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SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

**(1) SHARE TRANSACTION AND CONNECTED TRANSACTION IN
RELATION TO ACQUISITION OF 100% EQUITY INTEREST IN ERJIN
MANAGEMENT INVOLVING THE ISSUE OF CONSIDERATION
SHARES UNDER SPECIFIC MANDATE;
AND
(2) NOTICE OF EGM**

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



Capitalised terms used in this cover page have the same meanings as defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 5 to 24 of this circular. A letter from the Independent Board Committee is set out on pages 25 to 26 of this circular. A letter from Ignite Capital (Asia Pacific) Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, is set out on pages 27 to 48 of this circular.

A notice convening the EGM to be held at the Conference Room 1, 26/F, Block B, Rongke Wangjing Center, Chaoyang District, Beijing, PRC on Wednesday, 11 November 2026 at 10:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the respective websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.sunac.com.cn). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

26 October 2026

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DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Target Equity Interest by the Purchaser pursuant to and in accordance with the terms and conditions of the Sale and Purchase Agreement
“Announcements”	the announcements of the Company dated 24 August 2026 and 20 October 2026
“Board”	the board of Directors
“Company”	Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01918)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the date on which Completion takes place
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration Shares”	260,258,500 new Shares to be allotted and issued by the Company to the Vendor at Completion as settlement of the consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the Acquisition, the proposed grant of the Specific Mandate, the allotment and issue of the Consideration Shares
“Erjin Management”	Erjin Construction Management Group Co., Ltd. (而今建設管理集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company
“Group”	the Company and its subsidiaries

DEFINITIONS

“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 Board Committee”	an independent board committee of the Company comprising all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders in respect of the Acquisition
“Independent Financial Adviser”	Ignite Capital (Asia Pacific) Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition
“Independent Shareholders”	Shareholder(s) other than Mr. Sun, Mr. Sun Kevin Zheyi and their associates (if they hold Shares)
“Issue Price”	HK\$0.547 per Share
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Latest Practicable Date”	21 October 2026, being the latest practicable date prior to the printing of this circular, for ascertaining certain information contained in this circular
“Long Stop Date”	31 December 2026, or such other date as may be agreed in writing between the parties to the Sale and Purchase Agreement
“MCB 1”	new zero-coupon mandatory convertible bonds of the Company with a term of six months from 23 December 2025 which were issued to the scheme creditors as part of the restructuring consideration and/or for payment of the consent fees (as the case may be)

DEFINITIONS

“MCB 2”	new zero-coupon mandatory convertible bonds of the Company with a term of thirty months from 23 December 2025 which were issued to the scheme creditors as part of the restructuring consideration
“Mr. Sun”	Mr. Sun Hongbin, the chairman of the Board, an executive Director and a substantial Shareholder
“PRC”	the People’s Republic of China
“Purchaser”	Sunac Property Management Limited (融創房地產管理有限公司), a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement entered into between the Purchaser and the Vendor on 24 August 2026 in relation to the sale and purchase of the Target Equity Interest and as amended by the Supplemental Agreement
“SFO”	Securities and Futures Ordinance (Cap. 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 Shares
“Specific Mandate”	the specific mandate to be sought from the Independent Shareholders at the EGM for the allotment and issue of the Consideration Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	a supplemental agreement to the Sale and Purchase Agreement entered into between the Purchaser and the Vendor dated 20 October 2026
“Target Company”	Sun Success Investment Limited (融順投資有限公司), a company incorporated in the British Virgin Islands with limited liability and is owned as to 100% by the Vendor
“Target Equity Interest”	one share in the Target Company, representing 100% of the issued share capital of the Target Company

DEFINITIONS

“Target Group”	the Target Company and its subsidiaries
“Valuation Report”	the valuation report issued by the Valuer in respect of the Acquisition as set out in Appendix I to this circular
“Valuer”	Cushman & Wakefield Limited (戴德梁行有限公司), an independent valuer engaged by the Company to conduct the valuation of the Target Equity Interest
“Vendor”	Sunus Holdings Limited (融者共創控股有限公司), a company incorporated in the Cayman Islands with limited liability
“%”	per cent

* *For reference purpose only, the English names of these companies, persons or documents are only a translation of their respective Chinese names. In the event of any discrepancies between the Chinese names and their respective English translations, the Chinese version shall prevail.*

LETTER FROM THE BOARD

SUNac 融創中國

SUNAC CHINA HOLDINGS LIMITED

融創中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01918)

Executive Directors:

Mr. SUN Hongbin (*Chairman*)

Mr. WANG Mengde (*Chief Executive Officer*)

Mr. HUANG Shuping

Ms. MA Zhixia

Mr. SUN Kevin Zheyi

Registered Office:

One Nexus Way

Camana Bay

Grand Cayman KY1-9005

Cayman Islands

Independent Non-executive Directors:

Mr. POON Chiu Kwok

Mr. ZHU Jia

Mr. MA Lishan

Mr. YUAN Zhigang

Principal Place of Business in Hong Kong:

31/F, Tower Two

Times Square, 1 Matheson Street

Causeway Bay, Hong Kong

*Headquarters and Principal Places of
Business in the PRC:*

Beijing Office

26/F, Block B

Rongke Wangjing Center, Chaoyang District

Beijing, PRC

Tianjin Office

Building 1, East Side in Sunac Center,

No. 278, Hongqi Road, Nankai District

Tianjin, PRC

26 October 2026

To the Shareholders,

Dear Sir or Madam,

**SHARE TRANSACTION AND CONNECTED TRANSACTION IN
RELATION TO ACQUISITION OF 100% EQUITY INTEREST IN ERJIN
MANAGEMENT INVOLVING THE ISSUE OF CONSIDERATION
SHARES UNDER SPECIFIC MANDATE**

LETTER FROM THE BOARD

I. INTRODUCTION

References are made to the Announcements. On 24 August 2026, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendor entered into the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, 100% equity interest in the Target Company.

The purpose of this circular is to provide you with information, among other things, (i) further details of the Acquisition; (ii) a letter of recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Acquisition; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition; and (iv) other information as required under the Listing Rules together with a notice convening the EGM.

II. THE SALE AND PURCHASE AGREEMENT

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

1. Date

24 August 2026 (as supplemented by the Supplemental Agreement dated 20 October 2026)

2. Parties

- (1) The Purchaser; and
- (2) The Vendor.

3. Target Assets

Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the Target Equity Interest. The Target Company indirectly holds 100% of the equity interest in Erjin Management.

4. Consideration

The consideration for the acquisition of the Target Equity Interest is RMB123,150,000 (equivalent to HK\$142,361,400, based on the exchange rate of RMB1 = HK\$1.156), which will be satisfied by the Company by way of allotment and issue of the Consideration Shares (being an aggregate of 260,258,500 new Shares) to the Vendor at Completion.

LETTER FROM THE BOARD

5. Basis of Determination of Consideration

The Consideration was determined by the Purchaser and the Vendor after arm's length negotiation with reference to, among other things, (i) the valuation (the "**Valuation**") of the 100% equity interest in the Target Company as at 30 June 2026 ("**Valuation Date**") conducted by the Valuer using market approach, being approximately RMB164,200,000; (ii) the factors set out in the section headed "**Reasons for and Benefits of the Acquisition**"; and (iii) a discount of 25% as mutually agreed between the parties after negotiation. The Company's acquisition of the Target Company at a price discounted from the Valuation is beneficial to the Group and is in the overall interests of the Company and the Shareholders.

6. Valuation

(a) Selection of valuation methods

In valuing the equity interest in the Target Company, the Valuer considered three generally accepted valuation approaches, namely the market approach, the asset-based approach and the income approach. The Target Company is engaged in the project construction and operation management business in the PRC and, through its subsidiary Erjin Management, which is engaged in asset management and project construction and operation management businesses in the PRC.

The Valuer considers that the asset-based approach is not appropriate for the valuation of a going-concern business because it does not directly incorporate information regarding the economic benefits associated with the business of the Target Company. The income approach is also considered inappropriate, primarily because the Target Company's future financial performance, market demand and cash flows are subject to a high degree of uncertainty, making it difficult for management to make reliable and objective long-term projections, thereby undermining the accuracy of the valuation results derived from the income approach.

The market approach relies on market data from comparable companies or comparable transactions, reflecting what investors are currently willing to pay for other business entities of similar nature. Based on the quantity and quality of information provided, the availability of data, the availability of relevant market transactions, the type and nature of the underlying assets, the purpose and objective of the valuation and professional judgment, the Valuer is of the view that the market approach is more suitable for assessing the market value of the Target Company.

LETTER FROM THE BOARD

(b) Valuation assumptions

Set out below are the valuation assumptions adopted by the Valuer in determining the market value of the Target Company:

- the information provided by the Company has been reasonably prepared after full and careful consideration;
- all relevant statutory approvals and commercial certificates or licenses required for the operation of the Target Company's business have been duly obtained or are obtainable upon request;
- there will be no material changes to the current tax laws in the regions where the Target Company operates or intends to operate, the applicable tax rates will remain unchanged, and all applicable laws and regulations have been complied with;
- there will be no material changes in the political, legal, economic or financial conditions in the regions where the Target Company operates or intends to operate that would adversely affect the revenue and profitability attributable to the Target Company;
- there will be no material changes in the current and future levels of interest rates and exchange rates in the regions where the Target Company operates;
- the Target Company will retain a competent management team and key employees to support the continuation of its business operations;
- there will be no material changes in the core business operations of the Target Company from those currently conducted or anticipated;
- the historical financial information provided by the Company is correct and accurate; and
- the information provided by the Company regarding the Target Company is true and accurate. There are no hidden or unexpected circumstances of the Target Company that could adversely affect the reported value. Furthermore, the Valuer assumes no responsibility for changes in market conditions after the Valuation Date.

LETTER FROM THE BOARD

(c) *Certain details of the market approach*

The market approach includes two methods, namely the comparable company method and the comparable transaction method.

The comparable company method focuses on analyzing the data and valuation multiples of publicly listed companies that are considered comparable to the valuation target. Adjustments are made to the comparable companies to reflect differences between them and the valuation target. Finally, appropriate valuation multiples are applied to the standard financial data of the valuation target, i.e., the Target Company, to arrive at the Valuation.

The comparable transaction method measures value based on prices paid by other buyers in the market for companies reasonably considered comparable to the valuation target. In applying the comparable transaction method, information on prices paid for reasonably comparable companies are collected. Adjustments are made to the comparable companies to reflect differences between them and the valuation target. The application of the comparable transaction method requires an estimate of the price that could reasonably be expected to be realized from the sale of the company.

Under the market approach, due to the lack of sufficient comparable transactions, the comparable transaction method is considered not appropriate for the Valuation. Therefore, the Valuer ultimately adopted the comparable company method under the market approach.

Benchmark Multiple

The Valuer is of the view that the market approach is the most appropriate valuation method for the Target Company. The Valuer considered various commonly used valuation multiples, including (i) price-to-earnings ratio (“P/E”); (ii) price-to-sales ratio (“P/S”); and (iii) price-to-book ratio (“P/B”). The P/S multiple is commonly used to assess the value of start-up companies. However, the P/S multiple ignores the cost structure of a company and thus its profitability, which is critical to the fair value of the total equity of the Target Company. The P/B multiple is commonly used to value asset-intensive companies. However, the P/B multiple does not take into account the profitability of a company. The Valuer considers the P/E multiple to be the most relevant and has therefore adopted the P/E multiple in this valuation exercise, as the P/E multiple is the most commonly used valuation multiple for profitable businesses, and earnings are one of the most direct drivers of equity value. Taking into account the Target Company’s business cycle and profitability, the Valuer considered the P/E multiple to be appropriate and therefore adopted such multiple in the Valuation.

LETTER FROM THE BOARD

Selection of Comparable Companies

In determining the market multiples for valuation purposes, under the guideline public company method, the Valuer identified companies engaged in the real estate project construction and operation management business from Bloomberg Terminal. At the initial screening stage, the Valuer applied a revenue-based screening criterion requiring more than 50% of a company's total revenue to be derived from real estate project construction and operation management business, together with the following requirements:

- (i) the comparable companies are listed on the Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange, and their financial information is publicly available; and
- (ii) the comparable companies recorded positive net profit attributable to owners of the parent as at the Valuation Date, which is important for the determination of the P/E multiple.

Based on the initial screening criterion and requirements, the Valuer identified two companies, namely Greentown Management Holdings Company Limited and Central China Management Company Limited. It was noted from their respective financial information that project management business accounted for over 90% of their respective total revenue for the financial year ended 31 December 2025. Accordingly, both companies satisfied the initial criterion that more than 50% of their respective total revenue was derived from project management business.

Given that only two listed companies were identified at the initial screening stage, the Valuer further considered whether there were other listed companies with a separately identifiable real estate project construction and operation management business and sufficient publicly available financial and market information, with a view to forming a broader and more representative sample for the valuation analysis. On this basis, the Valuer identified Midea Real Estate Holding Limited as an additional comparable company.

It is noted from the annual report of Midea Real Estate Holding Limited for the financial year ended 31 December 2025 that the project management services segment was separately identified as one of its four reportable operating segments, with separate disclosure of its revenue and operating profit. The segment primarily provides full-cycle development management, including project planning, design coordination and construction supervision, as well as sales and marketing support, which are relevant to the principal business activities of the Target Company. For the financial year ended 31 December 2025, the segment generated external revenue of approximately RMB957.98 million and operating profit of approximately RMB300.50 million, representing approximately 23.1% of the total revenue and approximately 36.2% of the total operating profit of Midea Real Estate Holding Limited, respectively. Accordingly, although the project management

LETTER FROM THE BOARD

services segment did not account for the majority of the total revenue of Midea Real Estate Holding Limited, it represented a separately identifiable and profitable reportable operating segment with a material contribution to the overall operating profit of Midea Real Estate Holding Limited.

