
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Country Garden Holdings Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

**(I) POSSIBLE TRANSACTIONS IN CONNECTION
WITH THE PROPOSED RESTRUCTURING INVOLVING:**

- A. PROPOSED ISSUANCE OF MANDATORY CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE;**
 - B. PROPOSED ISSUANCE OF SCA WARRANT UNDER SPECIFIC MANDATE;**
 - C. PROPOSED ISSUANCE OF NEW SHARES PURSUANT TO THE WORK FEE
ARRANGEMENTS AND RSA FEES UNDER SPECIFIC MANDATE;**
 - D. THE PROPOSED ISSUANCE OF NEW SHARES PURSUANT TO THE TFB
BILATERAL LOAN RESOLUTION;**
 - E. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED
CAPITALISATION OF SHAREHOLDER LOANS INVOLVING ISSUANCE OF
NEW SHARES TO THE CONTROLLING SHAREHOLDER
UNDER SPECIFIC MANDATE;**
 - F. PROPOSED ADOPTION OF THE MANAGEMENT INCENTIVE PLAN; AND**
 - G. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED
DISPOSAL OF EQUITY INTEREST IN CERTAIN SUBSIDIARIES AND
SETTING OFF OF SHAREHOLDER LOAN AND
RELATED CONTINUING CONNECTED TRANSACTIONS**
- (II) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

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



A notice convening the EGM to be held as a virtual meeting via online platform (the “eVoting Portal”) on Wednesday, 3 December 2025 at 3:00 p.m. is set out on pages EGM-1 to EGM-8 of this circular. A form of proxy for the EGM is also enclosed with this circular.

Whether or not you intend to attend the EGM via the eVoting Portal, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting via the eVoting Portal at the EGM or any adjourned meeting thereof should you so wish and, in such event, the form of proxy previously submitted shall be deemed to be revoked.

17 November 2025

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DEFINITIONS

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

“2023 Refinancing Credit Support”	the additional guarantees granted by, and security interests granted over the shares of, 11 offshore members of the Group, which were granted in favour of the Class 1 Creditors as part of the 2023 refinancing exercise of the Existing Syndicated Loans
“AGM”	the 2025 annual general meeting of the Company convened and held on 5 June 2025
“AHG”	an ad hoc group, which comprises certain holders who collectively beneficially hold or control approximately 30% of the outstanding principal amount of the Existing Public Notes and Existing HKD Convertible Bonds as at 11 April 2025
“Announcements”	(i) the announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 6 June 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025, 21 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 30 June 2025, 18 August 2025, 13 October 2025, 30 October 2025 and 6 November 2025 in relation to, <i>inter alia</i> , the Company’s pursuit of a holistic solution to address the Group’s material offshore indebtedness and the Proposed Restructuring; and (ii) the announcement dated 14 November 2025 in relation to the possible transactions in connection with the Proposed Restructuring involving, among others, (a) the proposed issuance of Mandatory Convertible Bonds and MCB Conversion Shares under Specific Mandate; (b) the proposed issuance of SCA Warrants and SCA Warrant Shares under Specific Mandate; (c) the proposed issuance of new Shares pursuant to the Work Fee Arrangements and RSA Fees under Specific Mandate; (d) the proposed issuance of new Shares pursuant to the TFB Bilateral Loan Resolution; (e) connected transaction in relation to the proposed capitalisation of Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under Specific Mandate; (f) the proposed adoption of the Management Incentive Plan; and (g) connected transaction in relation to the Proposed Disposal of equity interest in certain subsidiaries and setting off of Shareholder Loans and related continuing connected transactions
“Articles of Association”	the articles of association of the Company as amended from time to time
“associate”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Award Letter”	has the meaning ascribed to it in Appendix II to this circular
“Award Period”	the period of ten years upon the fulfilment of all the conditions for the adoption of MIP
“Award Sale Proceeds”	the sales proceeds at the actual price at which the Awards Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) upon vesting of an Award pursuant to the MIP
“Award Share(s)”	the Share(s) granted to a Selected Participant in an Award
“Award(s)”	an award granted by the Board to a Selected Participant, by way of restricted share units, which may vest in the form of Award Shares or the Award Sale Proceeds of the Award Shares in cash, as the Board or the MIP Administrator may determine in accordance with the terms of the MIP Rules
“Beauty Humble”	Beauty Humble Limited (謙美有限公司), a company incorporated in the British Virgin Islands as a BVI business company and a wholly-owned subsidiary of the Company as of the Latest Practicable Date
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Calculation Agent”	Conv-Ex Advisors Limited, a service provider that provides calculation services in connection with the MCBs and SCA Warrants and an Independent Third Party
“Capitalisation Shares”	up to 15,519,049,697 Shares at the initial issue price of HK\$0.60 per Share to be issued to Concrete Win for the settlement of Shareholder Loans subject to the terms and conditions of the Shareholder Loans Equitisation Agreement
“CB Holder Group”	certain holders of the Existing HKD Convertible Bonds who collectively beneficially hold or control no less than 34% of the outstanding principal amount of the Existing HKD Convertible Bonds
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited

DEFINITIONS

“CGPV”	Country Garden Pacificview Sdn. Bhd., a company incorporated in Malaysia with limited liability and a non-wholly owned subsidiary of the Company as of the Latest Practicable Date
“CGPV Preference Shares”	the entire preference shares in CGPV held by Beauty Humble as of the Latest Practicable Date
“CGRE”	Country Garden Real Estate Sdn. Bhd., a company incorporated in Malaysia with limited liability and a wholly-owned subsidiary of the Company as of the Latest Practicable Date
“CGWF”	Country Garden Waterfront Sdn. Bhd., a company incorporated in Malaysia with limited liability and a non-wholly owned subsidiary of the Company as of the Latest Practicable Date
“CGWF Shares”	(i) approximately 96.67% of the issued ordinary shares in CGWF and (ii) the entire issued preference shares in CGWF, each held by CGRE as of the Latest Practicable Date
“CHB”	Chong Hing Bank Limited (a wholly-owned subsidiary of Guangzhou Yue Xiu Holdings Limited (廣州越秀集團股份有限公司), a state-owned enterprise, and an Independent Third Party)
“CHB Bilateral Loan”	the US\$35,000,000 or equivalent term loan facility agreement dated 14 July 2023, entered into between the Company as borrower, Wise Fame Group Ltd as guarantor and CHB as lender, as amended or supplemented from time to time
“CHB Bilateral Loan Resolution”	the proposed consensual resolution of the CHB Bilateral Loan under which the underlying indebtedness shall be fully discharged and compromised in return for the lender receiving MCB (C)
“CIBS”	CGPV Industrial Building System Sdn. Bhd., a company incorporated in Malaysia with limited liability and a non-wholly owned subsidiary of the Company as of the Latest Practicable Date
“CIBS Preference Shares”	the entire preference shares in CIBS held by CGRE and Beauty Humble respectively as of the Latest Practicable Date
“Class 1 Creditors”	the lenders under the Existing Syndicated Loans
“Class 2 Creditors”	the holders and/or lenders under the Existing Debt Instruments other than the Existing Syndicated Loans

DEFINITIONS

“Clearing Systems”	either or both of Euroclear Bank SA/NV and Clearstream Banking S.A. and each of their respective nominees and successors, and any other system designed for similar or analogous purposes, as appropriate
“CoCom”	the steering committee of certain lenders under the Existing Syndicated Loans, who collectively beneficially hold or control no less than 49.0% of the outstanding principal amount of the Existing Syndicated Loans
“Company”	Country Garden Holdings Company Limited 碧桂園控股有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 2007)
“Concrete Win”	Concrete Win Limited 必勝有限公司, a company incorporated in the British Virgin Islands with limited liability, which is ultimately controlled by Ms. YANG Huiyan and a controlling shareholder of the Company as of the Latest Practicable Date
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder” or “Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules, and unless the context otherwise requires, refers to Ms. YANG Huiyan, Concrete Win and their respective associates or any one of them
“Conversion Price”	MCB (A) Conversion Price, MCB (B) Conversion Price and MCB (C) Conversion Price, as the case may be
“Creditor(s)”	collectively, the Class 1 Creditors and the Class 2 Creditors
“Director(s)”	the director(s) of the Company
“EGM”	the 2025 first extraordinary general meeting of the Company (or any adjournment thereof) to be held as a virtual meeting via online platform (the “ eVoting Portal ”) on Wednesday, 3 December 2025 at 3:00 p.m.

DEFINITIONS

“Eligible Participant(s)”	any director (excluding the Controlling Shareholder), senior management or employee of the Group, who the Board or the MIP Administrator considers, in its sole discretion, to have made or will make significant contributions to the Company’s business and performance of obligations under the new instruments following the Restructuring Effective Date; however, (a) no director, senior management or employee of the Group who have left the Group or are serving out their notice period as at the Restructuring Effective Date, and (b) no individual who is resident in a jurisdiction or location where the grant, acceptance or vesting of an Award pursuant to the MIP is not permitted under the laws and regulations of such jurisdiction or location, in the view of the Board or the MIP Administrator, compliance with applicable laws and regulations in such jurisdiction or location makes it necessary or expedient to exclude such individual, shall be entitled to participate in the MIP and such individual(s) shall therefore be excluded from being an Eligible Participant under the MIP
“Existing Debt”	all present and future moneys, debts, claims, liabilities and obligations due, owing or incurred from time to time by any member of the Group to any Creditor under or in connection with the Existing Debt Instruments
“Existing Debt Instruments”	the Existing Loans and the Existing Notes
“Existing HKD Convertible Bonds”	the financings described in item 2 of Part B of the section headed “14. Existing Debt Instruments subject to the Scheme”
“Existing HKD Convertible Bonds Consent Solicitation”	the consent solicitation to change the governing law of the Existing HKD Convertible Bonds to Hong Kong law as part of the Proposed Restructuring
“Existing Loans”	collectively, the Existing Syndicated Loans, item 2 of Part A of the section headed “14. Existing Debt Instruments subject to the Scheme” and, in the event that the Company and its advisers deem necessary or advisable, the Existing Loans (Onshore Credit Support)
“Existing Loans (Onshore Credit Support)”	the financings described in item 3 of Part A of the section headed “14. Existing Debt Instruments subject to the Scheme”
“Existing Notes”	the Existing Public Notes and the Existing HKD Convertible Bonds

DEFINITIONS

“Existing Public Notes”	the financings described in item 1 of Part B of the section headed “14. Existing Debt Instruments subject to the Scheme”
“Existing Syndicated Loans”	the financings described in item 1 of Part A of the section headed “14. Existing Debt Instruments subject to the Scheme”
“FC Project”	the integrated residential and hotel development located in a special financial zone in Johor, Malaysia named “Forest City”
“General Mandate”	the general mandate granted by the Shareholders at the AGM
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of an Award Letter
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising all of the independent non-executive Directors, namely Dr. HAN Qinchun, Mr. WANG Zhijian and Mr. TUO Tuo, which has been established to advise the Independent Shareholders in respect of the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under Specific Mandate, the Proposed Disposal and the transactions contemplated under the Share Purchase Agreement (including the Upside Sharing Agreement and the ListCo CVR) and the Management Services Framework Agreement (including the proposed annual caps contemplated thereunder)
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under Specific Mandate, the Proposed Disposal and the transactions contemplated under the Share Purchase Agreement (including the Upside Sharing Agreement and the ListCo CVR) and the Management Services Framework Agreement (including the proposed annual caps contemplated thereunder)

DEFINITIONS

“Independent Shareholders”	the Shareholders other than (i) Concrete Win and its associates; and (ii) other Shareholder (if any) who is interested or involved in the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under Specific Mandate, the Proposed Disposal and the transactions contemplated under the Share Purchase Agreement (including the Upside Sharing Agreement and the ListCo CVR) and the Management Services Framework Agreement (including the proposed annual caps contemplated thereunder)
“Independent Third Party(ies)”	parties who are independent of, and not connected with, the Company or any of its connected persons
“Individual Limit”	has the meaning ascribed to it in Appendix II to this circular
“Latest Practicable Date”	10 November 2025, being the latest practicable date prior to the issue of this circular for ascertaining certain information for inclusion in this circular
“ListCo CVR”	the contingent value rights instrument to be issued to the Company in connection with the Proposed Disposal
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Longstop Date”	31 March 2026, or such later date as may be extended pursuant to the terms of the Scheme
“LTI (A)”	the long term instrument, which has an initial maturity date of 31 December 2034, to be issued to creditors as part of the Scheme
“LTI (B)”	the long term instrument, which has an initial maturity date of 31 December 2036, to be issued to creditors as part of the Scheme
“LTIs”	collectively, LTI (A) and LTI (B)
“Management Incentive Plan” or “MIP”	the management incentive plan to be adopted by the Company at the EGM, the terms and conditions of which are expected to be subject to Chapter 17 of the Listing Rules
“Management Services”	comprehensive development and management services for the development and management of the FC Project

