
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Renze Harvest International Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**(1) MAJOR TRANSACTION IN RELATION TO DISPOSAL OF PROPERTIES
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used on this cover page shall have the same meanings as those defined in this circular unless otherwise stated.

A letter from the Board is set out on pages 4 to 12 of this circular.

A notice convening the EGM to be held at Room 2308, 23/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong at 11:00 a.m. on Friday, 19 July 2024 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 websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hk1282.com). Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

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DEFINITIONS

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

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in the PRC are open for general commercial business, other than a Saturday, Sunday or public holiday in the PRC
“Commercial Properties”	(i) the hotel located on the second (2nd) to fourth (4th) and sixth (6th) to sixteenth (16th) floor of Baoneng Century Plaza, No. 10 Ganjiangyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區贛江源大道10號寶能世紀城); and (ii) the function rooms no. 11, 12, 13, 15, 16 and 17 located at East Baoneng Century Plaza, No. 9 Anyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區安遠路9號寶能世紀城東區), with total gross floor area of approximately 27,529.81 sq.m.
“Company”	Renze Harvest International Limited (中澤豐國際有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01282)
“Completion”	completion of the Disposal
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration of RMB103.0 million (equivalent to approximately HK\$113.6 million) for the Disposal Properties payable by the Purchaser to the Vendor under the Sale and Purchase Agreement
“Deposit”	the deposit in the sum of RMB5.0 million (equivalent to approximately HK\$5.5 million) paid by the Purchaser, as successful bidder for the Disposal Properties, to the bank account designated by the Vendor pursuant to the auction requirement, which forms part payment of the Consideration
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Disposal Properties by the Vendor to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement

DEFINITIONS

“Disposal Properties”	the Commercial Properties and the Parking Lots held by the Vendor as investment properties
“EGM”	the extraordinary general meeting of the Company to be held to consider, and if thought fit, approve, confirm and ratify the Sale and Purchase Agreement, the Disposal and the transactions contemplated therein, which is expected to be held at 11:00 a.m. on Friday, 19 July 2024 and any adjournment thereof Room 2308, 23/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not core connected persons of the Company and are third parties independent of the Company and its core connected persons in accordance with the Listing Rules
“Latest Practicable Date”	27 June 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Parking Lots”	the 170 parking lots located at East Baoneng Century Plaza, No. 9 Anyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區安遠路9號寶能世紀城東區), with total gross floor area of approximately 2,129.19 sq.m.
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Shenzhen Huifeng Huachuang Commercial Co., Limited* (深圳匯豐華創商業有限公司), a company established in the PRC and an Independent Third Party
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 29 April 2024 (as supplemented on 29 April 2024) entered into between the Purchaser and the Vendor in relation to the Disposal
“SFO”	Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Laihua TaiSheng Limited* (萊華泰盛有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent.

* For identification only

For the purpose of this circular, unless otherwise indicated, conversion of Renminbi into Hong Kong dollars is calculated at the approximate exchange rate of RMB1.00 to HK\$1.1031. This exchange rate is adopted for the purpose of illustration only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.

LETTER FROM THE BOARD



中澤豐國際有限公司

RENZE HARVEST INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

Executive Directors:

Mr. Huang Wansheng

(Chairman and Chief Executive Officer)

Mr. Li Minbin

Non-executive Director:

Mr. Zhang Chi

Independent non-executive Directors:

Ms. Zhao Yizi

Ms. Zhang Juan

Mr. Chan Manwell

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Head office and principal place of business

in Hong Kong:

Room 2308, 23/F.,

China Resources Building,

26 Harbour Road,

Wanchai,

Hong Kong

28 June 2024

To the Shareholders,

Dear Sir or Madam,

**(1) MAJOR TRANSACTION IN RELATION TO DISPOSAL OF PROPERTIES
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 29 April 2024 in relation to, among other things, the Disposal.

The Disposal Properties were offered by way of listing for auction sale in the PRC in mid-April 2024 in which the Purchaser was the successful bidder for the sale of the Disposal Properties. In furtherance of the Purchaser's successful bid for the Disposal Properties, on 29 April 2024, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell the Disposal Properties, comprising the Commercial Properties and the Parking Lots located at Jiangxi Province, the PRC, for the total Consideration of RMB103.0 million (equivalent to approximately HK\$113.6 million).

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further information on the Disposal and the transactions contemplated thereunder; (ii) valuation reports of the Disposal Properties; (iii) other information as required under the Listing Rules; and (iv) a notice of the EGM.

THE SALE AND PURCHASE AGREEMENT

- Date: 29 April 2024 (after trading hours)
- Parties: (1) the Vendor, an indirect wholly-owned subsidiary of the Company; and
(2) the Purchaser, an Independent Third Party.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

Assets to be disposed of

Pursuant to the Sale and Purchase Agreement, the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell the Disposal Properties, comprising the Commercial Properties and the Parking Lots located at Jiangxi Province, the PRC. The Disposal Properties will be delivered to the Purchaser on an "as is" basis (subject to the existing tenancies) upon Completion.

The Commercial Properties

The Commercial Properties comprise the hotel located on the second (2nd) to fourth (4th) and sixth (6th) to sixteenth (16th) floor of Baoneng Century Plaza, No. 10 Ganjiangyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區贛江源大道10號寶能世紀城); and (ii) the function rooms no. 11, 12, 13, 15, 16 and 17 located at East Baoneng Century Plaza, No. 9 Anyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區安遠路9號寶能世紀城東區), with total gross floor area of approximately 27,529.81 sq.m. The Commercial Properties are currently leased to Independent Third Parties with varying terms of tenancies.

As stated in the valuation report (Appendix II of this circular) prepared by Valtech Valuation Advisory Limited adopting 31 March 2024 as the valuation date, among the Commercial Properties, the function rooms were once subject to a mortgage in favor of Shenzhen branch of Ping'an Bank Co., Ltd with the maximum permitted debt amount up to RMB100,000,000. Such mortgage was fully settled in April 2024. As at the Latest Practicable Date, the function rooms are free from any encumbrances.

The Parking Lots

The Parking Lots comprise 170 parking lots located at East Baoneng Century Plaza, No. 9 Anyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區安遠路9號寶能世紀城東區), with total gross floor area of approximately 2,129.19 sq.m. The Parking Lots are currently leased to Independent Third Parties with varying terms of tenancies.