Having considered the limited number of companies identified at the initial screening stage and the circumstances described above, the Valuer expanded its consideration to include listed companies which disclosed real estate project construction and operation management services as a separate business segment in their annual reports. Accordingly, the final selection criteria adopted by the Valuer, as set out in the Valuation Report, covered companies which were principally engaged in such business or disclosed such business as a separate business segment.

Based on the above, the Valuer has, on a best-effort basis, identified an exhaustive list of comparable companies for the Valuation based on the aforesaid criteria. The details of the comparable companies are set out below:

Comparable Company Name	Stock Code	Principal business
Greentown Management Holdings Company Limited	9979.HK	The provision of project construction and operation management services in the PRC.
Central China Management Company Limited	9982.HK	The provision of real estate project construction and operation management services in Henan Province and other provinces in the PRC.
Midea Real Estate Holding Limited	3990.HK	The provision of project construction and operation management services, property management services, asset operations and real estate technology in the PRC.

LETTER FROM THE BOARD

The Board considers that the above selection of the comparable companies to be reasonable having regard to (i) the initial screening criterion and requirements; (ii) the inclusion of Midea Real Estate Holding Limited as an additional comparable company given the limited pool of listed companies engaged in real estate project construction and operation management, the separate disclosure of its project management services as a reportable operating segment and the meaningful revenue and operating profit contribution of such segment; and (iii) the availability of sufficient publicly available financial and market information.

The market value of the Target Company was determined by reference to the financial and operational information of the comparable companies as set out as follows:

	Company Name	Stock Code	Market Value as at the Valuation Date (RMB million)	Net Profit	P/E
				Attributable to Owners of the Parent (RMB million)	
1.	Greentown Management Holdings Company Limited	9979.HK	3,115	419 ^{Note 1}	7.4
2.	Central China Management Company Limited	9982.HK	328	48 ^{Note 1}	6.9
3.	Midea Real Estate Holding Limited	3990.HK	3,342	508 ^{Note 2}	6.6
	Median				6.9

Notes:

- Information compiled from the audited financial statements for the year ended 31 December 2025 published by the comparable companies.
- Information compiled for the last twelve-month period based on the most recent financial statements published by Midea Real Estate Holding Limited (derived by adding the corresponding figures for the six months ended 30 June 2026 to those for the year ended 31 December 2025 and deducting the corresponding figures for the six months ended 30 June 2025).

As at the Valuation Date, the price-to-earnings ratio of Midea Real Estate Holding Limited of approximately 6.6 times was the lowest among the comparable companies and was close to those of Central China Management Company Limited and Greentown Management Holdings Company Limited of approximately 6.9 times and 7.4 times, respectively. The Valuer adopted the median of the price-to-earnings ratios of the three comparable companies, being approximately 6.9 times, as the valuation multiple for the Target Company.

LETTER FROM THE BOARD

(d) ***Key inputs to the Valuation***

Adjustments Made to the Valuation Basis

1) Discount for Lack of Marketability

The concept of marketability relates to the liquidity of an ownership interest, i.e., the speed and ease with which the owner can convert such interest into cash should they choose to sell. The discount for lack of marketability reflects the fact that shares in a private company do not have an immediate market, and that ownership interests in a private company generally do not enjoy immediate market liquidity as compared to similar interests in a public company. Accordingly, the value of shares in a private company is generally lower than that of shares in a listed company.

Therefore, since the Target Company is not a listed company, the Valuer applied a discount for lack of marketability in calculating its valuation.

The Valuer referred to the Stout Restricted Stock Study & DLOM Calculator, an online database and calculation tool that provides empirical support for quantifying the discount for lack of marketability, and considered that 18.2% is sufficient to reflect the lack of marketability of the Target Company.

2) Control Premium

A control premium refers to the premium that an investor is willing to pay over the marketable minority interest value in order to obtain control of the subject business. The published market prices of each of the identified comparable companies are based on minority shares of the target companies. Therefore, an adjustment has been made to reflect the level of control associated with the entire equity interest of the Target Company.

In the valuation, with reference to the BVR Control Premium Study (an online resource that provides empirical support for quantifying control premiums and implied minority discounts), the Valuer is of the view that 28.7% is considered sufficient to reflect the control premium in relation to the entire equity interest of the Target Company.

LETTER FROM THE BOARD

(e) Calculation of the Valuation Results of the Target Company

The median P/E multiple of such comparable companies (the “**Median P/E Ratio**”) was numerical evaluation where practicable applied to the Target Company’s net profit attributable to shareholders for the latest twelve months as at the Valuation Date, with adjustments for the discount for lack of marketability and the control premium, to arrive at the market value of the Target Company.

The market value of the equity interest in the Target Company as at the Valuation Date is calculated as follows:

Parameter	As at 30 June 2026
	Unit: RMB
Median P/E ratio of such comparable companies	6.9x
Net profit attributable to shareholders of the Target Company as at the Valuation Date	22,609,856
Estimated market value of the Target Company	156,008,004
Less: Discount for lack of marketability (18.2%)	-28,393,457
Add: Control premium (28.7%)	+36,625,375
Total equity value of the Target Company as at the Valuation Date (rounded)	164,200,000

(f) View of the Board

The Board has reviewed the Valuation, including the valuation methods, the valuation assumptions, the selection criteria for comparable companies, the valuation multiples and adjustments. The Board notes that (a) the valuation assumptions are those commonly adopted in valuations and are in line with market practice; (b) the asset-based approach and the income approach were rejected by the Valuer because (i) the asset-based approach is not applicable to the valuation of a going-concern business and (ii) the Target Company’s future financial performance, market demand and cash flows are subject to a high degree of uncertainty and the historical financial performance is not representative and does not reflect the expected revenue and profitability. Having considered that there are directly comparable companies in the market with comprehensive financial disclosures, which can provide a reliable indication of their value, the Board is of the view that the market approach is the most appropriate and reasonable among the three valuation methods; and (c) the key inputs and adjustments to the Valuation are fair and reasonable.

In view of the foregoing, the Board is of the opinion that the valuation method and assumptions are fair and reasonable.

LETTER FROM THE BOARD

In assessing whether the Consideration is fair and reasonable, the Board has taken into account, among other things, the following principal factors:

- 1) The Consideration was determined by the Buyer and the Seller through arm's length negotiations after reference to the Valuation of the Target Company as assessed by the Valuer using the market approach. The Consideration represents a discount to the Valuation, rather than a premium.
- 2) As disclosed further below in the announcement, the business model of Erjin Management is highly aligned with the transformation and upgrade direction of the Group's real estate development business. The Acquisition will strengthen the business pivot for the strategic transformation and upgrade of the Group's real estate segment and support the implementation of the overall strategic transformation and upgrade. The Acquisition will help the Group rapidly integrate and enhance its capabilities in the expansion and management of third-party project construction and operation management businesses, and will also enable the Erjin Management team to leverage its professional expertise and amplify its competitive advantages on a larger platform, achieving better development.

In view of the foregoing, the Directors (including the independent non-executive Directors) are of the view that the Consideration is fair and reasonable and in the overall interests of the Company and the Shareholders.

(g) The Valuer

The Valuation was conducted by Mr. Bruce Oong (翁振德) and Ms. Grace Lam (林淑敏) of Cushman & Wakefield Limited (戴德梁行有限公司). Mr. Bruce Oong holds the qualification of a Canadian Chartered Accountant, has over 18 years of professional valuation experience, and is a Senior Director of Cushman & Wakefield Limited. Ms. Grace Lam is a Registered Professional Surveyor, a member of the Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors, has over 30 years of property valuation experience, and is a Senior Director of Cushman & Wakefield Limited. The Valuer confirmed that, to the best of its knowledge and belief, it is independent of the Company and the Target Company and has not breached any independence requirement imposed by its professional membership. Its fee is not contingent upon the results of the Valuation.

7. Conditions Precedent

Completion is conditional upon the satisfaction of the following conditions:

- (a) the Purchaser being satisfied with the results of its due diligence investigation into the business, operations, assets, financial and legal aspects of the Target Group;

LETTER FROM THE BOARD

- (b) the Company having obtained the Independent Shareholders' approval with regard to the transactions under the Sale and Purchase Agreement and the allotment and issue of the Consideration Shares by the Company under the Specific Mandate in accordance with the requirements of the Listing Rules;
- (c) the Listing Committee having approved the listing of, and permission to deal in, the Consideration Shares;
- (d) the representations, warranties and undertakings given by the Vendor under the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respects;
- (e) the Vendor having complied with and performed its obligations under the Sale and Purchase Agreement on or prior to the Completion Date; and
- (f) no event having occurred since the signing of the Sale and Purchase Agreement which has a material adverse effect on the financial condition and operations of any company in the Target Group.

The Purchaser may waive any of the above conditions precedent (in whole or in part, and with or without conditions) at its sole discretion at any time, except for condition (b) and (c) above, which cannot be waived.

If condition (b) or (c) above is not satisfied on or before the Long Stop Date, or any other condition precedent is not satisfied or waived (as the case may be) on or prior to the Completion, the Company may terminate the Sale and Purchase Agreement by giving written notice to the Vendor, whereupon all rights and obligations of the parties under the Sale and Purchase Agreement shall cease, save for certain provisions which shall remain effective and rights and liabilities that have arisen under the Sale and Purchase Agreement prior to such termination.

As at the Latest Practicable Date, not all of the conditions above has been fulfilled or waived.

8. Completion

Subject to all of the above conditions precedent being satisfied or waived (as applicable), Completion shall take place on the fifth business day after condition (c) above is satisfied, or such later date as may be agreed in writing between the Company and the Vendor under the Sale and Purchase Agreement.

Following Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company, and the financial results of the Target Company will be consolidated in the financial statements of the Group.

LETTER FROM THE BOARD

9. Issue of Consideration Shares

The number of Consideration Shares to be allotted and issued to the Vendor is 260,258,500 new Shares, representing approximately 1.30% of the issued share capital of the Company as at the Latest Practicable Date and approximately 1.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares in full (assuming that there is no other change in the issued share capital of the Company).

The Consideration Shares will be allotted and issued at an Issue Price of HK\$0.547 per share, based on the average closing price of the Shares over the five (5) consecutive trading days immediately preceding the date of the Sale and Purchase Agreement.

Issue Price

An Issue Price of HK\$0.547 per share represents:

- (a) a premium of approximately 0.37% to the closing price of the Shares of HK\$0.545 per share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and
- (b) the average closing price of the Shares for the five (5) consecutive trading days immediately preceding the date of the Sale and Purchase Agreement.

The Issue Price was determined by reference to the prevailing market price of the Shares. The Directors are of the view that the Issue Price is fair and reasonable.

The aggregate nominal value of the Consideration Shares is HK\$26,025,850.

Specific Mandate

The Consideration Shares will be allotted and issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the EGM.

Ranking of the Consideration Shares

The Consideration Shares, when allotted and issued, credited as fully paid, shall rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares, and shall be free from all encumbrances.

LETTER FROM THE BOARD

Application for listing

The Company will make an application to the Listing Committee of the Stock Exchange for approval of the listing of, and permission to deal in, the Consideration Shares.

III. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table shows the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately following Completion and the allotment and issuance of the Consideration Shares, (assuming that there is no other change in the issued share capital of the Company from the Latest Practicable Date to the Completion Date of the Acquisition):

Shareholders of the Company	As at the Latest Practicable Date		Immediately following Completion and the allotment and issuance of the Consideration Shares	
	Shares	%	Shares	%
Mr. Sun ^(Note 1)	4,624,054,068	23.16	4,624,054,068	22.86
Mr. Wang Mengde	17,177,000	0.09	17,177,000	0.08
Mr. Huang Shuping	5,400,000	0.03	5,400,000	0.03
Ms. Ma Zhixia	3,829,000	0.02	3,829,000	0.02
Mr. Sun Kevin Zheyi ^(Note 2)	261,000	0.001	261,000	0.001
The Vendor	–	–	260,258,500	1.29
Other Public Shareholders	15,314,778,552	76.70	15,314,778,552	75.72
Total	<u>19,965,499,620</u>	<u>100</u>	<u>20,225,758,120</u>	<u>100</u>

Notes:

- Of these 4,624,054,068 Shares, (a) 19,930,000 Shares were held by Mr. Sun, (b) 2,681,078,233 Shares were held by Sunac International Investment Holdings Ltd (“**Sunac International**”), (c) 48,706,000 Shares were held by 天津標的企業管理有限公司 (for identification only, Tianjin Biaodi Enterprise Management Limited) (“**Tianjin Biaodi**”), and (d) 1,874,339,835 Shares were held by Sun Holdings II LLC. 70% of the issued shares of Sunac International and all the shares of Tianjin Biaodi were held by Sunac Holdings LLC. All issued shares of Sunac Holdings LLC were held by the HBS Family Trust (the “**Family Trust**”). JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC) was the trustee of the Family Trust. The Family Trust was established by Mr. Sun and Mr. Sun and some of his family members are the beneficiaries. All issued shares of Sun Holdings II LLC were held by the new family trust (the “**New Family Trust**”) established by Mr. Sun. JTC South Dakota Trust Company was the trustee of the New Family Trust. Mr. Sun and some of his family members are the beneficiaries of the New Family Trust. In accordance with the SFO, Mr. Sun was deemed to be interested in the aforesaid Shares.
- Mr. Sun Kevin Zheyi is the son of Mr. Sun.