DEFINITIONS

“Management Services Framework Agreement”	the management services framework agreement to be entered into between the Company (or another entity designated by the Company) and CGWF which sets out the principal terms for the provision of the Management Services by the Group to the Target Group for a term commencing on the completion of the Proposed Disposal to three years from the completion of the Proposed Disposal
“MCB (A)”	the zero coupon mandatory convertible bonds with a maturity date of 78 months from the Reference Date to be issued by the Company on the Restructuring Effective Date as part of the Scheme pursuant to the MCB (A) Trust Deed
“MCB (A) Conversion Price”	initially HK\$2.60 per Share, subject to adjustment, in respect of the MCB (A)
“MCB (A) Trust Deed”	the trust deed to be entered into between, among others, the Company, the initial subsidiary guarantors named therein and the MCB Trustee pursuant to which the MCB (A) are to be constituted
“MCB (B)”	the zero coupon mandatory convertible bonds with a maturity date of 114 months from the Reference Date to be issued by the Company on the Restructuring Effective Date as part of the Scheme pursuant to the MCB (B) Trust Deed
“MCB (B) Conversion Price”	initially HK\$10.00 per Share, subject to adjustment, in respect of the MCB (B)
“MCB (B) Trust Deed”	the trust deed to be entered into between, among others, the Company, the initial subsidiary guarantors named therein and the MCB Trustee pursuant to which the MCB (B) are to be constituted
“MCB (C)”	the zero coupon mandatory convertible bonds with a maturity date of 78 months from the Reference Date to be issued by the Company on the Restructuring Effective Date as part of the CHB Bilateral Loan Resolution pursuant to the MCB (C) Trust Deed
“MCB (C) Conversion Price”	initially HK\$1.10 per Share, subject to adjustment, in respect of MCB (C)
“MCB (C) Trust Deed”	the trust deed to be entered into between, among others, the Company and the MCB Trustee pursuant to which the MCB (C) are to be constituted

DEFINITIONS

“MCB Conversion Shares”	the new Shares to be issued upon conversion of the MCBs and the new Shares to be issued in place of MCB (A) in the event the Company is unable to obtain the requisite regulatory approvals to issue MCB (A) in payment of RSA Fees and work fees payable to the AHG
“MCB Trustee”	GLAS Agency (Hong Kong) Limited, a service provider that provides agents and trust services, in its capacity as bonds trustee under the MCB (A) Trust Deed, the MCB(B) Trust Deed and the MCB (C) Trust Deed and an Independent Third Party
“MCBs” or the “Mandatory Convertible Bonds”	collectively, MCB (A), MCB (B) and MCB (C)
“Memorandum of Association”	the memorandum of association of the Company, adopted on 22 December 2021 and as amended from time to time
“MIP Administrator”	the specialised committee of the Board or person(s) to which the Board has delegated its authority (as applicable) to administer the MIP
“MIP Limit”	the total number of the Shares that may be issued in respect of Awards granted under the MIP, representing 10% of the total number of Shares in issue as at the date of the EGM
“MIP Limit Reference Date”	the date on which the MIP is approved by the Shareholders in accordance with the Listing Rule
“MIP Rules”	the rules set out in Appendix II to this circular relating to the MIP as amended from time to time
“MIP Trust Deed”	where applicable, the trust deed to be entered into between the Company and the Trustee in the context of establishment of the Trust (as may be restated, supplemented and amended from time to time)
“Monitoring Accountant”	the independent service provider to be appointed as monitoring accountant under the New Instrument Documents
“MTI”	the new medium term instrument, which has an initial maturity date of 31 December 2032, to be issued to creditors as part of the Scheme
“MYR”	Malaysian Ringgit, the lawful currency of Malaysia
“New Debt Instruments”	collectively, the SCA Loan, MTI and LTIs

DEFINITIONS

“New Shares”	collectively, the MCB Conversion Shares, the SCA Warrant Shares, the Work Fee Shares, the TFB Shares and the Capitalisation Shares
“PRC”	the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Disposal”	the proposed disposal of the Target Shares pursuant to the terms and conditions of the Share Purchase Agreement
“Proposed Restructuring”	the holistic solution to the offshore debt of the Company to be conducted materially in the manner envisaged by, and materially on the terms set out in, the RSA
“Reference Date”	30 June 2025
“Related Income”	all cash income derived from the vested Award Shares (i.e., cash dividends declared and paid on the Award Shares) excluding any interest earned on such cash income and held on trust for the benefit of the Selected Participant, notwithstanding whether such vested Award Shares have been transferred to the Selected Participant
“Restructuring Documents”	all documents, agreements and instruments necessary to implement the Proposed Restructuring
“Restructuring Effective Date”	the date on which the Proposed Restructuring is implemented in full
“Returned Shares”	such Award Shares that are not vested and/or are lapsed in accordance with the terms of the MIP, or such Shares being deemed to be Returned Shares under the MIP Rules
“Returned Trust Funds”	all cash income derived from the Returned Shares (i.e., cash dividends declared and paid on the Returned Shares) or otherwise derived pursuant to the MIP, in either case excluding any interest earned on such cash income or otherwise and held on trust for the purpose of the MIP
“RMB”	Renminbi, the lawful currency of the PRC
“RSA”	the restructuring support agreement dated 11 April 2025 (as amended and supplemented on 18 August 2025) entered into between the Company and the members of the AHG in respect of the Proposed Restructuring

DEFINITIONS

“RSA Fees”	the fees to be paid to the eligible Creditors who have acceded to the RSA prior to the relevant deadline, in accordance with the terms of the RSA
“SCA Loan”	the 2-year tenor term loan in the principal amount of US\$89,000,000 to be entered into by the Class 1 Creditors as part of the Scheme
“SCA Warrant Exercise Price”	initially HK\$0.60 per Share, subject to adjustment, in respect of the SCA Warrants
“SCA Warrant Shares”	the new Shares to be issued upon exercise of the SCA Warrants
“SCA Warrants”	warrants to be issued under the SCA Warrants Instrument to the original lenders of the SCA Loan
“SCA Warrants Instrument”	the warrants instrument to be entered into by the Company for the benefits of the holders of the SCA Warrants
“Scheme”	scheme of arrangement between the Company and Creditors proposed to be made under Sections 670, 673 and 674 of the Hong Kong Companies Ordinance for the purposes of implementing the Proposed Restructuring
“Scheme Consideration”	the new instruments to be issued to creditors pursuant to the terms of the Scheme, including the SCA Loan, MCB (A), MCB (B), MTI, LTI (A), LTI (B), the SCA Warrants and the Scheme Creditor CVR
“Scheme Creditor CVR”	the contingent value rights instrument to be issued to an agent (who shall hold the same for the benefit of the holders of the SCA Loan, MTI and LTIs) in connection with the Proposed Disposal
“Selected Participant”	any Eligible Participant approved for participation in the MIP
“SGX-ST”	The Singapore Exchange Securities Trading Limited
“Share Purchase Agreement”	the share purchase agreement dated 13 November 2025 entered into between CGRE, Beauty Humble, Concrete Win and the Company in respect of the Proposed Disposal
“Share Registrar”	the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HKD0.10 each

DEFINITIONS

“Shareholder Loans”	the existing Shareholder Loans owed by the Company to the Controlling Shareholder, which has an aggregate outstanding principal amount of approximately US\$1.148 billion (or equivalent) as of the Latest Practicable Date
“Shareholder Loans Equitisation Agreement”	the shareholder loans equitisation agreement dated 13 November 2025 entered into between Concrete Win and the Company in respect of the setting off of up to approximately US\$1.148 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) and the proposed issuance of the Capitalisation Shares under the Specific Mandate
“Shareholder(s)”	holder(s) of Share(s)
“Specific Mandate”	the specific mandate to be granted by the Shareholders and/or the Independent Shareholders at the EGM to allot and issue New Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Target Companies”	CGWF, CGPV and CIBS
“Target Group”	the Target Companies and their respective subsidiaries
“Target Shares”	CGWF Shares, CGPV Preference Shares and CIBS Preference Shares
“TFB”	Tai Fung Bank Limited, a company incorporated in Macau and approximately 50.31% of its issued share capital is beneficially owned by Bank of China Limited (a company listed on the Stock Exchange, stock code: 3988 and listed on the Shanghai Stock Exchange, stock code: 601988), and an Independent Third Party
“TFB Bilateral Loan”	the HK\$950,000,000 or equivalent term loan facility agreement dated 31 March 2023, entered into between the Company as borrower and TFB as lender, as amended or supplemented from time to time
“TFB Bilateral Loan Resolution”	the proposed consensual resolution of the TFB Bilateral Loan

DEFINITIONS

“TFB Shares”	a total number of up to 16,849,842 new Shares to be issued to TFB pursuant to the TFB Bilateral Loan Resolution under the specific mandate to be approved at the EGM
“Treasury Shares”	the Shares bought back or otherwise acquired and held by the Company in treasury (if any), as authorised by the laws and regulations of the Cayman Islands and the Memorandum of Association and the Articles of Association as in effect from time to time which for the purpose of the Listing Rules, include Shares bought back or otherwise acquired by the Company and held or deposited in CCASS for sale on the Stock Exchange
“Trust”	the trust established by the Trustee and constituted by the Trust Deed (if any) to service the MIP
“Trustee”	the trustee appointed by the Company for the purpose of administering the Trust
“Upside Sharing Agreement”	the upside sharing agreement to be entered into between the Company and Concrete Win on completion of the Proposed Disposal, which sets out the principal terms for the sharing of returns that Concrete Win receives from the Target Group with the Company for a term commencing on the completion of the Proposed Disposal to three years from the completion of the Proposed Disposal
“US\$” or “USD”	United States dollars, the lawful currency of the United States of America
“Valuer”	Roma Appraisals Limited, being the independent valuer engaged by the Company for the valuation of, among others, the equity interest and property interest of the Target Group
“Vesting Date”	the date or dates, as determined from time to time by the Board or the MIP Administrator, on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Award Letter, unless a different Vesting Date is deemed to occur in accordance with the MIP Rules
“Vesting Notice”	has the meaning ascribed to it in Appendix II to this circular
“Work Fee Arrangements”	collectively, the work fee arrangements agreed between the Company and the (i) AHG, (ii) CoCom, and (iii) CB Holder Group, in respect of certain work fees to be paid

DEFINITIONS

“Work Fee Shares”	a total number of up to 914,221,768 new Shares to be issued to the AHG, CoCom and CB Holder Group pursuant to the Work Fee Arrangements under the specific mandate to be approved at the EGM
“%”	per cent.

For the purpose of this circular, unless the context otherwise requires, conversion of USD and MYR into RMB is based on the approximate exchange rate of USD1.00 to RMB7.20 and MYR1.00 to RMB1.70. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in USD, MYR or RMB have been, could have been or may be converted at such or any other rate or at all.

This circular contains certain forward-looking statements. These forward-looking statements are based on information currently available to the Group or the current belief, expectations and assumptions of the Board. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results to differ materially from those expressed or implied in such forward-looking statements. In light of the risks and uncertainties, the inclusion of forward-looking statements in this circular should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and Shareholders, holders of securities and investors of the Company should not place undue reliance on such statements.

Should there be any discrepancy between English and Chinese versions, the English version shall prevail.

SPECIAL ARRANGEMENTS FOR THE EGM

All registered Shareholders will be able to join the EGM via the eVoting Portal. The eVoting Portal can be accessed from any location with access to the internet via smartphone, tablet device or computer.

Through the eVoting Portal, registered Shareholders will be able to view the live video broadcast, participate in voting and submit questions online, or call the hotline to raise questions during the Q&A session of the EGM. Login details and information will be included in our letters to registered Shareholders regarding the eVoting Portal which will be despatched later and the dial-in number will be provided during the EGM.

HOW TO ATTEND AND VOTE

Shareholders who wish to attend the EGM and exercise their voting rights can be achieved in one of the following ways:

- (i) attend the EGM via the eVoting Portal which enables live streaming and interactive platform for submitting questions and voting online and/or speak at the EGM by calling the hotline during the Q&A session of the EGM; or
- (ii) appoint the chairperson of the EGM or other persons as your proxy by providing their email address for receiving the designated log-in username and password to attend and vote on your behalf via the eVoting Portal.

Your proxy's authority and instruction will be revoked if you attend and vote via the eVoting Portal at the EGM.

If you are a non-registered Shareholder, you should contact your banks, brokers, custodians, nominees or HKSCC Nominees Limited through which your Shares are held (as the case may be) (collectively the “**Intermediary**”) and instruct the Intermediary to appoint you as proxy or corporate representative to attend and vote via eVoting Portal at the EGM and in doing so, you will be asked to provide your email address. Details regarding the eVoting Portal including the login details will be emailed to you by the Share Registrar.

Completion and return of the form of proxy will not preclude a member from attending and voting via the eVoting Portal at the EGM or any adjournment thereof (as the case may be) and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

In order to be entitled to attend and vote via the eVoting Portal at the EGM or any adjourned meeting, all completed transfer documents accompanied by the relevant share certificates must be lodged with the share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 1 December 2025.