LETTER FROM THE BOARD

The financial information of the Disposal Properties for the two years ended 31 December 2023 and 2022 and prepared in accordance with the accounting principles generally accepted in Hong Kong are as follows:

	For the year ended 31 December 2023	For the year ended 31 December 2022
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	53.3	–
Net loss before taxation	3,707.5	1,193.4
Net loss after taxation	3,707.5	1,193.4

The net asset value of the Disposal Properties as at 31 December 2023 was approximately RMB187.3 million (equivalent to approximately HK\$206.6 million).

Consideration

The total consideration for the Disposal Properties is RMB103.0 million (equivalent to approximately HK\$113.6 million) which shall be settled by instalments in the following manner:

- (i) the first instalment in the sum of RMB51.5 million (equivalent to approximately HK\$56.8 million) had been settled by the time of entering into the Sale and Purchase Agreement; and
- (ii) the second instalment in the sum of RMB51.5 million (equivalent to approximately HK\$56.8 million) shall be paid by electronic funds transfer to the bank account designated by the Vendor within six (6) months from the online notification of the transfer of titles of the Disposal Properties to the Purchaser and before the completion of the requisite filing and registration procedures in relation to the Disposal.

The Consideration for the Disposal Properties were arrived at after arm's length negotiations between the Vendor and the Purchaser with reference to (i) the results of the listing for auction sale of the Disposal Properties where the Purchaser is the highest bidder; (ii) the valuation of the Disposal Properties of approximately RMB184 million (equivalent to approximately HK\$203.0 million) as at 31 March 2024 according to the valuation by an independent professional valuer appointed by the Company; (iii) the carrying amount of the Disposal Properties as at 31 December 2023 which was approximately RMB187.3 million (equivalent to approximately HK\$206.6 million); (iv) the prevailing market value of properties comparable and in proximity to the Disposal Properties; and (v) the prevailing market conditions of the PRC real estate industry.

The Board considered the Consideration is fair and reasonable and in the interest of the Company, taken into account the following factors:

- In early March 2024, the Company first attempted (the “**Auction**”) to auction the Disposal Properties on Ganzhou Auction Website (<http://gzpmyx.com/>), being one of the largest auction websites in the PRC for the disposal of real estates, vehicles, land and construction industries. The Auction, scheduled to take place at the end of March 2024, was conducted in

LETTER FROM THE BOARD

the Dutch auction format where the auctioneer set a maximum bidding price for the auction item, which is then incrementally lowered until a bid is made. The Dutch auction format is one of the most well-recognised practice for conducting bidding and auction in the PRC in recent years. The maximum bidding price of the Auction was RMB228,738,480. Such maximum bidding price was calculated on the basis of RMB8,000 per square metre for the Commercial Properties and RMB50,000 per Parking Lot. The Auction was postponed to mid-April 2024 as no bid was received.

- The postponed Auction taking place in mid-April 2024 was also conducted in the Dutch auction format. The maximum bidding price of the postponed Auction was set in accordance with the same basis as that of the Auction.
- Taking into consideration (1) the continuing deterioration of the real estate market in the PRC, (2) the poor market sentiment of the real estate market in the PRC, (3) the wait-and-see approach generally taken by investors, (4) the lack of transaction in the real estate market in Ganzhou, the PRC, (5) the discussions with multiple real estate agencies in Ganzhou, the Company was given the understanding that it would be unlikely to receive any bid which was close to the initial asking price of RMB228,738,480 and the Company, therefore, was prepared to consider and accept a discount on the initial asking price.
- The Company only received a bid in the sum of RMB103,000,000 in the postponed Auction in mid-April 2024. Although the Consideration is considerably lower than the valuation as at 31 March 2024 and carrying amount of the Disposal Properties as at 31 December 2023, the Board believes that the Consideration is fair and reasonable given that (i) the Company attempted to auction the Disposal Properties at an initial asking price of RMB228,738,480 but such auction lapsed without any bid, (ii) the both rounds of auctions were opened to the public and had supposedly reflected the latest market sentiment and public's valuation of the Disposal Properties, (iii) the auction was conducted at a platform which was well known among investors and purchaser of real estate properties in Ganzhou.
- The PRC real estate experienced significant turmoil in 2022 and 2023, mainly due to the significant deterioration of the financial capacity of various private real estate developers. Many such developers defaulted and underwent debt restructuring and struggled to ensure unfinished properties are completed and delivered. The deteriorating liquidity of developers dampened homebuyer and investors' confidence in residential and commercial real estates, leading to falling or stagnant real estate market. The Board considered that the market sentiment did not show significant signals of improvement and there was no assurance that the continuing downtrend of the real estate market would end in the near future. The Board believed that it was prudent to dispose the Disposal Properties at a discount rather than to wait for the market to recover as to improve the liquidity of the Company.
- The Group heavily relied on debt financing for its property investment and development projects, which imposed substantial interest burden on the Group. As at 30 April 2024, the Group had borrowings of approximately HK\$1.56 billion which would fall due within one to two years. The Board believes that imposing a discount to the price of the Disposal Properties is in the interest of the Company and its shareholders as a whole as it will help ease the

LETTER FROM THE BOARD

liability and interest burden of the Company and thus improves the Company's liquidity and profitability. The Board believes that even if the Consideration is lower than the valuation/carrying amount of the Disposal Properties, it would be most suitable and effective to enhance the financial position and working capital of the Company rather than to hold onto the Disposal Properties, which may end up leading to the Company disposing the Disposal Properties at a more substantial discount and taking a more significant loss at a later time.

- Valtech Valuation Advisory Limited (the “**Valuer**”), the independent property valuer appointed by the Company, adopted various market comparables to conduct a market approach for valuing the Disposal Properties. As disclosed in Appendix II-6-7 of this circular, all the market comparables have the same usage as the respective portions of the Disposal Properties and are situated in close proximity. The similarity between the market comparables and the Disposal Properties ensures their inclusion as appropriate market comparables in terms of property usage and location. Additionally, the Valuer analyzed the differences between the comparables and the Disposal Properties, considering aspects such as asking discount, size, floor, and condition. These adjustments reasonably reflect the fair market condition of the Disposal Properties. Consequently, the Board considers the valuation of the Disposal Properties as of 31 March 2024 to be reasonable and appropriate.
- The basis of the valuation of the Disposal Properties is market value and the premise of value is highest and best use. The Disposal Properties are comprised of floors of hotel and function rooms and hundreds of parking lots with individual real estate certificate and they can be sold to market participants at the highest expected market price in a manner which is set at market value. However, in a sale of the Disposal Properties at this scale, a blockage discount is reasonably be requested by potential buyer and the Board considers the discount which leads to the drop in selling price is reasonable to complete the transaction in a short time.
- The Vendor conducted a Dutch auction and found the Purchaser. The Board understands that while the Dutch auction facilitates fast and efficient transactions, it will discourage competition and may lead to lower sales for the seller. Bidders may wait for the price to drop below market level for arbitrage. Given the prevailing market sentiment, public investors adopt a conservative view of the future real estate market, making them reluctant to offer bids. The Board has considered the impact of this deal arrangement brought by the Dutch auction and has considered a possible drop in value in deal process.
- As the Company is in need of cash to repay the principal and interest accrued under the outstanding corporate bonds issued by the Company and short-term loans of the Group, the Board is prepared to accept a drop in the selling price of the Disposal Properties brought by the Dutch auction.