LETTER FROM THE BOARD

IV. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group has continued to deepen its presence in China's real estate market and established a business layout centered on real estate development, property management and cultural tourism operations (including commercial, ice & snow, theme parks, hotels, etc.). In response to industry changes and better align with industry development trends and policy directions, the Group has established "asset management + asset operation" as its strategic direction for transformation and upgrading, leveraging its own resources and competitive advantages.

The property management segment, with Sunac Services Holdings Limited as its independent listed entity, focuses on asset-light businesses such as property management and commercial operation management, targeting mid-to-high-end properties in first – and second-tier cities, and covering a diverse range of property types including residential, office buildings, industrial parks, hospitals, shopping malls and others. The cultural and tourism segment, as one of the largest asset holders and operators in China's cultural and tourism industry, holds assets encompassing various business formats such as commercial properties, indoor ski resorts, outdoor theme parks, water parks, aquariums, hotels and others. And leveraging its over RMB100 billion of investment and years of operational expertise, it has cultivated four independently developed asset-light cultural and tourism operation management companies specialising in commercial, ice & snow, theme park and hotel operations, which, while rooted in self-owned assets, actively expand third-party business. Among them, the ice & snow management company ("**Bonski**") and the hotel management company ("**Yongle Huazhu**", a joint venture with H World Group) have achieved notable breakthroughs in market-oriented development, with the number of third-party projects under management exceeding that of self-owned projects. Going forward, the property management and cultural and tourism segments will continue to refine their operational management capabilities across various business formats, actively expand third-party business, explore the establishment of asset management platforms such as funds and REITs, and promote a synergistic development model that combines asset-heavy and asset-light approaches with mutual support and reinforcement, thereby realising the strategic transformation of "asset management + asset operation".

For the real estate segment, in view of the new landscape and changes, the Group, leveraging its leading project operation capabilities, brand influence and abundant high-quality project pipeline, continues to promote strategic collaborations with capital providers such as asset management companies and partners, and has successfully revitalised a number of high-quality projects through a fund-like model. Under this model, capital providers inject funds into the projects to resolve legacy issues such as existing debt and provide construction funds for the projects, thereby revitalising the projects and jointly creating value. The capital providers' funds are ring-fenced at the project level, ensuring capital safety, while the Group continues to leverage its project operation and brand advantages, focusing on the enhancement and realisation of asset value. In essence, this model puts into practice the exploration and implementation of the new "asset management + asset operation" model in the real estate development field. Going forward, the Group will more clearly advance the transformation and upgrade of its real estate business from the traditional integrated investment and development model into a business model under which the two business segments of asset management and project construction and operation management will develop independently of each other. The asset management business will focus

LETTER FROM THE BOARD

on fund integration and the identification of investment opportunities in the real estate sector, creating stable investment returns for capital providers and generating asset management income. The project construction and operation management business will provide professional real estate construction, operation, sales and other services to the investment projects of the asset management business and third-party market-based projects, empowering project value enhancement and generating service income through a light-asset model. Asset management and project construction and operation management will independently pursue market-based business expansion while also supporting and coordinating with each other for synergistic development.

Erjin Management focuses on the development of the asset-light real estate project construction and operation management and asset management business. It has established the relevant business system capabilities and has built up considerable industry influence and business scale, emerging as an innovative service provider in the sector of comprehensive high-end real estate solutions. Erjin Management focuses on intensive cultivation in core cities, initially forming a business layout with the Yangtze River Delta as its base and extending to key regions across the country. As of the date of Sale and Purchase Agreement, the projects under Erjin Management cover regions including Zhejiang, Anhui, Fujian, Shanghai and Jiangsu, with a cumulative total of 73 projects secured and an aggregate contracted floor area of approximately 8.34 million square meters. Erjin Management has been recognised for consecutive years with industry awards from professional institutions, including “2023–2026 China Real Estate Project Construction and Operation Excellent Enterprise TOP10” (China Index Academy), “2025 Influential Project Construction and Management Enterprise TOP10” (Guandian Index), and “2025 China Project Construction and Management Enterprise Product Capability TOP5” (EH Consulting).

The business model of Erjin Management is highly aligned with the transformation and upgrade direction of the Group’s real estate development business. The Acquisition will strengthen the business pivot for the strategic transformation and upgrade of the Group’s real estate segment and support the implementation of the overall strategic transformation and upgrade. Through continuous efforts and accumulation, Erjin Management has built up capabilities and competitive advantages in providing project construction and operation management services to third-party project owners, and has established a comprehensive management system covering multiple dimensions, such as project acquisition, daily project management and team incentives. The Acquisition will help the Group to rapidly integrate and enhance its capabilities in the expansion and management of third-party project construction and operation management businesses; at the same time, it will also help the Erjin Management team to leverage its professional expertise on a larger platform and amplify its competitive advantages, achieving better development.

Mr. Sun and Mr. Sun Kevin Zheyi are considered to be interested in the Acquisition by virtue of their interests in the Vendor. As a result, each of Mr. Sun and Mr. Sun Kevin Zheyi has abstained from voting on the Board resolutions for approving the Sale and Purchase Agreement and the transactions contemplated thereunder. Save as disclosed above, no other Directors has a material interest in the Sale and Purchase Agreement and is required to abstain from voting on such resolutions. In view of the foregoing, the Directors (excluding the independent non-executive Directors who will give their view after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

V. INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the British Virgin Islands with limited liability, principally engaged in investment holding.

As at the Latest Practicable Date, the Target Company indirectly holds 100% of the equity interest in Erjin Management. Erjin Management is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company, principally engaged in the real estate project construction and operation management business.

Set out below is a summary of the financial information of the Target Group as extracted from its unaudited financial statements for the two financial years ended 31 December 2025 and for the six months ended 30 June 2026:

	For the six months ended 30 June 2026	For the year ended 31 December 2025	2024
	<i>RMB0'000</i>	<i>RMB0'000</i>	<i>RMB0'000</i>
Profit before taxation	1,630.1	3,322.8	3,068.6
Profit after taxation	1,088.5	2,495.1	1,979.7

The unaudited net asset value of the Target Group as at 30 June 2026 was approximately RMB54,019,000.

The Target Company is a start-up company incorporated by the Vendor, with a registered capital of US\$1.

VI. INFORMATION ON THE PARTIES

1. Information on the Group

The Company is an investment holding company and operates through its subsidiaries. With the brand philosophy of “passion for perfection”, the Group is committed to providing wonderful living environment and services for Chinese families through high-quality products and services and integration of high-quality resources. With a focus on its core business of real estate, the Group implements its strategic layout in real estate development, property management, ice & snow operation management, cultural and tourism and other business segments. After more than 20 years of development, the Group has become one of the most influential high-quality property development enterprise and property service enterprise in China’s real estate industry, a leading ice & snow industry operator and a leading cultural and tourism industry operator and property owner in China.

LETTER FROM THE BOARD

2. Information on the Purchaser

The Purchaser is an indirect wholly-owned subsidiary of the Company, a company incorporated in the British Virgin Islands with limited liability, principally engaged in investment holding.

3. Information on the Vendor

The Vendor is a company incorporated in the Cayman Islands with limited liability, principally engaged in investment holding. As at the Latest Practicable Date, Mr. Wang Peng indirectly holds 65% of the equity interest in the Vendor, Mr. Sun indirectly controls 25% of the equity interest in the Vendor, and Ms. Min Feng indirectly holds the remaining 10% of the equity interest in the Vendor. Mr. Sun is the chairman of the Board, an executive Director and a substantial Shareholder.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Mr. Sun, each of the Vendor and its ultimate beneficial owners is independent of the Company and connected persons of the Company.

VII. IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the Acquisition exceed 0.1% but is below 5%, and the Consideration will be satisfied by the allotment and issue of the Consideration Shares for which the listing will be sought, the Acquisition constitutes a share transaction for the Company under Chapter 14 of the Listing Rules. As Mr. Sun, an executive Director and a substantial Shareholder, controls 25% of the voting rights of the Vendor, the Acquisition constitutes a connected transaction under Chapter 14A of the Listing Rules. Therefore, the Acquisition is subject to the reporting, announcement and the Independent Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

VIII. EGM

The EGM will be held at the Conference Room 1, 26/F, Block B, Rongke Wangjing Center, Chaoyang District, Beijing, PRC on Wednesday, 11 November 2026 at 10:00 a.m. for the Independent Shareholders to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

The record date for determining the eligibility of the Shareholders to attend and vote at the above meeting will be as of close of business on Wednesday, 11 November 2026 (Hong Kong time). There will be no book closure period in respect of the EGM. In order to qualify for attending and voting at the above meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Tuesday, 10 November 2026.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules and the articles of association of the Company, at any general meeting a resolution put to the vote of the meeting shall be taken by way of a poll. The chairman of the EGM will explain the procedures for conducting a poll at the EGM.

Any Shareholder with a material interest in the Acquisition and his/her/its associate(s) are required to abstain from voting on the resolution approving the Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with the Listing Rules. At the EGM, Mr. Sun, holding 4,624,054,068 Shares, representing approximately 23.16% of the total issued share capital of the Company as at the Latest Practicable Date and Mr. Sun Kevin Zheyi, holding 261,000 Shares, representing approximately 0.001% of the total issued share capital of the Company as at the Latest Practicable Date, will abstain from voting on the resolution to be proposed at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder to avoid any actual and potential conflict of interest. Any vote exercised by the Independent Shareholders at the EGM shall be taken by poll. An ordinary resolution will be put to the vote by poll at the EGM pursuant to the Listing Rules. A notice to convene the EGM is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy is enclosed for use at the EGM. Such form of proxy is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sunac.com.cn). Whether or not you intend to be present at the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the EGM if they so wish and in such event, the form of proxy shall be deemed to be revoked.

IX. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee containing its opinion on the Acquisition, and its recommendation as set out on pages 25 to 26 of this circular, and the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 27 to 48 of this circular in connection with its opinion on the Acquisition, the key assumptions made, and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such recommendation.

The Independent Board Committee has been established to advise the Independent Shareholders whether the terms of the Acquisition are fair and reasonable so far as the Independent Shareholders are concerned and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in that connection.

LETTER FROM THE BOARD

The Board (including the independent non-executive Directors) considers that the Acquisition is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, but not entered into in the ordinary and usual course of business of the Group. The Board recommends the Independent Shareholders to vote in favour of the relevant ordinary resolution to be proposed at the EGM.

X. ADDITIONAL INFORMATION

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

Yours faithfully,
By order of the Board
Sunac China Holdings Limited
Sun Hongbin
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Acquisition prepared for the purpose of incorporation in this circular.



SUNAC CHINA HOLDINGS LIMITED

融創中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01918)

26 October 2026

To the Independent Shareholders,

Dear Sir or Madam,

**SHARE TRANSACTION AND CONNECTED TRANSACTION IN
RELATION TO ACQUISITION OF 100% EQUITY INTEREST IN ERJIN
MANAGEMENT INVOLVING THE ISSUE OF CONSIDERATION
SHARES UNDER SPECIFIC MANDATE**

We refer to the circular dated 26 October 2026 (the “**Circular**”) of the Company of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context requires otherwise.

We have been appointed by the Board as the members of the Independent Board Committee to consider and advise the Independent Shareholders as to whether the terms of the Acquisition are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Ignite Capital (Asia Pacific) Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition. The text of the letter of advice from Ignite Capital (Asia Pacific) Limited containing their opinion and recommendation, the reasons for their opinion, the key assumptions made and the principal factors they have taken into consideration in arriving at their recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 27 to 48 of the Circular.

Having taken into account the advice and recommendation of the Independent Financial Adviser, we are of the view that, the Acquisition is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, but not entered into in the ordinary and usual course of business of the Group. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Yours faithfully,

For and on behalf of the Independent Board Committee of
Sunac China Holdings Limited

**Mr. POON Chiu
Kwok**
*Independent
non-executive Director*

Mr. ZHU Jia
*Independent
non-executive Director*

Mr. MA Lishan
*Independent
non-executive Director*

**Mr. YUAN
Zhigang**
*Independent
non-executive Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition, which has been prepared for the purpose of inclusion in the Circular.



Unit A, 15th Floor, CMA Building
64-66 Connaught Road Central
Central, Hong Kong

26 October 2026

To: The Independent Board Committee and the Independent Shareholders of Sunac China Holdings Limited

Dear Sir or Madam,

SHARE TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF 100% EQUITY INTEREST IN ERJIN MANAGEMENT INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Acquisition, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 26 October 2026, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

References are made to the Announcements. On 24 August 2026, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendor entered into the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, 100% equity interest in the Target Company. On 20 October 2026, the Purchaser and the Vendor entered into the Supplemental Agreement, pursuant to which, the parties agreed to add an additional condition to the conditions precedent under the Sale and Purchase Agreement.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 0.1% but is below 5%, and the Consideration will be satisfied by the allotment and issue of the Consideration Shares for which the listing will be sought, the Acquisition constitutes a share transaction for the Company under Chapter 14 of the Listing Rules. As Mr. Sun, an executive Director and a substantial Shareholder, controls 25% of the voting rights of the Vendor, the Acquisition constitutes a connected transaction under Chapter 14A of the Listing Rules. Therefore, the Acquisition is subject to the reporting, announcement and the Independent Shareholders’ approval requirements under Chapters 14 and 14A of the Listing Rules.

