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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in **KWG Living Group Holdings Limited**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, 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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**KWG Living Group Holdings Limited**

**合景悠活集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3913)**

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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



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

A letter from the Board is set out on pages 6 to 30 of this circular and a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 31 to 32 of this circular. A letter from Draco Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 33 to 72 of this circular.

A notice convening the EGM of the Company to be held at Yunshan Conference Room, 38th Floor, International Finance Place, No. 8 Huaxia Road, Pearl River New Town, Guangzhou, People’s Republic of China on Monday, 30 March 2026 at 4:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. A proxy form for use at the meeting is enclosed. Whether or not you are able to attend the EGM, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the appointed time for holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish.

9 March 2026

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	6
<b>Letter from the Independent Board Committee</b> .....	31
<b>Letter from the Independent Financial Adviser</b> .....	33
<b>Appendix — General Information</b> .....	73
<b>Notice of Extraordinary General Meeting</b> .....	EGM-1

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## DEFINITIONS

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

“Articles” or “Articles of Association”	the articles of association of the Company
“associate(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Commercial Operational Services”	commercial operational services to be provided by the Group to KWG Group and its associates under the Old Commercial Operational and Value-added Services Framework Agreement or the New Commercial Operational and Value-added Services Framework Agreement (as the case may be), such as preliminary planning and consultancy, tenant sourcing and management, and marketing and promotion services, for commercial properties owned by KWG Group and/or its associates
“Commercial Pre-sale Management Services”	the pre-sale management services to be provided by the Group to KWG Group and its associates under the Old Commercial Property Management Services Framework Agreement or the New Commercial Property Management Services Framework Agreement (as the case may be), such as cleaning, security and maintenance services for pre-sale display units and sales offices of commercial properties owned by KWG Group and its associates
“Commercial Property Management Services”	the commercial property management services to be provided by the Group to KWG Group and its associates under the Old Commercial Property Management Services Framework Agreement or the New Commercial Property Management Services Framework Agreement (as the case may be), such as file management, cleaning, security, gardening, and repair and maintenance services for commercial properties developed by KWG Group and its associates which are (a) unsold or sold but not yet delivered to the new owners; (b) pending to be leased out; or (c) owned by KWG Group and its associates for their own use
“Commercial Value-added Services”	value-added services to be provided by the Group to KWG Group and its associates under the Old Commercial Operational and Value-added Services Framework Agreement or the New Commercial Operational and Value-added Services Framework Agreement (as the case may be), such as providing assistance in leasing out common areas, advertising spaces and empty floor space, for properties owned by KWG Group and/or its associates

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## DEFINITIONS

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“Company”	KWG Living Group Holdings Limited (合景悠活集團控股有限公司), a company incorporated in the Cayman Islands with limited liability on 11 September 2019, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 3913)
“connected person(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held at Yunshan Conference Room, 38th Floor, International Finance Place, No. 8 Huaxia Road, Pearl River New Town, Guangzhou, People’s Republic of China on Monday, 30 March 2026 at 4:00 p.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages EGM-1 to EGM-3 of this circular
“Excel Wave”	Excel Wave Investments Limited (卓濤投資有限公司), a company incorporated in the British Virgin Islands with limited liability on 10 April 2008, which is wholly-owned by Mr. KONG Jiantao
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hero Fine”	Hero Fine Group Limited (英明集團有限公司), a company incorporated in the British Virgin Islands with limited liability on 25 October 2007, which is wholly-owned by Mr. KONG Jianmin
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee established by the Board, comprising all the independent non-executive Directors, namely Ms. LIU Xiaolan, Mr. FUNG Che Wai, Anthony and Ms. NG Yi Kum, to advise the Independent Shareholders in respect of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor)

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## DEFINITIONS

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“Independent Financial Adviser” or “Draco Capital Limited”	Draco Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps)
“Independent Shareholders”	the Shareholders who are not required to abstain from voting at the EGM for the relevant resolutions with respect to the Non-exempt Agreements
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“KWG Group”	KWG Holdings and its subsidiaries
“KWG Holdings”	KWG Group Holdings Limited (合景泰富集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 28 July 2006, the shares of which are listed on the Stock Exchange (stock code: 1813)
“Latest Practicable Date”	4 March 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“New Commercial Operational and Value-added Services Framework Agreement”	the commercial operational and value-added services framework agreement entered into by the Company and KWG Holdings on 11 December 2025, as supplemented by a supplemental agreement dated 12 February 2026
“New Commercial Property Management Services Framework Agreement”	the commercial property management services framework agreement entered into by the Company and KWG Holdings on 11 December 2025, as supplemented by a supplemental agreement dated 12 February 2026

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## DEFINITIONS

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“New Residential Property Management Services Framework Agreement”	the residential property management services framework agreement entered into by the Company and KWG Holdings on 11 December 2025, as supplemented by a supplemental agreement dated 12 February 2026
“Non-exempt Agreements”	collectively, the (1) New Residential Property Management Services Framework Agreement; (2) New Commercial Property Management Services Framework Agreement; and (3) New Commercial Operational and Value-added Services Framework Agreement
“Old Commercial Operational and Value-added Services Framework Agreement”	the commercial operational and value-added services framework agreement entered into by the Company and KWG Holdings on 21 November 2022
“Old Commercial Property Management Services Framework Agreement”	the commercial property management services framework agreement entered into by the Company and KWG Holdings on 21 November 2022
“Old Framework Agreements”	collectively, the (1) Old Residential Property Management Services Framework Agreement; (2) Old Commercial Property Management Services Framework Agreement; and (3) Old Commercial Operational and Value-added Services Framework Agreement
“Old Residential Property Management Services Framework Agreement”	the residential property management services framework agreement entered into by the Company and KWG Holdings on 21 November 2022
“Peace Kind”	Peace Kind Investments Limited (和康投資有限公司), a company incorporated in the British Virgin Islands with limited liability on 10 October 2018, which is wholly-owned by Mr. KONG Jiannan
“Plus Earn”	Plus Earn Consultants Limited (晉得顧問有限公司), a company incorporated in the British Virgin Islands with limited liability on 18 May 2006, which is wholly-owned by Mr. KONG Jianmin
“PRC”	the People’s Republic of China which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

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## DEFINITIONS

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“Residential Pre-sale Management Services”	the pre-sale management services to be provided by the Group to KWG Group and its associates under the Old Residential Property Management Services Framework Agreement or the New Residential Property Management Services Framework Agreement (as the case may be), such as cleaning, security and maintenance services for pre-sale display units and sales offices owned by KWG Group and its associates
“Residential Property Management Services”	the property management services to be provided by the Group to KWG Group and its associates under the Old Residential Property Management Services Framework Agreement or the New Residential Property Management Services Framework Agreement (as the case may be), such as cleaning, security, gardening and repair and maintenance services for residential properties developed by KWG Group and its associates which are unsold or sold but not yet delivered to the property owners
“Right Rich”	Right Rich Consultants Limited (正富顧問有限公司), a company incorporated in the British Virgin Islands with limited liability on 21 April 2006, which is wholly-owned by Mr. KONG Jiantao
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares with nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Express”	Wealth Express Investments Limited (富迅投資有限公司), a company incorporated in the British Virgin Islands with limited liability on 3 October 2012, which is wholly owned by Mr. KONG Jiantao



**KWG Living Group Holdings Limited**

**合景悠活集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3913)**

*Executive Directors:*

KONG Jiannan  
CHEN Wende

*Registered Office:*

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

*Non-executive Director:*

KONG Jianmin (*Chairman*)

*Independent Non-executive Directors:*

LIU Xiaolan  
FUNG Che Wai, Anthony  
NG Yi Kum

*Principal Place of Business in Hong Kong:*

Room 1302, 13th Floor,  
Harcourt House,  
39 Gloucester Road,  
Wanchai, Hong Kong

9 March 2026

*To the Shareholders*

Dear Sir or Madam,

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 11 December 2025 in relation to, among others, the Non-exempt Agreements and the transactions contemplated thereunder.

The purposes of this circular are to provide the Shareholders with, among other things, (i) further information on the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor); (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Agreements and the transactions contemplated thereunder (including

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## LETTER FROM THE BOARD

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the proposed annual caps therefor); and (iv) a notice of the EGM to consider and, if thought fit, to approve the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor).

### **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS**

References are made to the announcement of the Company dated 21 November 2022 and the circular of the Company dated 21 December 2022 in respect of, among other things, the Old Framework Agreements entered into between the Company and KWG Holdings, and the annual caps thereunder.

As the Old Framework Agreements have expired on 31 December 2025 and the Company will continue to conduct the transactions contemplated thereunder upon their expiry, on 11 December 2025, the Company and KWG Holdings entered into, among others, the (i) New Residential Property Management Services Framework Agreement; (ii) New Commercial Property Management Services Framework Agreement; and (iii) New Commercial Operational and Value-added Services Framework Agreement (i.e. the Non-exempt Agreements).

The principal terms of each of the Non-exempt Agreements are set out below:

#### **(1) New Residential Property Management Services Framework Agreement**

*Date*

11 December 2025

*Parties*

- (a) The Company (for itself and on behalf of its subsidiaries); and
- (b) KWG Holdings (for itself and on behalf of its subsidiaries and its associates).

*Term*

Subject to compliance with the Listing Rules, from 1 January 2026 to 31 December 2028 (both days inclusive). The term may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

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## LETTER FROM THE BOARD

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### *Subject matter*

Under the New Residential Property Management Services Framework Agreement, the Group has agreed to provide KWG Group and its associates with residential property management services, including but not limited to Residential Pre-sale Management Services and Residential Property Management Services. The relevant parties shall enter into individual residential property management services agreements, terms of which shall be consistent with the principal terms of the New Residential Property Management Services Framework Agreement in all material aspects.

### *Pricing policy*

The fees to be charged for Residential Pre-sale Management Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs), with reference to the rates generally offered by the Group to Independent Third Parties in respect of comparable services and the fees for similar services and types of properties in the market.

The fees to be charged for Residential Property Management Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs), with reference to rates generally offered by the Group to Independent Third Parties and the fees for similar services and type of properties in the market in accordance with the measures set out in the section headed "INTERNAL CONTROL MEASURES" of this circular. In addition, such fees shall not be higher than the standard fees filed with the relevant government authorities (if applicable), and where the Group is engaged by KWG Group or its associates for Residential Property Management Services through standard public tender procedures as required under the relevant PRC laws or regulations, shall be consistent with the fees submitted in the relevant tender documents.

### *Payment arrangement*

The payment mechanism for all fees and payments due to the Group pursuant to the transactions contemplated under the New Residential Property Management Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties.

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**LETTER FROM THE BOARD**

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*Historical transaction amount*

The existing annual caps for the three years ended 31 December 2025 are as follows:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the year ended 31 December 2025 RMB'000</b>
<i>Residential Pre-sale Management Services</i>			
<i>— to KWG Group</i>	182,000	182,000	182,000
<i>— to KWG Group's associates</i>	<u>77,500</u>	<u>77,500</u>	<u>77,500</u>
	<u>259,500</u>	<u>259,500</u>	<u>259,500</u>
<i>Residential Property Management Services</i>			
<i>— to KWG Group</i>	133,800	154,600	178,600
<i>— to KWG Group's associates</i>	<u>64,300</u>	<u>74,200</u>	<u>85,700</u>
	<u>198,100</u>	<u>228,800</u>	<u>264,300</u>
<b>Total</b>	<b><u>457,600</u></b>	<b><u>488,300</u></b>	<b><u>523,800</u></b>

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**LETTER FROM THE BOARD**

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The actual transaction amounts for the two years ended 31 December 2024 and the nine months ended 30 September 2025 under the Old Residential Property Management Services Framework Agreement are as follows:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the nine months ended 30 September 2025 RMB'000</b>
<i>Residential Pre-sale Management Services</i>			
— to KWG Group	112,420	21,101	18,451
— to KWG Group's associates	<u>47,863</u>	<u>29,629</u>	<u>3,726</u>
	<u>160,283</u>	<u>50,730</u>	<u>22,177</u>
<i>Residential Property Management Services</i>			
— to KWG Group	103,576	95,048	55,215
— to KWG Group's associates	<u>37,375</u>	<u>38,509</u>	<u>14,303</u>
	<u>140,951</u>	<u>133,557</u>	<u>69,517</u>
<b>Total</b>	<b><u>301,234</u></b>	<b><u>184,287</u></b>	<b><u>91,694</u></b>

The utilisation rates of the corresponding existing annual caps for the two years ended 31 December 2024 and the year ended 31 December 2025 (annualised) were approximately 65.8%, 37.7% and 23.3%, respectively. The decreasing trend of the utilisation rates was primarily due to the continuous downturn of the real estate market in the PRC in the past three years, which have resulted in a lower-than-expected GFA delivered by KWG Group and its associates for which the Group is engaged to provide Residential Pre-sale Management Services and Residential Property Management Services.

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**LETTER FROM THE BOARD**

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*Proposed annual caps*

The proposed annual caps under the New Residential Property Management Services Framework Agreement for the three years ending 31 December 2028 are set out below:

	<b>For the year ending 31 December</b>		
	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<i>Residential Pre-sale</i>			
<i>Management Services</i>			
<i>— to KWG Group</i>	26,300	26,300	26,300
<i>— to KWG Group's associates</i>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>
	<u>32,300</u>	<u>32,300</u>	<u>32,300</u>
 <i>Residential Property</i>			
<i>Management Services</i>			
<i>— to KWG Group</i>	78,100	81,500	84,900
<i>— to KWG Group's associates</i>	<u>20,000</u>	<u>22,000</u>	<u>24,000</u>
	<u>98,100</u>	<u>103,500</u>	<u>108,900</u>
 <b>Total</b>	 <b><u>130,400</u></b>	 <b><u>135,800</u></b>	 <b><u>141,200</u></b>

The proposed annual caps for the New Residential Property Management Services Framework Agreement were determined based on: (i) the historical transaction amounts of Residential Pre-sale Management Services and Residential Property Management Services under the Old Residential Property Management Services Framework Agreement and the decreasing utilisation rate of the corresponding annual caps for the three years ended 31 December 2025; (ii) the existing contracts under which the Group has been engaged by KWG Group and its associates to provide Residential Pre-sale Management Services and Residential Property Management Services; (iii) the projected transaction amounts in respect of the residential properties developed by KWG Group and its associates for which the Group is engaged to provide Residential Pre-sale Management Services and Residential Property Management Services under the existing contracts; (iv) the estimated project number of approximately 26 (including existing, new and renewed projects) for each of the three years ending 31 December 2028 for which KWG Group and its associates will require Residential Pre-sale Management Services; and (v) the expected increase in GFA under management from approximately 2.4 million sq.m. for the year ended 31 December 2025 to approximately 2.8 million sq.m. for the year ending 31 December 2028 for which the Group anticipates that it may be engaged by KWG

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## LETTER FROM THE BOARD

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Group and its associates to provide Residential Property Management Services, which is determined based on the estimation of the GFA under management delivered by KWG Group and its associates as well as the vacancy rate of the relevant properties.

