial position of the Disposal Group as at the date of Completion, and subject to audit to be performed by the auditors of the Company and therefore may be different from the amount mentioned above. The aforementioned estimate are for illustration purpose only and do not purport to represent how the financial performance and position of the Group will be after Completion.

INTENDED USE OF PROCEEDS

The net proceeds from the Disposal are estimated to be HK\$66,000,000 after deducting relevant costs and expenses to be incurred by the Group.

LETTER FROM THE BOARD

The Company intends to apply the net proceeds from the Disposal, of approximately HK\$66,000,000, as to (i) approximately HK\$52,800,000 to reserve for the settlement of future finance costs of the Group, which is expected to be utilized before June 2027; and (ii) approximately HK\$13,200,000 for general working capital of the Group, which is expected to be utilized before March 2028.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal under Rule 14.07 of the Listing Rules exceeds 25% but all of the applicable percentage ratios are below 75%, the Disposal constitutes a major transaction on the part of the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Immediately before the Completion, the Purchaser is a substantial shareholder of the Disposal Company and the Guarantor 1, the Guarantor 2 and the Guarantor 4 are the associates of the Purchaser. Therefore the Purchaser, the Guarantor 1, the Guarantor 2 and the Guarantor 4 are connected persons of the Company at the subsidiary level. As such, the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.101 of the Listing Rules, since (i) the Purchaser, the Guarantor 1, the Guarantor 2 and the Guarantor 4 are connected persons of the Company at the subsidiary level; (ii) the transactions contemplated under the Disposal are entered into on normal commercial terms; and (iii) the Board (including the independent non-executive Directors) has approved the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder, and confirmed that such transactions are entered into on normal commercial terms, are fair and reasonable and are in the interest of the Company and Shareholders as a whole, the Disposal is subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules. None of the Directors has any material interests in the Disposal. Therefore, none of the Directors is required to abstain from voting on the relevant resolutions of the Board.

Save for being the 15% shareholder of the Purchaser, the Guarantor 3 is an Independent Third Party.

WRITTEN SHAREHOLDERS' APPROVAL

Under Rule 14.44 of the Listing Rules, shareholders' approval may be obtained by way of written shareholders' approval in lieu of holding a general meeting if (a) no shareholder is required to abstain from voting if the issuer were to convene a general meeting to obtain such shareholders' approval; and (b) written shareholders' approval has been obtained from a shareholder or a closely allied group of shareholders who together hold more than 50% of the voting rights at that general meeting to approve the transaction.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Disposal and the transactions contemplated thereunder and no Shareholder is required to abstain from voting in respect of the approval of the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder if the Company were to convene a general meeting. Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, the Company has received a written approval from Mr. Ma Kai Cheung, Mr. Ma Kai Yum, Regent World Investments Limited and Grand Wealth Investments Limited. As at the Latest Practicable Date, Mr. Ma Kai Cheung, Mr. Ma Kai Yum, Regent World Investments Limited and Grand Wealth Investments Limited own 361,283,986 Shares, 204,888,714 Shares, 184,121,625 Shares and 74,651,040 Shares respectively and 824,945,365 Shares in aggregate (representing approximately 52.50% of the total issued share capital of the Company) carrying rights to vote at a general meeting. Accordingly, no general meeting will be held by the Company for approving the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder. Mr. Ma Kai Cheung and Mr. Ma Kai Yum are brothers. Regent World Investments Limited is owned by a trust where Mr. Ma Kai Cheung is a beneficiary. Grand Wealth Investments Limited is owned by a trust where Mr. Ma Kai Yum is a beneficiary.

This circular containing, among other things, (i) details of the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder; and (ii) other information as required under the Listing Rules is despatched to the Shareholders for information only.

Yours faithfully, By order of the Board
Carrianna Group Holdings Company Limited
Mr. Ma Kai Yum
Chairman

1. SUMMARY OF FINANCIAL INFORMATION

The audited financial information of the Company are disclosed in the annual reports of the Company for the years ended 31 March 2024 (page 75 to 246), 2025 (page 80 to 254) and 2026 (page 74 to 242), which are published on 25 July 2024, 30 July 2025 and 30 July 2026 respectively. The above mentioned financial information is available on the website of the Company at <http://www.carrianna.hk> and the website of the Stock Exchange at <http://www.hkexnews.hk>:

- (a) the annual report of the Company for the year ended 31 March 2024 in relation to the financial information of the Group for the same year (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0725/2024072500340.pdf>);
- (b) the annual report of the Company for the year ended 31 March 2025 in relation to the financial information of the Group for the same year (<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0730/2025073000492.pdf>); and
- (c) the annual report of the Company for the year ended 31 March 2026 in relation to the financial information of the Group for the same year (<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0730/2026073001865.pdf>).

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 July 2026, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the details of the Group's indebtedness as summarised below:

i. Bank borrowings

	<i>HK\$' million</i>
Bank borrowings	
Secured and guaranteed	1,403.2
Secured and not guaranteed	35.0
Unsecured and not guaranteed	<u>9.5</u>
	<u><u>1,447.7</u></u>

The aforesaid secured bank borrowings were secured by certain assets owned by the Group.

ii. Lease liabilities

The Group had lease liabilities totaling approximately HK\$85.1 million, which were unsecured and unguaranteed.

iii. Convertible bonds

The Group had outstanding unsecured 7% coupon convertible bonds in the principal amount of approximately HK\$67.4 million. No guarantees were provided for the convertible bonds.

iv. Amounts due to non-controlling shareholders

The Group had amounts due to non-controlling shareholders of approximately HK\$65.0 million which is non-trade in nature, unsecured, interest-free and repayable on demand. No guarantees were provided for the amounts due to non-controlling shareholders.

v. Contingent liabilities

The Group had no contingent liabilities as at 31 July 2026.

Save as aforesaid and normal trade and other payables in the ordinary course of business and apart from intra-group liabilities, as at the close of business on 31 July 2026, being the latest practicable date for determining indebtedness, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantee or other material contingent liabilities, nor any authorised or otherwise created but unissued debt securities.

3. WORKING CAPITAL

The Directors are of the opinion that, in the absence of any unforeseen circumstances and taking into account the estimated net proceeds from the Disposal, the internal resources of the Group, the Group's available banking facilities, and the expected financing and refinancing of certain bank loans, the Group has sufficient working capital for its requirements for at least 12 months from the date of this circular.

The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 March 2026, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Global economy faced significant uncertainty mainly due to the geopolitical instability in the Middle East, impact of the trade tariff imposed by the U.S., the risk of heightened policy, and the pressures of the inflation. It continuously weakened consumer confidence, and will likely be depressed in the immediate future. While the governments of China and Hong Kong actively implemented numerous stimulus policies to maintain steady economic growth, Government support policies have helped to temper the downturn.

Despite these challenges, the Group remains cautiously optimistic about the economic outlook for the coming year. With the implementation of the enhanced business management and cost control, the performance will be gradually improved.

Management will continue to focus its business development in the Greater Bay Area. Management is of the view that demand and consumer spending will remain strong and sustainable in the area. The Group will leverage on its established branding and reputation of the “Carrianna” Chao Zhou and “Shun Yi” Shunde cuisine and will continue to expand its restaurant business steadily in the region. In addition, the management will also focus on assessing and will close the stores that are continuously operating at a loss to increase revenue and reduce expenditure.

On the property development side, the investment property portfolio in the Mainland and Hong Kong continues to provide steady income flow to the Group. With the government lifted market cooling measures, the management believes that according to the attributes of the site on Castle Peak Road and the current consumer preferences, the development of the project will be accelerated and the market dividends of the current real estate, especially the small-scale entry-level properties will be achieved.

Regarding Carrianna food segment, the Group will focus on developing year-round food products, building upon existing foundations. In-depth research is currently carried out on the product structure and business model for year-round food products, and a high-quality team has been engaged in to further develop and implement this segment. Seasonal food and gifts will be fully integrated with the Carrianna brand, promotion and e-commerce will be developed and improved. The management firmly believes that relying on superior product quality and brand influence, the Group will obtain new development opportunities.