SPECIAL ARRANGEMENTS FOR THE EGM

If you have any questions relating to the EGM, please contact the Share Registrar, with the following details:

Address	:	17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Email	:	is-enquiries@vistra.com
Telephone	:	(852) 2980 1333 during business hours from 9:00 a.m. to 6:00 p.m., Monday to Friday, excluding Hong Kong public holidays



COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

Executive Directors:

Ms. YANG Huiyan (*Chairlady*)
Mr. MO Bin (*President*)
Ms. YANG Ziying
Dr. CHENG Guangyu
Ms. WU Bijun

Non-executive Director:

Mr. CHEN Chong

Independent non-executive Directors:

Dr. HAN Qinchun
Mr. WANG Zhijian
Mr. TUO Tuo

Registered office:

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

***Principal place of business
in the PRC:***

Country Garden Centre
No. 1 Country Garden Road
Beijiao Town
Shunde District, Foshan
Guangdong Province 528312
The PRC

***Principal place of business
in Hong Kong:***

Suite 1702, 17/F
Dina House, Ruttonjee Centre
11 Duddell Street
Central
Hong Kong

17 November 2025

LETTER FROM THE BOARD

To the Shareholders

Dear Sir or Madam

- (I) POSSIBLE TRANSACTIONS IN CONNECTION
WITH THE PROPOSED RESTRUCTURING INVOLVING:**
- A. PROPOSED ISSUANCE OF MANDATORY CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE;**
- B. PROPOSED ISSUANCE OF SCA WARRANT UNDER SPECIFIC MANDATE;**
- C. PROPOSED ISSUANCE OF NEW SHARES PURSUANT TO THE WORK FEE
ARRANGEMENTS AND RSA FEES UNDER SPECIFIC MANDATE;**
- D. THE PROPOSED ISSUANCE OF NEW SHARES PURSUANT TO THE TFB
BILATERAL LOAN RESOLUTION;**
- E. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED
CAPITALISATION OF SHAREHOLDER LOANS INVOLVING ISSUANCE OF
NEW SHARES TO THE CONTROLLING SHAREHOLDER
UNDER SPECIFIC MANDATE;**
- F. PROPOSED ADOPTION OF THE MANAGEMENT INCENTIVE PLAN; AND**
- G. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED
DISPOSAL OF EQUITY INTEREST IN CERTAIN SUBSIDIARIES AND
SETTING OFF OF SHAREHOLDER LOAN AND
RELATED CONTINUING CONNECTED TRANSACTIONS**
- (II) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information relating to the resolutions to be proposed at the EGM, among other things, further details in relation to (i) the proposed issuance of Mandatory Convertible Bonds and MCB Conversion Shares under the Specific Mandate; (ii) the proposed issuance of SCA Warrants and SCA Warrant Shares under the Specific Mandate; (iii) the proposed issuance of new Shares pursuant to the Work Fee Arrangements and RSA Fees under the Specific Mandate; (iv) the proposed issuance of new Shares pursuant to the TFB Bilateral Loan Resolution under the Specific Mandate; (v) the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate; (vi) the proposed adoption of the Management Incentive Plan; and (vii) connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions. These resolutions will be proposed at the EGM and are set out in the EGM notice as contained in this circular.

2. BACKGROUND AND THE PROPOSED RESTRUCTURING

Background and reasons for the Proposed Restructuring

References are made to the Announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 6 June 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025, 21 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 30 June 2025, 18 August 2025, 13 October 2025, 30 October 2025 and 6 November 2025 in relation to the Proposed Restructuring.

The Company is a company incorporated in the Cayman Islands with limited liability, and its Shares have been listed on the Main Board of the Stock Exchange.

The Group is one of the China's largest residential property developers that capitalises on urbanisation. With centralised management and standardisation, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. The Group offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and light-asset entrusted management and construction services.

However, the Company, like many companies in the PRC real estate sector, has been negatively affected by the recent events affecting the PRC real estate sector in various respects. Since the second half of 2021, the PRC real estate sector and the capital markets that have funded growth and development of the sector have experienced an inflection point. Tightening of financing policies and reduced bank lending for real estate development has resulted in reduced access by PRC property developers to capital in the PRC.

As disclosed in the announcement of the Company dated 10 October 2023, the Group has been facing phased liquidity pressure and expected that it would not be able to meet all of its offshore payment obligations when due or within the relevant grace periods. Such non-payment has led to relevant creditors of the Group demanding acceleration of payment of the relevant indebtedness owed to them or pursuing enforcement action. Since then, the Company has actively pursued offshore liability management measures and is in the process of developing a holistic solution in a fair and equitable manner to achieve a sustainable capital structure, while respecting the existing legal status and ranking in right of payment of all creditors.

Overview of the Proposed Restructuring

The key terms of the Company's Proposed Restructuring were first disclosed in the announcement of the Company dated 9 January 2025. Such proposal formed the framework for further negotiations aimed at implementing a successful restructuring of the Group's offshore indebtedness. If successfully implemented, the Proposed Restructuring will enable the Group to achieve significant deleveraging, with a targeted reduction of indebtedness of more than USD11 billion assuming that Creditors elect for the Scheme Consideration options with the largest extent of deleveraging, all MCBs and the SCA Warrants are converted into new Shares, and the Shareholder Loans are equitised in accordance with the terms of the Proposed Restructuring. As a result, the Group will have a more sustainable capital structure, allowing it to focus on delivering housing units, continuing its business operations, preserving asset value, and implementing a business and asset disposal strategy which it believes has the best potential to maximise value for all stakeholders.

As disclosed in the announcement dated 6 November 2025, the Company has obtained sufficient support from the Class 1 Creditors and Class 2 Creditors to approve the Scheme at the Scheme Meetings, which were convened on 5 November 2025. The Group has been working closely with the AHG and the CoCom to implement the Proposed Restructuring by the end of 2025. The Proposed Restructuring will involve, among others, the following transactions:

- (i) the implementation of the Existing HKD Convertible Bonds Consent Solicitation to change the governing law of the Existing HKD Convertible Bonds (which are issued by Smart Insight International Limited, a wholly-owned subsidiary of the Group) from English law to Hong Kong law to facilitate the cancellation of the Existing HKD Convertible Bonds on the Restructuring Effective Date pursuant to the Scheme;
- (ii) pursuant to the terms of the Scheme, the compromise and discharge of the obligations of the Group under the Existing Debt Instruments (except for the Existing Loans (Onshore Credit Support), in respect of which only claims against the Company and offshore subsidiaries of the Group will be discharged) in return for Creditors receiving an entitlement to elect between several options of Scheme Consideration, including cash, the proposed MCB (A), MCB (B), MTI and LTIs;
- (iii) pursuant to the terms of the Scheme, release all of the 2023 Refinancing Credit Support obtained by the Class 1 Creditors in the 2023 refinancing exercise of the Existing Syndicated Loans in exchange for (A) the payment of cash consideration of US\$89 million and (B) the issuance of the SCA Loan in the principal amount of US\$89 million and the proposed SCA Warrants (collectively, known as the 'security compensation amount' or SCA). The quantum of the SCA Loan and the cash consideration was determined among the Company and the CoCom upon arms' length negotiations and taking into account, among other things, the potential recoveries by the Class 1

LETTER FROM THE BOARD

Creditors from the 2023 Refinancing Credit Support in the Group Liquidation Scenario, the risks and expenses arising from the enforcement of the 2023 Refinancing Credit Support, and the duration of time required to carry out the enforcement. The release of the 2023 Refinancing Credit Support will allow the Group to utilise the underlying assets to support the debt obligations under the MCB (A), MCB (B) and the New Debt Instruments proposed to be issued under the Scheme;

- (iv) the proposed adoption of the MIP in order to align the interests of the management team with the long-term growth prospects of the Group and incentivise management and key personnel to meet or exceed performance targets under the Group's business plan;
- (v) the proposed disposal of equity interest in the Target Companies in consideration of a partial set-off of US\$50,000,000 in principal amount of the Shareholder Loans given that the Group has determined that it is unable to financially support the Target Group and the Proposed Disposal, together with the related management arrangement and upside sharing arrangement, represents the best approach to preserve value for all stakeholders; and
- (vi) (A) if the Proposed Disposal completes, the proposed capitalisation of the remaining approximately US\$1.098 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of the Shareholder Loans up to (and including) 30 September 2024), or (B) if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date (i.e. there is no set-off of US\$50 million in principal amount of Shareholder Loans pursuant to the Proposed Disposal), the proposed capitalisation of the full US\$1.148 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of the Shareholder Loans up to (and including) 30 September 2024), in each case involving issuance of new Shares to the Controlling Shareholder under Specific Mandate. All accrued and unpaid interest in respect of the Shareholder Loans which has accrued (and remains unpaid) after (and excluding) 30 September 2024 shall be fully waived and cancelled.

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Set out below is an overview of the options under the Scheme and the new instruments that will be issued and documented on the Restructuring Effective Date (save for the Scheme Creditor CVR, which will be issued upon completion of the Proposed Disposal):

Option	Nature of Scheme Consideration	Maturity of new instrument	Interest on new instrument (% per annum)	Principal amount of new instrument immediately upon the occurrence of the Restructuring Effective Date (US\$)
For Class 1 Creditors only				
N/A	Cash consideration	Payable on the Restructuring Effective Date	N/A	\$89,000,000
N/A	SCA Loan — US\$ denominated loan facility	2 years from the Restructuring Effective Date	4.29%	\$89,000,000
N/A	SCA Warrants — warrants which entitle lenders to subscribe for Shares in exchange for the reduction or set-off an equal and corresponding amount payable to that lender under the SCA Loan	N/A	N/A	N/A
For Class 1 Creditors and Class 2 Creditors				
Option 1	Tender offer — Creditors may tender the Existing Debt to the Company for redemption in return for cash consideration. The maximum amount of cash available for the tender offer is US\$200,000,000	Payable on the Restructuring Effective Date	N/A	N/A
Option 2	MCB (A) — US\$ denominated mandatory convertible bond	31 December 2031	N/A	Up to \$2,000,000,000 ¹

¹ The amounts listed here and below are the maximum principal amounts that may be issued under each option, which is variable, depending upon the options elected by Creditors, and the option reallocation mechanics, under the Scheme. The final principal amounts will only be known once these instruments are issued, upon the occurrence of the Restructuring Effective Date.

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Option	Nature of Scheme Consideration	Maturity of new instrument	Interest on new instrument (% per annum)	Principal amount of new instrument immediately upon the occurrence of the Restructuring Effective Date (US\$)
Option 3	MCB (A) — US\$ denominated mandatory convertible bond	31 December 2031	N/A	Up to \$5,500,700,000
	MTI — US\$ denominated debt instrument	31 December 2032 (but may be accelerated to 30 June 2032 in certain circumstances)	2.50% (but subject to variation in certain circumstances)	Up to \$2,709,300,000
Option 4	MCB (B) — US\$ denominated mandatory convertible bond	31 December 2034	N/A	To be determined, based on the Creditors which elect for and/or are allocated MCB (B); up to US\$5,442,583,547 assuming all Creditors elect for and/or are allocated MCB (B)
	LTI (A) — US\$ denominated debt instrument	31 December 2034 (but may be accelerated to 30 June 2034 in certain circumstances)	2.00% (but subject to variation in certain circumstances)	To be determined, based on the Creditors which elect for and/or are allocated LTI (A); up to US\$10,107,655,159 assuming all Creditors elect for and/or are allocated LTI (A)
Option 5	LTI (B) — US\$ denominated debt instrument	31 December 2036 (but may be accelerated to 30 June 2035 in certain circumstances)	1.00% (but subject to variation in certain circumstances)	Up to \$1,500,000,000
N/A	Scheme Creditor CVR — contingent value instrument to be issued to an agent (who shall hold the same for the benefit of the holders of the SCA Loan, MTI and LTIs) upon completion of the Proposed Disposal	N/A	N/A	N/A

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The Scheme is conditional upon the satisfaction of, among other things, the following key conditions on or before the Longstop Date:

- (i) the occurrence of the scheme effective date, being the date on which the sealed copy of the sanction order in respect of the Scheme is delivered to the registrar of companies of Hong Kong, which shall occur no later than the Longstop Date;
- (ii) the consummation of the Existing HKD Convertible Bonds Consent Solicitation;
- (iii) the Company having obtained recognition of this Scheme under Chapter 15 of the U.S. Bankruptcy Code;
- (iv) the Company having procured payment of the relevant components of the work fees which are due and payable prior to the Restructuring Effective Date to the AHG and the CoCom. For the avoidance of doubt, the components of the work fees, which are payable in the form of new Shares and/or MCB (A), are only due and payable on and after the Restructuring Effective Date;
- (v) the satisfaction (or waiver, if any) of each of the specific conditions precedent contained in each of the Restructuring Documents (had such Restructuring Documents become effective at the time of determination) save for any condition precedent to such Restructuring Documents that the Restructuring Effective Date should have occurred and unless otherwise waived by the relevant receiving party of any such condition precedent;
- (vi) the Company obtaining of all relevant corporate authorisations, regulatory approvals, governmental approvals and/or other applicable consents for the Proposed Restructuring to take effect, including, without limitation, the Company having obtained the (x) requisite shareholder approval for the issuance of the MCB (A), MCB (B), SCA Warrants, New Shares (save for the new Shares attributed to MCB (C)), the MIP and the Proposed Disposal, and (y) approval in-principle for the listing of and permission to deal in (a) the New Shares (save for the new Shares attributed to MCB (C)) from the Stock Exchange and (b) the MCB (A), MTI and LTIs, which are issued in the form of note instruments, from the SGX-ST. The Company is not currently aware of any anticipated legal impediments to obtaining such relevant corporate authorisations, regulatory approvals, governmental approvals and/or other applicable consents;
- (vii) the due execution of legally binding documentation in respect of the proposed capitalisation of the Shareholder Loans;
- (viii) establishing the relevant bank accounts which will be subject to security in favour of the New Debt Instruments;

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- (ix) the appointment of the Monitoring Accountant by the Company; and
- (x) the Company having published an announcement on the website of the Stock Exchange in respect of the designation of the Restructuring Effective Date.