Mr. Sun and Mr. Sun Kevin Zheyi are considered to be interested in the Acquisition by virtue of their interests in the Vendor. As a result, each of Mr. Sun and Mr. Sun Kevin Zheyi has abstained

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

from voting on the Board resolutions for approving the Sale and Purchase Agreement and the transactions contemplated thereunder. Save as disclosed above, no other Director has a material interest in the Sale and Purchase Agreement and is required to abstain from voting on such resolutions. In view of the foregoing, the Directors (excluding the independent non-executive Directors who will give their view after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang, being all the independent non-executive Directors, was established to consider and to advise the Independent Shareholders on the Acquisition. We, Ignite Capital, have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, save for our appointment as the independent financial adviser to advise the independent board committee and the independent shareholders of the Company in respect of the connected issue of mandatory convertible bonds and the transactions contemplated thereunder, details of which were set out in the circular of the Company dated 22 August 2025, Ignite Capital did not have any other relationship or connection, financial or otherwise, with or any interests in the Company, Mr. Sun, the Vendor, or any of their respective associates that could reasonably be regarded as relevant to our independence.

During the two years immediately preceding the date of this letter, save for the aforesaid appointment and the current appointment, there was no engagement between the Group and Ignite Capital. Apart from normal professional fees paid or payable to us in connection with this appointment, no arrangement exists whereby we have received or will receive any fees or benefits from the Group, Mr. Sun or the Vendor, or any of their respective associates, and we are not aware of the existence of or change in any circumstances that would affect our independence. Accordingly, we consider that we are eligible to give independent advice in respect of the Acquisition under Rule 13.84 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION

In formulating our advice and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, amongst other things:

- (i) the Announcements;
- (ii) the Sale and Purchase Agreement;
- (iii) the Company's annual report for the year ended 31 December ("FY") 2025 (the "**2025 Annual Report**");
- (iv) the Company's interim report for the six months ended 30 June ("HY") 2026 (the "**2026 Interim Report**");
- (v) the Valuation Report; and
- (vi) other information as set out in the Circular.

We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company, the Directors and the management of the Group (collectively, the "**Management**"). We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the EGM.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group or its future prospects.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors collectively and individually accept full responsibility for the information contained in the Circular, which 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 the 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 therein or in the Circular misleading.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely for their consideration of the Acquisition, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Acquisition, we have taken into consideration the following principal factors and reasons:

1. Information of the Parties

The Group

As set out in the Letter from the Board, the Company is an investment holding company and operates through its subsidiaries. With the brand philosophy of “passion for perfection”, the Group is committed to providing wonderful living environment and services for Chinese families through high-quality products and services and integration of high-quality resources. With a focus on its core business of real estate, the Group implements its strategic layout in real estate development, property management, ice & snow operation management, cultural and tourism and other business segments. After more than 20 years of development, the Group has become one of the most influential high-quality property development enterprises and property service enterprises in China’s real estate industry, a leading ice & snow industry operator and a leading cultural and tourism industry operator and property owner in China.

The Purchaser

As set out in the Letter from the Board, the Purchaser is an indirect wholly-owned subsidiary of the Company, a company incorporated in the British Virgin Islands with limited liability, principally engaged in investment holding.

The Vendor

As set out in the Letter from the Board, the Vendor is a company incorporated in the Cayman Islands with limited liability, principally engaged in investment holding. As at the Latest Practicable Date, Mr. Wang Peng indirectly holds 65% of the equity interest in the Vendor, Mr. Sun indirectly controls 25% of the equity interest in the Vendor, and Ms. Min Feng indirectly holds the remaining 10% of the equity interest in the Vendor. Mr. Sun is the chairman of the Board, an executive Director and a substantial Shareholder.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Mr. Sun, each of the Vendor and its ultimate beneficial owners is independent of the Company and connected persons of the Company.

2. Reasons for and benefits of the Acquisition

As stated in the Letter from the Board, the Group has continued to deepen its presence in China's real estate market and established a business layout centered on real estate development, property management and cultural tourism operations (including commercial, ice & snow, theme parks, hotels, etc.). In response to industry changes and better align with industry development trends and policy directions, the Group has established "asset management + asset operation" as its strategic direction for transformation and upgrading, leveraging its own resources and competitive advantages.

The property management segment, with Sunac Services Holdings Limited as its independent listed entity, focuses on asset-light businesses such as property management and commercial operation management, targeting mid-to-high-end properties in first-tier and second-tier cities, and covering a diverse range of property types including residential, office buildings, industrial parks, hospitals, shopping malls and others. The cultural and tourism segment, as one of the largest asset holders and operators in China's cultural and tourism industry, holds assets encompassing various business formats such as commercial properties, indoor ski resorts, outdoor theme parks, water parks, aquariums, hotels and others. Leveraging its investment of over RMB100 billion and years of operational expertise, the Group has cultivated four independently developed asset-light cultural and tourism operation management companies specialising in commercial, ice & snow, theme park and hotel operations, which, while rooted in self-owned assets, actively expand third-party business. Among them, the ice & snow management company ("**Bonski**") and the hotel management company ("**Yongle Huazhu**", a joint venture with H World Group) have achieved notable breakthroughs in market-oriented development, with the number of third-party projects under management exceeding that of self-owned projects. Going forward, the property management and cultural and tourism segments will continue to refine their operational management capabilities across various business formats, actively expand third-party business, explore the establishment of asset management platforms such as funds and REITs, and promote a synergistic development model that combines asset-heavy and asset-light approaches with mutual support and reinforcement, thereby realising the strategic transformation and upgrade of "asset management + asset operation".

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For the real estate segment, in view of the new landscape and changes, the Group, leveraging its leading project operation capabilities, brand influence and abundant high-quality project pipeline, continues to promote strategic collaborations with capital providers such as asset management companies and partners, and has successfully revitalised a number of high-quality projects through a fund-like model. Under this model, capital providers inject funds into the projects to resolve legacy issues such as existing debt and provide construction funds for the projects, thereby revitalising the projects and jointly creating value. The capital providers' funds are ring-fenced at the project level, ensuring capital safety, while the Group continues to leverage its project operation and brand advantages, focusing on the enhancement and realisation of asset value. In essence, this model puts into practice the exploration and implementation of the new "asset management + asset operation" model in the real estate development field. Going forward, the Group will more clearly advance the transformation and upgrade of its real estate business from the traditional integrated investment and development model into a business model under which the two business segments of asset management and project construction and operation management will develop independently of each other. The asset management business will focus on fund integration and the identification of investment opportunities in the real estate sector, creating stable investment returns for capital providers and generating asset management income. The project construction and operation management business will provide professional real estate construction, operation, sales and other services to the investment projects of the asset management business and third-party market-based projects, empowering project value enhancement and generating service income through a light-asset model. Asset management and project construction and operation management will independently pursue market-based business expansion while also supporting and coordinating with each other for synergistic development.

Erjin Management focuses on the development of the asset-light real estate project construction and operation management and asset management business. It has established the relevant business system capabilities and has built up considerable industry influence and business scale, emerging as an innovative service provider in the sector of comprehensive high-end real estate solutions. Erjin Management focuses on intensive cultivation in core cities, initially forming a business layout with the Yangtze River Delta as its base and extending to key regions across the country. As of the Agreement Date, the projects under Erjin Management cover regions including Zhejiang, Anhui, Fujian, Shanghai and Jiangsu, with a cumulative total of 73 projects secured and an aggregate contracted floor area of approximately 8.34 million square meters. Erjin Management has been recognised for consecutive years with industry awards from professional institutions, including "2023–2026 China Real Estate Project Construction and Operation Excellent Enterprise TOP10" (China Index Academy), "2025 Influential Project Construction and Management Enterprise TOP10" (Guandian Index), and "2025 China Project Construction and Management Enterprise Product Capability TOP5" (EH Consulting).

The business model of Erjin Management is highly aligned with the transformation and upgrade direction of the Group's real estate development business. The Acquisition will strengthen the business pivot for the strategic transformation and upgrade of the Group's real estate segment and support the implementation of the overall strategic transformation and upgrade. Through continuous efforts and accumulation, Erjin Management has built up capabilities and competitive advantages in providing project construction and operation management services to third-party project owners, and has established a comprehensive management system covering multiple dimensions, such as project acquisition, daily project management and team incentives. The Acquisition will help the Group to rapidly integrate and enhance its capabilities in the expansion

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and management of third-party project construction and operation management businesses; at the same time, it will also enable Erjin Management's team to leverage its professional expertise on a larger platform and amplify its competitive advantages, achieving better development.

Our view

In assessing the commercial rationale for the Acquisition, we have also reviewed the 2025 Annual Report and the 2026 Interim Report. We noted that the Group has been progressively pursuing project revitalisation and debt resolution through cooperation with asset management companies, financial institutions and other partners. In particular, the 2025 Annual Report stated that the Group would actively explore the transformation and upgrading of its property development business, continue to enhance the competitiveness of its light-asset management businesses and explore the feasibility of establishing REITs platforms to support business development and unlock asset value.

We further noted that the Group revitalised 12 property projects in 2025, which were expected to generate approximately RMB11.2 billion in funds to address existing project-level debt and support project development and construction, of which approximately RMB8.58 billion had been received as at the date of the 2025 Annual Report. The 2026 Interim Report also stated that, as of the date of approval of condensed consolidated financial information for HY2026, the Group and its joint ventures and associates had revitalised more than 10 key projects, primarily by introducing funds from asset management companies, partners and existing trusts to resolve existing debt and continue project development and sales. Accordingly, we consider that the Group's stated strategic direction of developing asset management and project construction and operation management capabilities is consistent with the business initiatives disclosed in its recent annual and interim reports.

We also noted from the 2025 Annual Report and the 2026 Interim Report that the Group's traditional property development business continued to face operating and liquidity pressures. The Group's revenue decreased by (1) approximately 39.0% for FY2025; and (2) approximately 18.2% for HY2026 as compared with the respective periods last year, mainly due to the decline in revenue from sales of properties. Against this background, we consider that the expansion of project construction and operation management services under a light-asset model, which is intended to generate service income by leveraging the Group's existing project operation capabilities and brand influence, represents a commercially reasonable direction for the Group's business transformation and upgrading.

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In view of the above, and having considered in particular that (i) the Group has identified the transformation and upgrading of its property development business and the enhancement of its light-asset management capabilities as part of its development direction; (ii) the Group has been progressively cooperating with asset management companies, financial institutions and other partners to revitalise property projects and resolve project-level debt issues; (iii) the business of Erjin Management, which focuses on asset-light real estate project construction and operation management and asset management, is consistent with such development direction; (iv) Erjin Management has established relevant business capabilities, operational systems and a project portfolio principally covering core cities in the Yangtze River Delta and other key regions; and (v) the Acquisition is expected to enable the Group to integrate and enhance its capabilities in expanding and managing third-party project construction and operation management businesses, we are of the view that, although the Acquisition is not conducted in the ordinary and usual course of business of the Group, it is in line with the Group's business development direction and is in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the Acquisition

As stated in the Letter from the Board, the principal terms of the Sale and Purchase Agreement are set out below:

Date	24 August 2026 (the “ Agreement Date ”) (as supplemented by the Supplemental Agreement dated 20 October 2026)
Parties	(1) The Purchaser; and (2) The Vendor
Target Assets	Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the Target Equity Interest. The Target Company indirectly holds 100% of the equity interest in Erjin Management.
Consideration	The consideration for the acquisition of the Target Equity Interest is RMB123,150,000 (equivalent to HK\$142,361,400, based on the exchange rate of RMB1 = HK\$1.156), which will be satisfied by the Company by way of allotment and issue of the Consideration Shares (being an aggregate of 260,258,500 new Shares) to the Vendor at Completion.

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Basis of Determination of Consideration

The Consideration was determined by the Purchaser and the Vendor after arm's length negotiation with reference to, among other things, (i) the valuation (the "**Valuation**") of the 100% equity interest in the Target Company as at 30 June 2026 ("**Valuation Date**") conducted by the Valuer using market approach, being approximately RMB164,200,000; (ii) the factors set out in the section headed "Reasons for and Benefits of the Acquisition"; and (iii) a discount of 25% as mutually agreed between the parties after negotiation. The Company's acquisition of the Target Company at a price discounted from the Valuation is beneficial to the Group and is in the overall interests of the Company and the Shareholders.

Conditions Precedent

Completion is conditional upon the satisfaction of the following conditions:

- (a) the Purchaser being satisfied with the results of its due diligence investigation into the business, operations, assets, financial and legal aspects of the Target Group;
- (b) the Company having obtained the Independent Shareholders' approval with regard to the transactions under the Sale and Purchase Agreement and the allotment and issue of the Consideration Shares by the Company under the Specific Mandate in accordance with the requirements of the Listing Rules;
- (c) the Listing Committee having approved the listing of, and permission to deal in, the Consideration Shares;
- (d) the representations, warranties and undertakings given by the Vendor under the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respects;
- (e) the Vendor having complied with and performed its obligations under the Sale and Purchase Agreement on or prior to the Completion Date; and

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- (f) no event having occurred since the signing of the Sale and Purchase Agreement which has a material adverse effect on the financial condition and operations of any company in the Target Group.

The Purchaser may waive any of the above conditions precedent (in whole or in part, and with or without conditions) at its sole discretion at any time, except for conditions (b) and (c) above, which cannot be waived.

If condition (b) or (c) above is not satisfied on or before the Long Stop Date, or any other condition precedent is not satisfied or waived (as the case may be) on or prior to the Completion, the Company may terminate the Sale and Purchase Agreement by giving written notice to the Vendor, whereupon all rights and obligations of the parties under the Sale and Purchase Agreement shall cease, save for certain provisions which shall remain effective and rights and liabilities that have arisen under the Sale and Purchase Agreement prior to such termination.