In view of the above, the Board considers the proposed annual caps under the New Residential Property Management Services Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### ***Reasons for and benefits of entering into the New Residential Property Management Services Framework Agreement***

The Group has been engaged by KWG Group and its associates to provide Residential Pre-sale Management Services and Residential Property Management Services. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Old Residential Property Management Services Framework Agreement.

The Directors (including the independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the New Residential Property Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

### **(2) New Commercial Property Management Services Framework Agreement**

#### ***Date***

11 December 2025

#### ***Parties***

- (a) The Company (for itself and on behalf of its subsidiaries); and
- (b) KWG Holdings (for itself and on behalf of its subsidiaries and its associates).

#### ***Term***

Subject to compliance with the Listing Rules, from 1 January 2026 to 31 December 2028 (both days inclusive). The term may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

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## LETTER FROM THE BOARD

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### *Subject matter*

Under the New Commercial Property Management Services Framework Agreement, the Group has agreed to provide KWG Group and its associates with commercial property management services, including but not limited to Commercial Pre-sale Management Services and Commercial Property Management Services. The relevant parties shall enter into individual commercial property management services agreements, terms of which shall be consistent with the principal terms of the New Commercial Property Management Services Framework Agreement in all material aspects.

### *Pricing policy*

The fees to be charged for Commercial Pre-sale Management Services and Commercial Property Management Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs), with reference to rates generally offered by the Group to Independent Third Parties and the fees for similar services and type of properties in the market in accordance with the measures set out in the section headed "INTERNAL CONTROL MEASURES" of this circular.

### *Payment arrangement*

The payment mechanism for all fees and payments due to the Group pursuant to the transactions contemplated under the New Commercial Property Management Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the Parties.

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**LETTER FROM THE BOARD**

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*Historical transaction amount*

The existing annual caps for the three years ended 31 December 2025 are as follows:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the year ended 31 December 2025 RMB'000</b>
<i>Commercial Pre-sale Management Services</i>			
— to KWG Group	28,500	29,900	31,400
— to KWG Group's associates	<u>3,000</u>	<u>4,800</u>	<u>6,800</u>
	<u>31,500</u>	<u>34,700</u>	<u>38,200</u>
 <i>Commercial Property Management Services</i>			
— to KWG Group	165,900	186,200	215,000
— to KWG Group's associates	<u>28,200</u>	<u>38,000</u>	<u>44,000</u>
	<u>194,100</u>	<u>224,200</u>	<u>259,000</u>
 <b>Total</b>	 <b><u><u>225,600</u></u></b>	 <b><u><u>258,900</u></u></b>	 <b><u><u>297,200</u></u></b>

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**LETTER FROM THE BOARD**

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The actual transaction amounts for the two years ended 31 December 2024 and the nine months ended 30 September 2025 under the Old Commercial Property Management Services Framework Agreement are as follows:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the nine months ended 30 September 2025 RMB'000</b>
<i>Commercial Pre-sale Management Services</i>			
— to KWG Group	22,280	14,550	7,135
— to KWG Group's associates	<u>166</u>	<u>4,651</u>	<u>200</u>
	<u>22,446</u>	<u>19,201</u>	<u>7,335</u>
 <i>Commercial Property Management Services</i>			
— to KWG Group	147,960	86,371	49,039
— to KWG Group's associates	<u>4,708</u>	<u>5,494</u>	<u>9,857</u>
	<u>152,668</u>	<u>91,865</u>	<u>58,896</u>
 <b>Total</b>	 <b><u><u>175,114</u></u></b>	 <b><u><u>111,066</u></u></b>	 <b><u><u>66,231</u></u></b>

The utilisation rates of the corresponding existing annual caps for the two years ended 31 December 2024 and the year ended 31 December 2025 (annualised) were approximately 77.6%, 42.9% and 29.7%, respectively. The decreasing trend of the utilisation rates was primarily due to the lower-than-expected project number and GFA under management for which the Group was engaged to provide Commercial Pre-sale Management Services and Commercial Property Management Services to KWG Group and its associates.

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**LETTER FROM THE BOARD**

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*Proposed annual caps*

The proposed annual caps under the New Commercial Property Management Services Framework Agreement for the three years ending 31 December 2028 are set out below:

	<b>For the year ending 31 December</b>		
	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<i>Commercial Pre-sale</i>			
<i>Management Services</i>			
<i>— to KWG Group</i>	9,400	9,400	9,400
<i>— to KWG Group's associates</i>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	<u>10,400</u>	<u>10,400</u>	<u>10,400</u>
 <i>Commercial Property</i>			
<i>Management Services</i>			
<i>— to KWG Group</i>	71,600	71,600	71,600
<i>— to KWG Group's associates</i>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
	<u>86,600</u>	<u>86,600</u>	<u>86,600</u>
 <b>Total</b>	 <b><u>97,000</u></b>	 <b><u>97,000</u></b>	 <b><u>97,000</u></b>

The proposed annual caps under the New Commercial Property Management Services Framework Agreement were determined based on (i) the historical transaction amount under the Old Commercial Property Management Services Framework Agreement and the decreasing utilisation rate of the corresponding annual caps for the three years ended 31 December 2025; (ii) the existing contracts under which the Group has been engaged by KWG Group and its associates to provide Commercial Pre-sale Management Services and Commercial Property Management Services; (iii) the estimated project number of approximately 7 for each of the three years ending 31 December 2028 for which KWG Group and its associates will require Commercial Pre-sale Management Services; and (iv) the estimated GFA of approximately 0.6 million sq.m. for each of the three years ending 31 December 2028 for which the Group anticipates it may be engaged by KWG Group and its associates to provide Commercial Property Management Services.

In view of the above, the Board considers the proposed annual caps under the New Commercial Property Management Services Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### *Reasons for and benefits of entering into the New Commercial Property Management Services Framework Agreement*

The Group has been engaged by KWG Group and its associates to provide Commercial Pre-sale Management Services and Commercial Property Management Services. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Old Commercial Property Management Services Framework Agreement.

The Directors (including the independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the New Commercial Property Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

### **(3) New Commercial Operational and Value-added Services Framework Agreement**

#### *Date*

11 December 2025

#### *Parties*

- (a) The Company (for itself and on behalf of its subsidiaries); and
- (b) KWG Holdings (for itself and on behalf of its subsidiaries and its associates).

#### *Term*

Subject to compliance with the Listing Rules, from 1 January 2026 to 31 December 2028 (both days inclusive). The term may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

#### *Subject matter*

Under the New Commercial Operational and Value-added Services Framework Agreement, the Group has agreed to provide KWG Group and its associates with Commercial Operational Services and Commercial Value-added Services. The relevant parties shall enter into individual commercial operational and value-added services agreements, terms of which shall be consistent with the principal terms of the New Commercial Operational and Value-added Services Framework Agreement in all material aspects.

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## LETTER FROM THE BOARD

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### *Pricing policy*

The fees to be charged for Commercial Operational Services and Commercial Value-added Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs) with a margin of not more than 50%, with reference to rates generally offered by the Group to Independent Third Parties and the fees for similar services and type of properties in the market in accordance with the measures set out in the section headed "INTERNAL CONTROL MEASURES" of this circular.

### *Payment arrangement*

The payment mechanism for all fees and payments due to the Group pursuant to the transactions contemplated under the New Commercial Operational and Value-added Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties.

### *Historical transaction amount*

The existing annual caps for the three years ended 31 December 2025 are as follows:

	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the year ended 31 December 2025 <i>RMB'000</i>
<i>Commercial Operational Services</i>			
— to KWG Group	116,200	122,600	140,700
— to KWG Group's associates	3,000	4,000	5,000
	119,200	126,600	145,700
<i>Commercial Value-added Services</i>			
— to KWG Group	17,100	18,800	20,700
<b>Total</b>	<b>136,300</b>	<b>145,400</b>	<b>166,400</b>

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**LETTER FROM THE BOARD**

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The actual transaction amounts for the two years ended 31 December 2024 and the nine months ended 30 September 2025 under the Old Commercial Operational and Value-added Services Framework Agreement are as follows:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the nine months ended 30 September 2025 RMB'000</b>
<i>Commercial Operational Services</i>			
— to KWG Group	116,138	52,982	35,480
— to KWG Group's associates	<u>2,908</u>	<u>—</u>	<u>—</u>
	<u>119,046</u>	<u>52,982</u>	<u>35,480</u>
<i>Commercial Value-added Services</i>			
— to KWG Group	<u>16,547</u>	<u>17,591</u>	<u>12,414</u>
<b>Total</b>	<b><u>135,593</u></b>	<b><u>70,573</u></b>	<b><u>47,894</u></b>

The utilisation rates of the corresponding existing annual caps for the two years ended 31 December 2024 and the year ended 31 December 2025 (annualised) were approximately 99.5%, 48.5% and 38.4%, respectively. The decreasing trend of the utilisation rates was primarily due to the continuous downturn of the real estate market in the PRC in the past three years, which have resulted in a lower-than-expected GFA delivered by KWG Group and its associates for which the Group is engaged to provide Commercial Operational Services.

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**LETTER FROM THE BOARD**

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*Proposed annual caps*

The proposed annual caps under the New Commercial Operational and Value-added Services Framework Agreement for the three years ending 31 December 2028 are set out below:

	<b>For the year ending 31 December</b>		
	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<i>Commercial Operational Services</i>			
<i>— to KWG Group</i>	47,200	48,000	48,900
<i>— to KWG Group's associates</i>	3,000	3,000	3,000
	50,200	51,000	51,900
<i>Commercial Value-added Services</i>			
<i>— to KWG Group</i>	18,200	20,000	22,000
<b>Total</b>	<b>68,400</b>	<b>71,000</b>	<b>73,900</b>

The proposed annual caps under the New Commercial Operational and Value-added Services Framework Agreement were determined based on (i) the historical transaction amounts of Commercial Operational Services and Commercial Value-added Services under the Old Commercial Operational and Value-added Services Framework Agreement and the decreasing utilisation rate of the corresponding annual caps for the three years ended 31 December 2025; (ii) the existing contracts under which the Group has been engaged by KWG Group and its associates to provide Commercial Operational Services and Commercial Value-added Services; and (iii) the estimated GFA under management for which the Group anticipate it may be engaged by KWG Group and its associates to provide Commercial Operational Services and Commercial Value-added Services based on the property development plan and delivery schedule of KWG Group and its associates for the three years ending 31 December 2028.

In view of the above, the Board considers the proposed annual caps under the New Commercial Operational and Value-added Services Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### *Reasons for and benefits of entering into the New Commercial Operational and Value-added Services Framework Agreement*

The Group has been engaged by KWG Group and its associates to provide Commercial Operational Services and Commercial Value-added Services. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Old Commercial Operational and Value-added Services Framework Agreement.

The Directors (including the independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the New Commercial Operational and Value-added Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

### **OVERALL REASONS FOR AND BENEFITS OF THE NON-EXEMPT AGREEMENTS**

Prior to 2021, KWG Group and its associates has generally been able to honour its payment obligations in accordance with the terms of their respective individual agreements. Since 2021, due to the impact of multiple factors including the macroeconomic environment and adjustments in the Chinese real estate market, settlements between the Group and KWG Group and its associates have been delayed, leading to an increase in the overdue balance of the Group's trade receivables. As of 30 June 2025, the trade receivables from KWG Group and its associates recorded in the Company's consolidated statement of financial position amounted to approximately RMB2,282 million (including service fees in relation to the residential property management services, the commercial property management services, the commercial operational and value-added services, as well as the publicity planning services and the property agency services provided by the Group to KWG Group and its associates). An aging analysis of the trade receivables based on invoice dates of transactions is set out below:

	<b>Trade receivables recorded in the Company's consolidated statement of financial position as of 30 June 2025 (RMB'000)</b>
Within 1 year	308,878
1–2 years	625,110
2–3 years	783,799
3–4 years	<u>564,418</u>
<b>Total</b>	<b><u><u>2,282,205</u></u></b>

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## LETTER FROM THE BOARD

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To accelerate the recovery of the aforementioned trade receivables, the Group has consistently engaged in active negotiations with KWG Group and its associates and has implemented several measures. These include: (i) implementing a periodic reconciliation mechanism and closely monitoring repayment arrangement and progress; (ii) holding regular specialised settlement meetings involving senior management from both parties to facilitate the implementation of repayment arrangements; (iii) exploring various channels for recovery of trade receivables, such as collecting service fees from the regulated bank accounts of KWG Group and its associates in compliance with applicable laws and regulations; and (iv) initiating legal proceedings against certain member companies of KWG Group to recover outstanding amounts and protect the legitimate rights and interests of the Group. Approximately RMB432.3 million had been settled in cash by KWG Group and its associates during the three years ended 31 December 2025. This included approximately RMB225.2 million pertaining to historical transactions during the three years ended 31 December 2025. Other than cash settlement, there had not been any form of other asset settlement made by KWG Group and its associates in the past. To the best knowledge of the Company, based on the current operating situation of KWG Group and its associates, especially as KWG Group is still undergoing multiple debt restructurings and many bank accounts of KWG Group and its associates are supervised by government authorities, the Group are currently unable to agree on any feasible settlement plans with KWG Group and its associates. However, the Group will use its best endeavours, based on the aforementioned measures, to actively discuss with KWG Group and its associates to agree practical and feasible plans with KWG Group and its associates as soon as possible.

Since 2022, the Group has proactively adjusted its business model with KWG Group and strictly controlled the scale of business. Prior to signing or renewing any specific agreements with KWG Group and its associates, the Group has implemented an additional internal review mechanism. This involves multiple departments, including but not limited to operation, legal, and finance, conducting a comprehensive assessment based on factors such as the historical collections and current operational status of member companies of KWG Group and its associates. The specific agreements under the Non-exempt Agreements clearly stipulated settlement cycles, invoice issuance, payment timelines and termination clauses. While specific terms varied by business type, in general, payment shall be conducted monthly and KWG Group and its associates shall make payment within the applicable credit terms granted which were ranging from five to fifteen working days upon receipt of the invoice issued by the Group. The Company will closely follow-up on a monthly basis on the settlement from KWG Group and its associates under the Non-exempt Agreements. For Residential Pre-sale Management Services, Commercial Pre-sale Management Services, Commercial Operational Services and Commercial Value-added Services, if KWG Group and its associates default and overdue the payment for more than six months, the Group shall suspend the provision of relevant services and terminate the relevant agreements if necessary. During the period of providing services under the Non-exempt Agreements, the Group will actively monitor the sales performance of KWG Group and its associates, and the status of their regulated bank accounts, striving to collect service fees from those regulated bank accounts with the approval of government regulatory authorities. The objective of these measures is to enable the Group to avoid engaging projects with higher

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## LETTER FROM THE BOARD

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credit risks and to decrease newly generated receivables due from KWG Group and its associates, thereby safeguarding the interests of the Group and the Company's shareholders.