As at the Latest Practicable Date, other than paragraph (ii) above which had been satisfied, none of the above conditions have been satisfied or waived. In order for the conditions set out in paragraph (vi) above to be satisfied, the resolutions to be proposed at the EGM must be passed by the Shareholders at the EGM. The longstop date for fulfilment of the conditions listed above (which are waivable) is currently set at 31 March 2026, with the possibility of extension to no later than 30 September 2026. Where any substantive provision of the conditions listed above requires waiver, approval by the Creditors (representing no less than 75% of all the Existing Debt which have voted on whether to grant such a waiver) is required and as at the Latest Practicable Date, the Company does not expect to seek any waiver from the above conditions.

The effect of the Proposed Restructuring on the shareholding structure of the Company is described in further detail in the section headed “11. Effect on the Shareholder Structure of the Company”.

In view of the Group’s financial position, available financing resources and cashflow, if the resolutions to be proposed at the EGM are not passed by the Shareholders at the EGM or should the Proposed Restructuring fail to be implemented for any other reason, the Company believes that:

- a. the Group will be unable to comply with its obligations under the Existing Debt;
- b. the Group will be unable to comply with the other outstanding indebtedness of the Group; and
- c. there is a material risk that certain of the Creditors, as well as other creditors of the Group, will pursue enforcement actions against the Company and/or other members of the Group, which may lead to material adverse consequences to the Group.

In these circumstances, the Company anticipates that the members of the Group would likely be required to make, or cause the Company to make, an application to the Court and/or courts in other relevant jurisdictions, as applicable, to place the Company and other members of the Group into liquidation or other appropriate insolvency proceedings to facilitate an orderly winding-up and realisation of the Group’s assets for the benefit of the creditors of the Company and the members of the Group (“**Group Liquidation Scenario**”).

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In a Group Liquidation Scenario, Creditors' recoveries from the Company and the Group have been independently assessed to be approximately 2.8% to 11.9%, which means that no liquidation proceeds will be available for distribution to Shareholders if the Proposed Restructuring is not implemented.

Work Fee Arrangements and RSA Fees

In formulating the terms of the Proposed Restructuring, the Company proactively engaged its key stakeholders, including the AHG, the CoCom and the CB Holder Group. The negotiations were protracted and the Company has entered into Work Fee Arrangements with each of the AHG, the CoCom and the CB Holder Group to compensate them for the time and resources expended in the negotiation. The terms and conditions of each of the Work Fee Arrangements were determined among the parties upon arms' length negotiations. The Company will make the following payments pursuant to the Work Fee Arrangements:

- (i) in the case of the AHG, a combination of cash, new Shares and MCB (A);
- (ii) in the case of the CoCom, a combination of cash (a portion of which may be realised from the disposal of new Shares) and new Shares; and
- (iii) in the case of the CB Holder Group, new Shares only.

The Company will also issue MCB (A) (only upon the occurrence of the Restructuring Effective Date) to pay the RSA Fees to the creditors who have executed or acceded to the RSA in consideration for them supporting the implementation of the Proposed Restructuring. As at the Latest Practicable Date, the Company is contractually obliged to pay USD11,293,612 in principal amount of MCB (A) as RSA Fees to such creditors.

In the event that the Company is unable to obtain the requisite regulatory approvals to issue MCB (A) in payment of RSA Fees and the work fees payable to the AHG, the Company shall issue (i) up to an additional 33,880,835 new Shares as payment of RSA Fees and (ii) additional 8,329,165 new Shares as payment of work fees payable to the AHG, under the Specific Mandate to be approved at the EGM. In both cases, the additional new Shares to be issued represent the amounts of Shares that the creditors would otherwise have received if they had elected to voluntarily convert MCB (A) into Shares in full on the Restructuring Effective Date at initial conversion price of HK\$2.60 per Share.

Ancillary transactions to be implemented in conjunction with the Proposed Restructuring

In conjunction with the Proposed Restructuring, the Company has also agreed the CHB Bilateral Loan Resolution with the lender under the CHB Bilateral Loan under which the obligations of the Group (including Wise Fame Ltd, which is a wholly-owned subsidiary of the Group) under the CHB Bilateral Loan will be fully discharged and compromised in return for the lender receiving MCB (C). Given that

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MCB (C) will be mandatorily converted into the Shares of the Company and it is proposed that such Shares will be issued pursuant to the Specific Mandate, the issuance of the MCB (C) is subject to requisite shareholder approval at the EGM.

The CHB Bilateral Loan Resolution will not be effected through the Scheme. However, the Company has contractually agreed with the lender under the CHB Bilateral Loan that the CHB Bilateral Loan Resolution shall only take effect on the Restructuring Effective Date.

In conjunction with the Proposed Restructuring, the Company has also agreed the TFB Bilateral Loan Resolution with the lender under the TFB Bilateral Loan under which the Company has entered into a standstill deed with TFB on 29 October 2025 (the “**TFB Standstill Deed**”). Pursuant to the TFB Standstill Deed, (i) the Company has agreed to exclude the TFB Bilateral Loan from the Proposed Restructuring and the indebtedness to be compromised under the Scheme, and (ii) TFB has undertaken to the Company to standstill and forbear from taking certain enforcement actions in respect of the TFB Bilateral Loan until 31 December 2030 (the “**TFB Standstill Period**”).

Additionally, the Company and TFB have agreed that (i) on and from 1 July 2025 until the expiry of the TFB Standstill Period, the applicable rate of interest in respect of the TFB Bilateral Loan shall be 2.5% per annum and no default interest shall accrue; (ii) any accrued and unpaid interest (including default interest) under the TFB Bilateral Loan from 1 October 2024 (inclusive) up to and including 30 June 2025 shall be waived; and (iii) any accrued and unpaid interest (including default interest) under the TFB Bilateral Loan up to and including 30 September 2024, amounting to HK\$43,809,588.12 shall be repaid by the Company through the issuance of 16,849,842 new Shares (with each Share valued at HK\$2.60) to TFB on the Restructuring Effective Date pursuant to the Specific Mandate.

This circular sets out further details of the key terms of these transactions under the Proposed Restructuring and the CHB Bilateral Loan Resolution. Unless otherwise stated, the following currency conversion rates are adopted for this circular.

Exchange Rates Table

USD to USD	1.00
USD to RMB	7.20
USD to HKD	7.80
USD to AUD	1.60
USD to THB	33.80
USD to IDR	15,868
USD to MYR	4.40

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3. THE PROPOSED ISSUANCE OF MANDATORY CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

Subject to the occurrence of the Restructuring Effective Date and subject to the election by Creditors of the Scheme Consideration Options, the Company will issue the following:

- (i) the MCB (A) up to the aggregate principal amount of USD7,514,770,000, of which (i) up to USD7,500,700,000 will be paid as Scheme Consideration, and (ii) up to USD11,293,612 will be paid as RSA Fees and up to USD2,776,388 will be paid as work fees under the Work Fee Arrangements entered into with the AHG (as disclosed in section headed “5. The Proposed Issuance of New Shares Pursuant to the Work Fee Arrangements and RSA Fees Under Specific Mandate” below);
- (ii) the MCB (B) up to the aggregate principal amount of USD5,442,583,547 as payment of Scheme Consideration; and
- (iii) the MCB (C) up to the aggregate principal amount of USD39,461,396 as part of the CHB Bilateral Loan Resolution.

The conditions for the issue of the MCBs are the same as the conditions of the Proposed Restructuring as disclosed in “2. Background and the Proposed Restructuring — Overview of the Proposed Restructuring” above. As at the Latest Practicable Date, other than the consummation of the Existing HKD Convertible Bonds Consent Solicitation, none of the conditions have been satisfied or waived.

The principal terms of the MCBs are set out below:

Issuer:	The Company
Principal amount:	MCB (A) up to the aggregate principal amount of USD7,514,770,000; MCB (B) up to the aggregate principal amount of USD5,442,583,547; and MCB (C) up to the aggregate principal amount of USD39,461,396
Status and ranking:	The MCB (A) and MCB (B) will constitute direct, unsubordinated, unconditional and secured obligations of the Company. The MCB (C) will constitute direct, unsubordinated, unconditional and unsecured obligations of the Company.

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Currency:	U.S. dollars
Form:	The MCB (A) and the MCB (B) will be issued in registered form.
Denomination:	Denomination of the MCB (A) and the MCB (B) would be USD1,000 each and integral multiples of USD1 in excess thereof
Issue date:	Restructuring Effective Date
Maturity:	MCB (A): 78 months after the Reference Date MCB (B): 114 months after the Reference Date MCB (C): 78 months after the Reference Date The MCBs will be mandatorily and automatically converted into Shares at maturity at the relevant Conversion Price.
Interest:	Zero coupon
Conversion events/ period:	<i>Voluntary conversion:</i> Anytime on or following Restructuring Effective Date at the relevant Conversion Price. <i>Mandatory conversion upon occurrence of Trigger Conversion Event:</i> Each of MCB (A), MCB (B) and MCB (C) then outstanding will be mandatorily converted into Shares at the relevant Conversion Price if the volume weighted average price of the Shares (translated into USD at the then prevailing rate) for 20 out of 30 consecutive trading days is above 130% of the relevant Conversion Price (translated into USD at the fixed exchange rate) (the “ Trigger Conversion Event ”).

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Periodic mandatory conversion:

MCB (A) and MCB (C): Commencing from 1 January 2027, in the event the aggregate principal amount of converted bonds of each series in any relevant year fails to meet the stipulated minimum threshold (being 15% of the original issue amount of the relevant series of bonds), the relevant series of bonds in an aggregate amount equal to 15% of its original issue amount (less any voluntary conversion in the relevant year) shall be mandatorily converted into ordinary shares of the Company at the prevailing Conversion Price per share each year, with the first mandatory conversion to be effected on 31 December 2027.

MCB (B): 10% per year of the initial issue size of the MCB(B) (less any voluntary conversion in the relevant year) shall be automatically and mandatorily converted into Shares at the MCB(B) Conversion Price starting from 1 January 2027 and the balance on the maturity date of the MCB(B) (such that the first mandatory conversion shall occur on 31 December 2027).

In respect of MCB (A) and MCB (B), mandatory conversion shall be suspended upon the occurrence of certain events of default or upon acceleration (as defined below) or suspension of trading or delisting of the Shares; in respect of MCB (C), mandatory conversion shall be suspended upon suspension of trading or delisting of the Shares.

In respect of MCB (A) and MCB (B), when an event of default (other than involuntary and voluntary proceedings or actions or cross acceleration) occurs and is continuing, MCB holders of the relevant series representing not less than 25% in aggregate principal amount of MCBs of the relevant series may, and the MCB Trustee shall (if so requested by such holders of the relevant series with required indemnity), give written notice to the Company to declare the relevant series of MCBs shall immediately become due and payable at their principal amount (the “**acceleration**”).

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Conversion price: Initially HK\$2.60 per Share in respect of MCB (A), HK\$10.00 per Share in respect of MCB (B) and HK\$1.10 per Share in respect of MCB (C), each subject to customary adjustments.

The initial MCB (A) Conversion Price of HK\$2.60 represents:

- (a) a premium of approximately 504.65% to the last traded price of HK\$0.43 per Share as quoted on the Stock Exchange on 10 April 2025, being the last trading day before the signing of the RSA;
- (b) a premium of approximately 528.02% to the average closing price of HK\$0.41 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including 10 April 2025, being the last trading day before the signing of the RSA;
- (c) a premium of approximately 390.57% to the closing price of HK\$0.53 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (d) a premium of approximately 374.45% to the average closing price of HK\$0.55 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including on the Latest Practicable Date; and
- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately -219.01%, represented by the theoretical diluted price of approximately HK\$1.40 per Share to the benchmarked price of approximately HK\$0.44 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of the RSA of HK\$0.44 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the RSA of HK\$0.41 per Share).