LETTER FROM THE BOARD

Conditions precedent

Completion is conditional upon the satisfaction of the followings:

- (1) the passing of necessary resolution(s) by the Shareholders at the EGM approving the Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules;
- (2) the parties to the Sale and Purchase Agreement having obtained all consents, approvals and clearances necessary from the government, official authorities and/or other persons;
- (3) the warranties provided by the parties under the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respect; and
- (4) no statute, regulation or decision which would reasonably be expected to prohibit, restrict or materially delay the execution, delivery, performance or consummation of the transactions contemplated under the Sale and Purchase Agreement having been proposed, enacted or taken by any government or official authority whether in Hong Kong, the PRC or elsewhere.

As at the Latest Practicable Date, none of the conditions has been fulfilled.

Completion

Subject to the fulfilment of the conditions precedent set forth in the Sale and Purchase Agreement, Completion shall take place upon the full and final settlement of the Consideration by the Purchaser. Upon Completion, the Vendor shall deliver possession of the Disposal Properties to the Purchaser on an “as is” basis and all the rights to generate income (including but not limited to rental income) in relation to the Disposal Properties shall be transferred to the Purchaser.

INFORMATION OF THE PARTIES TO THE SALE AND PURCHASE AGREEMENT

The Purchaser

The Purchaser is a company established in the PRC with limited liability which is ultimately owned as to 99% and 1% by Liao Nangang (廖南鋼) and Huang Lijie (黄莉杰), respectively. The Purchaser is principally engaged in the provision of commercial complex management and rental services.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

The Vendor

The Vendor is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. The Vendor is principally engaged in property development in the PRC.

LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE DISPOSAL

It is estimated that the Company will record a preliminary net loss on the Disposal of approximately RMB81.4 million (equivalent to approximately HK\$89.8 million), representing the difference between (i) the Consideration being converted into HK\$ and net of the estimated expenses and tax expenses in relation to the Disposal of approximately RMB0.4 million (equivalent to approximately HK\$0.4 million); and (ii) the net assets value of the Disposal Properties of approximately RMB184.0 million (equivalent to approximately HK\$203.0 million) as per the unaudited management accounts of the Disposal Properties as at 31 March 2024. The Disposal would have resulted in a mild decrease in the net assets of the Company from HK\$7,099.3 million to HK\$7,009.5 million as at 31 December 2023. The actual figures will be subject to audit by the auditors of the Company and therefore may be different from the aforementioned amount.

INTENDED USE OF PROCEEDS FROM THE DISPOSAL

The Directors expect that after deducting the estimated taxes and expenses of approximately RMB0.4 million (equivalent to approximately HK\$0.4 million), the net proceeds to be received from the Disposal is estimated to be approximately RMB102.6 million (equivalent to approximately HK\$113.2 million). The Directors currently intend to apply such net proceeds for repayment of the principal and interest accrued under the outstanding corporate bonds issued by the Company and short-term loans of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the businesses of automation, property investment and development, financial services and securities investment. For the year ended 31 December 2023 (“FY2023”), the Group derived revenue of approximately HK\$354.7 million from its property investment and development segment, accounting for approximately 47.9% of this total revenue. The Group recorded operating loss of approximately HK\$249.5 million from its property investment and development segment for FY2023 as compared to an operating loss of approximately HK\$82.4 million for the year ended 31 December 2022 (“FY2022”). The increase in operating loss was primarily attributable to the recognition of the write down of inventory properties amounting to approximately HK\$170 million during FY2023.

LETTER FROM THE BOARD

During the past few years, the business environment in the PRC real estate industry has been particularly challenging due to the outbreak of the novel coronavirus disease (“COVID-19”), the geopolitical turmoil, the regulatory policies implemented by the PRC government in relation to the real estate industry and the economic downturn in the PRC. The risks of high-leverage operations of real estate companies had gradually surfaced and the industry’s financing channels were experiencing overall shrinkages. The continued simmering of liquidity crisis has aggravated the wait-and-see attitude of property buyers, capital market participants and other market participants, resulting in a lack of willingness to purchase property and thereby lowering the sales of real estate properties in the PRC. Constrained by factors such as the tightening of credit environment and financing channels, the depressed sales market, and the intensification of debt repayment pressure, the real estate industry has experienced an outbreak of credit risks and debt defaults, which severely affected market confidence.

The Group relies heavily on debt financing for its property investment and development projects, which imposes substantial interest burden on the Group. As at 31 December 2023, the Group had total borrowings of approximately HK\$1.7 billion, of which approximately HK\$1.1 billion, representing approximately 63.3% would fall due within one year.

Taking into consideration the prevailing property market conditions in the PRC, the current financial, indebtedness and liquidity position of the Group, the Board believes that the Disposal will allow the Group to realise its investment in the Disposal Properties and to repay the principal and interest accrued under the outstanding borrowings of the Group, thereby reducing the indebtedness and finance costs of the Group and mitigating its liquidity pressure. In light of the aforementioned, the Directors (including the independent non-executive Directors) consider that the Disposal and the transactions contemplated thereunder are fair and reasonable and are on normal commercial terms, and that the Disposal is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) calculated in accordance with the Listing Rules in respect of the Disposal and the transactions contemplated thereunder exceed 25% but all of them are less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders’ approval requirements under Chapter 14 of the Listing Rules.

EGM

The EGM will be held at Room 2308, 23/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong at 11:00 a.m. on Friday, 19 July 2024 for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement, the Disposal and the transactions contemplated thereunder.

The voting in respect of the Disposal at the EGM will be conducted by way of poll. As at the Latest Practicable Date, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and no Shareholder will be required to abstain from voting on the relevant resolution(s) at the EGM.

LETTER FROM THE BOARD

A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM (or any adjournment thereof) should you wish.

Register of members of the Company will be closed from Tuesday, 16 July 2024 to Friday, 19 July 2024 (both days inclusive) for the purpose of ascertaining Shareholders' entitlement to attend and vote at the EGM. No transfer of Shares will be registered during those dates. In order to qualify for attending and voting at the EGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 15 July 2024.