The following is the text of a valuation report prepared for the purpose of incorporation in this circular received from Peak Vision Appraisals Limited, an independent valuer, in connection with its valuation of the market value of 76.17% equity interest of Profit Smart Group Holdings Limited as at 31 July 2026 .



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25 September 2026

The Board of Directors
Carrianna Group Holdings Company Limited
26th Floor, Phase II
Wyler Centre
200 Tai Lin Pai Road
Kwai Chung, New Territories
Hong Kong

Dear Sirs,

**Re: Valuation of 76.17% equity interest of Profit Smart Group Holdings Limited
as at 31 July 2026**

In accordance with your instruction, we have conducted a valuation of the market value of 76.17% equity interest of Profit Smart Group Holdings Limited (the “**Business Enterprise**”). It is our understanding that the Business Enterprise is principally engaged in the production of bakery products in Hong Kong. We confirm that we have made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of 76.17% equity interest in the Business Enterprise as at 31 July 2026 (the “**Valuation Date**”).

This report states the purpose of valuation and basis of value, sources of information, identifies the business valued, describes the methodology of our valuation, investigation and analysis, assumptions and limiting conditions, and presents our opinion of value.

1.0 PURPOSE OF VALUATION

This report is being prepared solely for the use of the directors and management (together, the “**Management**”) of Carrianna Group Holdings Company Limited (the “**Company**”) for internal reference and incorporation into the circular of the Company in connection with the proposed disposal of the Business Enterprise. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Peak Vision Appraisals Limited (“**Peak Vision Appraisals**”) acknowledges that this report may be used by the Management as one of the sources of information for the proposed disposal of the Business Enterprise and may also be made available to the auditor of the Company for auditing reference only. The proposed transaction, if materialised, and the corresponding transaction price would be the result of negotiations between the transacting parties. The Management should be solely responsible for determining the consideration of the proposed transaction, in which Peak Vision Appraisals is not involved in the negotiation and has no comment on the agreed consideration. Peak Vision Appraisals assumes no responsibility whatsoever to any person other than the Management in respect of, or arising out of, the contents of this report. If others choose to rely in any way on the contents of this report they do so entirely on their own risk.

2.0 BASIS OF VALUE

Our valuation has been prepared in accordance with the RICS Valuation – Global Standards (Effective from 31 January 2025) published by the Royal Institution of Chartered Surveyors (the “**RICS**”) and the International Valuation Standards (Effective 31 January 2025) published by the International Valuation Standards Council.

Our valuation is based on the going concern premise and conducted on market value basis. **Market Value** is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion”.

3.0 SOURCES OF INFORMATION

In the course of our valuation, we have performed company visit of the Business Enterprise in July 2026 and had discussion with the Management on the status and development of the Business Enterprise and the prospect of the bakery industry in Hong Kong. We have also relied on the following major documents and information in the valuation analysis. Some of the information and materials are furnished by the Management. Other information is extracted from public sources such as government sources, Refinitiv, Kroll Cost of Capital Navigator, etc.

The major documents and information include the following:

- Copies of certificate(s) or license(s) and other relevant information of the Business Enterprise as provided by the Management or extracted from public sources;
- Company profile of the Business Enterprise;
- Historical financial information such as income statements and balance sheets of the Business Enterprise as provided by the Management;
- Operational information of the Business Enterprise as discussed with the Management; and
- Industry and economic data.

We consider that we have obtained adequate information from the sources described above to provide a reliable opinion of the market value.

4.0 LIMITATIONS AND RELIANCE ON INFORMATION

We have no reason to believe that any material facts have been withheld from us, however, we do not warrant that our investigations have revealed all of the matters which an audit or more extensive examination might disclose.

This report is based upon business, financial and other information provided by the Management. We have made reference to or reviewed the above information and data and assumed such information and data are true and accurate without independent verification except as expressly described herein. We have made reasonable enquiries and exercised our judgment on the reasonable use of such information and found no reason to doubt the accuracy or reliability of the information.

Preparation of this report does not imply that Peak Vision Appraisals has audited in any way the financial or other information of the Business Enterprise. It is understood that the financial information provided is prepared in accordance with generally accepted accounting principles and has been prepared in a manner which truly and accurately reflects the financial performances and positions of the Business Enterprise as at the respective financial statement dates.

5.0 BUSINESS ENTERPRISE

5.1 Overview

The Business Enterprise is a limited liability company incorporated in the British Virgin Islands on 9 February 2015 with BVI Company Number 1861932. It is a well-established bread wholesale supplier with over 20 years of experience in Hong Kong. The Business Enterprise operates a central bakery equipped with machinery to produce a wide

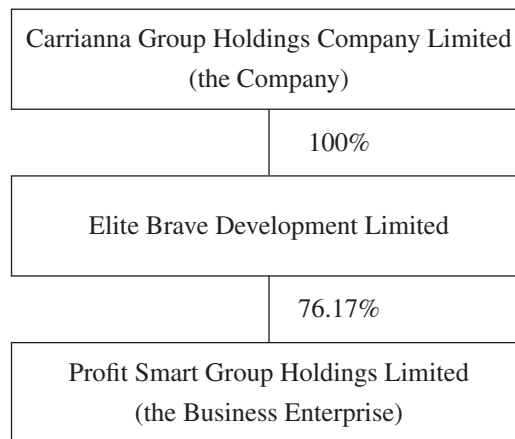
variety of bread and pastry products, ensuring high standards of hygiene and safety. The product range includes Hong Kong-style, European, Japanese-style bread, traditional Chinese pastries, cakes, Western-style pastries, and flaky pastries, catering to diverse customer preferences. The Business Enterprise's primary clients include fast-food chains, milk tea shops, local restaurants, large food manufacturers, and private clubs, etc. The Business Enterprise is committed to quality and reliability, serving the foodservice industry with a comprehensive selection of baked goods.



Figures 1: Some of the products offered by the Business Enterprise

Source: The Business Enterprise's company website

5.2 Shareholding Structure



Figures 2: Extracted Shareholding Structure of the Business Enterprise

Source: Management

5.3 Operations of the Business Enterprise

As advised by the Management, the Business Enterprise is principally engaged in the production of bakery products. The Business Enterprise owns factory units 18 and 19 on the 8th Floor, and leases various factory units on the 3rd Floor and 5th Floor to 8th Floor of Wah Sang Industrial Building, Nos. 14-18 Wong Chuk Yeung Street, Sha Tin, New Territories, Hong Kong with a total gross floor area of approximately 32,445 sq.ft. for the production of bakery products.

Major machinery and equipment installed within the factory units include multiple production lines, electric heated rotary oven, filling machine robot and mooncake mold, dough pressing and lard machine, bag sealing machine with conveyor belt and plastic buckle printer, fully automatic dough pressing machine, cake filling machine, etc. The approximate daily output capacity of the bakery products in 2026 is tabulated as follows:

Product Types	Daily Output Capacity (piece)
Bread	33,000
Cake	1,000
Other bakery products (fillings, cookies, etc.)	2,000
Total	36,000

Table 1: Daily output capacity of the bakery products in 2026

Source: Management

5.4 Historical Financial Performance of the Business Enterprise

Based on the financial information provided by the Management, the historical financial performance of the Business Enterprise for the year ended 31 March 2026 is shown as follows:

	1 Apr 2025 – 31 Mar 2026 (HK\$'000)
Revenue	136,418
Cost of goods sold	<u>(90,002)</u>
Gross profit	46,416
Other net income ⁽¹⁾	374
Other operating expenses ⁽¹⁾	<u>(40,930)</u>
Earnings before interest and taxes ⁽¹⁾	5,860
Finance costs	<u>(1,298)</u>
Profit before taxes	4,562
Taxation	<u>(1,349)</u>
Profit after taxes	<u><u>3,213</u></u>

* *Figures above are subject to rounding*

Note:

- ⁽¹⁾ According to the financial information provided by Management, the other net income comprised interest income and gain on disposal of assets, while the other operating expenses included an inter-company management expenses of HK\$1,560,000, which will no longer be incurred after the disposal. In estimating the normalized earnings before interest and taxes, we have treated both the other net income and the inter-company management expense as non-operating in nature and adjusted them accordingly to derive the normalized earnings before interest and taxes. Normalized earnings before interest and taxes is calculated as follows: earnings before interest and taxes – other net income + inter-company management expenses = HK\$5,860,000 – HK\$374,000 + HK\$1,560,000 = HK\$7,046,000.