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The initial MCB (B) Conversion Price of HK\$10.00 represents:

- (a) a premium of approximately 2,225.58% to the last traded price of HK\$0.43 per Share as quoted on the Stock Exchange on 10 April 2025, being the last trading day before the signing of the RSA;
- (b) a premium of approximately 2,315.46% to the average closing price of HK\$0.41 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including 10 April 2025, being the last trading day before the signing of the RSA;
- (c) a premium of approximately 1,786.79% to the closing price of HK\$0.53 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (d) a premium of approximately 1,724.82% to the average closing price of HK\$0.55 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including on the Latest Practicable Date; and
- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately -286.15%, represented by the theoretical diluted price of approximately HK\$1.70 per Share to the benchmarked price of approximately HK\$0.44 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of the RSA of HK\$0.44 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the RSA of HK\$0.41 per Share).

The initial MCB (C) Conversion Price of HK\$1.10 represents:

- (a) a premium of approximately 147.19% to the last traded price of HK\$0.45 per Share as quoted on the Stock Exchange on 4 September 2025, being the last trading day before the signing of the relevant term sheet;

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- (b) a premium of approximately 147.75% to the average closing price of HK\$0.44 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including 4 September 2025, being the last trading day before the signing of the relevant term sheet;
- (c) a premium of approximately 107.55% to the closing price of HK\$0.53 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (d) a premium of approximately 100.73% to the average closing price of HK\$0.55 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including on the Latest Practicable Date; and
- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately -1.28%, represented by the theoretical diluted price of approximately HK\$0.49 per Share to the benchmarked price of approximately HK\$0.48 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of the relevant term sheet of HK\$0.48 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the relevant term sheet of HK\$0.44 per Share).

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The Conversion Price was determined after arm's length negotiations between the Company, the AHG and the CoCom or CHB (as the case may be) after taking into account, among other things, the share price performance of the Company and the assessment of acceptability of Creditors or CHB (as the case may be) towards the terms of the Proposed Restructuring or the restructuring of the CHB Bilateral Loan (as the case may be) with a view to achieving a sustainable capital structure. Other factors considered include the economic compensation and recovery rate for creditors, the need to balance the dilution impact on the major Shareholders to maintain their reasonable control and interests in the Company, the other terms of the Proposed Restructuring or the restructuring of the CHB Bilateral Loan (as the case may be), the valuation benchmarks for the Shares, including recent trading prices and future prospects, legal and regulatory requirements of the Listing Rules and bond conversion terms and that after the Proposed Restructuring and the restructuring of the CHB Bilateral Loan, the Company is expected to emerge from its financial distress and the Share price is likely to see improvement, allowing Scheme Creditors and Shareholders to share in the future upside potential.

In respect of MCB (A) and MCB (B), the Board considers that the key determination of the Conversion Price was to ensure the MCBs provide a fair level of economic incentives to the Creditors and to reflect the proportion of hybrid debt & equity instruments and/or debt instruments to be issued as Scheme Consideration under (i) Option 2 (MCB (A) only) and Option 3 (MCB (A) and MTI) and (ii) Option 4 (MCB (B) and LTI (A)).

Given that Creditors would receive a higher proportion of debt instruments (i.e. LTI (A)) under Option 4 compared to Option 2 and Option 3, the Board determined that the Conversion Price of MCB (A) has to reflect a lower premium to the prevailing trading price of the Shares (when compared to the Conversion Price of MCB (B)) in order to incentivise Creditors to elect Option 2 and Option 3 which would enable the Company to achieve a greater de-leveraging.

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In addition, at the time of negotiation of the Conversion Price of the MCB (A) and MCB (B), the prevailing trading price of the Shares was approximately HK\$0.50. The AHG, CoCom and the Company reached a commercial agreement that setting the Conversion Price of MCB (A) at HK\$2.60 per Share (i.e. at a multiple of approximately 5.2 times the reference trading price) and MCB (B) at HK\$10.00 per Share (i.e. at a multiple of approximately 20 times the reference trading price) reflected a reasonable and fair valuation with sufficient economic incentive to encourage Creditors to participate in the Scheme to achieve the Company's desired deleveraging target range of up to 70.5%.

In respect of MCB (C), the Board considers that given that the CHB Bilateral Loan was structurally senior to the Existing Debt and was anticipated to receive better recoveries in a Group Liquidation Scenario, it was appropriate for the lender to receive MCB (C) at a lower Conversion Price of HK\$1.10 per Share (i.e. at a multiple of approximately 2.2 times the reference trading price) in exchange for fully discharging and compromising the indebtedness under the CHB Bilateral Loan. This would be reasonable and fair compensation to the lender when compared to the Scheme Consideration that Creditors would receive under the terms of the Scheme.

On the whole, the Conversion Price of MCB (A), MCB (B) and MCB (C) is value accretive for existing Shareholders, because the Conversion Price of the MCBs are much higher than the prevailing trading price of the Shares as at the Latest Practicable Date. The Board believes that the Conversion Price is fair, reasonable and supports the long-term interests of all stakeholders and achieves an appropriate de-leveraging of the Group.

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Adjustment events:

Subject to the terms of the MCBs, the Conversion Price shall be subject to adjustment upon the occurrence of certain adjustment events (as determined by the Calculation Agent unless otherwise specified) including:

- (a) an alteration to the nominal value of the Shares resulting in a reduction or increase in the number of Shares outstanding following any consolidation, subdivision, redesignation or reclassification, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where A is the nominal amount of one Share immediately after such alteration; B is the nominal amount of one Share immediately before such alteration;

- (b) an issue (except for any scrip dividend or issues that would constitute a capital distribution) of any Shares credited as fully paid to the shareholders by way of capitalisation of profits or reserves (including any share premium account), where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where A is the aggregate nominal amount of the issued Shares immediately before such issue; B is the aggregate nominal amount of the issued Shares immediately after such issue;

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- (c) an issue of Shares by way of a scrip dividend where the aggregate value of the Shares comprising such scrip dividend as determined by reference to the current market price per Share multiplied by the number of Shares that may be issued exceeds the fair market value of the relevant cash dividend, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such scrip dividend by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of issued Shares immediately before such issue; B is the aggregate number of Shares as is equal to such fair market value of the relevant cash dividend divided by such current market price on the date of announcement of the terms of such scrip dividend; C is the aggregate number of Shares comprising such scrip dividend, or by making such other adjustment as such independent financial advisor shall certify to the MCB Trustee is fair and reasonable;

- (d) a capital distribution to the shareholders, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such capital distribution by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which the capital distribution is first publicly announced; B is the fair market value of the portion of the capital distribution attributable to per Share;

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- (e) rights issues of Shares or options over Shares at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such announcement; B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such current market price per Share; C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant;

- (f) rights issues of other securities to the shareholders, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which such issue or grant is publicly announced; B is the fair market value per Share on the date of such announcement of the portion of the securities, rights, options, warrants or other rights (as the case may be) attributable to one Share;

- (g) issues at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

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where A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such current market price per Share; C is the aggregate number of Shares in issue immediately after the issue of such additional Shares;

- (h) other issues at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, or any modification so that the fair market value of which is less than 85 per cent. of the current market price per Share, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such issue; B is the number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such current market price per Share; C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities;

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- (i) any modification of the rights of conversion etc. attaching to any such securities as are mentioned in paragraph (h) above so that the fair market value of the consideration per Share is less than 85 per cent. of the current market price per Share, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such modification; B is the maximum number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such current market price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an independent financial advisor considers appropriate (if at all) for any previous adjustment under this paragraph (i) or paragraph (h) above;

- (j) other offers to Shareholders, where the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which such issue, sale or distribution is first publicly announced; B is the fair market value of the portion of the rights attributable to one Share; and

- (k) other events in respect of which the Company (in consultation with the Calculation Agent) determines that an adjustment should be made.

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Maximum number of Conversion Shares to be issued: Up to an aggregate number of 27,069,342,341 Shares in respect of MCB (A), MCB (B) and MCB (C) based on the relevant initial Conversion Price, broken down as follows:

MCB type	Maximum number of Conversion Shares to be issued
MCB (A)	22,544,310,000
MCB (B)	4,245,215,167
MCB (C)	279,817,174

Aggregate nominal value of the Conversion Shares to be issued: The MCB Conversion Shares, upon full conversion, will have an aggregate nominal value of HKD2,706,934,234.10

Security and guarantee: The MCB (A), MCB (B), SCA Loan, MTIs and LTIs will initially have the benefit of the following security on a *pari passu* basis pursuant to the terms of an intercreditor agreement:

1. security over the shares of 33 offshore subsidiaries of the Group (“**Common Security Subsidiaries**”);
2. security over 2 bank accounts owned by a Hong Kong subsidiary of the Group (“**Account Holder**”), where proceeds from the disposal of offshore assets beneficially held directly or indirectly by certain Common Security Subsidiaries (excluding disposals of offshore assets beneficially held directly or indirectly by the Tiered Security Subsidiaries) will be deposited, and the Company will be entitled to make withdrawals from the same for the purposes of servicing debt obligations under the SCA Loan, MTIs and LTIs; and
3. assignment and/or subordination of material intercompany claims between offshore subsidiaries of the Group,

(together, the “**Common Security Package**”).

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The MCB (A), MCB (B), SCA Loan, MTIs and LTIs will initially have the benefit of the following security, where the SCA Loan will have priority over the other instruments pursuant to the terms of an intercreditor agreement:

1. security over the shares of 21 offshore subsidiaries of the Group (“**Tiered Security Subsidiaries**”); and
2. security over 2 bank accounts owned by the Account Holder, where proceeds from the disposal of offshore assets beneficially held directly or indirectly by the Tiered Security Subsidiaries, including certain investment portfolio assets, will be deposited, and the Company will be entitled to make withdrawals from the same for the purposes of servicing debt obligations under the SCA Loan, MTIs and LTIs,

(together, the “**Tiered Security Package**”).

The MCB (A), MCB (B), SCA Loan, MTIs and LTIs will have the benefit of the guarantees by the Common Security Subsidiaries, the Tiered Security Subsidiaries and the Account Holder on a *pari passu* basis (“**Guarantee Package**”).

Subject to terms of the MCB (A) Trust Deed, the MCB (B) Trust Deed and the intercreditor agreements, the Common Security Package and Tiered Security Package may be enforced upon the occurrence of an event of default that is continuing.

The Common Security Subsidiaries and the Tiered Security Subsidiaries are intermediate holding companies in the Group. A substantial part of the assets of the Common Security Subsidiaries and the Tiered Security Subsidiaries comprise inter-company receivables owed by other subsidiaries in the Group and the value of investment holdings in their respective subsidiaries. Given that the Group is undergoing a restructuring, the actual recoveries on these receivables and investment holdings in an enforcement scenario may substantially deviate from the book value currently ascribed to these assets in the respective management accounts of the Common Security Subsidiaries and the Tiered Security Subsidiaries ending 31 December 2024.

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The Company will assess the Listing Rules implications arising from any such enforcement based on the then prevailing facts and circumstances and comply with the relevant requirements under the Listing Rules, where applicable.

Enforcement of these securities and guarantees may have material operational and financial impacts, including potential restrictions on the use of secured assets, loss of control over pledged shares, or increased liabilities arising from enforcement actions. The specific nature and extent of such impacts, whether qualitative or quantitative, would depend significantly on the particular circumstances and terms of enforcement at the relevant time. Accordingly, it is not practicable to quantify the potential effects with certainty at this stage. In the event that enforcement is commenced in respect of the abovementioned securities and guarantees, the Company will assess the implications under the Listing Rules having regard to the prevailing facts and circumstances at that time. The Company will ensure compliance with any applicable requirements under the Listing Rules.

MCB (C) will not be guaranteed or secured.

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Issuer's call option: *MCB (A) and MCB (C):*

Subject to the terms and conditions of the relevant MCBs, at any time prior to its maturity date, the Company has the option to redeem all or some of the relevant outstanding MCBs on a *pro rata* basis from all holders at the relevant call option redemption price as set out below:

Call option exercise date	Call option redemption price
On or prior to the first anniversary of Reference Date	30% of the principal amount
On or prior to the second anniversary of Reference Date	35% of the principal amount
On or prior to the third anniversary of Reference Date	45% of the principal amount
On or prior to the fourth anniversary of Reference Date	50% of the principal amount

MCB (B): not applicable

Redemption events: *Maturity:* Any outstanding MCBs shall be mandatorily converted into Shares at the relevant Conversion Price on Maturity.

Redemption for Relevant Event in respect of MCB (A) and MCB (B): Following the occurrence of a Relevant Event (as defined below), the holder of each MCB (A) and MCB (B) will have the right to require the Company to redeem all or some only of such holder's MCB (A) or MCB (B) at a redemption price equal to the principal amount as at such date.

Relevant Event: "Relevant Event" means the occurrence of any of the following events:

- (a) when the Shares cease to be listed or admitted to trading on the Stock Exchange (or if applicable, the alternative stock exchange); or

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(b) after the date falling 12 months after the Reference Date, the Shares are suspended for a period equal to or exceeding 60 consecutive trading days, on the Stock Exchange (or if applicable, the alternative stock exchange); or

(c) when there is a change of control.