RECOMMENDATION

The Directors consider that the terms of the Sale and Purchase Agreement are fair and reasonable so far as the Company and the Shareholders are concerned, and that the Disposal is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Sale and Purchase Agreement, the Disposal and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

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

WARNING

As completion of the Disposal is subject to the satisfaction of a number of conditions precedent as set out in the Sale and Purchase Agreement, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

Yours faithfully,

By order of the Board of

Renze Harvest International Limited

Huang Wansheng

Chairman and Chief Executive Officer

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Company for each of the three years ended 31 December 2021, 2022 and 2023 together with relevant notes thereto are disclosed in the following documents which have been published on both the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.hk1282.com). Please refer to the hyperlinks as stated below:

1. The annual report of the Company for the year ended 31 December 2023 published on 25 April 2024 (pages 80 to 262):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0425/2024042502038.pdf>

2. The annual report of the Company for the year ended 31 December 2022 published on 11 May 2023 (pages 72 to 266):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0511/2023051100075.pdf>

3. The annual report of the Company for the year ended 31 December 2021 published on 29 April 2022 (pages 72 to 282):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0429/2022042903347.pdf>

2. INDEBTEDNESS OF THE GROUP

(i) Borrowings

As at the close of business on 30 April 2024, being the latest practicable date for the purpose of preparing this indebtedness statement, the Group had outstanding bank and other borrowings (being classified as current and non-current liabilities) of approximately HK\$1,560,632,000 (unaudited).

		As at 30 April 2024 Current HK\$'000 (Unaudited)	As at 30 April 2024 Non-Current HK\$'000 (Unaudited)
	<i>Notes</i>		
Secured			
– Bank loans	<i>(a)</i>	438,331	–
– Other loans	<i>(b)</i>	<u>–</u>	<u>674,757</u>
Total secured borrowings	<i>(d)</i>	<u>438,331</u>	<u>674,757</u>
Unsecured			
– Corporate bonds	<i>(c)</i>	227,983	40,000
– Other loans	<i>(b)</i>	<u>179,561</u>	<u>–</u>
Total unsecured borrowings		<u>407,544</u>	<u>40,000</u>
Total borrowings		<u><u>845,875</u></u>	<u><u>714,757</u></u>
		As at 30 April 2024 Bank borrowings HK\$'000 (Unaudited)	As at 30 April 2024 Other borrowings HK\$'000 (Unaudited)
Within one year or on demand		438,331	407,544
More than one year, but not exceeding two years		<u>–</u>	<u>714,757</u>
Total borrowings		<u><u>438,331</u></u>	<u><u>1,122,301</u></u>

- (a) As at 30 April 2024, the effective interest rates of bank borrowings ranged from 5.5% to 7.4% per annum. Bank loans of HK\$132,961,000 (unaudited) included in current liabilities are not scheduled to repay within one year. They are classified as current liabilities as the related loan agreements contain a clause that provides the lenders with an unconditional right to demand repayment at any time at its own discretion.

As at 30 April 2024, the Group has not breached any of the covenants of the banking facilities.

- (b) As at 30 April 2024, secured other loans of approximately HK\$674,757,000 (unaudited) was interest-bearing of 9.8% per annum and repayable on 15 March 2026.

As at 30 April 2024, unsecured other loan of approximately HK\$179,561,000 (unaudited) was interest-bearing of 0% to 12% per annum and repayable within 1 year.

- (c) As at 30 April 2024, the Group had corporate bonds denominated in Hong Kong dollar with an aggregated amount of approximately HK\$227,983,000 (unaudited) to several parties with coupon rates of 8.0% per annum and repayable within 1 year from the respective issue dates.

As at 30 April 2024, the Group had corporate bonds denominated in Hong Kong dollar with an amount of approximately HK\$40,000,000 (unaudited) to one party with coupon rates of 8.0% per annum and repayable more than one year, but not exceeding two years.

- (d) As at 30 April 2024, the Group's borrowings of approximately HK\$1,113,088,000 (unaudited) were secured by:

- guarantee provided by the Company and certain of its subsidiaries and related parties;
- the Group's investment properties; and
- the Group's pledged bank deposits.

(ii) Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of 30 April 2024:

	Total minimum lease payments 2024 HK\$'000 (Unaudited)	Present value of minimum lease payments 2024 HK\$'000 (Unaudited)
Within one year	1,290	1,190
Later than one year and not later than five years	<u>1,117</u>	<u>1,082</u>
	2,407	<u><u>2,272</u></u>
Less: total future interest expenses	<u>(135)</u>	
Present value of lease liabilities	<u><u>2,272</u></u>	
The present value of future lease payments are analysed as follows:		
Current liabilities	1,190	
Non-current liabilities	<u>1,082</u>	
	<u><u>2,272</u></u>	

(iii) Contingent liabilities

As at 30 April 2024, the Group had no material contingent liabilities.

(iv) Financial guarantees

Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties:

As at 30 April 2024, guarantees amounting to approximately HK\$62,927,000 (unaudited) are given to banks with respect to mortgaged loans procured by the purchasers of the Group's properties. Such guarantees will be released by banks upon the issuance of the real estate ownership certificate to the purchasers or the satisfaction of the mortgaged loans by the purchasers, whichever is earlier. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group will be responsible to repay the outstanding mortgage principals together with accrued interest

and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The management of the Group considers that the likelihood of default in payments by purchasers is minimal.

In addition, the Group has granted a land charge to Xiamen International Trust Co., Ltd. for securing the loan of RMB345,000,000 granted to a non-controlling interests, known as Glory Sun Land Group Limited, which shall be mature on 19 October 2026.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the normal course of business, as at 30 April 2024, the Group did not have any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

Working Capital Statement

The Directors are of the opinion that, in the absence of unforeseeable circumstance, after due and careful enquiry, and after taking into account (i) the anticipated cash flows to be generated from the Group's operations as well as the effect of Disposal, (ii) the present internal financial resources to the Group, and (iii) the banking facilities presently available, the Group will have sufficient working capital to satisfy its requirements for at least the next twelve months following the date of this circular. The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2023 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the businesses of automation, property investment and development, financial services and securities investment.

Following global economic recovery in the post-epidemic era, the Company will shift the focus of industrial development from quantitative to qualitative growth, seeking innovation while maintaining stability, and supporting the country's development direction of new productive forces. The Company will actively and steadily promote the development of its various business segments to maintain Hong Kong's unique status as an international financial center.