Table 2: Historical financial performance of the Business Enterprise

Source: Management

According to the financial information provided by the Management, the Business Enterprise had a net asset position of approximately HK\$56,050,000 as at 31 March 2026.

6.0 INVESTIGATION AND ANALYSIS

Our investigation included discussion with the Management in relation to the bakery industry in Hong Kong, and the development, operations and other relevant information of the Business Enterprise. In addition, we have made relevant inquiries and obtained such further information including financial and business information, and statistical figures from other sources as we consider necessary for the purpose of this valuation. As part of our analysis, we have made reference to the financial information and other pertinent data concerning the Business Enterprise provided to us by the Management.

The valuation of the Business Enterprise requires consideration of all pertinent factors, which affect the operations of the business and its ability to generate future investment returns. The factors considered in this valuation include the following:

- Nature and operations of the Business Enterprise;
- Historical information of the Business Enterprise;
- Financial performances and positions of the Business Enterprise;
- Proposed business development of the Business Enterprise;
- Regulations and rules of the bakery industry in Hong Kong;
- Economic and industry data affecting the bakery industry and other dependent industries;
- Market-derived investment return(s) of similar business; and
- Industry and economic data.

7.0 GENERAL VALUATION APPROACHES AND METHODS

There are three generally accepted approaches to obtain the market value of the business subject, namely the Market Approach, the Asset Approach and the Income Approach. Under each approach, a number of methods are available which can be used to assess the value of a business subject. Each method uses a specific procedure to determine the business value.

Each of these approaches is appropriate in one or more circumstances, and sometimes, two or more approaches may be used together. Whether to adopt a particular approach will be determined by the specific characteristics of the subject of the valuation. It is also common practice to employ a number of valuation methods under each approach. Therefore, no single business valuation approach or method is definitive.

7.1 Market Approach

The Market Approach values a business entity by comparison of the prices at which other similar business nature companies or interests changed hands in arm's length transactions. The underlying theory of this approach is that one would not pay more than one would have to pay for an equally desirable alternative. By adopting this approach, we will first look for an indication of value from the prices of other similar companies or equity interest in companies that were sold recently.

The right transactions employed in analyzing for indications of value need to be sold at an arm's length basis, assuming that the buyers and sellers are well informed and have no special motivations or compulsions to buy or to sell.

The derived multiples (most commonly used are: price to earnings, price to sales and price to book multiple) based on the analysis of those transactions are then applied to the fundamental financial variables of the subject business entity to arrive an indication of value.

7.2 Asset Approach

The Asset Approach is based on the general concept that the earning power of a business entity is derived primarily from its existing assets. The assumption of this approach is that when each of the elements of working capital, tangible and intangible assets is individually valued, their sum represents the value of a business entity and equals the value of its invested capital (equity and debt capital). In other words, the value of the business entity is represented by the fund that has been made available to purchase the business assets needed.

This fund comes from investors who buy stocks of the business entity (equity) and investors who lend fund to the business entity (debt). After collecting the total amounts of fund from equity and debt, and converted into various types of assets of the business entity for its operation, the sum of such assets equals the value of the business entity.

From a valuation perspective, we will restate the values of all types of assets of a business entity from book values, i.e. historical cost minus depreciation to appropriate standards of value. After the restatement, we can identify the indicated value of the business entity, or, by applying the accounting principle "assets minus liabilities", to arrive at the value of the equity interest of the business entity.

7.3 Income Approach

The Income Approach focuses on the economic benefits generated by the income producing capability of a business entity. The underlying theory of this approach is that the value of a business entity can be measured by the present worth of the economic benefits to be received over the life of the business entity.

Based on this valuation principle, the Income Approach estimates the future economic benefits and discounts these benefits to its present value using a discount rate appropriate for the risks associated with realizing those benefits.

Alternatively, this can be calculated by capitalizing the economic benefits to be received in the next period at an appropriate capitalization rate. This is subject to the assumption that the business entity will continue to maintain stable economic benefits and growth rate.

8.0 VALUATION ANALYSIS

8.1 Valuation Approaches

In the process of valuing the business subject, we have considered the nature of the Business Enterprise, specialty of its operations, its current condition, and the industry it is participating. Having considered the three general valuation approaches, we consider that the Market Approach would be appropriate and reasonable in the valuation of the market value of the Business Enterprise.

In this valuation, the Income Approach is not adopted given that long-term forecasts inherently rely on various subjective assumptions, which may or may not be sustainable. Therefore, preparing the financial projection of the Business Enterprise involves subjective judgement and uncertainties. The Asset Approach is not applied as the valuation of the Business Enterprise is conducted on a going concern basis, and the summation of its assets is inappropriate as such method ignores the future economic benefits of the business as a whole and market sentiment regarding the shares of the Business Enterprise. In contrast, the Market Approach is better suited to capturing market sentiment and producing a less biased valuation of the Business Enterprise as it requires fewer subjective inputs. We have therefore solely relied on the Market Approach in determining our opinion of value.

Under the Market Approach, we have considered two commonly used methods of valuation, the Guideline Public Company Method and the Comparable Transactions Method. The Guideline Public Company Method is applied as there are a certain number of public traded companies engaged in the same or similar line of business as the Business Enterprise that can be identified. The shares of these publicly traded companies are actively traded in free and open markets and provide valid indicators of value to permit meaningful comparison. The application of Comparable Transactions Method is limited as there are insufficient comparable transactions and information to form a reliable opinion of value.

For the valuation of the Business Enterprise, we have employed the enterprise value to earnings before interests and taxes (“**EV/EBIT**”) ratio and price to earnings (“**P/E**”) ratio. We consider EV/EBIT ratio and P/E ratio are more representative than other commonly adopted multiples (e.g. Price to sales (“**P/S**”) and price to book (“**P/B**”) ratios) due to the following reasons:

- Earnings is the primary determinant of value;
- For profitable operating companies, EV/EBIT and P/E are the most commonly referenced benchmarks in valuation, equity research and market transactions, enhancing comparability and market acceptance;
- Price to sales (P/S) and price to book (P/B) ratios do not account for the profitability of the business, and fail to reflect the true earnings power and value of the business.

For profitable operating companies in the food processing and bakery industry, EV/EBIT and P/E ratios are generally accepted and commonly adopted pricing multiples for the following reasons:

- Earnings-based multiples are the primary benchmarks used in valuation. EV/EBIT is widely applied across consumer staples and food manufacturing industries as it normalizes differences in capital structure, asset intensity and financing decisions, thereby enhancing comparability among peers;
- P/E is the most recognized equity valuation multiple among investors. It directly reflects the market’s assessment of a company’s earnings capacity and is therefore the most frequently referenced metric in equity research, trading comparables and market transactions; and
- Industry practice supports earnings-focused multiples. Food processing and bakery operators typically exhibit meaningful variation in gross margins, operating efficiency, rental exposure and capital intensity. Earnings-based multiples capture these operational differences more effectively than sales-based or book-value-based metrics.

Given these factors, EV/EBIT and P/E ratios are considered representative, widely understood and market-accepted valuation benchmarks for companies in the food processing and bakery industry.