Events of default:

Events of default under the MCB (A) and MCB (B) include payment default, failure to deliver conversion shares, breach of other obligations, failure to create or maintain required collateral, breach of covenants by the Company or a restricted subsidiary, cross-acceleration, unpaid judgement, involuntary and voluntary proceedings or actions, guarantee repudiation or ineffectiveness, default or repudiation in respect of security documents, breach of specified accountant engagement letter, default by the Controlling Shareholder and breach of certain covenants in the MTI and LTIs, each as further detailed in the MCB (A) Trust Deed and the MCB (B) Trust Deed.

Voting rights:

None in respect of Shares

Clearance:

MCB (A) and MCB (B) will be cleared through the Clearing Systems. The Clearing Systems each facilitate the clearance and settlement of securities transactions by electronic book-entry transfer to their respective account holders

Governing law:

Hong Kong law

Specific Mandate

The MCB Conversion Shares arising from MCB (A), MCB (B) and MCB (C) will be issued under the Specific Mandate proposed to be sought from the Shareholders at the EGM.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the MCB Conversion Shares.

An application will be made by the Company to the SGX-ST for listing of, and permission to deal in, the MCB (A). The Company does not intend to make any listing application in respect of MCB (B).

LETTER FROM THE BOARD

Listing Rules Implications

The issue of MCBs and the transactions contemplated thereunder are subject to the passing of necessary resolution by the Shareholder at the EGM. The issue of the MCB Conversion Shares is conditional upon, among others, the Listing Committee of the Stock Exchange granting of the listing of, and the permission to deal in, the MCB Conversion Shares.

4. THE PROPOSED ISSUANCE OF SCA WARRANT SHARES UNDER THE SPECIFIC MANDATE

Subject to the occurrence of the Restructuring Effective Date, the Company will issue SCA Warrants to the Class 1 Creditors which choose to receive SCA Warrants, conferring rights to subscribe for SCA Warrant Shares. The conditions for the issue of the SCA Warrants are the same as the conditions of the Proposed Restructuring as disclosed in “2. Background and the Proposed Restructuring — Overview of the Proposed Restructuring” above. As at the Latest Practicable Date, other than the consummation of the Existing HKD Convertible Bonds Consent Solicitation, none of the conditions have been satisfied or waived.

The principal terms of the SCA Warrants are set out below:

Issuer:	The Company
Amount:	Up to 1,157,000,000 SCA Warrants
Form:	Definitive registered form
Issue date:	Restructuring Effective Date
Exercise Period:	On or after the Restructuring Effective Date up to the close of business on the expiry date, being 24 months after the Restructuring Effective Date.
Exercise right and price:	The SCA Warrants holders will be entitled to subscribe for Shares at an initial SCA Warrant Exercise Price of HK\$0.60 per Share in exchange for the reduction or set-off of an equal and corresponding amount payable to that lender under the SCA Loan.

The initial SCA Warrant Exercise Price of HK\$0.60 represents:

- (a) a premium of approximately 39.53% to the last traded price of HK\$0.43 per Share as quoted on the Stock Exchange on 10 April 2025, being the last trading day before the signing of the RSA;

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- (b) a premium of approximately 44.93% to the average closing price of HK\$0.41 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including 10 April 2025, being the last trading day before the signing of the RSA;
- (c) a premium of approximately 13.21% to the closing price of HK\$0.53 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (d) a premium of approximately 9.49% to the average closing price of HK\$0.55 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including on the Latest Practicable Date; and
- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately -1.44%, represented by the theoretical diluted price of approximately HK\$0.45 per Share to the benchmarked price of approximately HK\$0.44 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of the RSA of HK\$0.44 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the RSA of HK\$0.41 per Share).

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The SCA Warrant Exercise Price was determined after arm's length negotiations between the Company and the CoCom after taking into account, among other things, the share price performance of the Company and the assessment of acceptability of Creditors towards the terms of the Proposed Restructuring with a view to achieving a sustainable capital structure. Other factors considered include the economic compensation and recovery rate for creditors, the need to balance the dilution impact on the major Shareholders to maintain their reasonable control and interests in the Company, the other terms of the Proposed Restructuring, the valuation benchmarks for the Shares, including recent trading prices and future prospects, legal and regulatory requirements of the Listing Rules and bond conversion terms and that after the Proposed Restructuring, the Company is expected to emerge from its financial distress and the Share price is likely to see improvement, allowing Creditors and Shareholders to share in the future upside potential.

The initial SCA Warrant Exercise Price is at a premium to the closing price of HK\$0.44 as quoted on the Stock Exchange on 11 April 2025, being the date of the RSA, is value accretive for existing Shareholders and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Board considers that it is appropriate to align the SCA Warrant Exercise Price with the issuance price of the Capitalisation Shares and for the SCA Warrant Exercise Price to be lower than compared to the Conversion Price of the MCBs. Considering that the SCA Loan has the shortest maturity date (of 2 years from the Restructuring Effective Date) among all the new debt instruments to be issued under the Scheme, the Board has determined that would be highly beneficial to incentivise the lenders under the SCA Loans to exercise the SCA Warrants so that the Group can further reduce its debt servicing obligations in the near term even after the Restructuring Effective Date has occurred.

The SCA Warrant Exercise Price and the number of Shares deliverable on exercise of each SCA Warrant will be subject to adjustment as set out below in the sub-section headed "Adjustment events".

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Adjustment events:

Subject to the terms of the SCA Warrants, the SCA Warrant Exercise Price shall be subject to adjustment upon the occurrence of certain adjustment events including:

- (a) an alteration to the nominal value of the Shares resulting in a reduction or increase in the number of Shares outstanding following any consolidation, subdivision, redesignation or reclassification, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where A is the nominal amount of one Share immediately after such alteration; B is the nominal amount of one Share immediately before such alteration;

- (b) an issue (except for any scrip dividend or issues that would constitute a capital distribution) of any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account), where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where A is the aggregate nominal amount of the issued Shares immediately before such issue; B is the aggregate nominal amount of the issued Shares immediately after such issue;

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- (c) an issue of Shares by way of a scrip dividend where the aggregate value of the Shares comprising such scrip dividend as determined by reference to the current market price per Share multiplied by the number of Shares that may be issued exceeds the fair market value of the relevant cash dividend, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before the issue of such scrip dividend by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of issued Shares immediately before such issue; B is the aggregate number of Shares as is equal to such fair market value of the relevant cash dividend divided by such current market price on the date of announcement of the terms of such scrip dividend; C is the aggregate number of Shares comprising such scrip dividend, or by making such other adjustment as such independent financial advisor shall certify to the warrant holders is fair and reasonable;

- (d) a capital distribution to the Shareholders, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such capital distribution by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which the capital distribution is first publicly announced; and; B is the fair market value of the portion of the capital distribution attributable to per Share;

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- (e) rights issues of Shares or options over Shares at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such announcement; B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such current market price per Share; C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant;

- (f) rights issues of other securities to the Shareholders, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which such issue or grant is publicly announced; B is the fair market value per Share on the date of such announcement of the portion of the securities, rights, options, warrants or other rights (as the case may be) attributable to one Share;

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- (g) issues at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

where A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such current market price per Share; C is the aggregate number of Shares in issue immediately after the issue of such additional Shares;

- (h) other issues at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, or any modification so that the fair market value of which is less than 85 per cent. of the current market price per Share, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such issue; B is the number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such current market price per Share; C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities;

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- (i) any modification of the rights of conversion etc. attaching to any such securities as are mentioned in paragraph (h) above so that the fair market value of the consideration per Share is less than 85 per cent. of the current market price per Share, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such modification; B is the maximum number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such current market price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an independent financial advisor considers appropriate (if at all) for any previous adjustment under this paragraph (i) or paragraph (h) above;

- (j) other offers to Shareholders, where the SCA Warrant Exercise Price shall be adjusted by multiplying the SCA Warrant Exercise Price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which such issue, sale or distribution is first publicly announced; B is the fair market value of the portion of the rights attributable to one Share; and

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(k) other events in respect of which the Company (in consultation with the Calculation Agent) determines that an adjustment should be made.

Maximum number of SCA Warrant Shares to be issued: Up to 1,157,000,000 Shares based on the initial SCA Warrant Exercise Price of HK\$0.60 per Share.

Arrangement for transfer of the SCA Warrant: Subject to the terms and conditions of the SCA Warrants, any transfer of a SCA Warrant may be effected by delivery of the certificate issued in respect of that SCA Warrant, with the specified form of transfer duly executed, provided that the SCA Warrants shall not be transferred unless the Company has been provided with sufficient evidence from the transferring holder and/or the transferee to the Company's reasonable satisfaction that the transferring holder is at the same time assigning its rights and obligations (or a corresponding portion thereof) under the SCA Loan to such transferee in accordance with the terms of the SCA Loan.

Rights and ranking of the SCA Warrant Shares: The SCA Warrant Shares, when issued and fully paid, will be fully paid and will in all respects rank *pari passu* with all other Shares in issue on the relevant registration date.

Rights of the holders of SCA Warrants on liquidation: If the Company is wound up at any time during the Exercise Period, all exercise rights attached to the SCA Warrants which have not been exercised prior to the commencement of the winding-up will lapse.

Voting rights: None in respect of Shares

Governing law: Hong Kong law

Specific Mandate

The SCA Warrant Shares will be issued under the Specific Mandate proposed to be sought from the Shareholders at the EGM.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the SCA Warrant Shares. The Company does not intend to make any listing application in respect of the SCA Warrants.

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Use of Proceeds

The Company will not receive any proceeds from the issuance of the SCA Warrants or upon exercise of the SCA Warrants. Upon exercise of the subscription rights under the SCA Warrants, the SCA Warrants holders will be subscribing for Shares at the prevailing exercise price (initially, HK\$0.60 per Share) in exchange for the reduction or set-off of an equal and corresponding amount payable to that lender under the SCA Loan.

Listing Rules Implications

Pursuant to Rule 15.02(1) of the Listing Rules, the SCA Warrant Shares to be issued on exercising of the SCA Warrants must not, when aggregated with all other equity securities remain to be issued on exercise of any other exercise rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the number of issued Shares of the Company at the time the SCA Warrants are issued on the Restructuring Effective Date.

As at the Latest Practicable Date, save for the Existing HKD Convertible Bonds (which are issued by Smart Insight International Limited, a wholly-owned subsidiary of the Group, and which are intended to be cancelled on the Restructuring Effective Date pursuant to the Scheme), the Company does not have any securities with subscription rights outstanding and not yet exercised. Assuming the full exercise of the SCA Warrants at the initial exercise price of HK\$0.60 per SCA Warrant Share, it will result in the issue of 1,157,000,000 SCA Warrant Shares, which represent (i) approximately 4.13% of the total number of Shares in issue of the Company as of the Latest Practicable Date, and (ii) approximately 3.97% of the total number of Shares in issue of the Company upon the full exercise of the SCA Warrants (assuming there will be no change to the initial exercise price for the SCA Warrants and the total number of Shares in issue from the Latest Practicable Date up to the exercise of the SCA Warrants). Accordingly, the issue of the SCA Warrants is in compliance with Rule 15.02(1) of the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries after taking into account publicly available information, the SCA Warrants will only be issued to Independent Third Parties.

5. THE PROPOSED ISSUANCE OF NEW SHARES PURSUANT TO THE WORK FEE ARRANGEMENTS AND RSA FEES UNDER SPECIFIC MANDATE

The Company proposes to issue up to 914,221,768 new Shares for payment of certain work fees owed to each of the AHG, CoCom and CB Holder Group under their respective Work Fee Arrangements under the Specific Mandate to be approved at the EGM. The nominal value of the 914,221,768 new Shares is HKD91,422,176.76. The work fees are compensatory in nature for the work, time and resources incurred by the AHG, CoCom and CB Holder Group in negotiating with the Proposed Restructuring and soliciting support from other holders of the Existing Debt Instruments to vote in favour of the Scheme and/or Existing HKD Convertible Bonds Consent Solicitation. Therefore, the work fees are payable to the AHG, CoCom and CB Holder Group regardless of whether the Scheme is

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sanctioned and implemented. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries after taking into account publicly available information, the members of the AHG, CoCom and the CB Holder Group are Independent Third Parties.

In addition, if the Company is unable to obtain all requisite regulatory approvals to issue MCB (A) for the purposes of paying the RSA Fees and the work fees payable to the AHG, the Company intends to issue up to an additional 42,210,000 new Shares (which is the amount of Shares that the creditors would otherwise have received if they had elected to voluntarily convert MCB (A) into Shares in full on the Restructuring Effective Date) at initial conversion price of HKD2.60 per share to pay such fees under the Specific Mandate to be approved at the EGM.

The principal terms of the Work Fee Arrangements payable to the AHG, CoCom and CB Holder Group are set out below.