As at the Latest Practicable Date, not all of the conditions above has been fulfilled or waived.

Completion

Subject to all of the above conditions precedent being satisfied or waived (as applicable), Completion shall take place on the fifth business day after condition (c) above is satisfied, or such later date as may be agreed in writing between the Company and the Vendor under the Sale and Purchase Agreement.

Following Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company, and the financial results of the Target Company will be consolidated in the financial statements of the Group.

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Issue of Consideration Shares

The number of Consideration Shares to be allotted and issued to the Vendor is 260,258,500 new Shares, representing approximately 1.30% of the issued share capital of the Company as at the Latest Practicable Date and approximately 1.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares in full (assuming that there is no other change in the issued share capital of the Company).

The Consideration Shares will be allotted and issued at an Issue Price of HK\$0.547 per share, based on the average closing price of the Shares over the five (5) consecutive trading days immediately preceding the date of the Sale and Purchase Agreement.

The Issue Price was determined by reference to the prevailing market price of the Shares. The Directors are of the view that the Issue Price is fair and reasonable.

The aggregate nominal value of the Consideration Shares is HK\$26,025,850.

Specific Mandate

The Consideration Shares will be allotted and issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the EGM.

Ranking of the Consideration Shares

The Consideration Shares, when allotted and issued, credited as fully paid, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares, and shall be free from all encumbrances.

Application for listing

The Company will make an application to the Listing Committee of the Stock Exchange for approval of the listing of, and permission to deal in, the Consideration Shares.

4. Assessment of the Consideration

As stated in the Letter from the Board, the Consideration of RMB123.15 million was determined by the Purchaser and the Vendor after arm's length negotiation with reference to, among other things, (i) the Valuation of the 100% equity interest in the Target Company as at 30 June 2026, being approximately RMB164.20 million; (ii) the reasons for and benefits of the Acquisition; and (iii) a discount of 25.0% to the Valuation as mutually agreed between the parties after negotiation.

In assessing the fairness and reasonableness of the Consideration, we have primarily reviewed the Valuation Report and interviewed the Valuer in relation to the Valuation. Details of our analysis are set out below.

4.1. Expertise and experience of the Valuer

We have interviewed the Valuer regarding, among other things, its relevant qualifications and experience, independence, scope of work and the principal bases and assumptions adopted in the Valuation.

According to the Valuation Report, the Valuation was led and signed by Mr. Bruce Oong and reviewed by Ms. Grace Lam. Mr. Bruce Oong is a Senior Director of Cushman & Wakefield Limited and a Chartered Professional Accountant of Canada, and has over 18 years of experience in business valuation. Ms. Grace Lam is a Senior Director of Cushman & Wakefield Limited, a registered professional surveyor, a member of the Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors, and has over 30 years of experience in property valuation.

Based on our interview with the Valuer, we understand that Mr. Bruce Oong, being the person-in-charge of the Valuation, has experience in equity valuations prepared for inclusion in circulars of companies listed on the Stock Exchange. The Valuer also confirmed that it did not have any existing or past business relationship with the Purchaser, the Vendor or the Target Company, and that it was not aware of any circumstances that might affect its independence or give rise to any actual or potential conflict of interest in carrying out the Valuation. We also noted from the Letter from the Board that the Valuer's fee was not contingent upon the results of the Valuation.

Upon our review of the engagement letter entered into in relation to the Valuation, we noted that the scope of work is appropriate for the opinion required to be given. We are not aware of any limitation on the scope of work that would adversely affect the degree of assurance provided by the Valuer in the Valuation Report. Furthermore, during the course of our review of the Valuation Report and based on our interview with the Valuer, we were not aware of any material facts that would cause us to have concerns regarding the experience and expertise of the Valuer in conducting the Valuation. Accordingly, we are satisfied that the terms of engagement of the Valuer, together with its qualifications and experience, are appropriate for the purpose of performing the Valuation.

4.2. Valuation methodology

According to the Valuation Report, the Valuation was conducted on a market value basis in accordance with the International Valuation Standards issued by the International Valuation Standards Council. Market value is defined as the estimated amount for which an asset and/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.

With reference to the Valuation Report, there are three generally accepted approaches for determining the market value of the 100% equity interest in the Target Company, namely the market approach, the income approach and the asset-based approach. The selection of an appropriate valuation approach depends on, among other things, the quantity and quality of information available, the availability of relevant market data and transactions, the type and nature of the subject assets, the purpose of the valuation and professional judgement.

The asset-based approach was not adopted as it does not capture the future earning potential of the Target Company's business. The income approach was also not adopted as it requires detailed financial forecasts of the Target Company and the adoption of subjective assumptions, not all of which can be readily quantified or ascertained. Based on our interview with the Valuer, we further understand that the future financial performance, market demand and cash flows of the Target Company are subject to uncertainties, making it difficult for the Management to prepare reliable and objective long-term financial forecasts.

The Valuer therefore considered the market approach to be the most appropriate valuation approach for the Target Company. Under the market approach, the Valuer considered both the guideline public company method and the guideline transaction method. The guideline transaction method was not adopted due to the lack of sufficient comparable transactions in the real estate project construction and operation management industry. Accordingly, the Valuer adopted the guideline public company method, under which the market value of the Target Company was determined with reference to the market prices and valuation multiples of listed companies considered comparable to the Target Company.

Based on our discussion with the Valuer, in selecting the appropriate valuation multiple under the guideline public company method, the Valuer considered, among other things, the price-to-sales ratio, the price-to-book ratio and the price-to-earnings ratio. The price-to-sales ratio was not adopted as it does not take into account a company's cost structure and profitability, while the price-to-book ratio was not adopted as it is generally more relevant to asset-intensive businesses and does not directly reflect earnings performance. Given that the Target Company was profit-making and that earnings represent a direct driver of equity value, the Valuer considered the price-to-earnings ratio to be the most relevant valuation multiple for the Valuation.

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Having considered the nature and financial information of the Target Company, the availability of relevant market information and the reasons for not adopting the other valuation approaches and methods as discussed above, we consider the adoption of the market approach, the guideline public company method and the price-to-earnings ratio for the purpose of the Valuation to be reasonable.

4.3. Key assumptions and valuation bases

Principal assumptions

We further reviewed and made enquiries of the Valuer regarding the key assumptions and valuation bases adopted in the Valuation Report in order to assess the fairness and reasonableness of the Valuation.

According to the Valuation Report, in determining the market value of the 100% equity interest in the Target Company, the Valuer adopted, among other things, the assumptions that: (i) the information provided by the Management had been prepared on a reasonable basis after due and careful consideration; (ii) all relevant legal approvals and business certificates or licences required for the operations of the Target Company had been or would be obtained and would be renewable upon expiry; (iii) there would be no material changes in the applicable tax laws, political, legal, economic or financial conditions, interest rates or exchange rates in the jurisdictions in which the Target Company operates or intends to operate that would adversely affect its revenue and profitability; (iv) there would be no material change in the core business operations of the Target Company; and (v) the information regarding the Target Company provided by the Management was true and accurate. We have reviewed the principal assumptions adopted by the Valuer and, having considered that such assumptions principally relate to the continuation of the Target Company's existing business and the prevailing regulatory and economic environment, we do not have any reason to doubt their reasonableness for the purpose of the Valuation.

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Selection of the Comparable Companies

Under the guideline public company method, the Valuer identified companies engaged in the real estate project construction and operation management business from Bloomberg Terminal. Based on our discussion with the Valuer, we understand that, at the initial screening stage, the Valuer applied a revenue-based screening criterion requiring more than 50% of a company's total revenue to be derived from real estate project construction and operation management business, together with the following requirements:

- (i) the comparable company recorded positive profit attributable to its shareholders as at the Valuation Date, which is necessary for deriving a meaningful price-to-earnings ratio; and
- (ii) the comparable company was listed on the Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange, with sufficient publicly available financial information.

Based on the above initial screening criterion and requirements, the Valuer identified two companies, namely Greentown Management Holdings Company Limited (“**Greentown**”) and Central China Management Company Limited (“**Central China**”). We noted from our review of their respective financial information that project management business accounted for over 90% of their respective total revenue for FY2025. Accordingly, both companies satisfied the initial criterion that more than 50% of their respective total revenue was derived from project management business.

Based on our discussion with the Valuer, we understand that, given that only two listed companies were identified at the initial screening stage, the Valuer further considered whether there were other listed companies with a separately identifiable real estate project construction and operation management business and sufficient publicly available financial and market information, with a view to forming a broader and more representative sample for the valuation analysis. On this basis, the Valuer identified Midea Real Estate Holding Limited (“**Midea**”) as an additional comparable company.

We further noted from the annual report of Midea for FY2025 that the project management services (i.e., real estate project construction and operation management business) segment was separately identified as one of its four reportable operating segments, with separate disclosure of its revenue and operating profit. The segment primarily provides full-cycle development management, including project planning, design coordination and construction supervision, as well as sales and marketing support, which are relevant to the principal business activities of the Target Company. For FY2025, the segment generated external revenue of approximately RMB957.98 million and operating profit of approximately RMB300.50 million, representing approximately 23.1% of the total revenue and approximately 36.2% of the total operating profit of Midea, respectively. Accordingly, although the project management services segment did not account for the majority of the total revenue of Midea, it represented a separately identifiable and profitable reportable operating segment with a material contribution to the overall operating profit of Midea.

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Having considered the limited number of companies identified at the initial screening stage and the circumstances described above, the Valuer expanded its consideration to include listed companies which disclosed real estate project construction and operation management services as a separate business segment in their annual reports. Accordingly, the final selection criteria adopted by the Valuer, as set out in the Valuation Report, covered companies which were principally engaged in such business or disclosed such business as a separate business segment. On this basis, the Valuer selected Greentown, Central China and Midea as the Comparable Companies.

Having considered that (i) there is a limited pool of listed companies engaged in real estate project construction and operation management; (ii) the project management services segment of Midea is separately identified as a reportable operating segment and its financial results are separately disclosed; (iii) the services undertaken by such segment, including project planning, design coordination, construction supervision and sales and marketing support, are relevant to the principal business activities of the Target Company; (iv) such segment contributed approximately 23.1% of the total revenue and approximately 36.2% of the total operating profit of Midea for FY2025 and was therefore financially meaningful; and (v) sufficient financial and market information of Midea is publicly available, we consider that Midea provides a relevant market reference for the purpose of the Valuation, notwithstanding that it also operates other business segments.

We also noted that, as at the Valuation Date, the price-to-earnings ratio of Midea of approximately 6.6 times was the lowest among the Comparable Companies and was close to those of Central China and Greentown of approximately 6.9 times and 7.4 times, respectively. The Valuer adopted the median of the price-to-earnings ratios of the three Comparable Companies, being approximately 6.9 times, as the valuation multiple for the Target Company. Accordingly, the inclusion of Midea broadened the limited sample of Comparable Companies without resulting in the adoption of a valuation multiple at the higher end of the range or otherwise overstating the Valuation.

For our due diligence purposes, we have also independently replicated the Valuer's search for comparable companies through FactSet based on the final selection criteria adopted by the Valuer, and the results of our independent search were consistent with those of the Valuer.

Based on the above, we consider that the inclusion of Midea is reasonable and that the Comparable Companies, when considered collectively, provide relevant market references for the purpose of the Valuation.

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Calculation of the Valuation

Financial information adopted for the Comparable Companies

In calculating the price-to-earnings ratios of the Comparable Companies as at the Valuation Date, the Valuer divided the respective market capitalisation of each Comparable Company as at the Valuation Date by its profit attributable to shareholders.

We noted that the Valuer adopted the audited profit attributable to shareholders for FY2025 for two of the Comparable Companies, while the trailing 12-month profit attributable to shareholders as at 30 June 2026 was adopted for the remaining Comparable Company. Based on our discussion with the Valuer, we understand that such difference arose from the availability of financial information, as the relevant interim results for HY2026 had not been published by two of the Comparable Companies before the cut-off date of the Valuation. Accordingly, the Valuer adopted the latest publicly available financial information of the respective Comparable Companies available at the relevant cut-off date when conducting the Valuation.

For our due diligence purposes, we have reviewed the relevant annual reports, interim results and other publicly available financial information of the Comparable Companies. Based on our review, we noted that the profit attributable to shareholders adopted by the Valuer was consistent with the relevant published financial information.

Application of the median price-to-earnings ratio

The Valuer adopted the median price-to-earnings ratio of the Comparable Companies of approximately 6.9 times and applied it to the trailing 12-month profit attributable to shareholders of the Target Company as at the Valuation Date of approximately RMB22.61 million, thereby deriving an equity value before adjustments of approximately RMB156.01 million.

For our due diligence purposes, we have reviewed the relevant financial information of the Target Company and the calculation workings provided by the Valuer, and noted that the trailing 12-month profit attributable to shareholders and the equity value before adjustments adopted by the Valuer were consistent with such financial information and calculation workings.

Discount for lack of marketability and control premium

The Valuer subsequently applied a discount for lack of marketability of approximately 18.2% and a control premium of approximately 28.7% to the equity value before adjustments.

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Based on our discussion with the Valuer, we understand that the discount for lack of marketability was applied to reflect the absence of a readily available market for the shares of the Target Company, as compared with the publicly traded shares of the Comparable Companies. The control premium was applied because the quoted share prices of the Comparable Companies reflect minority equity values, whereas the Valuation relates to the 100% equity interest in the Target Company.