8.2 Guideline Public Companies

We have identified a total of 7 guideline public companies for our analysis. Since the Business Enterprise is principally engaged in the production of bakery products in Hong Kong, there are no perfect match of guideline public companies with exactly the same financial performance, business operations and risk profile as the business subject. However, the guideline public companies we identified are also engaged in the businesses of food processing with at least half of the revenue is generated from bakery and related products and therefore we consider they are subject to similar business, industry and economic risks and rewards as the Business Enterprise. Selection criteria of guideline public companies are listed as follows:

- a. Companies that are actively traded and publicly listed in Hong Kong and the PRC;
- b. Companies primarily engaged in food processing business and including bakery products;
- c. Over 70% of total revenue are derived from food processing and at least 50% of total revenue are derived from bakery and related products;
- d. Over 70% of total revenue by geographical locations are generated in the PRC and/or Hong Kong;
- e. Companies that are generating operating profits; and
- f. Shares of the guideline public companies are listed for more than 1 year.

Note:

Given that only a very limited number of Hong Kong-listed guideline public companies (i.e., two companies) satisfy all of the selection criteria, relying solely on Hong Kong comparables would not provide a sufficiently representative or reliable valuation benchmark. To ensure a more robust peer set, we have therefore included guideline public companies listed in the PRC.

Although the Business Enterprise operates its bakery business exclusively in Hong Kong, companies with substantial revenue exposure to Hong Kong and/or the PRC share broadly similar consumer habits, food retail dynamics, and operating risks. As such, PRC-listed food processing and bakery operators are considered to exhibit comparable business characteristics and risk-return profiles, making them appropriate and relevant for inclusion in the valuation analysis.

Based on our exhaustive search of the Refinitiv database using the criteria above, the 7 guideline public companies are set out below:

Refinitiv Ticker	Company Name	Nature of Principal Business	Revenue Segment	Geographical Location Segment
0831.HK	Convenience Retail Asia Ltd	Convenience Retail Asia Ltd is an investment holding company principally engaged in the operation of chain bakery stores. The company operates its business through two segments. The bakery segment is engaged in the manufacture and retail of bakery products. The eyewear segment is engaged in the retail of eyewear products.	90% Bakery	100% Hong Kong and China
1285.HK	Jiashili Group Ltd	Jiashili Group Ltd is a China-based investment holding company principally engaged in the manufacture and sale of biscuits. The company's products include sandwiches, sweet and savory single items, wafer biscuits and other biscuits, pasta, macaroni, candy, mooncakes, bread, soy milk and other products. The company operates in three segments: biscuit products segment, pasta products segment and flour products segment. The company's products are mainly sold to the Chinese market.	72% Biscuit Operation	100% China
001219.SZ	Qingdao Foods Co Ltd	Qingdao Foods Co Ltd is a China-based company mainly engaged in the research, development, production and sales of snack foods such as biscuits and peanut butter. The company mainly conducts its businesses in the domestic market.	84% Biscuit Products	80% China

Refinitiv Ticker	Company Name	Nature of Principal Business	Revenue Segment	Geographical Location Segment
300973.SZ	Ligao Foods Co Ltd	Ligao Foods Co Ltd is a China-based company primarily engaged in the research, development, production and sales of frozen baked goods and baking ingredients. The company distributes its products within the domestic market and to overseas markets.	99% Bakery Products	Mainly China
603043.SS	Guangzhou Restaurant Group Co Ltd	Guangzhou Restaurant Group Co Ltd is a China-based company primarily engaged in food and catering businesses. The company operates three segments., mainly the Food Manufacturing segment and the catering services segment. The company operates its businesses in the domestic market and overseas markets.	74% Food Manufacturing (Among food products, major products include baked goods)	Mainly China
603866.SS	Toly Bread Co Ltd	Toly Bread Co Ltd, formerly Shenyang Toly Bread Co Ltd, is a China-based company principally engaged in the production and sale of bakery products. The Company mainly operates its businesses in the domestic market.	100% Bread and Pastries	100% China
603886.SS	Ganso Co Ltd	Ganso Co Ltd is a China-based company mainly engaged in the research and development, production, and sales of baked goods. The company distributes its products through offline stores and online e-commerce channels.	100% Baked Goods	99% China

The above guideline public companies, together with the Business Enterprise, are subject to similar fluctuations in the economy and performance of the bakery industry, among other factors. Thus, we consider they are confronted with similar risks and rewards and the guideline public companies are considered comparable and representative.

The market capitalization, enterprise value, normalized earnings before interest and taxes (“**EBIT**”) and net income of the 7 guideline public companies are set out below:

Refinitiv Ticker	Company Name	Market capitalization (as at the Valuation Date) (HK\$'000)	Enterprise value (HK\$'000) ⁽¹⁾	Normalized EBIT (HK\$'000)	Net income (HK\$'000)
0831.HK	Convenience Retail Asia Ltd	277,634	274,839	46,950	33,806
1285.HK	Jiashili Group Ltd	456,459	805,127	173,170	126,327
001219.SZ	Qingdao Foods Co Ltd	2,813,656	1,968,412	141,114	130,831
300973.SZ	Ligao Foods Co Ltd	5,114,459	5,960,662	434,600	325,623
603043.SS	Guangzhou Restaurant Group Co Ltd	9,331,665	10,097,637	718,074	568,810
603866.SS	Toly Bread Co Ltd	8,041,427	9,039,508	566,483	292,294
603886.SS	Ganso Co Ltd	2,903,223	1,593,543	165,473	109,616

Note:

- ⁽¹⁾ Enterprise value was calculated by taking the market capitalisation as at 31 July 2026 and adjusting for the debt and cash balances of the guideline public companies based on their latest available financial information.

Table 3: Guideline public companies of the Business Enterprise

Source: Refinitiv, Peak Vision Appraisals

8.3 Multiple Ratios

We considers the seven guideline public companies to be comparable and representative because they operate in the food processing and bakery sector and share similar business models, product characteristics, consumer demand patterns and operating risks with the Business Enterprise. Although the Business Enterprise is smaller in scale, the selected companies reflect the same underlying industry dynamics, including raw material sourcing, production processes, distribution channels and operating structures. These similarities support their use as relevant market-based valuation benchmarks.

No size adjustment is considered necessary for the following reasons:

Operational risk in bakery and food processing businesses is not strongly correlated with company size. Smaller operators do not inherently face materially higher operating risk, nor do larger operators necessarily exhibit lower risk. Key risk drivers such as product quality, supply chain stability, consumer preferences, and operating economics, are largely uniform across companies regardless of scale.

Also, empirical observation of the selected comparables does not indicate a size-related valuation premium. Within the peer set, the largest company in terms of market capitalisation and revenue does not exhibit the highest EV/EBIT or P/E multiples and vice versa. This suggests that market pricing in this sector is not primarily driven by size, and therefore a size-based adjustment would not be supported by observable market evidence.

Earnings-based multiples already partly capture scale differences through profitability. EV/EBIT and P/E ratios inherently reflect differences in operating efficiency, margin levels and earnings quality.

Also, applying a size adjustment without clear market evidence may introduce subjectivity. Given that the observed multiples do not show a systematic relationship between size and valuation, imposing a size discount would risk distorting market-participant assumptions rather than enhancing comparability.

Accordingly, we consider the selected guideline public companies to be appropriate and representative, and concludes that no size adjustment is required to derive reliable valuation multiples for the Business Enterprise.

The multiples applied are presented as follows:

Refinitiv Ticker	Company Name	EV/EBIT	
		Ratio	P/E Ratio
0831.HK	Convenience Retail Asia Ltd	5.85 ⁽¹⁾	8.21
1285.HK	Jiashili Group Ltd	4.65 ⁽¹⁾	3.61 ⁽¹⁾
001219.SZ	Qingdao Foods Co Ltd	13.95	21.51
300973.SZ	Ligao Foods Co Ltd	13.72	15.71
603043.SS	Guangzhou Restaurant Group Co Ltd	14.06	16.41
603866.SS	Toly Bread Co Ltd	15.96 ⁽¹⁾	27.51 ⁽¹⁾
603886.SS	Ganso Co Ltd	9.63	26.49 ⁽¹⁾
	Mean	11.12	17.06
	Standard deviation	4.45	8.94
	Mean excluding outliers ⁽¹⁾	12.84	15.46
	Applied ratio	12.84	15.46

* Figures above are subject to rounding

Note:

⁽¹⁾ Sample value(s) outside one standard deviation of the mean are determined as outliers.