Property investment and development business

The Group holds a large industrial real estate project, the Bangkai Science and Technology Industrial Park (the “**Bangkai Industrial Park**”), with a total construction area of 550,000 sq.m. located in the Guangming District of Shenzhen, the PRC. The Bangkai Industrial Park is an industry-city complex integrating science and technology research and development, professional industrial space, business office, smart apartment, leisure and businesses with high quality standards, which is comparable to world-class science city. In 2024, the Group will focus on the construction of Phase III of the Bankai Industrial Park and its investment promotion and payment collection, striving to improve the overall occupancy rate and collection rate of receivables. The Bangkai Industrial Park will continue to focus on dominant industries, introducing national high-tech enterprises and specialised new enterprises, thereby enhancing its total output value, service quality and property brand value.

In March 2023, the Group completed the acquisition of 51% equity interest in Shantou Taisheng Technology Limited (“**Shantou Taisheng**”). Shantou Taisheng is engaged in the development of a real estate construction project – Shantou Times Bay* (汕頭時代灣) (the “**Shantou Times Bay Development Project**”) located at Longhu District, Shantou City, Guangdong Province, the PRC, with a total land area of approximately 167,000 sq.m. and a gross floor area of approximately 951,000 sq.m., which comprises office and commercial buildings, residential units and loft apartments. In 2024, the Group will focus on the sales and timely delivery of the Shantou Times Bay Development Project. With respect to the Shantou Times Bay Development Project, the Group aims to broaden the customer pipeline, by (i) actively liaising with existing major customers and government customers to secure contract renewal; (ii) introducing and releasing project information to potential customers; (iii) keeping track of the latest market trend and policy developments to adjust its investment promotion direction and business strategies on a timely basis; and (iv) strengthening its marketing efforts by holding various events at the Shantou Times Bay.

Automation business

The Group’s automation business mainly involves the provision of automation manufacturing devices and services for industries such as smartphones, internet of things, semi-conductor and automobile electronics in the PRC. The application of automation manufacturing equipment, including surface-mount technology (“**SMT**”) production equipment has become increasingly prevalent in key industries in the PRC. It is expected that the automation segment will benefit from the sophistication of 5G application business regimes and the accelerating progress of infrastructural development involving 5G, artificial intelligence, industrial internet and internet of things proposed by the PRC government.

To enhance sales revenue and market competitiveness, the Group will further enrich its product portfolio by continuing to develop new products in terms of semiconductor equipment, automation equipment and other related materials. The Group also aims to enter into additional authorised agency agreements with suppliers so as to act as the authorised agent of suppliers. Taking into consideration the increase in number of manufacturing clients establishing production bases overseas, the Group will follow the footsteps of its clients to align with their overseas market layouts and provide long-term service planning.

Looking forward, the Group aims to transform gradually from a distribution-based enterprise to a technology manufacturing enterprise by introducing competitive new products and services to fulfil the diverse needs of customers, enhancing its R& D capabilities and strengthening collaborations with intelligent manufacturing industry partners.

Financial services business

Notwithstanding the uncertainties plaguing the global economic outlook, the Group's securities brokerage team will continue to capitalise on the opportunities brought about by the economic recovery in the financial markets in 2024, and continue to optimise the trading experience of its clients. Meanwhile, the securities brokerage team will adhere to its prudent approach in reviewing its financing services and adopting appropriate strategies to minimise downside risks, with a view to maintaining stable business development.

In 2024, under the macro-environment of accelerating global market integration and constant geopolitical events, the Group's asset management team will continue to adopt scientific and rational investment analysis strategies to screen investment targets in the global market and evaluate their investment value, and implement rebalancing strategies for major assets based on regional market characteristics. The Group will continue to rely on the advantages of Hong Kong as an international financial center to focus on investment opportunities in the Greater China region.

The following is the text of a valuation report, prepared for the purpose of incorporation in this document received from Valtech Valuation Advisory Limited, an independent valuer, in connection with its valuation as at 31 March 2024 of the Property of the Company.



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28 June 2024

The Board of Directors

Renze Harvest International Limited

Room 2308, 23/F.,

China Resources Building,

26 Harbour Road,

Wanchai,

Hong Kong

Dear Sirs/Madams,

1. INSTRUCTIONS

In accordance with the instructions of Renze Harvest International Limited (the “**Company**”) to value the property interest (the “**Disposal Properties**”) held by Company located in the People’s Republic of China (the “**PRC**”), we confirm that we have conducted site inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Disposal Properties as at 31 March 2024 (the “**Valuation Date**”).

This letter, which forms part of our valuation report, explains the basis and methodology of valuation, clarifying assumptions and limiting conditions of this valuation.

2. BASIS OF VALUATION

The valuation is our opinion of the market value (“**Market Value**”) which we would define as intended to mean the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably prudently and without compulsion.

Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase and without offset for any associated taxes or potential taxes.

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

3. VALUATION METHODOLOGY

Direct comparison method is adopted based on the principle of substitution, where comparison is made based on prices realized on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value.

4. VALUATION CONSIDERATIONS

In valuing the property interest, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the International Valuation Standards 2022.

5. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the Disposal Properties would be sold in the open market in their existing state, with the benefit of vacant possession, without the benefit of deferred term contract, leaseback, joint venture, management agreement or any similar arrangements which could affect the value of the Disposal Properties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Disposal Properties valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Disposal Properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

All dimensions, measurements and areas are approximations. No on-site measurement has been conducted. Appropriate adjustments are made in comparing the relevant costs. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive at an informed view, and have no reason to suspect that any material information has been withheld.

We have also assumed that the Disposal Properties have been constructed, occupied and used in full compliance with, and without contravention of all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Disposal Properties upon which this report is based, all required licenses, permit, certificates, and authorisations have been obtained.

6. TITLE INVESTIGATION

We have been shown copies of various documents relating to the Disposal Properties. However, we have not examined the original documents to verify the existing titles to the Disposal Properties or any amendment which does not appear on the copies handed to us. We have relied considerably on the information given by the Company's PRC legal advisers, All Bright Law Office, concerning the validity of the titles to the Disposal Properties.

7. LIMITING CONDITIONS

We have conducted on-site inspections to the Disposal Properties on May 2024 by Mr Fan Chuanpeng (qualified in quantity surveying) with over 10 year experience in property valuation in PRC.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

Should it be discovered that contamination, subsidence or other latent defects exists in the Disposal Properties or on adjoining or neighboring land or that the Disposal Properties had been or are being put to contaminated use, we reserve right to revise our opinion of value.

We have relied to a very considerable extent on the information provided by the Group and have accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, size and floor areas and all other relevant matters in the identification of the Disposal Properties.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Company that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of the legal advisers of the Company, nor have we verified the correctness of any information supplied to us concerning the Disposal Properties.