Creditor group	Work Fees payable in cash (cash realised from disposal of new Shares or new Shares)	Work Fees payable in new Shares only	Work Fees payable in MCB (A) only	Total estimated value of Work Fees as at the Latest Practicable Date
AHG	US\$19,000,000 (of which up to US\$9,000,000 ⁽¹⁾ may be paid through the issuance of up to 140,400,000 new Shares to be issued pursuant to the Specific Mandate)	483,600,000 Shares (being the equivalent of US\$31,000,000) to be issued pursuant to the Specific Mandate	Up to US\$2,776,388 in principal amount of MCB (A), which shall only be payable after the issuance of MCB (A) upon the occurrence of the Restructuring Effective Date	US\$55,579,348 ⁽²⁾
CoCom	Up to US\$9,999,997 (of which up to approximately US\$8,205,126 may be paid by cash realised from the disposal of up to 159,999,957 new Shares (the "General Mandate Issuance") issued by the Company pursuant to the General Mandate. The Company will publish a separate announcement regarding the General Mandate Issuance pursuant to the Rule 13.28 of the Listing Rules as and when appropriate. The Company has up to three calendar months after the Restructuring Effective Date to carry out such disposals.) ²	Up to 235,485,404 Shares (being the equivalent of US\$16,604,740) to be issued pursuant to the Specific Mandate	N/A	US\$27,510,450 ⁽³⁾

² Such new Shares would be issued to a recognised broker, bank or securities house and disposed of as soon as reasonably practicable thereafter for the purposes of settling the remaining cash payment.

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Creditor group	Work Fees payable in cash (cash realised from disposal of new Shares or new Shares)	Work Fees payable in new Shares only	Work Fees payable in MCB (A) only	Total estimated value of Work Fees as at the Latest Practicable Date
CB Holder Group	N/A	54,736,364 Shares (being the equivalent of US\$3,859,615) to be issued pursuant to the Specific Mandate	N/A	US\$4,070,140 ⁽²⁾

- (1) In respect of the US\$9,000,000 Work Fees payable in the form of cash to the AHG (which can also be alternatively paid in shares), this will be determined based on the Group's available cash balances on and from the Restructuring Effective Date.
- (2) Based on the assumption that AHG would elect to voluntarily convert all MCB (A) at the conversion price of HK\$2.60 (which is the initial conversion price of the MCB (A)) and the assumption that all Shares have an exit price of HK\$0.58, which is the 30-trading day volume-weighted average price (VWAP) of these Shares as at the Latest Practicable Date.
- (3) Based on the assumption that all Shares have an exit price of HK\$0.58, which is the 30-trading day volume-weighted average price (VWAP) of these Shares as at the Latest Practicable Date.

The maximum aggregate amount of cash to be paid pursuant to the Work Fee Arrangements is up to US\$28,999,997. The maximum aggregate amount of new Shares to be issued pursuant to the Work Fee Arrangements under the Specific Mandate is up to 914,221,768. The maximum aggregate amount of new Shares to be issued pursuant to the Work Fee Arrangements under the General Mandate is up to 159,999,957.

The amount and price of Work Fee Shares to be issued to the AHG, CoCom and CB Holder Group

In summary, a total number of Work Fee Shares of up to 914,221,768 new Shares, representing approximately 3.27% of the number of Shares in issue (i.e. 27,988,507,946 Shares, excluding the Treasury Shares (if any)) as at the Latest Practicable Date will be issued to settle work fees payable to the AHG, CoCom and CB Holder Group in the amount approximately US\$60,464,356 (equivalent to approximately RMB435,343,362) under the Specific Mandate to be approved at the EGM in accordance with the table above. The aggregate nominal value of the maximum number of Work Fee Shares to be issued to settle the work fees payable to the AHG, CoCom and CB Holder Group will be HKD91,422,176.76.

The total number of Work Fee Shares to be issued to the AHG pursuant to the Specific Mandate in accordance with the table above is 624,000,000. The corresponding price of each Work Fee Share to be issued to the AHG is HK\$0.50 per Share (pursuant to the Work Fee Arrangements entered into with the AHG), and this represents a discount of approximately 5.66% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date and approximately 8.76% to the average closing price of approximately HK\$0.548 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Latest Practicable Date.

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The total number of Work Fee Shares to be issued to the CoCom pursuant to the Specific Mandate in accordance with the table above is up to 235,485,404. The corresponding price of each Work Fee Share to be issued to CoCom is HK\$0.55 per Share (pursuant to the Work Fee Arrangements entered into with the CoCom), and this represents a premium of approximately 3.77% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date and approximately 0.36% to the average closing price of approximately HK\$0.548 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of this circular.

The total number of Work Fee Shares to be issued to the CB Holder Group pursuant to the Specific Mandate in accordance with the table above is 54,736,364. The corresponding price of each Work Fee Share to be issued to CB Holder Group is HK\$0.55 per Share (pursuant to the Work Fee Arrangements entered into with the CB Holder Group), and this represents a premium of approximately 3.77% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date and approximately 0.36% to the average closing price of approximately HK\$0.548 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of this circular.

The issue price of the Work Fees Shares was determined based on arm's length negotiations between the Company, the AHG, the CoCom, the CB Holder Group and Concrete Win, taking into account various factors, including without limitation, (i) the prevailing trading prices of the Shares during the period when the terms of the RSA were negotiated, (ii) the prevailing trading price of the Shares at the time when the issue price was determined, (iii) the Controlling Shareholder's ownership in the Company after the Proposed Restructuring is completed and the need to balance the dilution impact on the Controlling Shareholders of the Company to maintain their reasonable and appropriate control over the Company, and (iv) other terms of the Proposed Restructuring.

The Board considers that the key determination of the issue price of the Work Fees Shares was to ensure that the issue price is reflective of (i) the amount of work, time and resources incurred by the AHG, CoCom and CB Holder Group in negotiating the Proposed Restructuring and (ii) an appropriate premium to the prevailing trading price of the Shares at the time when each Work Fee Arrangements was agreed.

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At the time of negotiation, both the AHG and CoCom had spent approximately the same amount of work, time and resources to negotiate the Proposed Restructuring. However, the Work Fee Arrangements for the AHG was entered into on or around 11 April 2025 (where the prevailing trading price of the Shares was in the range of HK\$0.38 to HK\$0.44), and the Work Fee Arrangements for the CoCom was agreed on or around 18 August 2025 (where the prevailing trading price of the Shares was in the range of HK\$0.42 to HK\$0.48). Therefore, the Board considers that the issue price of the respective Work Fee Shares has to be adjusted upwards from HK\$0.50 (for the AHG) to HK\$0.55 (for the CoCom) to reflect approximately the same premium to the prevailing trading price of the Shares. In respect of the Work Fee Arrangements for the CB Holder Group which was agreed on or around 3 July 2025, the Board considers that the issue price of HK\$0.55 should reflect a higher premium to the prevailing trading price of the Shares (which was at the level of approximately HK\$0.38) as the CB Holder Group incurred lesser work, time and resources to negotiate the Proposed Restructuring compared to the AHG and the CoCom.

The amount and price of new Shares to be issued as a substitute for MCB (A) for the purposes of paying the RSA Fees and work fees payable to the AHG (if necessary)

A total number of new Shares of up to 42,210,000 new Shares, representing approximately 0.15% of the number of Shares in issue (i.e. 27,988,507,946 Shares, excluding the Treasury Shares (if any)) as at the Latest Practicable Date will be issued to settle RSA Fees payable to certain Creditors who are entitled to receive RSA Fees and to settle relevant work fees payable to the AHG (as an alternative way, only if necessary, as a result of the Company being unable to obtain all relevant approvals required to issue the MCB (A)) in the aggregate amount of approximately HK\$109,746,000 under the specific mandate to be approved at the EGM. The aggregate nominal value of the maximum number of new Shares to be issued as RSA Fees and work fees payable to the AHG will be HK\$4,221,000.00 (equivalent to RMB3,896,308).

The corresponding price of each such new Share to be issued to settle RSA Fees is HK\$2.60 per Share (which is the same as the initial MCB (A) Conversion Price of HK\$2.60), and this represents a premium of approximately 390.57% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date and approximately 374.45% to the average closing price of approximately HK\$0.548 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Latest Practicable Date.

Rights of the new Shares

Upon completion of the Proposed Restructuring, the new Shares will be allotted and issued by the Company under the Specific Mandate and, when allotted and issued by the Company, shall rank *pari passu* in all respects with other Shares in issue at that time, which are free from all liens, charges and encumbrances, and together with all rights attaching thereto as at the issuance date of such new Shares, including the right to receive all dividends declared, made or paid on or after the date of issue of such new Shares.

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Delivery of the new Shares

On the issuance date, the new Shares shall be issued to the local depositaries of Euroclear and Clearstream in scrip form, following which the local depositaries shall arrange for these new Shares to be dematerialised and be distributed to such securities account(s) in such manner as relevant recipient specifies.

Conditions precedent

The proposed issuance of new Shares is only conditional upon the passing of all necessary resolutions by the Shareholders to grant the Specific Mandate for the purposes of allotment and issuance of the new Shares. As of the Latest Practicable Date, the condition precedent had not been satisfied.

The work fees (including the proposed new Work Fee Shares) are payable to the AHG, CoCom and CB Holder Group pursuant to their respective Work Fee Arrangements, regardless of whether the Scheme is sanctioned and implemented.

Specific Mandate

The new Shares to be issued pursuant to the Work Fee Arrangements and RSA Fees will be issued under a Specific Mandate to be sought from the Shareholders at the EGM.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the new Shares.

Listing Rules Implications

The issuance of the new Shares pursuant to the Work Fee Arrangements and RSA Fees and the transaction contemplated thereunder are subject to the passing of necessary resolutions by the Shareholders at the EGM. The allotment and issue of the new Shares is conditional upon, among others, the Listing Committee of the Stock Exchange granting the listing of, the permission to deal in, the new Shares.

6. THE PROPOSED ISSUANCE OF NEW SHARES PURSUANT TO THE TFB BILATERAL LOAN RESOLUTION

The Company proposes to issue up to 16,849,842 new Shares for payment of accrued and unpaid interest (including default interest) under the TFB Bilateral Loan up to and including 30 September 2024, amounting to HK\$43,809,588.12.

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The issue price of each new Share to be issued to TFB is HK\$2.60 per Share pursuant to the TFB Standstill Deed entered into with TFB, and this represents a premium of approximately 390.57% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date and approximately 374.45% to the average closing price of approximately HK\$0.548 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Latest Practicable Date.

The issue price of the new Shares was determined based on arm's length negotiations between the Company and TFB. The Board considers that the key determination of the issue price of the new Shares to be issued to TFB was to ensure that issue price was consistent with the Conversion Price of MCB (A) to ensure that the terms of the TFB Bilateral Loan Resolution was not substantially more favourable than (if not the same as) the economic terms of the MCB (A) to be issued to the Creditors.

Rights of the new Shares

Upon completion of the Proposed Restructuring, the new Shares will be allotted and issued by the Company under the Specific Mandate and, when allotted and issued by the Company, shall rank *pari passu* in all respects with other Shares in issue at that time, which are free from all liens, charges and encumbrances, and together with all rights attaching thereto as at the issuance date of such new Shares, including the right to receive all dividends declared, made or paid on or after the date of issue of such new Shares.

Delivery of the new Shares

On the issuance date, the new Shares shall be issued to the local depositaries of Euroclear and Clearstream in scrip form, following which the local depositaries shall arrange for these new Shares to be dematerialised and be distributed to such securities account(s) in such manner as relevant recipient specifies.

Conditions precedent

The proposed issuance of new Shares is only conditional upon the passing of all necessary resolutions by the Shareholders to grant the Specific Mandate for the purposes of allotment and issuance of the new Shares. As of the Latest Practicable Date, the condition precedent had not been satisfied.

Specific Mandate

The new Shares to be issued pursuant to the TFB Bilateral Loan Resolution will be issued under a Specific Mandate to be sought from the Shareholders at the EGM.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the new Shares.

Listing Rules Implications

The issuance of the new Shares pursuant to the TFB Bilateral Loan Resolution and the transaction contemplated thereunder are subject to the passing of necessary resolutions by the Shareholders at the EGM. The allotment and issue of the new Shares is conditional upon, among others, the Listing Committee of the Stock Exchange granting the listing of, the permission to deal in, the new Shares.

7. THE PROPOSED CAPITALISATION OF SHAREHOLDER LOANS INVOLVING ISSUANCE OF NEW SHARES TO THE CONTROLLING SHAREHOLDER UNDER SPECIFIC MANDATE

The Proposed Capitalisation of Shareholder Loans

As at 30 September 2024, the Shareholder Loans owed by the Company amounted to a principal amount of approximately US\$1.148 billion (or equivalent).

On 13 November 2025 (after trading hours), the Company and Concrete Win entered into the Shareholder Loans Equitisation Agreement. Subject to the occurrence of the Restructuring Effective Date, approximately US\$1.098 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) shall be set-off and settled with immediate effect upon the Restructuring Effective Date, and the Company will issue the corresponding Capitalisation Shares at the issue price of HK\$0.60 per Capitalisation Share to Concrete Win from time to time upon written request by Concrete Win. Such Capitalisation Shares will be issued under a Specific Mandate to be sought from the Shareholders at the EGM.