For our due diligence purposes, we have obtained and reviewed the relevant source materials and calculation workings provided by the Valuer, and noted that the discount for lack of marketability and the control premium adopted by the Valuer were consistent with the relevant source materials. We have also reviewed the application of such adjustments in arriving at the adjusted equity value.

Having considered the respective bases of the discount for lack of marketability and the control premium, we consider the application of such adjustments to be reasonable.

4.4. Valuation result and our view

Based on the above, the Valuer arrived at the market value of the 100% equity interest in the Target Company of RMB164.20 million as at the Valuation Date.

During our review of the Valuation Report and our discussion with the Valuer, we did not identify any material factors that would cause us to doubt the reasonableness of the valuation methodology, principal assumptions, valuation bases and parameters adopted for the Valuation.

Having considered (i) the qualifications and experience of the Valuer; (ii) the valuation methodology and the selection of the Comparable Companies; (iii) the calculation of the Valuation; (iv) the application of the discount for lack of marketability and the control premium; and (v) the fact that the Consideration of RMB123.15 million represents a discount of 25.0% to the Valuation, we consider the Consideration to be fair and reasonable so far as the Independent Shareholders are concerned.

5. Assessment of the Issue Price

5.1. Issue Price

An Issue Price of HK\$0.547 per Share represents:

- (i) a premium of approximately 0.37% over the closing price of the Shares of HK\$0.545 per Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement (“**the LTD Premium**”); and
- (ii) no premium or discount to the average closing price of the Shares for the five (5) consecutive trading days immediately preceding the date of the Sale and Purchase Agreement (“**the 5-Day Comparison**”).

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5.2. Historical closing price movement

To assess the fairness and reasonableness of the Issue Price, we reviewed the daily closing prices of the Shares as quoted on the Stock Exchange from 1 August 2025 up to and including the Agreement Date (the “**Share Review Period**”). The Share Review Period, which covers more than one year, is considered sufficient for the purpose of our analysis of the recent price performance of the Shares. The comparison of the daily closing prices of the Shares and the Issue Price is illustrated as follows:

Chart: Movement of the closing prices of the Shares during the Share Review Period



Source: the Stock Exchange's website

During the Share Review Period, the lowest and highest closing prices of the Shares were HK\$0.53 per Share recorded on multiple occasions during July 2026 and HK\$1.87 per Share recorded on 12 September 2025. The Issue Price of HK\$0.547 per Share falls within the range of the closing prices of the Shares during the Share Review Period and represents: (i) a discount of approximately 70.75% to the highest closing price of the Shares during the Share Review Period; and (ii) a premium of approximately 3.21% over the lowest closing price of the Shares during the Share Review Period.

We further noted that the Issue Price was lower than the closing prices of the Shares on 250 out of the 261 trading days during the Share Review Period.

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The closing prices of the Shares exhibited a general downward trend during the Share Review Period, decreasing from HK\$1.54 per Share on 1 August 2025 to HK\$0.53 per Share on 28 July 2026. From 29 July 2026 up to and including the Agreement Date, the closing prices of the Shares ranged from HK\$0.535 to HK\$0.61 per Share and closed at HK\$0.545 per Share on the Agreement Date.

5.3. Comparable Transactions

As part of our analysis, we identified transactions involving the acquisition of a target company where the consideration was wholly or partly satisfied by the issue of consideration shares (the “**Comparable Transactions**”), which were announced by companies listed on the Stock Exchange during the period from 1 February 2026 up to and including the Agreement Date. Based on our search and to the best of our knowledge, we identified seven Comparable Transactions which met the above criteria, and the list is exhaustive so far as we are aware.

Shareholders should note that the businesses, operations and prospects of the Company are not the same as those of the relevant listed companies and target companies involved in the Comparable Transactions, and we have not conducted any independent verification of the businesses and operations of such companies.

Date of announcement	Stock code	Company name	Premium/(discount) of the subscription/issue price over/(to) the average closing price for the five consecutive trading days immediately preceding the date of the relevant agreement	Premium/(discount) of the subscription/issue price over/(to) the closing price on the date of the relevant agreement
			Approximate %	Approximate %
21 August 2026	1020	Ciprun Technology Holdings Company Limited	(2.4)	(2.4)
4 August 2026	2473	XXF Group Holdings Limited	(21.8)	(14.0)
15 July 2026	1070	TCL Electronics Holdings Limited	(2.0)	1.7
4 May 2026	474	Aceso Life Science Group Limited	Nil	4.0
30 March 2026	8299	GT Gold Holdings Limited	(2.0)	(3.5)
26 March 2026	3788	Hanking Gold International Limited	14.9	7.6
18 March 2026	876	Qinghai Biotech Pharmaceutical Group Limited (Formerly known as Kaisa Health Group Holdings Limited)	(10.3)	Nil

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Date of announcement	Stock code	Company name	Premium/(discount) of the subscription/issue price over/(to) the average closing price for the five consecutive trading days immediately preceding the date of the relevant agreement	Premium/(discount) of the subscription/issue price over/(to) the average closing price for the five consecutive trading days immediately preceding the date of the relevant agreement
			<i>Approximate %</i>	<i>Approximate %</i>
		Maximum	14.9	7.6
		Minimum	(21.8)	(14.0)
		Average	(3.4)	(0.9)
24 August 2026	1918	The Company	0.37	Nil

As illustrated in the table above, the subscription or issue prices of the Comparable Transactions:

- (i) ranged from a discount of approximately 21.8% to a premium of approximately 14.9% over their respective closing prices on the date of the relevant agreement (the “**LTD Market Range**”), with an average discount of approximately 3.4%. The LTD Premium of approximately 0.37% falls within the LTD Market Range and is higher than the average discount of the Comparable Transactions; and
- (ii) ranged from a discount of approximately 14.0% to a premium of approximately 7.6% over the respective average closing prices for the five consecutive trading days immediately preceding the date of the relevant agreement (the “**5-Day Market Range**”), with an average discount of approximately 0.9%. The 5-Day Comparison also falls within the 5-Day Market Range and is higher than the average discount of the Comparable Transactions.

Having considered that the LTD Premium and the 5-Day Comparison fall within the respective market ranges of the Comparable Transactions and are higher than the respective average discounts, we consider the Issue Price to be fair and reasonable so far as the Independent Shareholders are concerned.

6. Dilution effect on the existing public Shareholders

According to the shareholding table set out in the section headed “III. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY” in the Letter from the Board, the shareholding interests of the existing public Shareholders would be diluted by approximately 0.98 percentage point as a result of the allotment and issue of the Consideration Shares, assuming that there is no other change in the issued share capital of the Company from the Latest Practicable Date up to Completion.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered (i) the reasons for and benefits of the Acquisition; (ii) the fairness and reasonableness of the Consideration and the Issue Price as discussed above; and (iii) the extent of the resulting dilution to the shareholding interests of the existing public Shareholders, we consider such dilution to be acceptable so far as the Independent Shareholders are concerned.

7. Potential financial effects of the Acquisition

With reference to the Letter from the Board, following Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company, and the financial results of the Target Company will be consolidated into the financial statements of the Group.

OPINION AND RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the view that the Acquisition is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, but is not entered into in the ordinary and usual course of business of the Group.

Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, and we advise the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Ignite Capital (Asia Pacific) Limited
Li Lan **Tin Ming Kit**
Managing Director *Director*

Mr. Li Lan is a Managing Director of Ignite Capital and is licensed under the SFO as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Li has over 20 years of corporate finance experience in Hong Kong and has participated in and completed various financial advisory and independent financial advisory transactions.

Mr. Tin Ming Kit is a Director of Ignite Capital and is licensed under the SFO as a licensed person to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Tin has over 20 years of investment banking and corporate finance experience in Hong Kong and has participated in and completed various initial public offerings, corporate financial advisory and independent financial advisory transactions.



27/F, One Island East
Taikoo Place
18 Westlands Road
Quarry Bay
Hong Kong

26 October 2026

The Directors
Sunac Property Management Limited
Building 1, East Side in Sunac Center,
No. 278 Hongqi Road, Nankai District,
Tianjin, PRC

Dear Sirs,

Re: The market value of 100 percent equity interest in Sun Success Investment Limited (the “Target Company”)

Instructions, Purpose & Valuation Date

We refer to the instructions from Sunac Property Management Limited (the “**Company**”) to us to conduct a valuation of the market value of 100 percent equity interest in the Target Company. We are pleased to report that we have made relevant enquiries and obtained necessary information for the purpose of providing you with our market value estimate of 100 percent equity interest in the Target Company as at June 30, 2026 (the “**Valuation Date**”).

The purpose of this valuation is for circular reference for the Company.

Definition of Market value

Our valuation was carried out on a market value basis. Market value is defined as “the estimated amount for which an asset and/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”.

Method of Valuation

In arriving at our assessed value for the equity interest, we have considered three generally accepted approaches, namely, the Market Approach, the Asset Based Approach and the Income Approach. The selection of a valuation approach is based on, among others, the quantity and quality of the information provided, access to available data, availability of relevant market transactions, type and nature of subject assets, purpose and objective of the valuation and professional judgment and technical expertise. Among the three approaches, we consider that the Market Approach is more appropriate for this valuation.

Source of Information

We have relied to a considerable extent on information provided by the management of the Company (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 responsibilities for the operation and financial information that have not been provided to us are accepted.

Our opinion of the market value was 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. In the implementation of the valuation, we adhere to the principles of independence, objectivity and fairness. According to the information we collected during the course of valuation, the contents of the valuation report are objective. The evaluation conclusion should not be regarded as any guarantee for the valuation object’s achievable price.

Unless otherwise stated, all monetary amounts stated in this valuation report are in RENMINBI (“**RMB**”).

Based on the results of our investigation and analysis outlined in the report which follows, we are of the opinion that the market value of 100 percent equity interest in the Target Company as at the Valuation Date is reasonably stated as below:

Valuation Date	June 30, 2026
Market Value of 100% Equity Interest in the Target Company	RMB164,200,000 (RENMINBI ONE HUNDRED SIXTY-FOUR MILLION TWO HUNDRED THOUSAND ONLY)

The following pages outline the factors considered, methodologies and assumptions employed in formulating our opinions and conclusions. All opinions are subject to the assumptions and limiting conditions contained therein.

Yours faithfully,
 For and on behalf of
Cushman & Wakefield Limited
Bruce Oong
CPA
Senior Director
 Valuation & Advisory Services,
 Greater China

This report has been reviewed by
Grace Lam
MRICS, MHKIS, R.P.S. (GP)
Senior Director
 Valuation & Advisory Services,
 Greater China

1. INTRODUCTION

This report has been prepared in accordance with instructions from Sunac Property Management Limited to express an independent opinion of the market value of 100 percent equity interest in the Target Company as at June 30, 2026.

2. PURPOSE OF VALUATION

The purpose of this valuation is for circular reference for the Company.

3. BASIS OF VALUE

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

We have conducted our valuation in accordance with International Valuation Standards issued by the International Valuation Standards Council. We planned and performed our valuation so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to express our opinion on the Target Company. We believe that the valuation procedures we employed provide a reasonable basis for our opinion.

4. BACKGROUND

The Target Company is a company incorporated in the British Virgin Islands with limited liability, principally engaged in investment holding.

As at the Valuation Date, the Target Company indirectly holds 100% of the equity interest in Erjin Construction Management Group Co., Ltd. 而今建設管理集團有限公司* (hereinafter referred to as “**Erjin Management**”). Erjin Management is a company established in the People’s Republic of China with limited liability and a wholly-owned subsidiary of the Target Company, principally engaged in the real estate project construction and operation management business.

According to the unaudited financial statements provided by the Company, the financial results of the Target Company and its subsidiaries (hereinafter referred to as the “**Target Group**”) for the past two years are illustrated below:

* for identification purpose only

RMB ('000)	December 31, 2025	December 31, 2024
Profit before taxation	33,227.90	30,685.52
Profit after taxation	24,950.52	19,797.49

The unaudited net asset value of the Target Group as at June 30, 2026 was approximately RMB54,019,000.

5. QUALIFICATION

The subject valuation exercise is led and signed by Mr. Bruce Oong, and reviewed by Ms. Grace Lam.

Mr. Oong is a Senior Director of Cushman & Wakefield Limited. He is a Chartered Professional Accountant of Canada and has over 18 years' experience in business valuation.

Ms. Lam is a Senior Director of Cushman & Wakefield Limited. She is a registered professional surveyor and also is a member of the Royal Institution of Chartered Surveyors as well as a member the Hong Kong Institute of Surveyors, and has over 30 years' experience in property valuation.

6. SCOPE OF WORK

In the course of our valuation work, the following processes had been conducted to evaluate the reasonableness of the adopted bases and assumptions provided by the Management:

- Discussed with the Management and obtained relevant financial information in respect of the Target Company;
- Examined the relevant bases and assumptions of the financial information in respect of the Target Company;
- Conducted appropriate research to obtain sufficient market data and statistical figures and prepared the valuation based on generally accepted valuation procedures and practices; and
- Presented the purpose and basis of valuation, scope of work, overview of the Target Company, related key business descriptions, source of information, major assumptions, valuation methodology and our opinion of value in this report.

7. SOURCE OF INFORMATION

To perform our valuation of the market value of the Target Company's equity interest, we have relied on the following information provided by the Management, as well as other publicly available information that we have gathered through our own research, including, but not limited to, the following:

- Copies of business licenses and other relevant documents of the Target Company;
- Unaudited financial report of the Target Company as at June 30, 2026, December 31, 2025 and December 31, 2024;
- Publicly available information of comparable companies;
- Financial information obtained from Bloomberg TerminalTM; and
- Other public information relating to the valuation.