Based on the above, the EV/EBIT ratios of the guideline public companies ranged from the minimum of 4.65x to the maximum of 15.96x, resulting in a mean of approximately 11.12x and mean excluding outliers of approximately 12.84x.

The P/E ratios of the guideline public companies ranged from the minimum of 3.61x to the maximum of 27.51x, resulting in a mean of approximately 17.06x and mean excluding outliers of approximately 15.46x.

We have adopted the mean excluding outliers as our multiples due to the following reasons: (1) mean is commonly adopted and takes into account of all the values of the comparable companies; and (2) mean excluding outliers are not influenced by extreme values. We then applied the multiple to the corresponding measurement base, which is based on the financial information of the Business Enterprise provided by the Management.

8.4 Multiplication Factors

Based on the financial information of the Business Enterprise as provided by the Management, the normalized EBIT and net income attributable to controlling shareholders of the Business Enterprise for the year ended 31 March 2026 is calculated as follows:

Normalized EBIT

(HK\$'000)

Earnings before interest and taxes (EBIT) for the year ended	
31 March 2026 (per financial statements)	5,860
Add: inter-company management expenses	1,560
Less: interest income	(25)
Less: gain on disposal of assets	<u>(349)</u>

Normalized EBIT

7,046

Net Income Attributable to Controlling Shareholders

(HK\$'000)

Profit before taxes for the year ended 31 March 2026	
(per financial statements)	4,562
Taxation (at effective tax rate of 16.5%)	<u>(753)</u>
	3,809
Add: inter-company management expenses, after tax	
(HK\$1,560,000 x (1-16.5%))	1,303
Less: gain on disposal of assets, after tax	
(HK\$349,000 x (1-16.5%))	(291)
Non-controlling interest share of losses in Bright Million Limited	<u>17</u>
Net Income Attributable to Controlling Shareholders	<u>4,838</u>

Based on the management accounts provided by the Management for the periods from April to July 2025 and April to July 2026, the profit before taxes (attributable to controlling shareholders) remained broadly consistent, amounting to HK\$1,444,000 and HK\$1,513,000 respectively. The variance is less than 5%, indicating no material change in the financial performance of the Business Enterprise subsequent to 31 March 2026.

However, as these management accounts are unaudited and therefore less reliable, these figures are considered for reference purposes only. To be in line with valuation practice, and to avoid relying on financial information that has not been subject to audit procedures, we have not adopted these figures in our valuation analysis.

8.5 Control Premium

A control premium is the premium an investor is willing to pay in addition to a marketable minority equity value to obtain controlling interest in a business subject. The published market price of the identified comparable companies represents the market transaction of minority interest, therefore adjustment has been made to reflect the degree of control associated with controlling interest of the Business Enterprise. Based on research published by FactSet/BVR Control Premium Study⁽¹⁾, the overall median control premium as at the Valuation Date was approximately 23.8%.

Note:

- (1) FactSet/BVR Control Premium Study is a study examining transactions whereby 50.01% or more of a company was acquired. FactSet/BVR Control Premium Study is published by FactSet, a multinational financial data and software company founded in 1978, went public in 1996 and currently dual listed on the New York Stock Exchange and the NASDAQ. FactSet provides financial information and analytic software for investment professionals. According to FactSet website, data of Factset was used by AP Associated Press, Barrons's, CNNMoney.com, The Wall Street Journal, MarketWatch from DowJones, etc.

8.6 Lack of Marketability Discount

We have adopted a lack of marketability discount of approximately 20.4% as ownership interest in closely held companies are typically not readily marketable compared to similar interest in publicly listed companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly held company.

The discount of 20.4% was determined with reference to Stout Restricted Stock Study Companion Guide (2024 Edition)⁽¹⁾.

Note:

- (1) The Stout Restricted Stock Study Companion Guide is a widely used empirical reference in valuation practice that analyses historical transactions of restricted stock to estimate discounts for lack of marketability (DLOM). The 2024 Edition includes 779 restricted-stock transactions across multiple industries and time periods, providing statistically robust benchmarks for assessing marketability discounts. The overall average discount observed across the full sample is 20.4%, which is commonly adopted as a reference point in valuations.

8.7 Net non-operating Assets and Liabilities, Cash and Debts, and Non-controlling Interest

In computing the market value of the Business Enterprise, we have adjusted the assessed enterprise value for the net non-operating assets and liabilities, cash and debts, and non-controlling interest of the Business Enterprise as at the Valuation Date. The net non-operating assets and liabilities, cash and debts, and non-controlling interest of the Business Enterprise as at 31 March 2026 were as follows:

	(HK\$'000)
Net non-operating assets and liabilities ⁽¹⁾	1,375
Cash	14,660
Debts	(22,147)
Non-controlling interest	(501)

* *Figures above are subject to rounding*

Note:

(1) *Net non-operating assets and liabilities include amount due from directors, fellow subsidiaries and shareholder of HK\$1,865,000 and amount due to fellow subsidiaries and related companies of HK\$490,000. The net total is: HK\$1,865,000 – HK\$490,000 = HK\$1,375,000.*

8.8 Valuation Summary

Based on our analysis, the mean excluding outliers of the EV/EBIT ratio of the guideline public companies was approximately 12.84x. By applying the normalized EBIT of the Business Enterprise for the year ended 31 March 2026 of approximately HK\$7,046,000 (in accordance with *Section 8.4*) and adjusting for control premium (in accordance with *Section 8.5*), net non-operating assets and liabilities, cash and debts, and non-controlling interest (in accordance with *Section 8.7*), and lack of marketability discount (in accordance with *Section 8.6*), the indicative value under EV/EBIT ratio as at the Valuation Date was approximately **HK\$82,255,000 (HONG KONG DOLLARS EIGHTY TWO MILLION TWO HUNDRED AND FIFTY FIVE THOUSAND ONLY)**.

The calculation is tabulated as follows:

	<i>(HK\$'000)</i>
Applied EV/EBIT ratio	12.84x
Multiplication factor (normalized EBIT of the Business Enterprise for the year ended 31 March 2026)	<u>7,046</u>
	90,465
Adjustment:	
Add: Control premium	21,531
Add: Net non-operating assets and liabilities	<u>1,375</u>
	113,371
Less: Lack of marketability discount	<u>(23,128)</u>
	90,243
Add: Cash	14,660
Less: Debts	(22,147)
Less: Non-controlling interest	<u>(501)</u>
Indicative value of 100% equity interest of the Business Enterprise	<u><u>82,255</u></u>

* *Figures above are subject to rounding*

Under the P/E multiple, mean excluding outliers of the P/E ratio of the guideline public companies was approximately 15.46x. By applying the net income attributable to controlling shareholders of the Business Enterprise for the year ended 31 March 2026 of approximately HK\$4,838,000 (in accordance with *Section 8.4*) and adjusting for control premium (in accordance with *Section 8.5*), net non-operating assets and liabilities (in accordance with *Section 8.7*), and lack of marketability discount (in accordance with *Section 8.6*), the indicative value under the P/E ratio as at the Valuation Date was approximately HK\$74,784,000 (**HONG KONG DOLLARS SEVENTY FOUR MILLION SEVEN HUNDRED AND EIGHTY FOUR THOUSAND ONLY**).

The calculation is tabulated as follows:

	(HK\$'000)
Applied P/E ratio	15.46x
Multiplication factor (net income attributable to controlling shareholders of the Business Enterprise for the year ended 31 March 2026)	4,838
	74,778
Adjustment:	
Add: Control premium	17,797
Add: Net non-operating assets and liabilities	1,375
	93,950
Less: Lack of marketability discount	(19,166)
Indicative value of 100% equity interest of the Business Enterprise	74,784

* Figures above are subject to rounding

By taking simple average of the indicative values above, we are of the opinion that the market value of 100% equity interest of the Business Enterprise as at the Valuation Date was in the sum of **HK\$78,520,000 (HONG KONG DOLLARS SEVENTY EIGHT MILLION FIVE HUNDRED AND TWENTY THOUSAND ONLY)**.