Despite the existence of outstanding receivables from KWG Group and its associates, the Company considers that it is reasonable and necessary to enter into the Non-exempt Agreements, primarily based on the following considerations:

- (i) Continuing to provide Residential Pre-sale Management Services and Commercial Pre-sale Management Services to KWG Group and its associates is conducive to enhancing the Group's market reputation and service brand influence, thereby facilitating the expansion of third-party clients base and increasing pre-sale management service income. For the two years ended 31 December 2024 and the six months ended 30 June 2025, revenues generated from Residential Pre-sale Management Services and Commercial Pre-sale Management Services to Independent Third Parties amounted to approximately RMB22.4 million, RMB32.8 million and RMB20.6 million respectively. Based on our past business practices, providing pre-sale services to KWG Group and its associates helps the Company attract more third-party clients. Certain KWG Group's sale offices to which the Group provided pre-sale services could showcase to potential clients the Company's capabilities on providing Residential Pre-sale Management Services and Commercial Pre-sale Management Services. By continuing to provide such services to the KWG Group and its associates, the Group can facilitate the successful pre-sale of their properties, which enables KWG Group and its associates to generate cash proceeds from the pre-sales and enhance its ability to repay outstanding amounts owed to the Group. Therefore, the continued provision of Residential Pre-sale Management Services and Commercial Pre-sale Management Services is mutually beneficial, which can support KWG Group's property monetisation efforts and cash flow generation while safeguarding the interest of the Group by improving the prospects of timely repayment and minimising potential losses on existing exposures. After above considerations on benefits and costs to provide Residential Pre-sale Management Services and Commercial Pre-sale Management Services, the Company is of the view that the continued provision of the services to KWG Group and its associates is in the interests of the Company and the Shareholders as a whole;
- (ii) Undertaking newly delivered property management projects from KWG Group and its associates will further increase the Group's GFA under management, and will allow the Group to secure more third-party clients and receive more revenue from third-party clients;
- (iii) The Company has been providing the Residential Property Management Services and Commercial Property Management Services for property owners which are Independent Third Parties as well as KWG Group or its associates. As a majority of them are Independent Third Parties, the Company collected a majority of its basic management fees from Independent Third Parties, and only a minority of them were collected from KWG Group or its associates. The Company expected

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## LETTER FROM THE BOARD

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that the proportion of revenue derived from KWG Group and its associates will further decrease as KWG Group and its associates gradually sell the unsold assets within these projects. According to the unaudited financial record of the Group for the year ended 31 December 2025, the Group was still able to maintain profitability in these projects after excluding the management fees from KWG Group and its associates for the year 2025. As such, the Company is of the view that continuing to provide services for these projects would enable the Group generate profits and cash inflow for the Group which are in the interests of the Company and the Shareholders as a whole;

- (iv) During the three years ended 31 December 2025, the Company provided Commercial Operational Services, Commercial Value-added Services and Commercial Property Management Services concurrently for 7 shopping malls and 6 office buildings owned by KWG Group. The average occupancy rates of these projects have been maintained over 75%, ensuring their stable operational status. This means that a stable portion of the property management fees generated by these projects comes directly from Independent Third Parties. Continuing to provide services for these projects will help these projects sustain stable occupancy rates, thereby securing property management fees from Independent Third Parties and reducing the income attributable to KWG Group for vacant properties. Effective operation services contribute to maintaining or enhancing KWG Group's rental income. Consequently, the Company will have the opportunity to negotiate with KWG Group to allocate a portion of such rental income towards settling the relevant service fees or repaying its outstanding debts to the Company. According to the unaudited financial record of the Group for the year ended 31 December 2025, the Group was still able to maintain profitability in these projects after excluding commercial operational service fees, commercial value-added services and commercial property management service fees from KWG Group and its associates for the year 2025. After above considerations on benefits and costs to provide Commercial Operational Services and Commercial Value-added Services, the Company is of the view that the continued provision of the services to KWG Group and its associates is in the interests of the Company and the Shareholders as a whole;
- (v) To mitigate the risk of delayed service fee settlements, the Company will implement explicit risk control and exit mechanisms as precautionary measures in the specific agreements entered into pursuant to the Non-exempt Agreements. These clauses are designed to enable the Company to promptly control costs and halt the expansion of credit risk in the event of KWG Group's default, thereby limiting potential losses to a manageable scope. The Company is of the view that the continued provision of the services to KWG Group and its associates pursuant to the Non-exempt Agreements is in the interests of the Company and the Shareholders as a whole; and

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## LETTER FROM THE BOARD

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- (vi) By continuing to provide services under the Non-exempt Agreements to KWG Group and its associates, the Group can obtain a clearer understanding of the sales and operational status of unsold properties of KWG Group and its associates. This will facilitate the Group's communication with KWG Group and its associates regarding the recovery of receivable from KWG Group and its associates. For instance, using KWG Group's rental income as a credit enhancement measure, or offsetting the unpaid service fees to the Group with KWG Group's unsold properties.

Based on the aforementioned commercial considerations and assessment of medium to long-term benefits and aforementioned procedures in place aiming to have timely settlement and minimising credit risk exposure, the Company is of the view that, entering into the Non-exempt Agreements constitutes a fair and reasonable commercial arrangement under the current market environment and is in the interests of the Company and its shareholders.

### INTERNAL CONTROL MEASURES

In order to ensure the pricing terms of the Non-exempt Agreement are on normal commercial terms, not less favourable to the Group than terms offered by the Group to Independent Third Parties and in accordance with the pricing policy under the relevant agreement, before entering into any individual agreement for:

- (i) contract which is not awarded through standard public tender procedures under the New Residential Property Management Services Framework Agreement, the operation department of the Group will collect the following information:
  - (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months; and
  - (b) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies.

After collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties. In addition, for the New Residential Property Management Services Framework Agreement, after determining the prices as aforesaid, the Group has to file such proposed prices with the relevant government authorities and the prices ultimately offered to KWG Group and its associates shall not be higher than such standard fees so filed with the relevant government authorities. If the prices need to be revised subsequently, updated filings will be made with the government authorities. For projects providing Residential Property Management Services

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## LETTER FROM THE BOARD

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awarded through the standard public tender procedures regulated by applicable PRC laws and regulations, the bid prices would be filed with the relevant government authorities and apply to all clients of a particular project, regardless of whether services provided to KWG Group or its associates or Independent Third Parties. The operation department is responsible to ensure that the Group charges the same price to all clients of each project every month. The finance department will review the prices charged to clients are correct on a monthly basis.

- (ii) the New Commercial Property Management Services Framework Agreement and the New Commercial Operational and Value-added Services Framework Agreement, the operation department of the Group will collect the following information:
  - (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months (if applicable); and
  - (b) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies.

After collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties.

The Company has also established procedures for monitoring its continuing connected transactions in which various departments of the Group will be responsible for the implementation, monitoring and review of such procedures. Regular checks will be conducted by the operation department on a quarterly basis to review and assess whether the transactions contemplated under the Non-exempt Agreements are conducted in accordance with the terms of its respective agreement and the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy.

Further, the finance department will monitor the actual transaction amounts and monthly report will be made by the management team in relation to the aggregate transaction amounts and utilisation rates of the annual caps to ensure that the annual caps under each of the Non-exempt Agreements will not be exceeded. In addition, where a threshold of 85% of the utilisation rate is met, the finance department will alert the management team to consider revising the annual caps in accordance with the relevant requirements of the Listing Rules.

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## LETTER FROM THE BOARD

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As the Company has announced the Non-exempt Agreements on 11 December 2025, the Company has commenced the continuing connected transactions contemplated under the Non-exempt Agreements since 1 January 2026, and will monitor the utilisation of the annual caps of the Non-exempt Agreements. The Company will cease to conduct any transactions when the actual transaction amounts approach the 5% threshold triggering Shareholders approval (the “**5% Threshold**”), and will only resume such transactions after obtaining shareholders’ approval. In order to achieve this, the finance department of the Group will implement real-time monitoring of the actual transaction amounts under the Non-exempt Agreements starting 1 January 2026. Once the cumulative transaction amounts in 2026 reach 80% of the 5% Threshold under each of the Non-exempt Agreements, the finance department would report to management of the Company and notify the operation department. Thereafter, the operation department of the Group will arrange orderly suspension of the relevant services under the Non-exempt Agreements to ensure the transaction amounts remain strictly below the 5% Threshold. Such services will only be resumed after shareholders’ approval is obtained.

The independent non-executive Directors will continue to review the transactions contemplated under the Non-exempt Agreements and the auditors of the Company will also conduct an annual review on the pricing terms and annual cap of the relevant continuing connected transactions thereof.

### INFORMATION ON THE PARTIES TO THE NON-EXEMPT AGREEMENTS

The Group is a comprehensive property management service provider in the PRC, providing comprehensive property management services for both residential properties and non-residential properties.

KWG Group is a large-scale property developer in the PRC and is principally engaged in property development, property investment, and hotel operation. KWG Holdings is an exempted company incorporated in the Cayman Islands with limited liability on 28 July 2006, the shares of which are listed on the Stock Exchange (Stock Code: 1813).

### LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan are the ultimate controlling shareholders of each of the Company and KWG Holdings pursuant to the respective shareholders’ agreements entered into among their respective controlled entities. Therefore, KWG Holdings, as an associate of the controlling shareholders of the Company, is a connected person of the Company. The transactions contemplated under the Non-exempt Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the highest proposed annual cap for each of the Non-exempt Agreements is expected to be more than 5%, each of the Non-exempt Agreements and the transactions contemplated respectively thereunder (including the

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## LETTER FROM THE BOARD

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proposed annual caps therefor) will be subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **BOARD APPROVAL**

At the Board meeting held to approve the Non-exempt Agreements, each of Mr. KONG Jianmin and Mr. KONG Jiannan is considered as having a material interest in the transactions contemplated under the Non-exempt Agreements. Accordingly, each of Mr. KONG Jianmin and Mr. KONG Jiannan has abstained from voting on the Board resolution for approving the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor). Save as disclosed, none of the Directors was required to abstain from voting on the relevant Board resolutions.

### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee (comprising all the independent non-executive Directors) has been established to advise the Independent Shareholders on the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor). Draco Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

### **EXTRAORDINARY GENERAL MEETING**

The EGM which will be convened and held at Yunshan Conference Room, 38th Floor, International Finance Place, No. 8 Huaxia Road, Pearl River New Town, Guangzhou, People's Republic of China on Monday, 30 March 2026 at 4:00 p.m. Notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Under Article 66 of the Articles, a resolution put to the vote at the EGM shall be decided by way of a poll, save that the chairman of the EGM may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The results of the poll will be published on the Company's website ([www.kwgliving.com](http://www.kwgliving.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) pursuant to Rule 13.39(5) of the Listing Rules.

A proxy form for use at the EGM is enclosed. It can also be downloaded from the Company's website ([www.kwgliving.com](http://www.kwgliving.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)). Whether or not you are able to attend the EGM in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time for holding the EGM or any adjournment thereof (as the case may be). Completion and delivery of the proxy form will not preclude you from attending and voting in person at the EGM or at any adjournment thereof if you so wish.

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## LETTER FROM THE BOARD

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On 14 October 2020, Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind entered into a shareholders' agreement (the "**Shareholders' Agreement**"), pursuant to which, among other things, the parties thereto shall vote at general meetings of the Company according to the instruction of whichever party thereto holds the most Shares from time to time. As such, Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express, Peace Kind, Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan are a group of persons who are together entitled to exercise or control the exercise of 30% or more of the voting rights at general meetings of the Company and therefore are a group of controlling shareholders of the Company under the Listing Rules. As at the Latest Practicable Date, each of Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind are deemed to be interested in 1,069,354,546 Shares, while Mr. KONG Jianmin, Mr. KONG Jiannan and Mr. KONG Jiantao are deemed to be interested in 1,071,654,546 Shares, 1,070,805,546 Shares and 1,069,354,546 Shares, respectively. Accordingly, each of Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express, Peace Kind, Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan and their respective associates shall abstain from voting on the proposed resolutions approving the Non-exempt Agreements and the transactions contemplated thereunder.

Save for the above, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, none of the other Shareholders is required to abstain from voting on the resolutions in respect of the Non-exempt Agreements to be proposed at the EGM.

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of ascertaining Shareholders' entitlement to attend and vote at the EGM (or at any adjournment thereof), the register of members of the Company will be closed from Wednesday, 25 March 2026 to Monday, 30 March 2026 (both dates inclusive), during which period no transfer of shares will be registered. 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 share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 24 March 2026.

### **RECOMMENDATIONS**

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on pages 31 to 32 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the proposed resolutions to approve the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor); and (ii) the letter from the Independent Financial Adviser as set out on pages 33 to 72 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the fairness and reasonableness of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor).

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## LETTER FROM THE BOARD

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The Independent Board Committee, having taken into account, among other things, the advice of the Independent Financial Adviser, is of the view that the terms of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms or better and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM in respect of the approval of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor).

The Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) are of the view that the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole and therefore recommends you to vote in favour of the ordinary resolutions to be proposed at the EGM.

### GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendix headed “General Information” to this circular.

Yours faithfully  
By order of the Board  
**KWG Living Group Holdings Limited**  
**KONG Jianmin**  
*Chairman*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*The following is the text of the letter of recommendation, prepared for the purpose of incorporation in this circular, from the Independent Board Committee to the Independent Shareholders in respect of approving the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor).*



### **KWG Living Group Holdings Limited**

### **合景悠活集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3913)**

9 March 2026

*To the Independent Shareholders*

Dear Sir or Madam,

### **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular dated 9 March 2026 (the “**Circular**”) issued by the Company to the Shareholders of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether, in our opinion, the terms of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group and in the interests of the Group and the Shareholders as a whole, and how the Independent Shareholders should vote at the EGM, after taking into account the recommendation of the Independent Financial Adviser.

Draco Capital Limited has been appointed by the Board as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders in connection with each of the Non-exempt Agreements and the transactions contemplated thereunder. Details of the advice from the Independent Financial Adviser, together with the reasons for its opinion, the key assumptions made and the factors taken into consideration in forming its opinion, are set out in its letter on pages 33 to 72 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 6 to 30 of the Circular and the general information set out in the appendix of the Circular.

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**LETTER FROM THE INDEPENDENT BOARD COMMITTEE**

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Having considered the information as set out in the letter from the Board, the terms and conditions of the Non-exempt Agreements and the transactions contemplated thereunder, the factors and reasons considered by, and the opinion of the Independent Financial Adviser as set out in its letter of advice, we are of the view that the terms of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms or better and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions in relation to the approval of Non-exempt Agreements and the transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully  
For and on behalf of the  
Independent Board Committee  
**KWG Living Group Holdings Limited**

**LIU Xiaolan**  
*Independent*  
*Non-executive Director*

**FUNG Che Wai, Anthony**  
*Independent*  
*Non-executive Director*

**NG Yi Kum**  
*Independent*  
*Non-executive Director*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*The following is the full text of the letter from Draco Capital Limited setting out their advice to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.*



4/F Connaught Harbourfront House  
35 Connaught Road West,  
Sheung Wan, Hong Kong

9 March 2026

*To the Independent Board Committee and the Independent Shareholders of  
KWG Living Group Holdings Limited*

Dear Sir or Madam,

### RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

#### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the entering into of the Non-exempt Agreements, the transaction contemplated thereunder and the proposed annual caps, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 9 March 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Reference is made to the announcement of the Company dated 11 December 2025 regarding, among other things, the Non-exempt Agreements and the transaction contemplated thereunder.

#### LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Mr. KONG Jianmin, Mr. KONG Jiantao and Mr. KONG Jiannan are the ultimate controlling shareholders of each of the Company and KWG Holdings pursuant to the respective shareholders’ agreements entered into among their respective controlled entities. Therefore, KWG Holdings, as an associate of the controlling shareholders of the Company, is a connected person of the Company. The transactions contemplated under the Non-exempt Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the highest proposed annual cap for each of the Non-exempt Agreements is expected to be more than 5%, each of the Non-exempt Agreements and the transactions contemplated respectively thereunder (including the proposed annual caps therefor) will be subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### BOARD APPROVAL

At the Board meeting held to approve the Non-exempt Agreements, each of Mr. KONG Jianmin and Mr. KONG Jiannan is considered as having a material interest in the transactions contemplated under the Non-exempt Agreements. Accordingly, each of Mr. KONG Jianmin and Mr. KONG Jiannan has abstained from voting on the Board resolution for approving the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor). Save as disclosed, none of the Directors was required to abstain from voting on the relevant Board resolutions.

### INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, consisting of Ms. LIU Xiaolan, Mr. FUNG Che Wai, Anthony and Ms. NG Yi Kum, all being independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Non-exempt Agreements, transactions contemplated thereunder and the proposed annual caps. Pursuant to Rule 13.39(6) of the Listing Rules, we, Draco Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Non-exempt Agreements, the transactions contemplated thereunder and the proposed annual caps.

### OUR INDEPENDENCE

During the past two years immediately preceding the IFA Obligation Commencement Time (as defined under Rule 13.84 of the Listing Rule), there was no engagement between the Company or KWG Holdings and us. Apart from normal professional fee payable to us by the Company in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Group or the Directors, chief executive and substantial Shareholders or KWG Holdings or any of its subsidiaries or their respective associates, and any parties acting in concert with them. As at the Latest Practicable Date, there were no relationships or interests between (a) the Group, KWG Holdings and their respective subsidiaries and associates; and (b) us that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser. Therefore, we consider ourselves eligible to act as the Independent Financial Adviser to the Company under the requirements of the Listing Rules.

### BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the Directors and the management of the Group (the “**Management**”); and (iv) our review of the relevant public information.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon and continue to be so up to the date of the EGM. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the Latest Practicable Date and continue to be so up to the date of the EGM and all such statements of belief, opinions and intentions of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the Management. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the Management are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the EGM. Independent Shareholders will be informed of any material change of information and the representations made or referred to in the Circular as soon as possible up to the date of the EGM.

We consider that we have reviewed the relevant information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. In formulating our recommendation in relation to the Non-exempt Agreements and pursuant to Rule 13.80(2), we have obtained and reviewed the relevant information in relation to the Non-exempt Agreements and the transactions contemplated thereunder, among others, (i) the Non-exempt Agreements; (ii) the annual report for the year ended 31 December 2024 of the Company (the “**2024 Annual Report**”); (iii) the interim report for the six months ended 30 June 2025 of the Company (the “**2025 Interim Report**”); (iv) the recent announcements of the Company; and (v) the information set out in the Circular.

We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter. We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group, or any of its respective substantial shareholders, subsidiaries or associates.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps) 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 formulating our opinion and recommendations to the Independent Shareholders, we have taken into consideration the following principal factors and reasons. Our conclusions are based on the results of all analyses taken as a whole.

### **1 Background information of the parties to the non-exempt agreements**

#### ***1.1 Information on the group***

The Group is a comprehensive property management service provider in the PRC, providing comprehensive property management services for both residential properties and non-residential properties.

#### ***1.2 Financial performance on the group***

*FY2024 vs FY2023*

The Group generates revenue primarily from two principal business segments: (i) residential property management services; and (ii) non-residential property management and commercial operational services.

##### **Residential Property Management Services**

Regarding the residential property management services, the Group provides various residential property management services to meet the needs of households and residents in the community under different daily-living scenarios, including:

- pre-sale management services such as cleaning, security and maintenance services for pre-sale display units and sales offices to property developers during their pre-sale activities. The Group charges a fixed service fee for such services;
- property management services such as cleaning, security, gardening and repair and maintenance services to (i) property developers for the undelivered portion of the properties; and (ii) property owners, property owners' associations or residents for properties sold and delivered. The Group collects property management fees for such services; and
- community value-added services such as (i) home-living services — the provision of a wide range of services catered to the personalised needs of owners through the integration of industrial and ecological resources; (ii) property agency services — property agency services provided to property owners, residents and property developers; and (iii) common area value-added services — aiming to provide daily-living convenience to property owners and residents and enhance the owners' sense of

pleasant accommodation by utilising the community space. The Group typically charges a commission-based fee or a fixed fee depending on the nature of services rendered.

For the year ended 31 December 2024 (“FY2024”), the Group’s revenue from the residential property management services segment increased by 1.4% year-on-year to approximately RMB1,769.2 million from approximately RMB1,744.1 million for the year ended 31 December 2023 (“FY2023”). The revenue growth was primarily driven by the steady expansion of the scale of projects under management and ongoing improvement in service quality which accordingly further promoted the Group’s brand reputation and increased the market demand for the Group’s services. In particular, the revenue from property management services of the residential property segment in 2024 was approximately RMB1,464.5 million, representing a year-on-year increase of approximately 9.2%. Nonetheless, the revenue from pre-sale management services and other value-added services recorded a year-on-year decrease during FY2024, which was mainly due to the decrease in the number of residential property sales offices under the Group’s management and the decrease in revenue from community value-added services in the residential segment as a result of the pressure on the real estate market.

Revenue generated from pre-sale management services under the Group’s residential property management service segment decreased from approximately RMB181.0 million in FY2023 to approximately RMB82.5 million in FY2024. This decrease was primarily due to the decrease in the number of sales offices of residential properties under the Group’s management, as a result of the continuous downturn of the real estate market in the PRC.

Revenue generated from property management services under the Group’s residential property management service segment increased from approximately RMB1,340.9 million in FY2023 to approximately RMB1,464.5 million in FY2024. This increase was primarily due to the increase in the Group’s gross floor area under management for residential properties during FY2024.

Revenue generated from community value-added services under the Group’s residential property management service segment slightly decreased from approximately RMB222.2 million in FY2023 to approximately RMB222.1 million in FY2024.

#### Non-Residential Property Management and Commercial Operational Services

Regarding the non-residential property management and commercial operational services, the Group manages and operates a diversified portfolio of non-residential properties, provides property management and commercial operational services to commercial properties such as shopping malls, office

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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buildings and industrial parks, and provides property management services to schools, hospitals, government authorities and other public properties. The Group's services include:

- pre-sale management services such as cleaning, security and maintenance services for pre-sale display units and sales offices to property developers. The Group charges a fixed service fee for such services;
- property management services such as file management, cleaning, security, gardening and repair and maintenance services to property owners or tenants. The Group charges property management fees for such services;
  - o property management services for commercial properties: the Group charges property management fees for property management services provided to commercial properties (including shopping malls and office buildings);
  - o public property services and urban services: the Group charges corresponding management fees for property management services provided to public properties (including schools, hospitals, government authorities, industrial parks and transportation hubs) and for urban cleaning services provided to urban spaces (including urban roads and rivers);
- commercial operational services such as preliminary planning and consultancy services, tenancy sourcing services, tenancy management services and marketing and promotion services to property owners and property developers. The Group typically charges (i) a commission-based fee with respect to the operation of shopping malls; (ii) a profit mark-up on top of the costs with respect to the operation of office buildings; and (iii) a fixed service fee on a per square metre basis for its preliminary planning and consultancy services and tenancy sourcing services; and
- other value-added services such as primarily common area value-added services. The Group typically charges a commission-based fee or a fixed fee depending on the nature of services rendered.

For FY2024, the Group's revenue from non-residential property management and commercial operational services segment decreased by approximately 14.3% year-on-year to approximately RMB1,804.3 million from approximately RMB2,104.9 million for FY2023. The decrease was mainly due to the Group's decision to carry out strategic contraction by adopting a more prudent approach to commencing business in regions facing fiscal pressure and

selecting sub-sector businesses in the non-residential property segment on a more stringent basis in view of the pressure on profitability and changes in the market environment encountered by the urban services business.

Revenue generated from pre-sale management services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB24.2 million in FY2023 to approximately RMB22.1 million in FY2024. This decrease was primarily due to the decrease in the number of sales offices of non-residential properties under the Group's management during FY2024.

Revenue generated from property management services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB1,830.7 million in FY2023 to approximately RMB1,621.2 million in FY2024. The decrease was largely due to the strategic contraction of the urban services business and the adjustment of commercial terms from a lump sum basis to a commission basis for some of the commercial property projects managed by the Group during FY2024.

Revenue generated from commercial operational services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB121.1 million in FY2023 to approximately RMB55.9 million in FY2024. Such decrease was primarily due to the decrease in the number of shopping centres at preparation stage to which the Group provided preliminary planning and consultancy services during FY2024.

Revenue generated from other value-added services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB129.0 million in FY2023 to approximately RMB105.1 million in FY2024. The decrease was mainly due to the weak macroeconomic environment, leading to a decrease in customers' demand for valued-added services. Such decrease includes the decrease in site utilisation fees, escort fees and promotion fees.

#### Cost of Sales

The Group's cost of sales represents costs and expenses directly attributable to the provision of its services, which comprises (i) labor costs; (ii) subcontracting costs; (iii) utilities costs; (iv) office expenses; (v) cleaning expenses; (vi) rent and management fees for staff dormitory and car parks; (vii) security expenses; and (viii) others. For FY2024, the total cost of sales of the Group was approximately RMB2,690.8 million, which was slightly increased by approximately RMB24.2 million or 0.9% as compared to approximately RMB2,666.6 million for FY2023. During FY2024, economic recovery continued to be slow and competition in the property management industry intensified. Additional costs were incurred in order to improve the service quality of the Group and enhance customers' satisfaction.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### Gross Profit and Gross Profit Margin

As a result of the foregoing, during the FY2024, the gross profit of the Group decreased by approximately RMB299.7 million or 25.3% to approximately RMB882.7 million in FY2024 from approximately RMB1,182.4 million in FY2023. The Group reported gross profit margin of 24.7% for FY2024 (FY2023: 30.7%).

### Net (Loss)/Profit

The Group recorded a net loss of approximately RMB558.7 million for FY2024, as compared with the net profit of approximately RMB62.3 million for FY2023.

### Financial Position

As at 31 December 2024, the Group's cash and cash equivalents amounted to approximately RMB1,145.6 million, representing a decrease of approximately 20.6% as compared with approximately RMB1,442.9 million as at 31 December 2023. The decrease was mainly due to the slow pace of recovery of trade receivables, and the repayments of principals of certain interest-bearing bank and other borrowings. All of the Group's cash and cash equivalents were denominated in RMB except for approximately RMB99.0 million and RMB30.5 million which were denominated in HKD and USD, respectively.

The Group's gearing ratio is calculated by dividing the net debt (total debt net of cash and cash equivalents and restricted cash) by total equity. As the Group was in a net cash position as at 31 December 2024 and 2023, the gearing ratio was not applicable to the Group.

### *Interim 2025 vs Interim 2024*

#### Residential Property Management Services

With reference to the 2025 Interim Report, for the six months ended 30 June 2025 ("**Interim 2025**"), the revenue of the Group's residential property management services segment decreased by 7.0% year-on-year to approximately RMB834.0 million as compared to approximately RMB897.2 million for the six months ended 30 June 2024 ("**Interim 2024**"). Such decrease in revenue was primarily due to the decrease in the number of sales offices of residential properties under the Group's management, as a result of the pressure encountered by the real estate market, which led to a decrease in revenue from both the pre-sale management services and other value-added services in the residential segment.

Revenue generated from pre-sale management services under the Group's residential property management service segment decreased from approximately RMB44.2 million for Interim 2024 to approximately RMB34.9 million for Interim 2025. This decrease was primarily due to the decrease in the number of sales offices of residential properties under the Group's management as a result of the continuous downturn of the real estate market in the PRC.

Revenue generated from property management services under the Group's residential property management service segment slightly decreased from approximately RMB733.1 million for Interim 2024 to approximately RMB726.0 million for Interim 2025.

Revenue generated from community value-added services under the Group's residential property management service segment decreased from approximately RMB119.9 million for Interim 2024 to approximately RMB73.1 million for Interim 2025. The decrease was mainly due to the weak macroeconomic environment, leading to a decrease in customers' demand for valued-added services.

#### Non-residential Property Management and Commercial Operational Services

For Interim 2025, the revenue of the Group's non-residential property management and commercial operational services segment decreased by approximately 19.7% year-on-year to approximately RMB824.2 million as compared to approximately RMB1,026.2 million for Interim 2024. Such decrease was primarily attributable to the Group's decision to carry out strategic contraction by adopting a more prudent approach to commencing business in regions facing fiscal pressure and selecting market opportunities in public property services and urban services sectors on a more stringent basis in view of the pressure on profitability and changes in the market environment encountered by the urban services business. In addition, the terms of the management services contracts of certain commercial property projects were adjusted from a lump sum basis to a net basis, resulting in a year-on-year decrease in the revenue of commercial property management services during Interim 2025.

Revenue generated from pre-sale management services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB11.1 million for Interim 2024 to approximately RMB5.1 million for Interim 2025. This decrease was primarily due to the decrease in the number of sales offices of non-residential properties under the Group's management during Interim 2025 as a result of the continuous downturn of the real estate market in the PRC.

Revenue generated from property management services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB914.5 million for Interim 2024 to approximately RMB748.7 million for Interim 2025. The decrease was largely due to the strategic contraction of the urban services business and the adjustment of commercial terms from a lump sum basis to a commission basis for some of the commercial property projects managed by the Group during Interim 2025.

Revenue generated from commercial operational services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB40.5 million for Interim 2024 to approximately RMB25.2 million for Interim 2025. Such decrease was primarily due to the decrease in the number of shopping centres at preparation stage to which the Group provided preliminary planning and consultancy services during Interim 2025.

Revenue generated from other value-added services under the Group's non-residential property management and commercial operational service segment decreased from approximately RMB60.0 million for Interim 2024 to approximately RMB45.2 million for Interim 2025. The decrease was mainly due to the weak macroeconomic environment, leading to a decrease in customers' demand for valued-added services.

#### Cost of Sales

The Group's cost of sales represents costs and expenses directly attributable to the provision of its services, which comprises (i) labour costs; (ii) subcontracting costs; (iii) utilities costs; (iv) office expenses; (v) cleaning expenses; (vi) rent and management fees for staff dormitory and car parks; (vii) security expenses; and (viii) others. For Interim 2025, the total cost of sales of the Group was approximately RMB1,239.3 million, which decreased by approximately RMB120.1 million or 8.8% as compared to approximately RMB1,359.4 million for Interim 2024, which is generally in line with the decline in revenue of the Group during Interim 2025.