We have not independently verified any of the information which has been provided to us. In analyzing the information, we have held discussions with the Management. We have had no reason to doubt the truth and accuracy of the information provided to us which is material to the valuation. We were also advised that no material facts have been omitted from the information supplied.

8. VALUATION METHODOLOGY

There are generally three accepted approaches to obtain the market value of 100 percent equity interest in the Target Company, namely the Market Approach, the Income Approach and the Asset Based Approach. 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 most commonly adopted practice in valuing business entities that are similar in nature.

Market Approach

The Market Approach values a business entity by comparing prices at which other business entities of a similar nature 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 for an equally desirable alternative. The Market Approach comprises two methods namely the Guideline Public Company Method and the Guideline Transaction Method.

The Guideline Public Company Method focuses on analyzing the data and valuation multiples of companies that can be considered comparable to those being valued. Adjustments are made to the comparable companies to compensate for differences between those companies and the Target Company. Finally, appropriate valuation multiples are applied to the subject company's normalized financial data to arrive at an indication of the value of the subject company.

The Guideline Transaction Method measures value based on what other purchasers in the market have paid for companies that can be considered reasonably similar to those being valued. When the Guideline Transaction Method is utilized, data are collected on the prices paid for reasonably comparable companies. Adjustments are made to the comparable companies to compensate for differences between those companies and the Target Company being valued. The application of the Guideline Transaction Method results in an estimate of the price reasonably expected to be realized from the sale of the Target Company.

Income Approach

The Income Approach focuses on the economic benefits due to the income producing capability of the business entity. The underlying theory of this approach is that the value of the business entity can be measured by the present worth of the economic benefits to be received over the useful life of the business entity. Based on this valuation principle, the Income Approach estimates the future economic benefits and discounts them to their present values using a discount rate appropriate for the risks associated with realizing those benefits.

Alternatively, this present value 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.

Asset Based Approach

The Asset Based 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 is equal to the value of its invested capital. In other words, the value of the business entity is represented by the money that has been made available to purchase the business assets needed. This money comes from investors who buy stocks of the business entity and investors who lend money to the business entity. After collecting the total amounts of money from equity and debt, and converted into various types of assets of the business entity for its operation, their sum equals the value of the business entity.

Selection of Valuation Methodology

The selection of a valuation approach is based on, among others, the quantity and quality of information provided, access to available data, availability of relevant market transactions, type and nature of subject assets, purpose and objective of the valuation and professional judgment and technical expertise. Among the three approaches, we consider that the Market Approach is more appropriate for this valuation.

While useful for certain purposes, the Asset Based Approach is not considered applicable to the valuation of the Target Company, as it does not capture future earning potential of the business. Also, we consider that the Income Approach is inappropriate as it requires detailed financial forecast of the Target Company, which involves adoption of much more subjective assumptions than the other two approaches, not all of which can be easily quantified or ascertained. Under the Market Approach, the Guideline Transaction Method is not considered applicable in this valuation due to the lack of sufficient comparable transactions. Thus, we consider the Guideline Public Company Method to be more appropriate for valuing the 100 percent equity interest in the Target Company as it is the most direct valuation approach which reflects the value obtained as a result of a consensus of what others in the market place have judged it to be.

9. MAJOR ASSUMPTIONS

In determining the market value of 100 percent equity interest of the Target Company, the following principal assumptions have been adopted:

- The information provided has been prepared on a reasonable basis after due and careful consideration by the Management;
- All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Target Company operate or intend to operate would be officially obtained and renewable upon expiry;
- There will be no major change in the current taxation laws in the localities in which the Target Company operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;
- There will be no major changes in the political, legal, economic, or financial conditions in the localities in which the Target Company operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Target Company;
- Interest rates and exchange rates in the localities for the operation of the Target Company will not differ materially from those presently prevailing;
- The core business operation of the Target Company will not differ materially from those of present or expected; and
- The information regarding the Target Company provided by the Management is true and accurate.

The valuation result as at the Valuation Date is mainly based on the following assumptions:

Selection Criteria for Comparable Companies

In the valuation, we used the Market Approach by referring to companies engaging in real estate project construction and operation management business. Comparable companies were identified and selected from Bloomberg TerminalTM based on the following criteria:

- The subject company is principally engaged in real estate project construction and operation management services, or disclose such services as a standalone segment in their annual reports;
- The subject company recorded positive earnings attributable to shareholders as at the Valuation Date, which is important for the determination of the price to earnings multiple; and
- The subject company is listed on the Stock Exchange of Hong Kong Ltd., the Shanghai Stock Exchange or the Shenzhen Stock Exchange, and their financial information is publicly available.

Comparable Companies

A list of three comparable companies (individually the “**Comparable Company**” or collectively the “**Comparable Companies**”) satisfying the above selection criteria were identified. We have, on a best-efforts basis, identified the comparable companies representing an exhaustive list. The market capitalisation and earnings attributable to the shareholders of the Comparable Companies are extracted from Bloomberg TerminalTM.

Selection of Value Multiples

In this valuation task, we have considered various commonly used value multiples, including (i) price to earnings (“**P/E**”); (ii) price to sales (“**P/S**”); (iii) price to net book value (“**P/B**”). P/S multiple is commonly used in the valuation of start-up enterprises. However, it ignores the cost structure of a company and hence the profitability of a company, which is critical in reflecting the market value of the entire equity interest in the Target Company. P/B multiple is usually adopted in the valuation of asset-intensive companies. However, it does not take into consideration of the profitability of a company. We consider P/E multiple as the most relevant and therefore has been adopted in this valuation task as P/E is the most commonly used valuation multiple for profit-making business and earnings is one of the most direct drivers of equity value.

The P/E multiples of the Comparable Companies were arrived at based on the stock price and the earnings attributable to shareholders as at the Valuation Date. Details of the Comparable Companies are as follows:

Stock Code	Company Name	Description	Market Capitalization as at the Valuation Date (RMB million)	Earnings Attributable to Shareholders (RMB million)	P/E
9979 HK Equity	Greentown Management Holdings Company Limited	Greentown Management Holdings Company Limited provides building services. The Comparable Company builds high-rise residential buildings, low-rise apartments, villas, commercial facilities, office buildings, and other related areas. The Comparable Company offers services in China.	3,115	419 ^{Note 1}	7.4
9982 HK Equity	Central China Management Company Limited	Central China Management Company Limited provides property project management services. The Comparable Company offers project research and approval, project design and planning, construction and cost management, promotion and sales management to delivery of the final property to the ultimate property buyers. The Comparable Company conducts businesses in China.	328	48 ^{Note 1}	6.9

Stock Code	Company Name	Description	Market Capitalization as at the Valuation Date (RMB million)	Earnings Attributable to Shareholders (RMB million)	P/E
3990 HK Equity	Midea Real Estate Holding Limited	Midea Real Estate Holding Limited operates as a holding company. The Comparable Company, through its subsidiaries, provides property management, property sales, property development, and other services.	3,342	508 ^{Note 2}	6.6
Median					6.9

Notes:

1. Extracted from audited financial statements for the year ended December 31, 2025.
2. Trailing twelve-month figure based on the most recent financial statements published by Midea Real Estate Holding Limited (derived by adding the corresponding figures for the six months ended June 30, 2026 to those for the year ended December 31, 2025 and deducting the corresponding figures for the six months ended June 30, 2025).

Discount for Lack of Marketability (“DLOM”)

The concept of marketability deals with the liquidity of an ownership interest, that is how quickly and easily it can be converted to cash if the owner chooses to sell. The lack of marketability discount reflects the fact that there is no ready market for shares in privately held companies which are typically not readily marketable compared to similar interest in public 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. In the valuation, we consider 18.2% is sufficient to reflect the lack of marketability of the 100% equity interests in the Target Company, which was with reference to Stout Restricted Stock Study, an online resource that provides empirical support for quantifying DLOM.

Control Premium (“CP”)

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 each of the identified comparable companies was on a minority stake of the subject company, therefore adjustment has been made to reflect the degree of control associated with the 100% equity interest in the Target Company. In the valuation, we consider 28.7% is deemed to be sufficient to reflect the control premium of the 100% equity interests in the Target Company, which was with reference to FactSet Mergerstat/BVR Control Premium Study, an online resource that provides empirical support for quantifying control premiums and implied minority discounts.

Applying the Median P/E Multiple, DLOM and CP to the Earnings attributable to Shareholders of the Target Company

The median P/E multiple of the Comparable Companies (“**Median P/E**”) was then applied to the earnings attributable to shareholders of the Target Company as at the Valuation Date (“**E**”), and adjusted with DLOM and CP, to arrive at the market value of the 100% equity interests in the Target Company (“**FV**”). Details are listed below:

FV of the Target Company = Median P/E x E x (1 – DLOM) x (1 + CP), where:

Median P/E of the Comparable Companies	6.9x
Earnings attributable to shareholders of the Target Company as at the Valuation Date	RMB22,609,856
DLOM	18.2%
CP	28.7%
Market value of the Target Company (Rounded)	RMB164,200,000

10. LIMITING CONDITION

The valuation reflects facts and conditions existing at the Valuation Date. Our valuation work has been performed through August 20, 2026. 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 are 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; yet, no guarantee is made nor liability is assumed for their accuracy.

We have relied to a considerable extent on information provided by the Management of the Company 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 responsibilities for the operation and financial information that have not been provided to us are accepted.

Our opinion of the market value was 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.

Sustainability and Environmental, Social, and Governance (“**ESG**”) factors are considerations which some market participants may take into account in their decision-making and may be reflected in pricing. In the course of our valuation, we have, where applicable, taken into account, to the extent that current market participants would, of the material sustainability features of the Target Company as observed from information supplied or notified to us by the Company. For the avoidance of doubt, our valuations do not constitute ESG risk assessments or ratings, which are outside our expertise and require additional specialists’ advice beyond the scope of the valuer.

Neither the whole nor any part of this report or any reference hereto may be included in any published document, circular or statement, or published in any way, without our prior written approval of the form and context in which it may appear.

Finally and in accordance with our standard practice, we must state that this report and valuation are for the exclusive use only of the addressee and for the purpose stated herein. No responsibility is accepted to any third party for the whole or any part of the contents.

11. REMARKS

We hereby confirm that we have neither present nor prospective interests in the Target Company.

12. OPINION OF VALUE

Based on the results of our investigation and analysis outlined in the report which follows, we are of the opinion that the market value of 100 percent equity interest in the Target Company as at the Valuation Date is reasonably stated as below:

Valuation Date	June 30, 2026
Market Value of 100% Equity Interest in the Target Company	RMB164,200,000 (RENMINBI ONE HUNDRED SIXTY-FOUR MILLION TWO HUNDRED THOUSAND ONLY)

Yours faithfully,
For and on behalf of
Cushman & Wakefield Limited
Bruce Oong
CPA
Senior Director
Valuation & Advisory Services,
Greater China

This report has been reviewed by
Grace Lam
MRICS, MHKIS, R.P.S. (GP)
Senior Director
Valuation & Advisory Services,
Greater China

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. SHARE CAPITAL AND MCB 2**(a) Share Capital**

Assuming there is no other change in the authorised and issued share capital of the Company since the Latest Practicable Date, the authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon full conversion of US\$2,400,133,056.00 MCB 2 at the initial conversion price of HK\$3.85 per Share (as applicable), based on the agreed exchange rate of US\$1 = HK\$7.8, are as follows:

(i) As at the Latest Practicable Date

		HK\$
<i>Authorised capital:</i>		
30,000,000,000	Shares of HK\$0.1 each	3,000,000,000.0
<i>Issued and fully paid or credited as fully paid:</i>		
19,965,499,620	Shares of HK\$0.1 each	1,996,549,962.0

- (ii) *Immediately upon full conversion of US\$2,400,133,056.00 MCB 2 at the initial conversion price of HK\$3.85 per Share (as applicable), based on the agreed exchange rate of US\$1 = HK\$7.8*

HK\$

Authorised capital:

30,000,000,000	Shares of HK\$0.1 each	3,000,000,000.0
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Issued and fully paid or credited as fully paid:

19,965,499,620	Shares of HK\$0.1 each	1,996,549,962.0
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4,862,607,230 (being the number of MCB 2 conversion shares to be allotted and issued upon full conversion of the MCB 2 based on the above assumptions)	Shares of HK\$0.1 each	486,260,723.0
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24,828,106,850	Shares of HK\$0.1 each	2,482,810,685.0
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All issued Shares rank *pari passu* in all respects with each other, including in particular, as to dividends, voting rights and return of capital.

The MCB conversion shares to be allotted and issued upon conversion will rank *pari passu* in all respects among themselves respectively and with all Shares in issue as at the date of allotment and issue of the MCB conversion shares, including in particular, as to voting rights, return on capital and the right to any dividends or distributions made or declared on or after the date of allotment and issue of the MCB conversion shares, subject to the terms of the MCB. The MCB conversion shares will be listed and traded on the Stock Exchange.

The Company had no outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, convert or exchange into Shares or any agreement or arrangement other than the MCB 2, particulars of which are disclosed in the letter from the Board contained in this circular, as at the Latest Practicable Date.