We hereby confirm that Valtech Valuation Advisory Limited and the undersigned have no pecuniary or other interest that could conflict with the property valuation of the Disposal Properties or could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion.

8. REMARKS

We have valued the property interest in Renminbi (“**RMB**”).

We enclose herewith the “Valuation Particulars”.

Yours faithfully,

For and on behalf of

Valtech Valuation Advisory Limited

Peggy Y. Y. Lai

MHKIS, MRICS, RPS(GP), BSC

Director

Ms. Peggy Y.Y. Lai, the senior associate director of Valtech Valuation Advisory Limited, has joined Valtech Valuation Advisory Limited since 2018, is a Registered Professional Surveyor (GP) with over 25 years' experience in valuation of properties in HKSAR, Macau SAR, United Kingdom, Canada, mainland China and the Asia Pacific Region. Ms. Lai is a Professional Member of The Royal Institution of Chartered Surveyors, a Member of The Hong Kong Institute of Surveyors as well as a Member of China Institute of Real Estate Appraisers and Agents in the PRC.

Encl.

VALUATION PARTICULARS

Property	Description and tenure	Particulars of occupancy	Market Value as at 31 March 2024 RMB
Hotel at 2nd to 4th, 6th – 16th floor; function room on 3rd floor of Block 11、12、13、15、16、17 and various basement car parking spaces of east zone of Century city, No.10 Gang Jiang Yuan Road, Zhang Gong District, Ganzhou City, Jiangxi Province, the PRC (“ Disposal Properties ”)	Disposal Properties comprise a hotel, a function room and various car parking spaces within a composite development known as Century city completed at around 2017.	The property is held for investment. The property is all tenanted and subject to various tenancies expiring on 30 November 2041 for a total monthly rental of HKD677,000.	184,000,000 (RENMINBI ONE HUNDRED EIGHTY FOUR MILLION ONLY)
	The land use rights of the Disposal Properties have been granted for terms expiring on 23 July 2052 for commercial use, 23 July 2082 for residential use, and 23 July 2062 for kindergarten use.		

Notes:

- i. Pursuant to a State-owned Land Use Certificate (國有土地使用證), Gan Shi Zhang Gao Yong (2013) Di No. 0179 issued by the People’s Government of Ganzhou City (贛州市人民政府) dated 5 December 2013, the land use rights of the Land Lot Nos. H25 with a site area of 42,605.60 sq.m was held by Baoneng Taisheng for terms expiring on expiring on 23 July 2052 for commercial use and 23 July 2082 for residential use. Baoneng Taisheng has changed the name to Laihua TaiSheng Limited (萊華泰盛有限公司) (“**Laihua Taisheng**”).

- ii. Pursuant to a Real Estate Certificate (不動產權證書), Gan (2016) Gan Zhou Shi Bu Dong Chan Quan Di No. 0054531 issued by the Real Estate Registration Bureau of Ganzhou City (贛州市不動產登記局) dated 28 September 2016, the land use rights of the Land Lot No. H26 with site area of 85,855.6 square metres of the Property is held by the Laihua Taisheng for term expiring on expiring on 23 July 2052 for other commercial use, 23 July 2082 for residential use, and 23 July 2062 for educational use.

In undertaking our valuation of the Property, we have made reference to various market comparable. All comparable are have the same usage with the respective portion of the property (i.e. serviced apartment, retail, or car parking space) and situated in close proximity or similar location to the Property, with offering dates closely aligned to the Valuation.

Details of selected land comparable are listed below:

Serviced apartment:

	Binjiang International Apartment (濱江國際公寓)	Hongdian Apartment (紅點公寓)	Feicui Apartment (翡翠公寓)
Gross Floor Area (sq.m.):	43.00	38.88	43.00
Usage:	Apartment	Apartment	Apartment
Date of offering:	2024 Q1	2024 Q1	2024 Q1
Amount (RMB):	370,000	300,000	330,000
Unit Rate (RMB):	8,605	7,716	7,674

Retail:

	Shop at Shui You City (水游城)	Shop at Dengfeng Avenue (登峰大道)	Shop at Meiguan Avenue (梅關大道)
Gross Floor Area (sq.m.):	185.00	580.00	2,000.00
Usage:	Retail	Retail	Retail
Date of offering:	2024 Q1	2024 Q1	2024 Q1
Amount (RMB):	1,370,000	3,880,000	16,000,000
Unit Rate (RMB):	7,405	6,690	8,000

Car parking space:

	Hai Liang Tian Cheng (海亮天城)	Huayi City (華誼城)	Lan Wan Li (藍灣里)
Usage:	CPS	CPS	CPS
Date of offering:	2024 Q1	2024 Q1	2024 Q1
Unit Rate (RMB):	80,000	70,000	60,000

We have compared the factors and made adjustments on asking discount, size, floor and condition. Downward adjustment on price as asking discount is made to reflect to negotiation. A downward adjustment on unit rate is made for increase in size to reflect the marketability and affordability of the total amount, and vice versa. Floor adjustment is applied for retail considering the accessibilities and shop exposure. Further discount on the condition is made to reflect the difference between subject property and the comparable.

After making the above due adjustments, the adjusted unit rates for respective portions are: RMB5,000 per sq.m. for function room, RMB6,600 per sq.m. for hotel rooms and RMB57,000 per number for car parking space.

- iii. Pursuant to a Real Estate Certificate (不動產權證書), the registered owner of a restaurant located at 3rd floor of Block No.11,12,13,15,16,17, East Zone, Century City, No.9 of An Yuan Road is Vendor. The property has a total gross floor area of approximately 5327.68 sq.m.
- iv. Pursuant to 13 sets of Real Estate Certificate (不動產權證書), the registered owner of a hotel, located at levels 2 to 4, 6-16 of No.10 Gang Jiang Yuan Avenue is Vendor. The property has a total gross floor area of approximately 22,202.13 sq.m.
- v. Pursuant to 170 sets of Real Estate Certificate (不動產權證書), the registered owner of 170 car parking spaces located at basement levels 2-3 is Vendor. The property has a total gross floor area of approximately 2,129.19 sq.m.
- vi. We have been provided with a legal opinion by the Group's PRC legal adviser, regarding the legal title of the property, which contains, inter alia, the followings:
 - i. the property is legally held by Laihua Taisheng;
 - ii. Laihua Taisheng is entitled to transfer, lease, mortgage or dispose of the property freely in the market;
 - iii. the function room is subject to a mortgage in favor of Shenzhen branch of Ping'an Bank Co., Ltd with the maximum permitted debt amount up to RMB100,000,000. According to the legal opinion, during the mortgage period, the mortgagor can sell the property and the mortgage right will not be affected. If the mortgagor sells the pledged property, the mortgagee should be informed. The mortgagee has the right to request the mortgagor to pay off the debt in advance when the property has been sold. We have not taken into account such mortgage in our valuation; and
 - iv. except for the function room, other portions of the property are free from any mortgages or third parties' encumbrances.