Based on our analysis stated above and applying 76.17% equity interest in the Business Enterprise, we are of the opinion that the market value of 76.17% equity interest of the Business Enterprise as at the Valuation Date was in the sum of **HK\$59,810,000 (HONG KONG DOLLARS FIFTY NINE MILLION EIGHT HUNDRED AND TEN THOUSAND ONLY)**.

9.0 VALUATION ASSUMPTIONS

- We are instructed by the Management to perform this valuation based on the financial information of the Business Enterprise as at 31 March 2026, and assuming that there are no material changes in the financial performances and financial positions of the Business Enterprise during the period from 31 March 2026 to the Valuation Date;
- Given that the cancellation of the rights issue by the Business Enterprise is a condition precedent to the completion of the disposal of the interest in the Business Enterprise, we have been instructed by the Management to perform this valuation on the assumption that the rights issue had been cancelled and terminated as at the Valuation Date.

- For the Business Enterprise to continue as a going concern, the Business Enterprise will successfully carry out all necessary activities for the development of its business;
- Key management, competent personnel, professional and technical staff will all be retained to support the ongoing operations of the Business Enterprise;
- The availability of finance will not be a constraint on the forecast growth of the Business Enterprise's operations in accordance with the business plans;
- Market trends and conditions where the Business Enterprise operates will not deviate significantly from the economic forecasts in general;
- The financial information of the Business Enterprise as supplied to us has been prepared in a manner which truly and accurately reflects the financial performances and positions of the Business Enterprise as at the respective financial statement dates;
- There will be no material changes in the business strategy of the Business Enterprise and its operating structure;
- The Business Enterprise shall have uninterrupted rights to operate its existing business during the unexpired term of its authorized operating period;
- Interest rates and exchange rates in the localities for the operations of the Business Enterprise will not differ materially from those presently prevailing;
- All relevant approvals, business certificates, licences or other legislative or administrative authority from any local, provincial or national government, or private entity or organization required to operate in the localities where the Business Enterprise operates or intends to operate will be officially obtained and renewable upon expiry unless otherwise stated; and
- There will be no major changes in the political, legal, technological, economic or financial conditions and taxation laws in the localities in which the Business Enterprise operates or intends to operate, which would adversely affect the revenues and profits attributable to the Business Enterprise.

10.0 LIMITING CONDITIONS

Our conclusion of the market value is derived from generally accepted valuation procedures and practices that rely substantially on the use of various assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. This valuation reflects facts and conditions existing as at the Valuation Date. Subsequent events have not been considered and we are not required to update our report for such events and conditions.

To the best of our knowledge, all data set forth in this report is reasonable and accurately determined. The data, opinions, or estimates identified as being furnished by others that have been used in formulating this analysis, are gathered from reliable sources, however, no guarantee is made nor liability assumed for the accuracies.

We have relied to a considerable extent on the information provided by the Management in arriving at our opinion of value. We are not in the position to verify the accuracy of all information provided to us. However, we have had no reason to doubt the truth and accuracy of the information provided to us and to doubt that any material facts have been omitted from the information provided. No responsibility for operational and financial information that has not been provided to us is accepted.

We have not investigated the title to or any legal liabilities against the Business Enterprise and have assumed no responsibility for the title to or any legal liabilities against the Business Enterprise. In forming our opinion, we have assumed that matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so and that there are no material legal proceedings.

To the extent that there are legal issues relating to financial instruments, assets, properties, or business interests or issues relating to compliance with applicable laws, regulations, and policies, Peak Vision Appraisals assumes no responsibility and offers no legal opinion or interpretation on any issue.

As advised by the Company, there are no material environmental, social, and governance (“ESG”) factors expected to impact the valuation of the valuation subject(s). Accordingly, and as agreed with the Company, ESG related considerations have not been incorporated into the valuation. In the course of our valuation, we have assumed that no significant ESG factors exist that would affect the valuation. This valuation does not constitute an ESG risk assessment or ESG rating.

In accordance with our standard practices, we must state that this report is for the exclusive use of the party to whom it is addressed and for the specific purpose stated above. Furthermore, the report and conclusion of value are not intended by the author, and should not be construed by the reader, to be investment advice in any manner whatsoever. The conclusion of value represents the consideration based on information furnished by the Management/engagement parties and other sources. No responsibility is accepted to any third party for the whole or any part of its contents.

Actual transactions involving the subject assets/business might be concluded at a higher or lower value, depending upon the circumstances of the transaction and the business, and the knowledge and motivation of the buyers and sellers at that time.

11.0 REMARKS

Unless otherwise stated, all monetary amounts stated in this valuation report are in Hong Kong Dollars (HK\$).

The Management has reviewed and confirmed the factual content and has agreed to the assumptions and limiting conditions of this report.

We hereby confirm that we have no material connection or involvement with the Business Enterprise, the Company and its subsidiaries, associates, affiliates, or the value reported herein and that we are in a position to provide an objective and unbiased valuation.

For the subject valuation, Peak Vision Appraisals does not yet adopt a rotation policy, and instead, our valuation will be periodically reviewed by another member of the RICS.

In accordance with the RICS Valuation – Global Standards (Effective from 31 January 2025), we are also required to draw your attention to the possibility that this valuation may be investigated by the RICS for compliance with such standards.

The proportion of total fees payable by the Company during the preceding year relative to the total fee income of Peak Vision Appraisals is minimal.

12.0 OPINION OF VALUE

Based on the investigation and analysis stated above and on the valuation method employed and key assumptions appended above, we are of the opinion that the market value of 76.17% equity interest in the Business Enterprise as at the Valuation Date was in the sum of **HK\$59,810,000 (HONG KONG DOLLARS FIFTY NINE MILLION EIGHT HUNDRED AND TEN THOUSAND ONLY)**.

Yours faithfully,
For and on behalf of
Peak Vision Appraisals Limited

Nick C. L. Kung
MRICS, MHKIS, R.P.S. (GP), RICS
Registered Valuer, MCIREA
Director
Corporate Valuations

Yours faithfully,
For and on behalf of
Peak Vision Appraisals Limited

Chern Sung Lee
CFA, CPA, MRICS, RICS
Registered Valuer
Director
Corporate Valuations

Notes:

- (1) Mr. Nick C. L. Kung is a member of the Royal Institution of Chartered Surveyors (the RICS) and member of the Hong Kong Institute of Surveyors (the HKIS), RICS Registered Valuer, Registered Professional Surveyor (General Practice) and Registered Business Valuer of the Hong Kong Business Valuation Forum (HKBVF) and has more than 20 years of experience in the valuation of business assets and business entities in Hong Kong and overseas.
- (2) Mr. Chern Sung Lee is a CFA Charterholder, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Royal Institution of Chartered Surveyors and a RICS Registered Valuer and has more than 10 years of experience in the valuation of business assets and business enterprises in Hong Kong and overseas.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives of the Company and their associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors or chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (“**Model Code**”) were as follows:

Long position in Shares of the Company

Name of Director/chief executive	Capacity/nature of interest	Number of Shares held/interested in	Approximate percentage of shareholding (Note 3)
Ma Kai Cheung (“ Mr. KC Ma ”) (Note 1)	Beneficial owner, security interest in shares, interest of spouse and beneficiary of trust	627,463,011	39.93%
Ma Kai Yum (“ Mr. KY Ma ”) (Note 2)	Beneficial owner, security interest in shares, interest of spouse and beneficiary of trust	309,289,754	19.68%
Ma Hung Ming, John (“ Mr. John Ma ”)	Beneficial owner	476,000	0.03%