#### Gross Profit and Gross Profit Margin

The gross profit of the Group decreased by approximately RMB145.2 million or 25.7% to approximately RMB418.8 million for Interim 2025 from approximately RMB564.0 million for Interim 2024. The Group reported gross profit margin of approximately 25.3% for Interim 2025 (for Interim 2024: approximately 29.3%).

Net (Loss)/Profit

The Group recorded a net loss of approximately RMB276.6 million for Interim 2025, as compared with the net profit of approximately RMB69.9 million for Interim 2024.

Financial Position

As at 30 June 2025, the Group's cash and cash equivalents amounted to approximately RMB1,140.9 million, representing a slightly decrease of approximately 0.4% as compared with approximately RMB1,145.6 million as at 31 December 2024. All of the Group's cash and cash equivalents were denominated in RMB except for approximately RMB0.9 million which were denominated in HKD and USD.

Gearing ratio is calculated by the net debt (total debt net of cash and cash equivalents and restricted cash) divided by total equity. As the Group was in a net cash position as at 30 June 2025 and 31 December 2024, the gearing ratio was not applicable to the Group.

**1.3 Information on KWG Group**

KWG Group is a large-scale property developer in the PRC and is principally engaged in property development, property investment, and hotel operation. KWG Holdings is an exempted company incorporated in the Cayman Islands with limited liability on 28 July 2006, the shares of which are listed on the Stock Exchange (Stock Code: 1813).

**2 Principal Terms of the Non-exempt Agreements**

Reference is made to the announcement of the Company dated 21 November 2022 and the circular of the Company dated 21 December 2022 in respect of, among other things, the Old Framework Agreements entered into between the Company and KWG Holdings, and the annual caps thereunder.

As the Old Framework Agreements have expired on 31 December 2025 and the Company will continue to conduct the transactions contemplated thereunder upon their expiry, on 11 December 2025, the Company and KWG Holdings entered into, among others, the (i) New Residential Property Management Services Framework Agreement; (ii) New Commercial Property Management Services Framework Agreement; and (iii) New Commercial Operational and Value-added Services Framework Agreement (i.e. the Non-exempt Agreements).

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The principal terms of each of the Non-exempt Agreements are set out below:

### ***2.1 New Residential Property Management Services Framework Agreement***

#### *Date*

11 December 2025

#### *Parties*

- (a) The Company (for itself and on behalf of its subsidiaries); and
- (b) KWG Holdings (for itself and on behalf of its subsidiaries and its associates).

#### *Term*

Subject to compliance with the Listing Rules, from 1 January 2026 to 31 December 2028 (both days inclusive). The term may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

#### *Subject matter*

Under the New Residential Property Management Services Framework Agreement, the Group has agreed to provide KWG Group and its associates with residential property management services, including but not limited to Residential Pre-sale Management Services and Residential Property Management Services. The relevant parties shall enter into individual residential property management services agreements, terms of which shall be consistent with the principal terms of the New Residential Property Management Services Framework Agreement in all material aspects.

#### *Pricing policy*

The fees to be charged for Residential Pre-sale Management Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs), with reference to the rates generally offered by the Group to Independent Third Parties in respect of comparable services and the fees for similar services and types of properties in the market.

The fees to be charged for Residential Property Management Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs), with reference to rates generally offered by the Group to Independent Third Parties and the fees for similar services and type of properties in the market in accordance with the measures set out in the section headed "INTERNAL CONTROL

MEASURES” of the Board Letter. In addition, such fees shall not be higher than the standard fees filed with the relevant government authorities (if applicable), and where the Group is engaged by KWG Group or its associates for Residential Property Management Services through standard public tender procedures as required under the relevant PRC laws or regulations, shall be consistent with the fees submitted in the relevant tender documents.

*Payment arrangement*

The payment mechanism for all fees and payments due to the Group pursuant to the transactions contemplated under the New Residential Property Management Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties.

Our Assessment

We have discussed with the Management and note that in order to ensure that the terms and the pricing under the transactions contemplated under the New Residential Property Management Services Framework Agreement are on normal commercial terms and not less favourable to the Group than those of the same (or similar) services offered by the Group to Independent Third Parties at the relevant times, the Management would refer to at least two comparable transactions in determining the pricing of the transactions contemplated under the New Residential Property Management Services Framework Agreement.

For our due diligence purpose, we have obtained and reviewed (i) 6 samples of contracts entered into between the Group and KWG Group in respect of Residential Pre-sale Management Services and Residential Property Management Service provided by the Group to KWG Group (the “**Group Residential Property Management Contracts**”); and (ii) 6 samples of contracts entered into between the Group and Independent Third Parties in respect of Residential Pre-sale Management Services and Residential Property Management Service (or similar services) provided by the Group to Independent Third Parties (the “**I3P Residential Property Management Contracts**”). These contracts are effective during the review period from 1 December 2023 to 31 December 2025, ensuring coverage of the period regarding the Old Residential Property Management Services Framework Agreement under consideration. Such (a) 6 samples of contracts between the Group and KWG Group; and (b) 6 samples of contracts between the Group and Independent Third Parties, were selected on a random basis, with all samples are selected for each year within the review period and such contracts are referenced to the same template. Based on our communication with the management, we understand that the Group has not entered into new contracts under the Old Residential Property Management Services Framework Agreement which are awarded through standard public tender procedures due to the business environment during the review period. The aforesaid 12 samples of contracts include all other type of those relevant transactions for (a) Residential Pre-sale Management Services and Residential Property Management Service

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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provided by the Group to the KWG Group and its associates; and (b) the respective similar services provided by the Group to Independent Third Parties, during the review period, ensuring that the population from which samples were drawn was exhaustive and representative. The random selection was conducted without pre-selection bias, thereby minimizing the risk of cherry-picking or skewed representation. All samples were randomly selected and the records reviewed contained sufficient details regarding services types, services charge calculation, and payment terms.

The selected samples for both the Group Residential Property Management Contracts and the I3P Residential Property Management Contracts related to comparable Residential Pre-sale Management Services and Residential Property Management Service, as defined under the New Residential Property Management Services Framework Agreement.

We consider that the selection of 6 samples of Group Residential Property Management Contracts and 6 samples of I3P Residential Property Management Contracts throughout the review period is sufficient and representative for the following reasons: (i) the samples were selected on a random basis from the exhaustive population of relevant transactions during the period from 1 January 2023 to 31 December 2025, ensuring no pre-selection bias; (ii) all samples referenced the same contract template and demonstrated consistent application of internal control procedures, service scopes, and pricing mechanisms with no material discrepancies identified; (iii) the samples covered comparable Residential Pre-sale Management Services and Residential Property Management Services as defined under the New Residential Property Management Services Framework Agreement; and (iv) the review was supplemented by Management's benchmarking process (referring to at least two comparable transactions per pricing determination) and other due diligence inquiries. In light of the standardised nature of property management service agreements and the absence of any adverse findings or inconsistencies in the samples, we are satisfied that the samples provide a reasonable basis to conclude that the pricing and terms offered to KWG Group are on normal commercial terms and not less favourable to the Group than those offered to Independent Third Parties.

Given that (i) the process for Residential Pre-sale Management Services and Residential Property Management Service including the corresponding internal control procedure is consistent throughout the period under our review; (ii) the aforesaid samples are obtained on random basis; and (iii) the samples we obtained are consistent and did not demonstrate any discrepancy to our understandings on the arrangement of the Residential Pre-sale Management Services and Residential Property Management Service, including the respective internal control procedure, we are of the view that those samples are sufficient for us to assess the arrangement of the Residential Pre-sale Management Services and Residential Property Management Service, including the respective internal control procedure.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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On the basis of our review, we note that (i) the terms of the Residential Pre-sale Management Services and Residential Property Management Service as reviewed by us were in line with the transaction terms between the Group and other clients of similar services which are Independent Third Parties; (ii) the pricing of the Residential Pre-sale Management Services and Residential Property Management Service are no more favourable than the similar serviced offered by the Group to Independent Third Parties; (iii) the payment terms offered by the Group to KWG Group are no more favourable than those terms offered by the Group to Independent Third Parties; (iv) the Residential Pre-sale Management Services and Residential Property Management Service were on normal commercial terms when compared with those applicable to the similar services offered by the Group to Independent Third Parties; and (v) the Company's respective internal control procedures for contract which is not awarded through standard public tender procedures under the New Residential Property Management Services Framework Agreement are structured and well-documented and are effective (i.e. the operation department of the Group will collect (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months; and (b) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies) in ensuring that the pricing of the Residential Pre-sale Management Services and Residential Property Management Service is on normal commercial terms and no more favourable than those offered by the Group to Independent Third Parties. In addition, we also note that after collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties. In addition, for the New Residential Property Management Services Framework Agreement, after determining the prices as aforesaid, the Group has to file such proposed prices with the relevant government authorities and the prices ultimately offered to KWG Group and its associates shall not be higher than such standard fees so filed with the relevant government authorities. If the prices need to be revised subsequently, updated filings will be made with the government authorities. For projects providing Residential Property Management Services awarded through the standard public tender procedures regulated by applicable PRC laws and regulations, the bid prices would be filed with the relevant government authorities and apply to all clients of a particular project, regardless of whether services provided to KWG Group or its associates or Independent Third Parties. The operation department is responsible to ensure that the Group charges the same price to all clients of each project every month. The finance department will review the prices charged to clients are correct on a monthly basis. As such, we are of the view that the terms of

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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the New Residential Property Management Services Framework Agreement are on normal commercial terms or better and not prejudicial to the interests of the Company and the Independent Shareholders and are fair and reasonable.

### ***2.2 New Commercial Property Management Services Framework Agreement***

#### *Date*

11 December 2025

#### *Parties*

- (a) The Company (for itself and on behalf of its subsidiaries); and
- (b) KWG Holdings (for itself and on behalf of its subsidiaries and its associates).

#### *Term*

Subject to compliance with the Listing Rules, from 1 January 2026 to 31 December 2028 (both days inclusive). The term may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

#### *Subject matter*

Under the New Commercial Property Management Services Framework Agreement, the Group has agreed to provide KWG Group and its associates with commercial property management services, including but not limited to Commercial Pre-sale Management Services and Commercial Property Management Services. The relevant parties shall enter into individual commercial property management services agreements, terms of which shall be consistent with the principal terms of the New Commercial Property Management Services Framework Agreement in all material aspects.

#### *Pricing policy*

The fees to be charged for Commercial Pre-sale Management Services and Commercial Property Management Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs), with reference to rates generally offered by the Group to Independent Third Parties and the fees for similar services and type of properties in the market in accordance with the measures set out in the section headed "INTERNAL CONTROL MEASURES" of the Board Letter.

*Payment arrangement*

The payment mechanism for all fees and payments due to the Group pursuant to the transactions contemplated under the New Commercial Property Management Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the Parties.

Our Assessment

We have discussed with the Management and note that in order to ensure that the terms and the pricing under the transactions contemplated under the New Commercial Property Management Services Framework Agreement are on normal commercial terms and not less favourable to the Group than those of the same (or similar) services offered by the Group to Independent Third Parties at the relevant times, the Management would refer to at least two comparable transactions in determining the pricing of the transactions contemplated under the New Commercial Property Management Services Framework Agreement.

For our due diligence purpose, we have obtained and reviewed (i) 6 samples of contracts entered into between the Group and KWG Group in respect of Commercial Pre-sale Management Services and Commercial Property Management Services provided by the Group to KWG Group (the “**Group Commercial Property Management Contracts**”); and (ii) 6 samples of contracts entered into between the Group and Independent Third Parties in respect of Commercial Pre-sale Management Services and Commercial Property Management Services (or similar services) provided by the Group to Independent Third Parties (the “**I3P Commercial Property Management Contracts**”). These contracts are effective during the review period from 1 January 2023 to 31 December 2025, ensuring coverage of the period regarding the Old Commercial Property Management Services Framework Agreement under consideration. Such (a) 6 samples of contracts between the Group and KWG Group; and (b) 6 samples of contracts between the Group and Independent Third Parties, were selected on a random basis, with all samples are selected for each year within the review period and such contracts are referenced to the same template. The aforesaid 12 samples of contracts include all type of those relevant transactions for (a) Commercial Pre-sale Management Services and Commercial Property Management Services provided by the Group to the KWG Group and its associates; and (b) the respective similar services provided by the Group to Independent Third Parties, during the review period, ensuring that the population from which samples were drawn was exhaustive and representative. The random selection was conducted without pre-selection bias, thereby minimizing the risk of cherry-picking or skewed representation. All samples were randomly selected and the records reviewed contained sufficient details regarding services types, services charge calculation, and payment terms.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The selected samples for both the Group Commercial Property Management Contracts and the I3P Commercial Property Management Contracts related to comparable Commercial Pre-sale Management Services and Commercial Property Management Services, as defined under the New Commercial Property Management Services Framework Agreement.

We consider that the selection of 6 samples of Group Commercial Property Management Contracts and 6 samples of I3P Commercial Property Management Contracts throughout the review period is sufficient and representative for the following reasons: (i) the samples were selected on a random basis from the exhaustive population of relevant transactions during the period from 1 December 2023 to 31 December 2025, ensuring no pre-selection bias; (ii) all samples referenced the same contract template and demonstrated consistent application of internal control procedures, service scopes, and pricing mechanisms with no material discrepancies identified; (iii) the samples covered comparable Commercial Pre-sale Management Services and Commercial Property Management Services as defined under the New Commercial Property Management Services Framework Agreement; and (iv) the review was supplemented by Management's benchmarking process (referring to at least two comparable transactions per pricing determination) and other due diligence inquiries. In light of the standardised nature of commercial property management service agreements and the absence of any adverse findings or inconsistencies in the samples, we are satisfied that the samples provide a reasonable basis to conclude that the pricing and terms offered to KWG Group are on normal commercial terms and not less favourable to the Group than those offered to Independent Third Parties.

Given that (i) the process for Commercial Pre-sale Management Services and Commercial Property Management Services including the corresponding internal control procedure is consistent throughout the period under our review; (ii) the aforesaid samples are obtained on random basis; and (iii) the samples we obtained are consistent and did not demonstrate any discrepancy to our understandings on the arrangement of the Commercial Pre-sale Management Services and Commercial Property Management Services, including the respective internal control procedure, we are of the view that those samples are sufficient for us to assess the arrangement of the New Commercial Property Management Services Framework Agreement, including the respective internal control procedure.

On the basis of our review, we note that (i) the terms of the Commercial Pre-sale Management Services and Commercial Property Management Services as reviewed by us were in line with the transaction terms between the Group and other clients of similar services which are Independent Third Parties; (ii) the pricing of the Commercial Pre-sale Management Services and Commercial Property Management Services are no more favourable than the similar serviced offered by the Group to Independent Third Parties; (iii) the payment terms offered by the Group to KWG Group are no more favourable than those terms offered by the Group to Independent Third Parties; (iv) the Commercial Pre-sale

Management Services and Commercial Property Management Services were on normal commercial terms when compared with those applicable to the similar services offered by the Group to Independent Third Parties; and (v) the Company's respective internal control procedures are structured and well-documented and are effective (i.e. the operation department of the Group will collect (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months (if applicable); and (b) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies) in ensuring that the pricing of the Commercial Pre-sale Management Services and Commercial Property Management Services is on normal commercial terms and no more favourable than those offered by the Group to Independent Third Parties. We also note that after collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties. As such, we are of the view that the terms of the New Commercial Property Management Services Framework Agreement are on normal commercial terms or better and not prejudicial to the interests of the Company and the Independent Shareholders and are fair and reasonable.