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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Directors' and chief executives' interests and short positions in Shares and underlying Shares and debentures of the Company

As at the Latest Practicable Date, to the best of the Directors' knowledge, none of the Directors or chief executives of the Company or their respective associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (ii) to be recorded in the register required to be kept by the Company under section 352 of the SFO; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules.

Directors' rights to acquire Shares or debentures

Apart from the share option scheme adopted by the Company on 2 June 2020, as at the Latest Practicable Date, none of the Company or any of its subsidiaries, holding companies or fellow subsidiaries was a party to any arrangements which enable the Directors or the chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. Save for the disclosed, as at the Latest Practicable Date, none of the Directors or chief executives of the Company or their spouses or children under the age of 18, was granted any right to subscribe for the equity or debt securities of the Company or any other body corporate nor had exercised any such right.

Substantial Shareholders' and other person's interests and short positions in the Shares and underlying shares of the Company

As at the Latest Practicable Date, to the best of the Directors' knowledge, the following, not being a Director or the chief executives of the Company, have an interest or short position 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 and are recorded in the register kept by the Company under section 336 of the SFO:

Name of Shareholder	Capacity in which interests in the Shares are held	Number of Shares held	Approximate percentage of Shares in issue as at the Latest Practicable Date <i>(Note 1)</i>
China Grand Developments Limited <i>(Note 2)</i>	Beneficial owner	800,000,000 (L)	29.85%
Mr. Ma Jianghao	Interest in controlled corporation	800,000,000 (L)	29.85%

Abbreviations: "L" stands for long position

Notes:

- As at the Latest Practicable Date, the total issued share capital of the Company amounted to 2,680,000,000 Shares.
- 800,000,000 Shares are held by China Grand Developments Limited, which is wholly owned by Mr. Ma Jianghao. Pursuant to Division 7 and 8 of Part XV of the SFO, Mr. Ma Jianghao is deemed to be interested in all the Shares in which China Grand Developments Limited has, or deemed to have an interest.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified of any interests or short positions in the Shares or underlying shares of the Company which were required to be recorded in the register kept by the Company under section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors had entered into any service agreement with any member of the Group nor were there any proposed service agreements which would not expire or be determinable by the member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTOR'S INTERESTS IN ASSETS, CONTRACTS AND OTHER INTERESTS

(a) Interests in assets

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 2023 (the date up to which the latest published audited consolidated financial statements of the Group was made), acquired or disposed of by, or lease to any member of the Group, or which were proposed to be acquired or disposed of by, or leased to any member of the Group.

(b) Interests in contracts of significance

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group.

(c) Interests in competing business

As at the Latest Practicable Date, pursuant to Rule 8.10 of the Listing Rules, none of the Directors nor their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

5. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claims of material importance and, insofar as the Directors were aware, no litigation or claims of material importance was pending or threatened against any member of the Group.

6. MATERIAL CONTRACTS

The following material contracts, not being contracts entered into in the ordinary course of business of the Group, have been entered into by members of the Group within two years immediately preceding the date of this circular:

- (a) the sale and purchase agreement dated 19 October 2022 entered into between Shenzhen Baokai Investment Holding Company Limited* (“**Shenzhen Baokai**”), an indirect wholly-owned subsidiary of the Company, as purchaser and Shenzhen Hong Jia Xin Technology Limited* (深圳宏佳新科技有限公司) (“**Shenzhen Hong Jia Xin**”) as vendor, pursuant to which Shenzhen Baokai shall acquire, and Shenzhen Hong Jia Xin shall transfer the entire equity interest of Shantou Taisheng Technology Limited* (汕頭市泰盛科技有限公司) in two tranches at the total consideration of RMB2,305 million, details of which were disclosed in the announcement and the circular of the Company dated 3 October 2022 and 27 February 2023, respectively;

- (b) the placing agreement dated 27 February 2023 entered into between the Company and Glory Sun Securities Limited (the “**Placing Agent**”) (as placing agent) in relation to the placing of 313,875,122 placing shares of the Company on a best effort basis at the placing price of HK\$0.34 per placing share, details of which are set out in the announcement of the Company dated 27 February 2023. The Company further entered into a supplemental agreement with the Placing Agent, pursuant to which the long stop date of the placing was revised, details of which are set out in the announcement of the Company dated 6 March 2023;
- (c) the two acquisition agreements dated 15 March 2023 and 27 April 2023, respectively, entered into between Shenzhen Gallant Tech Co, Ltd.* (深圳市佳力興業電子科技有限公司) (“**Shenzhen Gallant**”), an indirect wholly-owned subsidiary of the Company, as purchaser and Shenzhen Dongzhi Energy Co., Ltd.* (深圳東智能源有限公司) (“**Shenzhen Dongzhi**”) as vendor, pursuant to which Shenzhen Gallant agreed to purchase, and Shenzhen Dongzhi agreed to sell certain commercial office premises located in Shenzhen City, the PRC at the aggregate consideration of RMB70,083,178.64 (equivalent to approximately HK\$79,894,823.65 then), details of which were disclosed in the announcement of the Company dated 27 April 2023;
- (d) the subscription agreement dated 20 April 2023 entered into between China Grand Developments Limited (中浩發展有限公司) (“**China Grand**”) and the Company, pursuant to which the Company allotted and issued, and China Grand subscribed for a total of 800,000,000 subscription shares of the Company at the subscription price of HK\$0.281 per subscription share, details of which are set out in the announcement and the circular of the Company dated 20 April 2023 and 5 June 2023, respectively;
- (e) the subscription agreements dated 30 October 2023 executed by Glory Sun Financial Investment Limited (“**Glory Sun Financial**”), a wholly-owned subsidiary of the Company, as subscriber, pursuant to which Glory Sun Financial agreed to subscribe for Glory Sun High Yield Bond SP of Atlantic Strategic SPC Fund II in the total subscription amount of HK\$120,000,000, at an aggregate consideration of HK\$120,000,000, details of which are set out in the announcements of the Company dated 25 September 2023, 4 October 2023, and 30 October 2023;
- (f) the sale and purchase agreement dated 8 December 2023 (as supplemented on 8 December 2023) entered into between Ganzhou Tongtai Cultural Tourism Industry Co., Ltd.* (贛州通泰文旅產業有限公司) (as purchaser) and the Vendor (as vendor) in relation to the disposal of certain commercial properties and parking lots located at the Baoneng Taigu Plaza, East Jiangyuan Avenue, Ganzhou City, Jiangxi Province, the PRC at the total consideration of approximately RMB116,323,000 (equivalent to approximately HK\$129,677,000). Details of which are set out in the announcement and the circular of the Company dated 8 December 2023 and 29 February 2024, respectively; and
- (g) the Sale and Purchase Agreement.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular or has given opinion or advice which is contained in this circular:

Name	Qualification
Valtech Valuation Advisory Limited	Independent property valuer

As at the Latest Practicable Date, the expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter(s), report(s), opinion and/or references to its name in the form and context in which it appears.