Notes

1. Mr. KC Ma is interested in an aggregate of 627,463,011 Shares by virtue of the SFO. He is the beneficial owner of 361,283,986 Shares. Mr. KC Ma and his family are the objects of a discretionary trust which effectively owns the entire issued share capital of Regent World Investments Limited (“**Regent World**”) and 70% of the entire issued share capital of Bond Well Investments Limited (“**Bond Well**”). As at the Latest Practicable Date, Regent World owned 184,121,625 shares and Bond Well owned 75,007,400 shares of the Company. Mr. KC Ma is deemed under the SFO to be interested in the 7,050,000 Shares held by his spouse, Ms. Cheung Lin Kiu.
2. Mr. KY Ma is interested in an aggregate of 309,289,754 Shares by virtue of the SFO. He is the beneficial owner of 204,888,714 Shares. Mr. KY Ma and his family are the objects of a discretionary trust which effectively owns the entire issued share capital of Grand Wealth Investments Limited (“**Grand Wealth**”) and Peaceful World Limited (“**Peaceful World**”). As at the Latest Practicable Date, Grand Wealth owned 74,651,040 shares and Peaceful World owned 19,050,000 shares of the Company. Peaceful World owns the entire issued share capital of Real Potential Limited (“**Real Potential**”). As at the Latest Practicable Date, Real Potential owned 7,500,000 shares of the Company. The interests of Real Potential in the Company are therefore deemed to be the interests of Peaceful World in which Mr. KY Ma is also deemed to have interests in. Mr. KY Ma is deemed under the SFO to be interested in the 3,200,000 Shares held by his spouse, Ms. Kwok Kit Mei.
3. The percentage figures are based on the number of Shares in issue as at the Latest Practicable Date (i.e. 1,571,359,420 Shares).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial Shareholders' interests in the Company

As at the Latest Practicable Date, so far as the Directors are aware, the following persons (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO:

Long position in Shares of the Company

Name of Shareholder	Capacity/nature of interest	Number of Shares held/interested in	Approximate percentage of shareholding (Note 4)
East Asia International Trustees Limited (Note 1)	Trustee	360,330,065	22.93%
Golden Yield Holdings Limited (Note 2)	Interest in controlled corporations	259,129,025	16.49%
Regent World Investments Limited (Note 2)	Holding corporation	184,121,625	11.72%
Wealthy Platform Limited (Note 3)	Interest in controlled corporations	101,201,040	6.44%
Bond Well Investments Limited (Note 2)	Holding corporation	75,007,400	4.77%
Grand Wealth Investments Limited (Note 3)	Holding corporation	74,651,040	4.75%

Notes

1. East Asia International Trustees Limited (“EAIT”) is the trustee of a discretionary trust of which Mr. KC Ma and his family are the objects and through its wholly-owned subsidiary, Golden Yield Holdings Limited (“**Golden Yield**”), EAIT was indirectly interested in 259,129,025 Shares. EAIT is also the trustee of a discretionary trust of which Mr. KY Ma and his family are the objects and through its wholly-owned subsidiary, Wealthy Platform Limited (“**Wealthy Platform**”), EAIT was indirectly interested in 101,201,040 Shares. As at the Latest Practicable Date, EAIT was effectively interested in a total of 360,330,065 Shares. Mr. KC Ma and Mr. KY Ma are the directors of Regent World.

2. Golden Yield owns the entire issued share capital of Regent World and 70% of the entire issued share capital of Bond Well, and was indirectly interested in a total of 259,129,025 Shares. Mr. KC Ma is a director of Bond Well.
3. Wealthy Platform owns the entire issued share capital of Grand Wealth and Peaceful World and indirect owns the entire issued share capital of Real Potential through Peaceful World, and was indirectly interested in 101,201,040 Shares. Mr. KC Ma is a director of Grand Wealth and Mr. KY Ma is a director of Peaceful World and Real Potential.
4. The percentage figures are based on the number of Shares in issue as at the Latest Practicable Date (i.e. 1,571,359,420 Shares).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which has an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of Part XV of the SFO.

3. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors, directly or indirectly, had any interest in any assets which had since 31 March 2026 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to the Group, or were proposed to be acquired or disposed of by or leased to the Group. As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or any of their respective associates had any interest in business which competes or may compete, whether directly or indirectly, with the business of the Group or had any other conflict which any person has or may have with the Group pursuant to the Listing Rules.

6. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

The following material contract (not being contracts in the ordinary course of business) has been entered into by members of the Group within the two years preceding the date of this circular and up to the Latest Practicable Date and is or may be material:

- (i) the provisional agreement for sale and purchase dated 14 January 2025 and entered into amongst Happy Empire Limited as vendor, Kindway Corporation Limited as purchaser and Nexus Realty Limited as agent in relation to the disposal of Shop on Ground Floor, No. 270 Ki Lung Street, Sham Shui Po, Kowloon, Hong Kong for a consideration of HK\$20,160,000;
- (ii) the second deed of amendment dated 31 July 2025 and entered into between (i) the Company as issuer and Ms. Chen Ying as subscriber; and (ii) the Company as issuer and Ms. Trantallis Karin as subscriber in relation to the proposed amendments to the terms and conditions of the convertible bonds in the aggregate principal amount of HK\$75,425,251.80 (the “**Convertible Bonds**”);
- (iii) the agreement for sale and purchase dated 13 February 2026 entered into among Carrianna Land Development Limited as vendor, Silver Chaser Holdings Limited as purchaser and the Company as the vendor’s guarantor in relation to the disposal of 100% equity interest in Profit Share Investments Limited for the total consideration of HK\$45,000,000;
- (iv) the third deed of amendment dated 31 July 2026 and entered into between (i) the Company as issuer and Ms. Chen Ying as subscriber; and (ii) the Company as issuer and Ms. Trantallis Karin as subscriber in relation to the proposed amendments to the terms and conditions of the Convertible Bonds; and
- (v) the Sale and Purchase Agreement.

8. EXPERT AND CONSENT

The following are the qualification of the expert who has been named in this circular or have given opinions, letters or advices contained in this circular:

Name	Qualification
Peak Vision Appraisals Limited	Independent valuer

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

As at the Latest Practicable Date, the above expert had no interest, direct or indirect, in the promotion of, or in any assets which since 31 March 2026, the date to which the latest published audited financial statements of the Company were made up, have been acquired or disposed of by or leased to, the Company, or are proposed to be acquired or disposed of by or leased to the Company.

As at the Latest Practicable Date, the above expert had given and had not withdrawn their written consent to the issue of this circular, with the inclusion of the references to their name and/ or their opinion or report in the form and context in which they are included.

9. BIOGRAPHIES OF DIRECTORS

Below are the biographies of the Directors:

HONORARY CHAIRMAN AND EXECUTIVE DIRECTOR

MA Kai Cheung, *PhD, SBS, BBS*, aged 84, is the co-founder of the Group. Mr. Ma has been appointed as Honorary Chairman and re-designated as Non-Executive Director of the Group since 1 January 2014. Mr. Ma was re-designated as Executive Director on 10 December 2020 and currently serves as a director of certain subsidiaries of the Company. Mr. Ma has over 30 years' experience in the restaurant business and property development. He was a committee member of the 9th, 10th and 11th National Committee of the Chinese People's Political Consultative Conference. He is the consultant of the All-Chinese Federation of Returned Overseas Chinese, the permanent honorary president of the Shenzhen Overseas Chinese International Association, the permanent honorary president of the Federation of Hong Kong Chiu Chow Community Organizations Ltd., the permanent honorary president of the Hong Kong Chiu Chow Chamber of Commerce Limited and the permanent honorary president of the Hong Kong & Kowloon Chiu Chow Public Association. Mr. Ma is the elder brother of Mr. Ma Kai Yum.