### ***2.3 New Commercial Operational and Value-added Services Framework Agreement***

*Date*

11 December 2025

*Parties*

- (a) The Company (for itself and on behalf of its subsidiaries); and
- (b) KWG Holdings (for itself and on behalf of its subsidiaries and its associates).

*Term*

Subject to compliance with the Listing Rules, from 1 January 2026 to 31 December 2028 (both days inclusive). The term may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Subject matter*

Under the New Commercial Operational and Value-added Services Framework Agreement, the Group has agreed to provide KWG Group and its associates with Commercial Operational Services and Commercial Value-added Services. The relevant parties shall enter into individual commercial operational and value-added services agreements, terms of which shall be consistent with the principal terms of the New Commercial Operational and Value-added Services Framework Agreement in all material aspects.

### *Pricing policy*

The fees to be charged for Commercial Operational Services and Commercial Value-added Services shall be determined on arm's length basis, taking into account the nature, size and location of the properties, the scope of services and the anticipated operational costs (including labor costs, material costs and administrative costs) with a margin of not more than 50%, with reference to rates generally offered by the Group to Independent Third Parties and the fees for similar services and type of properties in the market in accordance with the measures set out in the section headed "INTERNAL CONTROL MEASURES" of the Board Letter.

### *Payment arrangement*

The payment mechanism for all fees and payments due to the Group pursuant to the transactions contemplated under the New Commercial Operational and Value-added Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties.

### *Our Assessment*

We have discussed with the Management and note that in order to ensure that the terms and the pricing under the transactions contemplated under the New Commercial Operational and Value-added Services Framework Agreement are on normal commercial terms and not less favourable to the Group than those of the same (or similar) services offered by the Group to Independent Third Parties at the relevant times, the Management would refer to at least two comparable transactions in determining the pricing of the transactions contemplated under the New Commercial Operational and Value-added Services Framework Agreement.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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For our due diligence purpose, we have obtained and reviewed (i) 6 samples of contracts entered into between the Group and KWG Group in respect of Commercial Operational Services and Commercial Value-added Services provided by the Group to KWG Group (the “**Group Commercial Value-added Contracts**”); and (ii) 6 samples of contracts entered into between the Group and Independent Third Parties in respect of Commercial Operational Services and Commercial Value-added Services (or similar services) provided by the Group to Independent Third Parties (the “**I3P Commercial Value-added Contracts**”). These contracts are effective during the review period from 1 January 2023 to 31 December 2025, ensuring coverage of the period regarding the Old Commercial Operational and Value-added Services Framework Agreement under consideration. Such (a) 6 samples of contracts between the Group and KWG Group; and (b) 6 samples of contracts between the Group and Independent Third Parties, were selected on a random basis, with all samples are selected for each year within the review period and such contracts are referenced to the same template. The aforesaid 12 samples of contracts include all type of relevant transactions for (a) Commercial Operational Services and Commercial Value-added Services provided by the Group to the KWG Group and its associates; and (b) the respective similar services provided by the Group to Independent Third Parties, during the review period, ensuring that the population from which samples were drawn was exhaustive and representative. The random selection was conducted without pre-selection bias, thereby minimizing the risk of cherry-picking or skewed representation. All samples were randomly selected and the records reviewed contained sufficient details regarding services types, services charge calculation, and payment terms.

The selected samples for both the Group Commercial Value-added Contracts and the I3P Commercial Value-added Contracts related to comparable Commercial Operational Services and Commercial Value-added Services, as defined under the New Commercial Operational and Value-added Services Framework Agreement.

We consider that the selection of 6 samples of Group Commercial Value-added Contracts and 6 samples of I3P Commercial Value-added Contracts throughout the review period is sufficient and representative for the following reasons: (i) the samples were selected on a random basis from the exhaustive population of relevant transactions during the period from 1 December 2023 to 31 December 2025, ensuring no pre-selection bias; (ii) all samples referenced the same contract template and demonstrated consistent application of internal control procedures, service scopes, and pricing mechanisms with no material discrepancies identified; (iii) the samples covered comparable Commercial Operational Services and Commercial Value-added Services as defined under the New Commercial Operational and Value-added Services Framework Agreement; and (iv) the review was supplemented by Management’s benchmarking process (referring to at least two comparable transactions per pricing determination) and other due diligence inquiries. In light of the standardised nature of commercial operational and value-added service

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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agreements and the absence of any adverse findings or inconsistencies in the samples, we are satisfied that the samples provide a reasonable basis to conclude that the pricing and terms offered to KWG Group are on normal commercial terms and not less favourable to the Group than those offered to Independent Third Parties.

Given that (i) the process for Commercial Operational Services and Commercial Value-added Services including the corresponding internal control procedure is consistent throughout the period under our review; (ii) the aforesaid samples are obtained on random basis; and (iii) the samples we obtained are consistent and did not demonstrate any discrepancy to our understandings on the arrangement of the Commercial Operational Services and Commercial Value-added Services, including the respective internal control procedure, we are of the view that those samples are sufficient for us to assess the arrangement of the Commercial Operational Services and Commercial Value-added Services, including the respective internal control procedure.

On the basis of our review, we note that (i) the terms of the Commercial Operational Services and Commercial Value-added Services as reviewed by us were in line with the transaction terms between the Group and other clients of similar services which are Independent Third Parties; (ii) the pricing of the Commercial Operational Services and Commercial Value-added Services are no more favourable than the similar serviced offered by the Group to Independent Third Parties; (iii) the payment terms offered by the Group to KWG Group are no more favourable than those terms offered by the Group to Independent Third Parties; (iv) the Commercial Operational Services and Commercial Value-added Services were on normal commercial terms when compared with those applicable to the similar services offered by the Group to Independent Third Parties; and (v) the Company's respective internal control procedures are structured and well-documented and are effective (i.e. the operation department of the Group will collect (a) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months (if applicable); and (b) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies) in ensuring that the pricing of the Commercial Operational Services and Commercial Value-added Services is on normal commercial terms and no more favourable than those offered by the Group to Independent Third Parties. We also note that after collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties. As such, we are of the view that the terms of the New Commercial Operational and Value-added Services Framework Agreement are on normal commercial terms or better and not prejudicial to the interests of the Company and the Independent Shareholders and are fair and reasonable.

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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**3 Historical transaction amounts and proposed annual caps for the non-exempt agreements**

**3.1 New Residential Property Management Services Framework Agreement**

*Historical Amount*

The following table sets out the existing annual caps, transaction amounts and utilisation rates for Residential Pre-sale Management Services and Residential Property Management Service provided by the Group to KWG Group:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the year ended 31 December 2025 RMB'000</b>
<b><i>Residential Pre-sale Management Services</i></b>			
<b>Existing annual caps</b>	259,500	259,500	259,500
— to KWG Group	182,000	182,000	182,000
— to KWG Group's associates	77,500	77,500	77,500
<b>Historical transaction amounts</b>	160,283	50,730	22,177
			<i>(for the nine months ended 30 September 2025)</i>
— to KWG Group	112,420	21,101	18,451
— to KWG Group's associates	47,863	29,629	3,726
<b>Utilisation rates</b>	62%	20%	9%
<b><i>Residential Property Management Services</i></b>			
<b>Existing annual caps</b>	198,100	228,800	264,300
— to KWG Group	133,800	154,600	178,600
— to KWG Group's associates	64,300	74,200	85,700
<b>Historical transaction amounts</b>	140,951	133,557	69,517
			<i>(for the nine months ended 30 September 2025)</i>
— to KWG Group	103,576	95,048	55,215
— to KWG Group's associates	37,375	38,509	14,303
<b>Utilisation rates</b>	71%	58%	26%

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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The utilisation rates of the corresponding existing annual caps for the three years ended 31 December 2025 (annualised) were approximately 65.8%, 37.7% and 23.3%, respectively. We note that decreasing trend of the utilisation rates was primarily due to the continuous downturn of the real estate market in the PRC in the past three years, which have resulted in a lower-than-expected GFA delivered by KWG Group and its associates for which the Group is engaged to provide Residential Pre-sale Management Services and Residential Property Management Services.

*Proposed Annual Caps*

The following table sets out the annual caps for the continuing connected transactions contemplated under the New Residential Property Management Services Framework Agreement:

	<b>For the year ending 31 December 2026 RMB'000</b>	<b>For the year ending 31 December 2027 RMB'000</b>	<b>For the year ending 31 December 2028 RMB'000</b>
<b><i>Residential Pre-sale Management Services</i></b>			
— to KWG Group	26,300	26,300	26,300
— to KWG Group's associates	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>
	<u>32,300</u>	<u>32,300</u>	<u>32,300</u>
<b><i>Residential Property Management Services</i></b>			
— to KWG Group	78,100	81,500	84,900
— to KWG Group's associates	<u>20,000</u>	<u>22,000</u>	<u>24,000</u>
	<u>98,100</u>	<u>103,500</u>	<u>108,900</u>
<b>Total</b>	<b><u>130,400</u></b>	<b><u>135,800</u></b>	<b><u>141,200</u></b>

Our View

In assessing the reasonableness and fairness of the proposed annual caps for the New Residential Property Management Services Framework Agreement, we have discussed with the Management and note that the proposed annual caps were determined with reference to a number of factors, including, among other things:

- (i) the historical transaction amounts of Residential Pre-sale Management Services and Residential Property Management Services under the Old Residential Property Management Services Framework Agreement and the decreasing utilisation rate of the corresponding annual caps for the three years ended 31 December 2025;
- (ii) the existing contracts under which the Group has been engaged by KWG Group and its associates to provide Residential Pre-sale Management Services and Residential Property Management Services;
- (iii) the projected transaction amounts in respect of the residential properties developed by KWG Group and its associates for which the Group is engaged to provide Residential Pre-sale Management Services and Residential Property Management Services under the existing contracts;
- (iv) the estimated project number of approximately 26 (including existing, new and renewed projects) for each of the three years ending 31 December 2028 for which KWG Group and its associates will require Residential Pre-sale Management Services; and
- (v) the expected increase in GFA under management from approximately 2.4 million sq.m. for the year ended 31 December 2025 to approximately 2.8 million sq.m. for the year ending 31 December 2028 for which the Group anticipates that it may be engaged by KWG Group and its associates to provide Residential Property Management Services, which is determined based on the estimation of the GFA under management delivered by KWG Group and its associates as well as the vacancy rate of the relevant properties.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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To assess the reasonableness of the proposed annual caps for New Residential Property Management Services Framework Agreement, we have reviewed the projected demand in relation to the Residential Pre-sale Management Services and the Residential Property Management Services by the KWG Group from the Group, which the aforementioned factors have been taken into account. The projected demand incorporates key parameters such as the number of contracts, amount per contract, GFA under management, vacancy rate, vacant GFA, average monthly management fee, and average vacancy period — all determined by Management with reference to historical records and adjusted conservatively for current market conditions.

Having considered the above, including the conservative nature of the projections amid the PRC property market downturn, the linkage to identifiable delivery pipelines from KWG Group, the historical under-utilisation of prior caps, and the provision of reasonable headroom, we are of the view that the proposed annual caps for the continuing connected transactions contemplated under the New Residential Property Management Services Framework Agreement for the Residential Pre-sale Management Services and Residential Property Management Service are fairly determined and are fair and reasonable.

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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**3.2 New Commercial Property Management Services Framework Agreement**

*Historical Amount*

The following table sets out the existing annual caps, transaction amounts and utilisation rates for Commercial Pre-sale Management Services and Commercial Property Management Services provided by the Group to KWG Group:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the year ended 31 December 2025 RMB'000</b>
<b><i>Commercial Pre-sale Management Services</i></b>			
<b>Existing annual caps</b>	31,500	34,700	38,200
— to KWG Group	28,500	29,900	31,400
— to KWG Group's associates	3,000	4,800	6,800
<b>Historical transaction amounts</b>	22,446	19,201	7,335
			<i>(for the nine months ended 30 September 2025)</i>
— to KWG Group	22,280	14,550	7,135
— to KWG Group's associates	166	4,651	200
<b>Utilisation rates</b>	71%	55%	19%
<b><i>Commercial Property Management Services</i></b>			
<b>Existing annual caps</b>	194,100	224,200	259,000
— to KWG Group	165,900	186,200	215,000
— to KWG Group's associates	28,200	4,800	44,000
<b>Historical transaction amounts</b>	152,668	91,865	58,896
			<i>(for the nine months ended 30 September 2025)</i>
— to KWG Group	147,960	86,371	49,039
— to KWG Group's associates	4,708	5,494	9,857
<b>Utilisation rates</b>	79%	41%	23%

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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The utilisation rates of the corresponding existing annual caps for the three years ended 31 December 2025 (annualised) were approximately 77.6%, 42.9% and 29.7%, respectively. The decreasing trend of the utilisation rates was primarily due to the lower-than-expected project number and GFA under management for which the Group was engaged to provide Commercial Pre-sale Management Services and Commercial Property Management Services to KWG Group and its associates.

*Proposed Annual Caps*

The following table sets out the annual caps for the continuing connected transactions contemplated under the New Commercial Property Management Services Framework Agreement:

	For the year ending 31 December 2026 <i>RMB'000</i>	For the year ending 31 December 2027 <i>RMB'000</i>	For the year ending 31 December 2028 <i>RMB'000</i>
<i>Commercial Pre-sale Management Services</i>			
— to KWG Group	9,400	9,400	9,400
— to KWG Group's associates	1,000	1,000	1,000
	10,400	10,400	10,400
<i>Commercial Property Management Services</i>			
— to KWG Group	71,600	71,600	71,600
— to KWG Group's associates	15,000	15,000	15,000
	86,600	86,600	86,600
<b>Total</b>	<b>97,000</b>	<b>97,000</b>	<b>97,000</b>

**Our View**

In assessing the reasonableness and fairness of the proposed annual caps for the New Commercial Property Management Services Framework Agreement, we have discussed with the Management and note that the proposed annual caps were determined with reference to a number of factors, including, among other things:

- (i) the historical transaction amount under the Old Commercial Property Management Services Framework Agreement and the decreasing utilisation rate of the corresponding annual caps for the three years ended 31 December 2025;

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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- (ii) the existing contracts under which the Group has been engaged by KWG Group and its associates to provide Commercial Pre-sale Management Services and Commercial Property Management Services;
- (iii) the estimated project number of approximately 7 for each of the three years ending 31 December 2028 for which KWG Group and its associates will require Commercial Pre-sale Management Services; and
- (iv) the estimated GFA of approximately 0.6 million sq.m. for each of the three years ending 31 December 2028 for which the Group anticipates it may be engaged by KWG Group and its associates to provide Commercial Property Management Services.