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) *Interests in shares of the Company (long position)*

Name of Director	Nature of interest	Number of ordinary Shares	Approximate percentage of interest in the Company ²
Mr. Sun	Interest in controlled corporations ¹	4,604,124,068	23.06%
	Beneficial owner	19,930,000	0.10%
Mr. Wang Mengde	Beneficial owner	17,177,000	0.09%
Mr. Huang Shuping	Beneficial owner	5,400,000	0.03%
Ms. Ma Zhixia	Beneficial owner	3,829,000	0.02%
Mr. Sun Kevin Zheyi	Beneficial owner	261,000	0.001%

Notes:

1. Among the 4,604,124,068 Shares: (1) 2,681,078,233 Shares were held by Sunac International Investment Holdings Ltd ("**Sunac International**"), (2) 1,874,339,835 Shares were held by Sun Holdings II LLC, and (3) 48,706,000 Shares were held by Tianjin Biaodi Enterprise Management Limited* (天津標的企業管理有限公司) ("**Tianjin Biaodi**"). 70% of the issued shares of Sunac International and all the shares of Tianjin Biaodi were held by Sunac Holdings LLC, all issued shares of Sunac Holdings LLC were held by the HBS Family Trust (the "**Family Trust**"), and all the equity interests of Sun Holdings II LLC were held by a family trust newly established by Mr. Sun (the "**New Family Trust**"). JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC) was the trustee of the Family Trust and the New Family Trust, the Family Trust and the New Family Trust were both established by Mr. Sun, and Mr. Sun and certain of his family members were the beneficiaries of the Family Trust and the New Family Trust. Mr. Sun was deemed to be interested in all of the aforesaid Shares by virtue of the SFO.
2. Calculated on the basis of 19,965,499,620 Shares in issue as at the Latest Practicable Date.

(ii) *Interests in the underlying shares of the Company (long position)*

Name of Director	Number of conversion Shares under the MCB 2 ¹	Number of unvested Shares awarded under share award schemes	Approximate percentage of interest in the Company in total ²
Mr. Sun	1,129,007,166	–	5.65%
Mr. Wang Mengde	–	20,860,000	0.104%
Mr. Huang Shuping	–	14,950,000	0.075%
Ms. Ma Zhixia	–	8,075,000	0.040%
Mr. Sun Kevin Zheyi	–	7,609,000	0.038%

Notes:

- As at the Latest Practicable Date, the outstanding MCB 2 in principal amount of US\$5,238,199 was held by Sunac International, and the outstanding MCB 2 in principal amount of US\$552,028,159 was held by Sun Holdings II LLC. Upon full conversion based on the initial conversion price of HK\$3.85 per share for MCB 2 and the agreed exchange rate of US\$1 = HK\$7.8, 10,612,455 Shares will be allotted and issued to Sunac International, and 1,118,394,711 Shares will be allotted and issued to Sun Holdings II LLC. 70% of the issued shares of Sunac International were held by Sunac Holdings LLC, all issued shares of Sunac Holdings LLC were held by the Family Trust, and all the equity interests of Sun Holdings II LLC were held by the New Family Trust. JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC) was the trustee of the Family Trust and the New Family Trust, the Family Trust and the New Family Trust were both established by Mr. Sun, and Mr. Sun and certain of his family members were the beneficiaries of the Family Trust and the New Family Trust. Mr. Sun was deemed to be interested in the aforesaid 1,129,007,166 underlying Shares by virtue of the SFO.
- Calculated on the basis of 19,965,499,620 Shares in issue as at the Latest Practicable Date.

(iii) *Interests in shares and the underlying shares of Sunac Services, an associated corporation of the Company (long position)*

Name of Director	Capacity/Nature of interest	Number of Sunac Services Shares held	Number of unvested Shares awarded under the Sunac Services share award scheme	Total	Approximate percentage of the total number of Sunac Services Shares ²
Mr. Sun	Interest in controlled corporations ¹	67,288,606	–	67,288,606	2.22%
	Beneficial owner	1,466,472	–	1,466,472	0.05%
Wang Mengde	Beneficial owner	2,157,734	–	2,157,734	0.07%
Huang Shuping	Beneficial owner	1,864,092	–	1,864,092	0.06%
Ma Zhixia	Beneficial owner	1,342,279	–	1,342,279	0.04%
Sun Kevin Zheyi	Beneficial owner	102,895	–	102,895	0.003%

Notes:

1. These 67,288,606 shares of Sunac Services were held as to:

- (i) 65,721,489 shares of Sunac Services by Sunac International; and
- (ii) 1,567,117 shares of Sunac Services by Tianjin Biaodi.

In accordance with the SFO, Mr. Sun was deemed to be interested in all the above shares.

2. Calculated on the basis of 3,027,973,000 shares in issue of Sunac Services as at the Latest Practicable Date.

Save as disclosed above, to the best knowledge of the Directors as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any other interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders' interests in Shares and underlying Shares

Save as disclosed below, as at the Latest Practicable Date, the Directors and the chief executive of the Company had not been notified of any other relevant interests or short positions in the Shares and 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 were required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein:

(i) Interests in shares of the Company (long position)

Name of shareholder	Nature of interest/capacity	Number of Shares	Approximate percentage of interest in the Company ³
Sunac International	Beneficial owner ¹	2,681,078,233	13.43%
Sun Holdings II LLC	Beneficial owner ¹	1,874,339,835	9.39%
JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC)	Trustee of the trusts ¹	4,604,124,068	23.06%
Chongqing International Trust Co., Ltd.* (重慶國際信託股份有限公司) ²	Trustee	1,022,177,240	5.12%

Notes:

1. Among the 4,604,124,068 Shares: (1) 2,681,078,233 Shares were held by Sunac International, (2) 1,874,339,835 Shares were held by Sun Holdings II LLC, and (3) 48,706,000 Shares were held by Tianjin Biaodi. 70% of the issued shares of Sunac International and all the shares of Tianjin Biaodi were held by Sunac Holdings LLC, all issued shares of Sunac Holdings LLC were held by the Family Trust, and all the shares of Sun Holdings II LLC were held by the New Family Trust. JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC) was the trustee of the Family Trust and the New Family Trust, the Family Trust and the New Family Trust were both established by Mr. Sun, and Mr. Sun and certain of his family members were the beneficiaries of the Family Trust and the New Family Trust. JTC South Dakota Trust Company was deemed to be interested in the aforesaid 4,604,124,068 Shares by virtue of the SFO.
2. On 23 December 2025, the Company completed the offshore debt restructuring, and pursuant to the terms of the scheme, the Company issued MCB 1 in principal amount of US\$891,128,876 to Chongqing International Trust Co., Ltd. (“**Chongqing Trust**”), which converted such MCB 1 into 1,022,177,240 Shares.
3. Calculated on the basis of 19,965,499,620 Shares in issue as at the Latest Practicable Date.

(ii) *Interests in the underlying shares of the Company (long position)*

Name of shareholder	Nature of interest/capacity	Number of underlying Shares	Approximate percentage of interest in the Company ²
Sunac International	Beneficial owner ¹	10,612,455	0.05%
Sun Holdings II LLC	Beneficial owner ¹	1,118,394,711	5.60%
JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC)	Trustee of the trusts ¹	1,129,007,166	5.65%

Notes:

- As of 30 June 2026, the outstanding MCB 2 in principal amount of US\$5,238,199 was held by Sunac International, and the outstanding MCB 2 in principal amount of US\$552,028,159 was held by Sun Holdings II LLC. Upon full conversion based on the initial conversion price of HK\$3.85 per share for MCB 2 and the agreed exchange rate of US\$1 = HK\$7.8, 10,612,455 Shares will be allotted and issued to Sunac International, and 1,118,394,711 Shares will be allotted and issued to Sun Holdings II LLC. 70% of the issued shares of Sunac International were held by Sunac Holdings LLC, all issued shares of Sunac Holdings LLC were held by the Family Trust, and all the shares of Sun Holdings II LLC were held by the New Family Trust. JTC South Dakota Trust Company (former name: South Dakota Trust Company LLC) was the trustee of the Family Trust and the New Family Trust, the Family Trust and the New Family Trust were both established by Mr. Sun, and Mr. Sun and certain of his family members were the beneficiaries of the Family Trust and the New Family Trust. JTC South Dakota Trust Company was deemed to be interested in the aforesaid 1,129,007,166 Shares by virtue of the SFO.
- Calculated on the basis of 19,965,499,620 Shares in issue as at the Latest Practicable Date.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there had been no material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. DIRECTORS' EMPLOYMENT WITH SUBSTANTIAL SHAREHOLDER

As at the Latest Practicable Date, Mr. Sun is a director of Sunac International. Save for the foregoing, none of the Directors is a director or employee of a company which has interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group (other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

7. DIRECTORS' INTEREST IN ASSETS OR CONTRACTS OR ARRANGEMENT

- (a) As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2025 (the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.
- (b) None of the Directors was materially interested in any contract or arrangement which is significant in relation to the business of the Group subsisting as at the Latest Practicable Date.

8. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group, other than those businesses where the Directors of the Group were appointed as Directors to represent the interests of the Company and/or the Group.

9. EXPERT AND CONSENT

The following sets out the name and qualification of the experts who have given opinions or advices which are contained in this circular:

Name	Qualifications
Ignite Capital (Asia Pacific) Limited	a corporation licensed to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Cushman & Wakefield Limited	an independent professional valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the references to its name included herein in the form and context in which it is included.

The letters and recommendations given by each of the above experts are given as of the date of this circular for incorporation herein.

As at the Latest Practicable Date, each of the above experts did not have any shareholding, direct or indirect, in any members of the Group or any rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any members of the Group.

As at the Latest Practicable Date, each of the above experts did not have any direct or indirect interest in any assets which had been, since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to any member of the Group, or were proposed to be acquired, disposed of by, or leased to any member of the Group.

10. DOCUMENT ON DISPLAY

Copies of the following documents will be available for inspection on the websites of the Company (<https://www.sunac.com.cn/en/investor.aspx>) and the Stock Exchange (www.hkexnews.hk) from the date of this circular until 14 days hereafter:

- (a) the Sale and Purchase Agreement;
- (b) the Supplemental Agreement;
- (c) the letter from the Independent Board Committee, the text of which is set out in the section headed “Letter from the Independent Board Committee” of this circular;
- (d) the letter from Ignite Capital (Asia Pacific) Limited, the Independent Financial Adviser, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” of this circular;
- (e) the valuation report from Cushman & Wakefield Limited, a summary of which is set out in Appendix I to this circular;
- (f) the written consent letters referred to in the paragraph headed “Expert and Consent” in this appendix; and
- (g) this circular.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Sunac China Holdings Limited (the “**Company**”) will be held at the Conference Room 1, 26/F, Block B, Rongke Wangjing Center, Chaoyang District, Beijing, PRC on Wednesday, 11 November 2026 at 10:00 a.m., for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions as ordinary resolutions of the Company.

Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the circular of the Company dated 26 October 2026 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the sale and purchase agreement dated 24 August 2026 and the supplemental agreement dated 20 October 2026 (the “**Sale and Purchase Agreement**”) entered into between Sunac Property Management Limited (an indirect wholly-owned subsidiary of the Company) (the “**Purchaser**”) and Sunus Holdings Limited (the “**Vendor**”) (a copy of which is tabled at the meeting and marked “A” and initialed by the chairman of the EGM for identification purpose) pursuant to which, the Company or its nominee (which will be a subsidiary of the Company), has agreed to purchase, and the Vendor has agreed to sell, 100% equity interest in Sun Success Investment Limited (the “**Acquisition**”), and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) subject to the fulfilment or waiver of the conditions set out in the Sale and Purchase Agreement, the directors of the Company (the “**Directors**”) be and are hereby authorised to utilise a specific mandate (the “**Specific Mandate**”) which shall entitle the Directors to exercise all the powers of the Company to allot and issue 260,258,500 new shares (the “**Shares**”) of the Company (the “**Consideration Shares**”) at the issue price of HK\$0.547 per Share to the Vendor, as the consideration for the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement; and
- (c) subject to and conditional upon the fulfilment or waiver of the conditions precedent set out in the Agreement, any one or more Directors be and is/are hereby authorised, for and on behalf of the Company, to execute all such documents, instruments and agreements, and take such action, do all such acts

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

or things, as he/she/they may, in his/her/their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implement of or giving effect or completion of any matters relating to the Sale and Purchase Agreement and the transactions contemplated thereunder, the issue and allotment of the Consideration Shares, and all matters incidental thereto.”

By order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, China, 26 October 2026

Registered Office:

One Nexus Way
Camana Bay
Grand Cayman KY1-9005
Cayman Islands

*Headquarters and Principal Places of
Business in the PRC:*

Beijing Office

26/F, Block B
Rongke Wangjing Center, Chaoyang
District Beijing, PRC

Principal Place of Business in Hong Kong:

31/F, Tower Two Times Square,
1 Matheson Street
Causeway Bay, Hong Kong

Tianjin Office

Building 1, East Side in Sunac Center,
No. 278, Hongqi Road, Nankai District
Tianjin, PRC

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/its. A proxy need not be a shareholder of the Company.
- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (iii) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish and in such event, the form of proxy shall be deemed to be revoked.
- (iv) The record date for determining the eligibility of the Shareholders to attend and vote at the above meeting will be as of close of business on Wednesday, 11 November 2026 (Hong Kong time). There will be no book closure period in respect of the EGM. In order to qualify for attending and voting at the above meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Tuesday, 10 November 2026.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the executive directors of the Company are Mr. Sun Hongbin, Mr. Wang Mengde, Mr. Huang Shuping, Ms. Ma Zhixia and Mr. Sun Kevin Zheyi; and the independent non-executive directors of the Company are Mr. Poon Chiu Kwok, Mr. Zhu Jia, Mr. Ma Lishan and Mr. Yuan Zhigang.