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

As at the Latest Practicable Date, the expert had no direct or indirect interest in any assets which have been, since 31 December 2023 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. DOCUMENTS ON DISPLAY

Copies of the following documents are available on the website of the Stock Exchange (<http://www.hkexnews.hk>) and on the website of the Company (<http://www.hk1282.com>) for a period of 14 days from the date of this circular:

- (a) the annual reports of the Company for the financial years ended 31 December 2021, 2022 and 2023;
- (b) the valuation report issued by Valtech Valuation Advisory Limited, the text of which is set out in Appendix II to this circular;
- (c) the material contracts referred to in the paragraph headed “6. Material contracts” in this appendix;
- (d) the written consent referred to in the paragraph headed “7. Expert and consent” in this appendix;
- (e) the Sale and Purchase Agreement; and
- (f) this circular.

9. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Yuen Kit Wai. Mr. Yuen graduated from The University of Birmingham in the United Kingdom with a Bachelor's degree in law with business studies. Mr. Yuen joined the Company in July 2015 and has over 10 years of experience in legal, compliance and corporate governance matters.
- (b) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company in Hong Kong is at Room 2308, 23/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.
- (c) The Hong Kong branch share registrar of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text.

NOTICE OF THE EGM



中澤豐國際有限公司

RENZE HARVEST INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of Renze Harvest International Limited (the “**Company**”) will be held at Room 2308, 23/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Friday, 19 July 2024 at 11:00 a. m. for the purpose of considering, and if thought fit, passing with or without modification the following resolution:

ORDINARY RESOLUTION

“THAT:

- (i) the conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) dated 29 April 2024 entered into between Laihua Taifeng Limited* (萊華泰豐有限公司), an indirect wholly-owned subsidiary of the Company, as the vendor (the “**Vendor**”) and Shenzhen Huifeng Huachuang Commercial Co., Limited* (深圳匯豐華創商業有限公司), as the purchaser (the “**Purchaser**”) (a copy of which has been produced at the EGM and marked “A” and initialled by the chairman of the EGM for the purpose of identification) in relation to, among other matters, the proposed disposal of (i) the hotel located on the second (2nd) to fourth (4th) and sixth (6th) to sixteenth (16th) floor of Baoneng Century Plaza, No. 10 Ganjiangyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區贛江源大道10號寶能世紀城); (ii) the function rooms no. 11, 12, 13, 15, 16 and 17 located at East Baoneng Century Plaza, No. 9 Anyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區安遠路9號寶能世紀城東區), with total gross floor area of approximately 27,529.81 sq.m; and (iii) the 170 parking lots located at East Baoneng Century Plaza, No. 9 Anyuan Avenue, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC* (中國江西省贛州市章貢區安遠路9號寶能世紀城東區), with total gross floor area of approximately 2,129.19 sq.m., and the transactions contemplated thereunder, be and are hereby approved, ratified and confirmed; and

NOTICE OF THE EGM

- (ii) any one Director (or any two Directors if the affixing of the common seal of the Company is necessary) be and is/are hereby authorised to do all such acts, deeds and things and to sign, execute and deliver all such documents as he/she/they may, in his/her/their absolute discretion, consider necessary, desirable or expedient to give effect, determine, revise, supplement or complete any matters relating to or in connection with the Sale and Purchase Agreement and the transactions contemplated thereunder and the implementation thereof, including, without limitation, the affixing of common seal of the Company thereon.”

By order of the Board of
Renze Harvest International Limited
Huang Wansheng
Chairman and Chief Executive Officer

Hong Kong, 28 June 2024

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head office and principal place of business
in Hong Kong:*
Room 2308, 23/F.,
China Resources Building,
26 Harbour Road,
Wanchai,
Hong Kong

Notes:

1. An eligible shareholder is entitled to appoint one or more proxies to attend, speak and vote in his/her/its stead at the EGM (or at any adjournment of it) provided that each proxy is appointed to represent the respective number of shares held by the shareholder as specified in the relevant proxy forms. The proxy does not need to be a shareholder of the Company.
2. Where there are joint registered holders of any shares, any one of such persons may vote at the EGM (or at any adjournment of it), either personally or by proxy, in respect of such shares as if he/she/it were solely entitled thereto but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders 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 relevant joint holding.
3. A proxy form for use at the EGM is enclosed.
4. In order to be valid, the completed proxy form must be received by the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at least 48 hours before the time appointed for holding the EGM or adjourned meeting (as the case may be). If a proxy form is signed by an attorney of a shareholder who is not a corporation, the power of attorney or other authority under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practice in Hong Kong) must be delivered to the Company's Hong Kong branch share registrar and transfer office together with the proxy form. In the case of a corporation, the proxy form must either be executed under its common seal or be signed by an officer or agent duly authorised in writing.

NOTICE OF THE EGM

5. For the purpose of determining shareholders' eligibility to attend and vote at the EGM (or at any adjournment of it), the register of members of the Company will be closed from Tuesday, 16 July 2024 to Friday, 19 July 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the EGM, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office at the address stated in note 4 above no later than 4:30 p.m. on Monday, 15 July 2024.
6. As set out in the Letter from the Board included in the circular, each of the resolutions set out in this notice should be voted on by poll.
7. If a typhoon signal No. 8 or above is hoisted or a "black" rainstorm warning signal is in force at any time at or before 11:00 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hk1282.com) to notify shareholders of the date, time and place of the adjourned meeting. The EGM will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the EGM under bad weather conditions bearing in mind their own situations.

As at the date of this notice, the Board comprises two executive Directors, namely Mr. Huang Wansheng and Mr. Li Minbin; one non-executive Director, namely, Mr. Zhang Chi; and three independent non-executive Directors, namely Ms. Zhao Yizi, Ms. Zhang Juan and Mr. Chan Manwell.