To assess the reasonableness of the proposed annual caps for the New Commercial Property Management Services Framework Agreement, we have reviewed the projected demand in relation to the Commercial Pre-sale Management Services and the Commercial Property Management Services by the KWG Group from the Group, which the aforementioned factors have been taken into account. The projected demand incorporates key parameters such as the number of contracts, amount per contract, GFA under management, vacancy rate, vacant GFA, average monthly management fee, and average vacancy period — all determined by Management with reference to historical records and adjusted conservatively for current market conditions.

Having considered the above, including the conservative nature of the projections amid the PRC property market downturn, the linkage to identifiable delivery pipelines from KWG Group, the historical under-utilisation of prior caps, and the provision of reasonable headroom, we are of the view that the proposed annual caps for the continuing connected transactions contemplated under the New Commercial Property Management Services Framework Agreement for the Commercial Pre-sale Management Services and Commercial Property Management Services are fairly determined and are fair and reasonable.

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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**3.3 New Commercial Operational and Value-added Services Framework Agreement**

*Historical Amount*

The following table sets out the existing annual caps, transaction amounts and utilisation rates for Commercial Operational Services and Commercial Value-added Services provided by the Group to KWG Group:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the year ended 31 December 2025 RMB'000</b>
<b><i>Commercial Operational Services</i></b>			
<b>Existing annual caps</b>	119,200	126,600	145,700
— to KWG Group	<i>116,200</i>	<i>122,600</i>	<i>140,700</i>
— to KWG Group's associates	<i>3,000</i>	<i>4,000</i>	<i>5,000</i>
<b>Historical transaction amounts</b>	119,046	52,982	35,480
			<i>(for the nine months ended 30 September 2025)</i>
— to KWG Group	<i>116,138</i>	<i>52,982</i>	<i>35,480</i>
— to KWG Group's associates	<i>2,908</i>	—	—
<b>Utilisation rates</b>	100%	42%	24%
<b><i>Commercial Value-added Services</i></b>			
<b>Existing annual caps</b>			
— to KWG Group	<i>17,100</i>	<i>18,800</i>	<i>20,700</i>
<b>Historical transaction amounts</b>			
— to KWG Group	<i>16,547</i>	<i>17,591</i>	<i>12,414</i>
			<i>(for the nine months ended 30 September 2025)</i>
<b>Utilisation rates</b>	97%	94%	60%

The utilisation rates of the corresponding existing annual caps for the three years ended 31 December 2025 (annualised) were approximately 99.5%, 48.5% and 38.4%, respectively. The decreasing trend of the utilisation rates was primarily due to the continuous downturn of the real estate market in the PRC in the past three years, which have resulted in a lower-than-expected GFA delivered by KWG Group and its associates for which the Group is engaged to provide Commercial Operational Services.

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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*Proposed Annual Caps*

The following table sets out the annual caps for the continuing connected transactions contemplated under the New Commercial Operational and Value-added Services Framework Agreement:

	For the year ending 31 December 2026 <i>RMB'000</i>	For the year ending 31 December 2027 <i>RMB'000</i>	For the year ending 31 December 2028 <i>RMB'000</i>
<i>Commercial Operational Services</i>			
— to KWG Group	47,200	48,000	48,900
— to KWG Group's associates	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
	<u>50,200</u>	<u>51,000</u>	<u>51,900</u>
<i>Commercial Value-added Services</i>			
— to KWG Group	<u>18,200</u>	<u>20,000</u>	<u>22,000</u>
<b>Total</b>	<b><u>68,400</u></b>	<b><u>71,000</u></b>	<b><u>73,900</u></b>

Our View

In assessing the reasonableness and fairness of the proposed annual caps for the New Commercial Operational and Value-added Services Framework Agreement, we have discussed with the Management and note that the proposed annual caps were determined with reference to a number of factors, including, among other things:

- (i) the historical transaction amounts of Commercial Operational Services and Commercial Value-added Services under the Old Commercial Operational and Value-added Services Framework Agreement and the decreasing utilisation rate of the corresponding annual caps for the three years ended 31 December 2025;
- (ii) the existing contracts under which the Group has been engaged by KWG Group and its associates to provide Commercial Operational Services and Commercial Value-added Services; and
- (iii) the estimated GFA under management for which the Group anticipate it may be engaged by KWG Group and its associates to provide Commercial Operational Services and Commercial Value-added Services based on the property development plan and delivery schedule of KWG Group and its associates for the three years ending 31 December 2028.

To assess the reasonableness of the proposed annual caps for the New Commercial Operational and Value-added Services Framework Agreement, we have reviewed the projected demand in relation to the Commercial Operational Services and Commercial Value-added Services by the KWG Group from the Group, which the aforementioned factors have been taken into account. The projected demand incorporates key parameters such as the number of contracts, amount per contract, GFA under management, vacancy rate, vacant GFA, average monthly management fee, and average vacancy period — all determined by Management with reference to historical records and adjusted conservatively for current market conditions.

Having considered the above, including the conservative nature of the projections amid the PRC property market downturn, the linkage to identifiable delivery pipelines from KWG Group, the historical under-utilisation of prior caps, and the provision of reasonable headroom, we are of the view that the proposed annual caps for the continuing connected transactions contemplated under the New Commercial Operational and Value-added Services Framework Agreement for the Commercial Operational Services and Commercial Value-added Services are fairly determined and are fair and reasonable.

#### **4 Reasons for and benefit of entering into the Non-exempt Agreements**

##### *Reasons and Benefits*

The Group has been engaged by KWG Group and its associates to provide Residential Pre-sale Management Services and Residential Property Management Services. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Old Residential Property Management Services Framework Agreement.

The Group has been engaged by KWG Group and its associates to provide Commercial Pre-sale Management Services and Commercial Property Management Services. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Old Commercial Property Management Services Framework Agreement.

The Group has been engaged by KWG Group and its associates to provide Commercial Operational Services and Commercial Value-added Services. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Old Commercial Operational and Value-added Services Framework Agreement.

##### *Our View*

As set out in section headed “OVERALL REASONS FOR AND BENEFITS OF THE NON-EXEMPT AGREEMENTS” of the Board Letter, Since 2021, due to the impact of multiple factors including the macroeconomic environment and adjustments in the Chinese real estate market, settlements between the Group and KWG Group and

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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its associates have been delayed, leading to an increase in the overdue balance of the Group's trade receivables. As of 30 June 2025, the trade receivables from KWG Group and its associates recorded in the Company's consolidated statement of financial position amounted to approximately RMB2,282 million (including service fees in relation to the residential property management services, the commercial property management services, the commercial operational and value-added services, as well as the publicity planning services and the property agency services provided by the Group to KWG Group and its associates).

We have inquired the Management regarding the recovery of the aforesaid outstanding trade receivable and understand that the Group has consistently engaged in active negotiations with KWG Group and its associates and has implemented several measures. These include: (i) implementing a periodic reconciliation mechanism and closely monitoring repayment arrangement and progress; (ii) holding regular specialised settlement meetings involving senior management from both parties to facilitate the implementation of repayment arrangements; (iii) exploring various channels for recovery of trade receivables, such as collecting service fees from the regulated bank accounts of KWG Group and its associates in compliance with applicable laws and regulations; and (iv) initiating legal proceedings against certain member companies of KWG Group to recover outstanding amounts and protect the legitimate rights and interests of the Group. Approximately RMB432.3 million had been settled in cash by KWG Group and its associates during the three years ended 31 December 2025. This included approximately RMB225.2 million pertaining to historical transactions during the three years ended 31 December 2025. Other than cash settlement, there had not been any form of other asset settlement made by KWG Group and its associates in the past.

The Management further states that based on the current operating situation of KWG Group and its associates, especially as KWG Group is still undergoing multiple debt restructurings and many bank accounts of KWG Group and its associates are supervised by government authorities, the Group are currently unable to agree on any feasible settlement plans with KWG Group and its associates. However, the Group will use its best endeavours, based on the aforementioned measures, to actively discuss with KWG Group and its associates to agree practical and feasible plans with KWG Group and its associates as soon as possible.

Based on our further discussions with the Management, we understand that despite the existence of outstanding receivables from KWG Group, the Company considers that it is reasonable and necessary to enter into the Non-exempt Agreements, primarily based on the following considerations:

- (i) Since 2022, the Group has proactively adjusted its business model with KWG Group and strictly controlled the scale of business. Prior to signing or renewing any specific agreements with KWG Group and its associates, the Group has implemented an additional internal review mechanism. This involves multiple departments, including but not limited to operation, legal, and finance, conducting a comprehensive assessment based on factors such as

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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the historical collections and current operational status of member companies of KWG Group and its associates. The specific agreements under the Non-exempt Agreements clearly stipulated settlement cycles, invoice issuance, payment timelines and termination clauses. While specific terms varied by business type, in general, payment shall be conducted monthly and KWG Group and its associates shall make payment within the applicable credit terms granted which were ranging from five to fifteen working days upon receipt of the invoice issued by the Group;

- (ii) The Company will closely follow-up on a monthly basis on the settlement from KWG Group and its associates under the Non-exempt Agreements. For Residential Pre-sale Management Services, Commercial Pre-sale Management Services, Commercial Operational Services and Commercial Value-added Services, if KWG Group and its associates default and overdue the payment for more than six months, the Group shall suspend the provision of relevant services and terminate the relevant agreements if necessary. During the period of providing services under the Non-exempt Agreements, the Group will actively monitor the sales performance of KWG Group and its associates, and the status of their regulated bank accounts, striving to collect service fees from those regulated bank accounts with the approval of government regulatory authorities. The objective of these measures is to enable the Group to avoid engaging projects with higher credit risks and to decrease newly generated receivables due from KWG Group and its associates, thereby safeguarding the interests of the Group and the Company's shareholders;
- (iii) Continuing to provide Residential Pre-sale Management Services and Commercial Pre-sale Management Services to KWG Group and its associates is conducive to enhancing the Group's market reputation and service brand influence, thereby facilitating the expansion of third-party clients base and increasing pre-sale management service income. For the two years ended 31 December 2024 and the six months ended 30 June 2025, revenues generated from Residential Pre-sale Management Services and Commercial Pre-sale Management Services to Independent Third Parties amounted to approximately RMB22.4 million, RMB32.8 million and RMB20.6 million respectively. Based on the Group's past business practices, providing pre-sale services to KWG Group and its associates helps the Company attract more third-party clients. Certain KWG Group's sale offices to which the Group provided pre-sale services could showcase to potential clients the Company's capabilities on providing Residential Pre-sale Management Services and Commercial Pre-sale Management Services. By continuing to provide such services to the KWG Group and its associates, the Group can facilitate the successful pre-sale of their properties, which enables KWG Group and its associates to generate cash proceeds from the pre-sales and enhance its ability to repay outstanding amounts owed to the Group. Therefore, the continued provision of Residential Pre-sale Management Services and Commercial Pre-sale

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Management Services is mutually beneficial, which can support KWG Group's property monetisation efforts and cash flow generation while safeguarding the interest of the Group by improving the prospects of timely repayment and minimising potential losses on existing exposures. After above considerations on benefits and costs to provide Residential Pre-sale Management Services and Commercial Pre-sale Management Services, the Company is of the view that the continued provision of the services to KWG Group and its associates is in the interests of the Company and the Shareholders as a whole;

- (iv) Undertaking newly delivered property management projects from KWG Group and its associates will further increase the Group's GFA under management, and will allow the Group to secure more third-party clients and receive more revenue from third-party clients;
- (v) The Company has been providing the Residential Property Management Services and Commercial Property Management Services for property owners which are Independent Third Parties as well as KWG Group or its associates. As a majority of them are Independent Third Parties, the Company collected a majority of its basic management fees from Independent Third Parties, and only a minority of them were collected from KWG Group or its associates. The Company expected that the proportion of revenue derived from KWG Group and its associates will further decrease as KWG Group and its associates gradually sell the unsold assets within these projects. According to the unaudited financial record of the Group for the year ended 31 December 2025, the Group was still able to maintain profitability in these projects after excluding the management fees from KWG Group and its associates for the year 2025. As such, the Company is of the view that continuing to provide services for these projects would enable the Group generate profits and cash inflow for the Group which are in the interests of the Company and the Shareholders as a whole;
- (vi) During the three years ended 31 December 2025, the Company provided Commercial Operational Services, Commercial Value-added Services and Commercial Property Management Services concurrently for 7 shopping malls and 6 office buildings owned by KWG Group. The average occupancy rates of these projects have been maintained over 75%, ensuring their stable operational status. This means that a stable portion of the property management fees generated by these projects comes directly from Independent Third Parties. Continuing to provide services for these projects will help these projects sustain stable occupancy rates, thereby securing property management fees from Independent Third Parties and reducing the income attributable to KWG Group for vacant properties. Effective operation services contribute to maintaining or enhancing KWG Group's rental income. Consequently, the Company will have the opportunity to negotiate with KWG Group to allocate a portion of such rental income towards settling the relevant service fees or repaying its

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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outstanding debts to the Company. According to the unaudited financial record of the Group for the year ended 31 December 2025, the Group was still able to maintain profitability in these projects after excluding commercial operational service fees, commercial value-added services and commercial property management service fees from KWG Group and its associates for the year 2025. After above considerations on benefits and costs to provide Commercial Operational Services and Commercial Value-added Services, the Company is of the view that the continued provision of the services to KWG Group and its associates is in the interests of the Company and the Shareholders as a whole;

- (vii) To mitigate the risk of delayed service fee settlements, the Company will implement explicit risk control and exit mechanisms as precautionary measures in the specific agreements entered into pursuant to the Non-exempt Agreements. These clauses are designed to enable the Company to promptly control costs and halt the expansion of credit risk in the event of KWG Group's default, thereby limiting potential losses to a manageable scope. The Company is of the view that the continued provision of the services to KWG Group and its associates pursuant to the Non-exempt Agreements is in the interests of the Company and the Shareholders as a whole; and
- (viii) By continuing to provide services under the Non-exempt Agreements to KWG Group and its associates, the Group can obtain a clearer understanding of the sales and operational status of unsold properties of KWG Group and its associates. This will facilitate the Group's communication with KWG Group and its associates regarding the recovery of receivable from KWG Group and its associates. For instance, using KWG Group's rental income as a credit enhancement measure, or offsetting the unpaid service fees to the Group with KWG Group's unsold properties.

We have further reviewed the listing documents of the Company dated 19 October 2020 and the circular of the Company dated 21 December 2022, the Company, the Group has been engaged by KWG Group and its associates to provide the respective services under the Non-exempt Agreements since the listing of the Company in October 2020, we are of the view that the reasons for entering into the Non-exempt Agreements are sound and that the agreement is in the ordinary and usual course of the Group's business.

Based on the above, we concur with the view of the Directors that entering into the Non-exempt Agreements constitutes a fair and reasonable commercial arrangement under the current market environment and is in the interests of the Company and its shareholders after taken into account of the aforementioned commercial considerations and assessment of medium to long-term benefits and aforementioned procedures in place aiming to have timely settlement and minimizing credit risk exposure. We also consider that the terms of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps therefor)

are fair and reasonable, on normal commercial terms and will be conducted in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

## **5 Internal control measures for the Non-exempt Agreements**

We note that in order to ensure that the transactions contemplated under the Non-exempt Agreements are on normal commercial terms, not less favourable to the Group than terms offered by the Group to Independent Third Parties and in accordance with the pricing policy under the relevant agreement, before entering into any individual agreement for:

- (a) contract which is not awarded through standard public tender procedures under the New Residential Property Management Services Framework Agreement, the operation department of the Group will collect the following information:
  - (i) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months; and
  - (ii) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies.

After collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties. In addition, for the New Residential Property Management Services Framework Agreement, after determining the prices as aforesaid, the Group has to file such proposed prices with the relevant government authorities and the prices ultimately offered to KWG Group and its associates shall not be higher than such standard fees so filed with the relevant government authorities. If the prices need to be revised subsequently, updated filings will be made with the government authorities. For projects providing Residential Property Management Services awarded through the standard public tender procedures regulated by applicable PRC laws and regulations, the bid prices would be filed with the relevant government authorities and apply to all clients of a particular project, regardless of whether services provided to KWG Group or its associates or Independent Third Parties. The operation department is responsible to ensure that the Group charges the same price to all clients of each project every month. The finance department will review the prices charged to clients are correct on a monthly basis;

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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- (b) the New Commercial Property Management Services Framework Agreement and the New Commercial Operational and Value-added Services Framework Agreement, the operation department of the Group will collect the following information:
- (i) at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) carried out with Independent Third Parties within 6 months (if applicable); and
  - (ii) prices charged by at least two other property management companies in the PRC (if available) of comparable transactions with Independent Third Parties collected through, among others, information exchange within the industry, industry talent from other property management services providers recruited by the Group, and publicly available information disclosed by other listed companies.

After collecting the relevant information, the operation department of the Group would determine a price to be offered to KWG Group and its associates which will not be less than the prices offered by the Group to Independent Third Parties.

- (c) The Company has also established procedures for monitoring its continuing connected transactions in which various departments of the Group will be responsible for the implementation, monitoring and review of such procedures. Regular checks will be conducted by the operation department on a quarterly basis to review and assess whether the transactions contemplated under the Non-exempt Agreements are conducted in accordance with the terms of its respective agreement and the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy;
- (d) the independent non-executive Directors and auditors of the Company will conduct annual review of the continuing connected transactions under the Non-exempt Agreements and provide annual confirmation to ensure that the Non-exempt Agreements and the transactions contemplated thereunder are conducted in accordance with the terms of the Non-exempt Agreements (including the relevant pricing policies), on normal commercial terms and in the ordinary and usual course of business of the Group in accordance with Rules 14A.55 and 14A.56 of the Listing Rules; the audit committee of the Company will review the Company's financial controls, risk management and internal control systems; and when considering any renewal or revisions to the Non-exempt Agreements, the Company will then comply with the Listing Rules as applicable; and
- (e) the finance department of the Group will monitor the actual transaction amounts and monthly report will be made by the management team in relation to the aggregate transaction amounts and utilisation rates of the annual caps to ensure that the annual caps under each of the Non-exempt Agreements will not be

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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exceeded. In addition, where a threshold of 85% of the utilisation rate is met, the finance department will alert the management team to consider revising the annual caps in accordance with the relevant requirements of the Listing Rules.

We have considered and noted that:

- (i) the Company has adequate internal control procedures in respect of the Non-exempt Agreements as aforementioned;
- (ii) the documents reviewed by us are consistent with the relevant internal control measures as aforementioned;
- (iii) we have obtained and reviewed the reports issued by the auditors of the Company for FY2023 and FY2024 and note that the auditors of the Company have concluded that nothing had come to their attention that caused them to believe that: (1) the historical continuing connected transactions of the Group have not been approved by the Board; (2) the historical continuing connected transactions of the Group were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group; (3) the historical continuing connected transactions of the Group were not entered into, in all material respects, in accordance with the relevant agreements governing the historical continuing connected transactions of the Group; and (4) the historical continuing connected transactions of the Group have exceeded the relevant cap amounts during FY2023 and FY2024; and
- (iv) the Independent Board Committee comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders of the transactions.

In view of the above, we consider that the internal control procedures of the Group governing the continuing connected transitions of the Group are sufficient and effective to implement the continuing connected transitions of the Group and can be conducted as agreed in the Non-exempt Agreements and in compliance with Chapter 14A of the Listing Rules.

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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**OPINION AND RECOMMENDATION**

Having taken into account the above principal factors and reasons, we consider that the Non-exempt Agreements are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. We also consider that the terms of the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, that the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM to approve the Non-exempt Agreements and the transactions contemplated thereunder (including the proposed annual caps).

Yours faithfully,  
For and on behalf of  
**Draco Capital Limited**  
**Kevin Choi**                      **Leon Au Yeung**  
*Managing Director*                      *Director*

*Mr. Kevin Choi and Mr. Leon Au Yeung are licensed persons under the SFO to carry out type 6 (advising on corporate finance) regulated activity under the SFO and regarded as responsible officers of Draco Capital Limited. Mr. Kevin Choi and Mr. Leon Au Yeung have over 14 and 11 years of experience in corporate finance industry, respectively.*

## 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

### (a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors are taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

#### *Long positions in the Shares and the underlying Shares*

Name of Director	Personal Interests (beneficial owner)	Number of Shares held			Total	% of the issued voting Shares <sup>(1)</sup>
		Corporate Interests (Interests of controlled corporation)	Other interests			
KONG Jianmin	2,300,000	849,718,661 <sup>(2)</sup>	219,635,885 <sup>(4)</sup>	1,071,654,546	52.90	
KONG Jiannan	—	81,827,772 <sup>(3)</sup>	988,977,774 <sup>(4)</sup>	1,070,805,546	52.86	

*Notes:*

- (1) The approximate percentage was calculated based on the total number of issued Shares (i.e. 2,025,858,916 Shares) as at the Latest Practicable Date.
- (2) Plus Earn and Hero Fine are wholly-owned and controlled by Mr. KONG Jianmin. By virtue of the SFO, Mr. KONG Jianmin is deemed to be interested in the Shares in which Plus Earn and Hero Fine are interested.
- (3) Peace Kind and Expert Vision International Limited (“**Expert Vision**”) are wholly-owned and controlled by Mr. KONG Jiannan. By virtue of the SFO, Mr. KONG Jiannan is deemed to be interested in the Shares in which Peace Kind and Expert Vision are interested.

- (4) On 14 October 2020, Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind entered into the Shareholders' Agreement, pursuant to which, among other things, the parties thereto shall vote at general meetings of the Company according to the instruction of whichever party thereto holds the most Shares from time to time. As such, by virtue of the SFO, each of Mr. KONG Jianmin and Mr. KONG Jiannan is deemed to be interested in the total number of Shares directly held by Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind.

*Long positions in the shares of associated corporation of the Company*

<b>Name of Director</b>	<b>Name of associated corporation</b>	<b>Capacity</b>	<b>Number of shares held</b>	<b>% of the issued voting shares<sup>(1)</sup></b>
KONG Jianmin	Plus Earn	Beneficial owner	1,000	100

Save as disclosed above, as at the Latest Practicable Date, none of the Directors of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were 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 recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**(b) Interests of substantial Shareholders**

As at the Latest Practicable Date, so far as the Directors of the Company were aware of, persons (other than Directors of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Name of substantial Shareholder	Personal Interests (beneficial owner)	Number of Shares held			Total	% of the issued voting Shares <sup>(1)</sup>
		Corporate Interests (Interests of controlled corporation)	Other interests			
Plus Earn <sup>(4)</sup>	678,390,949	—	390,963,597 <sup>(3)</sup>	1,069,354,546	52.79	
Hero Fine <sup>(4)</sup>	171,327,712	—	898,026,834 <sup>(3)</sup>	1,069,354,546	52.79	
Peace Kind <sup>(4)</sup>	80,376,772	—	988,977,774 <sup>(3)</sup>	1,069,354,546	52.79	
KONG Jiantao	—	139,259,113 <sup>(2)</sup>	930,095,433 <sup>(3)</sup>	1,069,354,546	52.79	
Right Rich	136,017,833	—	933,336,713 <sup>(3)</sup>	1,069,354,546	52.79	
Excel Wave	2,729,450	—	1,066,625,096 <sup>(3)</sup>	1,069,354,546	52.79	
Wealth Express	511,830	—	1,068,842,716 <sup>(3)</sup>	1,069,354,546	52.79	

*Notes:*

- (1) The approximate percentage was calculated based on the total number of issued Shares (i.e. 2,025,858,916 Shares) as at the Latest Practicable Date.
- (2) Right Rich, Excel Wave and Wealth Express are wholly-owned and controlled by Mr. KONG Jiantao. By virtue of the SFO, Mr. KONG Jiantao is deemed to be interested in the Shares in which Right Rich, Excel Wave and Wealth Express are interested.
- (3) On 14 October 2020, Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind entered into the Shareholders' Agreement, pursuant to which, among other things, the parties thereto shall vote at general meetings of the Company according to the instruction of whichever party thereto holds the most Shares from time to time. As such, by virtue of the SFO, each of Mr. KONG Jianmin and Mr. KONG Jiannan is deemed to be interested in the total number of Shares directly held by Plus Earn, Hero Fine, Right Rich, Excel Wave, Wealth Express and Peace Kind.
- (4) Mr. KONG Jiannan is the sole director of Peace Kind and Mr. KONG Jianmin is the sole director of Plus Earn and Hero Fine.

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

### 3. DIRECTOR'S INTERESTS IN COMPETING BUSINESS

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 businesses of the Group as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder.

### 4. DIRECTORS' INTERESTS IN ASSETS

Save for the property lease agreement dated 21 November 2022 (the annual caps for the three years ended 31 December 2025 being RMB30 million, RMB34.2 million and RMB38.6 million, respectively) and the property lease agreement dated 11 December 2025 (the annual caps for the three years ending 31 December 2028 being RMB17.0 million, RMB17.0 million and RMB17.0 million, respectively), both entered into between the Company and KWG Holdings, under which the Group will lease certain properties and car parking lots from KWG Group and in which each of Mr. KONG Jianmin, a non-executive Director, and Mr. KONG Jiannan, an executive Director, is considered as having a material interest, as at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been 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 since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

### 5. 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 which is not expiring or determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

### 6. DIRECTOR'S INTERESTS IN CONTRACTS OR ARRANGEMENTS

Save for the Non-exempt Agreements and the Old Framework Agreements in which each of Mr. KONG Jianmin, a non-executive Director, and Mr. KONG Jiannan, an executive Director, is considered as having a material interest, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the business of the Group.

## 7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made.

## 8. EXPERT AND CONSENT

The following is the qualification of the expert or professional adviser who has given its opinion or advice contained in this circular:

<b>Name</b>	<b>Qualification</b>
Draco Capital Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the above expert:

- (a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name, in the form and context in which it appears;
- (b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have any direct or indirect interest in any assets which had been since 31 December 2024 (the date to which the latest published audited consolidated financial statements of the Company were made up), acquired, 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.

## 9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the Company's website ([www.kwgliving.com](http://www.kwgliving.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) from the date of this circular up to and including the date of the EGM (being not less than 14 days):

- (a) the New Residential Property Management Services Framework Agreement and the supplemental agreement to it;
- (b) the New Commercial Property Management Services Framework Agreement and the supplemental agreement to it;
- (c) the New Commercial Operational and Value-added Services Framework Agreement and the supplemental agreement to it; and
- (d) the written consent of Draco Capital Limited as referred to in the section headed "Expert and Consent" in this appendix.

**10. MISCELLANEOUS**

This circular and the accompanying proxy form have been prepared in both English and Chinese. In the event of discrepancies, the English text of this circular shall prevail over the Chinese text.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **KWG Living Group Holdings Limited**

### **合景悠活集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3913)**

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of KWG Living Group Holdings Limited (the “**Company**”) will be convened and held at Yunshan Conference Room, 38th Floor, International Finance Place, No. 8 Huaxia Road, Pearl River New Town, Guangzhou, People’s Republic of China on Monday, 30 March 2026 at 4:00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions of the Company:

### **ORDINARY RESOLUTIONS**

1. “**THAT** the residential property management services framework agreement dated 11 December 2025 entered into between the Company and KWG Group Holdings Limited, as supplemented by a supplemental agreement dated 12 February 2026 (“**KWG Holdings**”) (the “**New Residential Property Management Services Framework Agreement**”) and the transactions contemplated thereunder (including the proposed annual caps therefor) be and are hereby confirmed and approved and the directors of the Company (the “**Directors**”) be and are hereby authorised to do all such acts, deeds and things and to sign, execute and deliver all such documents as they may, in 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 New Residential Property Management Services Framework Agreement and the transactions contemplated thereunder.”
2. “**THAT** the commercial property management services framework agreement dated 11 December 2025 entered into between the Company and KWG Holdings, as supplemented by a supplemental agreement dated 12 February 2026 (the “**New Commercial Property Management Services Framework Agreement**”) and the transactions contemplated thereunder (including the proposed annual caps therefor) be and are hereby confirmed and approved and the Directors be and are hereby authorised to do all such acts, deeds and things and to sign, execute and deliver all such documents as they may, in 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 New Commercial Property Management Services Framework Agreement and the transactions contemplated thereunder.”

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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3. “**THAT** the commercial operational and value-added services framework agreement dated 11 December 2025 entered into between the Company and KWG Holdings, as supplemented by a supplemental agreement dated 12 February 2026 (the “**New Commercial Operational and Value-added Services Framework Agreement**”) and the transactions contemplated thereunder (including the proposed annual caps therefor) be and are hereby confirmed and approved and the Directors be and are hereby authorised to do all such acts, deeds and things and to sign, execute and deliver all such documents as they may, in 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 New Commercial Operational and Value-added Services Framework Agreement and the transactions contemplated thereunder.”

By order of the Board  
**KWG Living Group Holdings Limited**  
**KONG Jianmin**  
*Chairman*

Hong Kong, 9 March 2026

*Notes:*

1. Any Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her, a proxy need not be a shareholder of the Company.
2. In case of joint registered holders of any shares of the Company, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such share as if he/she was solely entitled thereto; but if more than one of such joint persons be present at the EGM personally or by proxy, then one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
3. To be valid, the Proxy Form duly completed and signed in accordance with the instructions printed hereon together with the power of attorney or other authority, if any, under which it is signed or a notarized copy thereof must be delivered to the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof (as the case may be).
4. Completion and delivery of the Proxy Form will not preclude you from attending and voting in person at the EGM or any adjourned thereof if you so wish. In such event, the Proxy Form shall be deemed to be revoked.
5. For the purpose of ascertaining Shareholders’ entitlement to attend and vote at the EGM (or at any adjournment thereof), the register of members of the Company will be closed from Wednesday, 25 March 2026 to Monday, 30 March 2026 (both days inclusive) during which period no transfer of shares will be registered. 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 share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 24 March 2026.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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6. Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the EGM must be taken by poll. Under Article 66 of the Articles, a resolution put to the vote at the EGM shall be decided by way of a poll, save that the chairman of the EGM may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.
7. The Chinese version of this notice is for reference only. Should there be any discrepancies, the English version shall prevail.