EXECUTIVE DIRECTORS

MA Kai Yum, *PhD, BBS*, aged 75, a co-founder of the Group, has been an Executive Director of the Group since 1984, and Chairman of the Group since 1 January 2014. Mr. Ma accumulated many years of management experience from garment business, property development, hotel and catering business. Mr. Ma is currently responsible for the important decision-making and business development of the Group and serves as a director of certain subsidiaries of the Company. Mr. Ma was awarded the Bronze Bauhinia Star (BBS) from the Government of the Hong Kong Special Administrative Region in July 2024. Mr. Ma was a former member of Guangdong Provincial Committee of the Chinese People's Political Consultative Conference and also serves as the life honorary president of Hong Kong & Kowloon Chiu Chow Public Association, the supervisor of Hong Kong & Kowloon Chiu Chow Public Association Secondary School, the vice president of the Federation of Hong Kong Chiu Chow Community Organization, the executive vice-chairman of the Chinese Manufacturers Association of Hong Kong and the chief supervisor of Federation of Hong Kong Shantou Community Organizations. Mr. Ma is the younger brother of Mr. Ma Kai Cheung.

LIANG Rui, aged 51, is the Chief Executive Officer and Executive Director of the Group since 2 January 2021. He is a representative of Shenzhen Municipal People's Congress. He holds a doctoral degree in technical economics and management from the School of Economics and Business Administration of Chongqing University and a postdoctoral degree in applied economics from the School of Economics and Finance of Xi'an Jiaotong University. Since 2000, Mr. Liang has worked for the Shenzhen Luohu District People's Government for nearly 17 years, serving various senior posts including deputy director of the Letters and Calls Bureau, director of the District Committee (Government) Office, director of the District Civil Affairs Bureau, and secretary and director of the Party's Working Committee of Nanhu Street Office. He has served as the chief executive officer of Shuibei Jewelry Group since October 2017. Mr. Liang is currently a non-executive director of Coolpad Group Limited, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He has served as the executive director of Coolpad Group Limited from January 2018 to December 2020 and also their chief executive officer from September 2019 to December 2020.

MA Hung Man, aged 50, is the Executive Director of the Group since 8 September 2022 and is currently responsible for the development of Group's food business. Mr. Ma graduated from the University of California, Davis with a bachelor of Science degree in Civil Engineering in 2000. He then began his professional practice in structural engineering in California and obtained his professional license in civil engineering (BPELSG, USA) in 2004. Mr. Ma returned to Hong Kong to join the Group in 2006 and participated in the property development projects in Mainland China. He was appointed Managing Director of the Group's restaurant and food production division in 2012. Mr. Ma has substantial management experience in food and beverage business and property development. He was a committee member of the 10th, 11th and 12th Hunan Provincial Committee of the Chinese People's Political Consultative Conference. Mr. Ma is the son of Mr. Ma Kai Cheung, the controlling shareholder and an executive director of the Company and a younger brother of Mr. Ma Hung Ming John, an executive director of the Company. Mr. Ma is also the nephew of Mr. Ma Kai Yum, the Executive Director and substantial shareholder of the Company.

NON-EXECUTIVE DIRECTOR

MA Hung Ming, John, *PhD, BBS, JP*, aged 59, joined the Group in 1990. He has been an executive Director of the Group from 25 May 2009 to 10 April 2026 and the vice-chairman from 28 June 2019 to 10 April 2026. He has been the Managing Director of Carrianna Holdings Limited since April 2002 and is currently responsible for the Group's property development operations. Mr. Ma is currently a director of certain subsidiaries of the Company. He has extensive experience in the catering industry, as well as property management and development. Mr. Ma was awarded the Bronze Bauhinia Star (BBS) from the Government of the Hong Kong Special Administrative Region in 2003, appointed Justice of the Peace (JP) in 2015 and an Honorary Doctorate of Philosophy degree by Morrison University in 2004. In 2011, he was awarded the honorary citizen by the Shenzhen government. He was the chairman of Tung Wah Group of Hospitals for the year 2002 and formerly served as a member of the Standing Committee of Shenzhen Committee of the Chinese People's Political Consultative Conference. He currently serves as the executive vice chairman of the Federation of Hong Kong Guangdong Community Organisations, the executive director of China Overseas Friendship Association, the permanent honorary president of the Hong Kong Chiu Chow Chamber of Commerce and the president of the Hong Kong & Kowloon Chiu Chow Public Association. Mr. Ma is an independent non-executive director of Liu Chong Hing Investment Limited, the shares of which are listed on Main Board of The Stock Exchange of Hong Kong Limited.

Mr. Ma is the son of Mr. Ma Kai Cheung, the Executive Director and controlling shareholder of the Company and also the elder brother of Mr. Ma Hung Man, the Executive Director of the Company. Mr. Ma is also the nephew of Mr. Ma Kai Yum, the Executive Director and substantial shareholder of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

WONG See King, aged 64 is an Independent Non-Executive Director of the Company. Mr. Wong joined the Group in August 2007. Mr. Wong is currently the chief financial officer of HAGER Asia Limited, a subsidiary of the HAGER Group which is a market leader of selling building hardware products in the US market, being engaging for building hardware business in China and Hong Kong. Mr. Wong had also worked as financial and business executive in various Australian, UK and US multi-national companies. He has over 20 years of working experience in corporate finance, building hardware, consumer goods manufacturing and distribution business in Hong Kong and China and property development business in Australia. He holds a bachelor's degree in Economics from Macquarie University, Australia and is a member of the CPA Australia.

CHEUNG Wah Fung, Christopher, *GBS, SBS, JP*, aged 74, is an Independent Non-Executive Director of the Company. Mr. Cheung joined the Group in July 2021. Mr. Cheung was formerly a member of the Legislative Council (Financial Services) of the Hong Kong Special Administrative Region. He is currently the Chairman of Christfund Securities Limited. He obtained an EMBA degree from the City University of Hong Kong in 2007. Mr. Cheung has extensive experience in the financial market and securities industry for over 40 years. He was a former member of the National Committee of the Chinese People's Political Consultative Conference, and also serves as the honorary president of the Hong Kong Securities Professionals Association, an elected director of the Hong Kong Chinese General Chamber of Commerce, the president of the Hong Kong China Chamber of Commerce, the honorary president of the Hong Kong Federation of Fujian Association, the deputy secretary of the Friends of Hong Kong Association, and the vice president of the Federation of HK Jiangsu Community Organization. Mr. Cheung is currently an independent non-executive director of Tongda Group Holdings Limited, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

LIU Ling Ling, Samantha, M.H., aged 40, is an Independent Non-Executive Director of the Company. Miss Liu joined the Group in December 2024. Miss Liu is currently the principal of Agape Education Centre and Agape Arts Centre. Miss Liu has been in the education and cultural industries for over 15 years. She has extensive experience in corporate social responsibility and corporate public relations. Miss Liu has initiated and organized numerous charity activities for those in need, collaborating with various private enterprises and social groups, which, in particular, excel in youth development and community services. Miss Liu is currently the chairman of the “Strive and Rise Programme” Advisory Committee, member of the Chinese People’s Political Consultative Conference of Shantou City Guangdong, assistant commissioner of the Immigration Department Youth Leaders Corps, member of the Environment and Conservation Fund, committee member of the Venue Partnership Scheme, observer of the Independent Police Complaints Council, vice president of the Hong Kong and Kowloon Chiu Chow Public Association and the school management committee of the Hong Kong and Kowloon Chiu Chow Public Association Secondary School etc.

10. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Yu Man Ho. Mr. Yu graduated with a bachelor’s degree in business from the Griffith University in Australia. He is a member of CPA Australia and the Hong Kong Institute of Certified Public Accountants. Mr. Yu has over 19 years of experience in the financial management and company secretarial fields.
- (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.
- (c) The English text of the circular shall prevail over the respective Chinese text in the case of inconsistency.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.carrianna.com) for a period of 14 days from the date of this circular:

- (a) the Sale and Purchase Agreement;
- (b) the valuation report of the Disposal Group as set out in Appendix II to this circular; and
- (c) the written consent referred to in the paragraph headed “8. Expert and Consent” in this appendix.