If the Proposed Disposal completes, the remaining US\$50 million in principal amount of the Shareholder Loans will be set-off as part of the Proposed Disposal. Otherwise, if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date (i.e. there is no set-off of US\$50 million in principal amount of Shareholder Loans pursuant to the Proposed Disposal), the remaining US\$50 million in principal amount of the Shareholder Loans shall be set-off and settled on the date falling six calendar months after the Restructuring Effective Date, and the Company will issue the corresponding Capitalisation Shares at the issue price of HK\$0.60 per Capitalisation Share to Concrete Win from time to time upon written request by Concrete Win. Such Capitalisation Shares will be issued under a Specific Mandate to be sought from the Shareholders at the EGM. All accrued and unpaid interest in respect of the Shareholder Loans which has accrued (and remains unpaid) after (and excluding) 30 September 2024 shall be fully waived and cancelled.

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The principal terms of the Shareholder Loan Equitisation Agreement and the proposed issuance of Capitalisation Shares are summarised as follows:

Issuer:	The Company
Number of Capitalisation Shares:	(A) Up to 15,519,049,697 new Shares if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date; or (B) Up to 14,869,049,697 new Shares if the Proposed Disposal completes within six calendar months from the Restructuring Effective Date
Nominal value of the Capitalisation Shares:	(A) Up to HKD1,551,904,969.70 if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date; or (B) Up to HKD1,486,904,969.70 if the Proposed Disposal completes within six calendar months from the Restructuring Effective Date
Issue price:	The issue price for each Capitalisation Share is initially HK\$0.6 per Share.

The initial issue price of the Capitalisation Shares of HK\$0.6 represents:

- (a) a premium of approximately 39.53% to the last traded price of HK\$0.43 per Share as quoted on the Stock Exchange on 10 April 2025, being the last trading day before the signing of the RSA;
- (b) a premium of approximately 44.93% to the average closing price of HK\$0.41 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including 10 April 2025, being the last trading day before the signing of the RSA;
- (c) a premium of approximately 13.21% to the closing price of HK\$0.53 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (d) a premium of approximately 9.49% to the average closing price of HK\$0.55 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including on the Latest Practicable Date; and

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- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately -12.97%, represented by the theoretical diluted price of approximately HK\$0.50 per Share to the benchmarked price of approximately HK\$0.44 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of the RSA of HK\$0.44 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the RSA of HK\$0.41 per Share).

The issue price of the Capitalisation Shares was determined based on arm's length negotiations between the Company, the AHG, the CoCom and Concrete Win, taking into account various factors, including without limitation, (i) the prevailing trading prices of the Shares during the period when the terms of the RSA were negotiated, (ii) the prevailing trading price of the Shares at the time when the issue price was determined, (iii) the Controlling Shareholder's ownership in the Company after the Proposed Restructuring is completed and the need to balance the dilution impact on the Controlling Shareholders of the Company to maintain their reasonable and appropriate control over the Company, and (iv) other terms of the Proposed Restructuring.

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The Board considers that it is fair and reasonable for the issue price of the Capitalisation Shares to be lower than the Conversion Price of the MCBs. This is because Creditors acknowledge the contribution of the Controlling Shareholder by way of Shareholder Loans to alleviate the liquidity pressure of the Group before the announcement of pursuit of a holistic solution to address the Group's material offshore indebtedness and while Creditors were entitled to elect from five different options of Scheme Consideration (including receiving debt instruments without any substantial reduction on their original holdings of the Existing Debt), the Controlling Shareholder will only be entitled to compromise the Shareholder Loans in exchange for Capitalisation Shares pursuant to the terms of the Shareholder Loans Equitisation Agreement. In addition, the issuance of the Capitalisation Shares is value accretive for existing Shareholders, because the issue price of the Capitalisation Shares is higher than the prevailing trading price of the Shares as at the Latest Practicable Date. The Board believes that the issuance of the Capitalisation Shares is fair, reasonable and supports the long-term interests of all stakeholders because it not only supports an appropriate de-leverage of the Group and also aligns the interests of the Controlling Shareholder with the Company.

The aggregate issue price of all Capitalisation Shares payable by Concrete Win shall be satisfied by capitalising and setting off against up to approximately US\$1.148 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) upon the occurrence of the Restructuring Effective Date.

Issue period:

At any time during the period commencing from (and including) the Restructuring Effective Date up to (and including) the maturity date of the MCB (B) to be issued in connection with the Scheme, upon delivery by Concrete Win of an issue notice, the Company undertakes to issue new Shares to Concrete Win pursuant to the terms of the Shareholder Loans Equitisation Agreement.

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Without prejudice to the parties' rights and obligations, to the extent that the Proposed Issuance of Capitalisation Shares shall trigger an obligation for Concrete Win or any of the Controlling Shareholders to make a mandatory general offer for all the issued Shares and other securities (as defined in the Code on Takeovers and Mergers and Share Buy-backs in Hong Kong) of the Company, the issue of new Shares under the Shareholder Loans Equitisation Agreement shall not take place until such obligation no longer exists.

Adjustment mechanism: Subject to the terms of the Shareholder Loans Equitisation Agreement, the issue price of the Capitalisation Shares shall be subject to adjustment upon the occurrence of certain adjustment events including:

- (a) an alteration to the nominal value of the Shares resulting in a reduction or increase in the number of Shares outstanding following any consolidation, subdivision, redesignation or reclassification, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where A is the nominal amount of one Share immediately after such alteration; B is the nominal amount of one Share immediately before such alteration;

- (b) an issue (except for any scrip dividend or issues that would constitute a capital distribution) of any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account), where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

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where A is the aggregate nominal amount of the issued Shares immediately before such issue; B is the aggregate nominal amount of the issued Shares immediately after such issue;

- (c) an issue of Shares by way of a scrip dividend where the aggregate value of the Shares comprising such scrip dividend as determined by reference to the current market price per Share multiplied by the number of Shares that may be issued exceeds the fair market value of the relevant cash dividend, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before the issue of such scrip dividend by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of issued Shares immediately before such issue; B is the aggregate number of Shares as is equal to such fair market value of the relevant cash dividend divided by such current market price on the date of announcement of the terms of such scrip dividend; C is the aggregate number of Shares comprising such scrip dividend, or by making such other adjustment as such independent financial advisor shall certify to Concrete Win is fair and reasonable;

- (d) a capital distribution to the Shareholders, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such capital distribution by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which the capital distribution is first publicly announced; and; B is the fair market value of the portion of the capital distribution attributable to per Share;

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- (e) rights issues of Shares or options over Shares at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such announcement; B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such current market price per Share; C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant;

- (f) rights issues of other securities to the Shareholders, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which such issue or grant is publicly announced; B is the fair market value per Share on the date of such announcement of the portion of the securities, rights, options, warrants or other rights (as the case may be) attributable to one Share;

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- (g) issues at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

where A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such current market price per Share; C is the aggregate number of Shares in issue immediately after the issue of such additional Shares;

- (h) other issues at a consideration per Share the fair market value of which is less than 85 per cent. of the current market price per Share, or any modification so that the fair market value of which is less than 85 per cent. of the current market price per Share, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

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where A is the aggregate number of Shares in issue immediately before such issue; B is the number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such current market price per Share; C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities;

- (i) any modification of the rights of conversion etc. attaching to any such securities as are mentioned in paragraph (h) above so that the fair market value of the consideration per Share is less than 85 per cent. of the current market price per Share, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where A is the aggregate number of Shares in issue immediately before such modification; B is the maximum number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such current market price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an independent financial advisor considers appropriate (if at all) for any previous adjustment under this paragraph (i) or paragraph (h) above;

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- (j) other offers to Shareholders, where the issue price of the Capitalisation Shares shall be adjusted by multiplying the issue price of the Capitalisation Shares in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

where A is the current market price per Share on the date on which such issue, sale or distribution is first publicly announced; B is the fair market value of the portion of the rights attributable to one Share; and

- (k) other events in respect of which the Company determines that an adjustment should be made.

Ranking of the Capitalisation Shares: The Capitalisation Shares will rank *pari passu* with all Shares.

Conditions precedent

Completion of the proposed capitalisation of the Shareholder Loans and the subsequent issuance of the Capitalisation Shares to Concrete Win is conditional upon:

- (i) same conditions as the conditions of the Proposed Restructuring as disclosed in “2. Background and the Proposed Restructuring — Overview of the Proposed Restructuring” above;
- (ii) the listing and permission to deal in the Capitalisation Shares being granted by the Listing Committee of the Stock Exchange; and
- (iii) the passing of all necessary resolutions by the Independent Shareholders to approve the proposed capitalisation of part of the Shareholder Loans involving issuance of the Capitalisation Shares to Concrete Win under the Specific Mandate.

As at the Latest Practicable Date, other than the consummation of the Existing HKD Convertible Bonds Consent Solicitation, none of the conditions have been satisfied or waived.

Specific Mandate

The Capitalisation Shares will be issued pursuant to the Specific Mandate to be sought at the EGM.

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Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Capitalisation Shares. This circular appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.

Information about the Controlling Shareholder

Concrete Win is a company incorporated in the British Virgin Islands, which is ultimately controlled by Ms. YANG Huiyan, the chairlady of the Board and the executive Director. Concrete Win is principally engaged in investment holding. As of the Latest Practicable Date, Concrete Win together with its associates held approximately 48.02% of the total issued Shares of the Company.

Reasons for and Benefits of the Proposed Capitalisation of Shareholder Loans

The proposed capitalisation of a portion of the Shareholder Loans through the issuance of Capitalisation Shares to Concrete Win under the Specific Mandate will have an immediate and significant impact on the Company's financial profile. This transaction will enable the Company to extinguish up to US\$1.148 billion in principal amount of the Group's outstanding debt (plus any accrued and unpaid interest) as soon as the Proposed Restructuring becomes effective, achieving immediate deleveraging and strengthening the Group's balance sheet.

The Controlling Shareholders' agreement to convert this substantial loan (originally extended voluntarily in response to the industry-wide liquidity crunch since 2021) into equity demonstrates their ongoing commitment to the Company's long-term success and stability. The Capitalisation Shares will be issued at a price higher than the prevailing market price when the restructuring framework was first agreed, further reflecting the Controlling Shareholder's confidence in the Company's long-term prospects. In addition, this capitalisation is expected to encourage other creditors to consider equitising their own debt holdings by electing the relevant MCB options, supporting further deleveraging and a more sustainable capital structure in the longer term.

Concrete Win may be issued up to 15,519,049,697 Capitalisation Shares (subject to agreed adjustments) at its written request(s) from time to time to maintain its control. This approach enhances stability of the ownership structure and aligns the Group's capital structure with the interests of all stakeholders.

Listing Rules Implications

As Concrete Win is a controlling shareholder and a connected person of the Company under the Listing Rules, the proposed capitalisation of part of the Shareholder Loans and the proposed issuance of the Capitalisation Shares to Concrete Win under the Specific Mandate constitute connected transactions of the Company and are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.36 of the Listing Rules, the connected transaction must be conditional on shareholders' approval at a general meeting held by the listed issuer. Any shareholder who has a material interest in the transaction must abstain from voting on the resolution. Concrete Win and its associates (including Ms. YANG Huiyan (the chairlady of the Board and executive Director) and Mr. CHEN Chong (a non-executive Director and the spouse of Ms. YANG Huiyan)) shall abstain from voting on the resolutions for the proposed capitalisation of part of the Shareholder Loans and the proposed issuance of the Capitalisation Shares and the transactions contemplated thereunder at the EGM pursuant to the Listing Rules.

In view of the interests of Concrete Win in the proposed subscription of the Capitalisation Shares, Ms. YANG Huiyan (the chairlady of the Board and executive Director) and her associates, namely, Ms. YANG Ziyang (an executive Director) and Mr. CHEN Chong (the non-executive Director) have abstained from voting on the relevant Board resolutions for approving the capitalisation of part of the Shareholder Loans and the proposed issuance of the Capitalisation Shares and the transactions contemplated thereunder.

8. THE PROPOSED ADOPTION OF THE MANAGEMENT INCENTIVE PLAN

The Board proposes the adoption of the Management Incentive Plan. Under the MIP, the Company may grant Awards by way of restricted share units, which may vest in the form of Shares or in cash, according to the rules of the MIP and as determined by the Board or the MIP Administrator. For the purpose of the MIP, references to the issue of Shares include the transfer of Treasury Shares.

Purpose

The purposes of the MIP are to incentivise senior management and other employees of the Group who are critical to the Group's operations to execute business plans effectively and to improve the Group's financial performance and position, satisfy the scheduled payments under the New Debt Instruments issued under the terms of the Proposed Restructuring, and improve share price performance after the Restructuring Effective Date.

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Term

The term of the MIP is ten years commencing upon the fulfilment of all the conditions for the adoption of MIP, after which no further Awards will be granted, but the MIP will continue to be effective for the vesting of any non-vested Award Shares granted prior to expiration.

Conditions for the MIP

The MIP will take effect upon satisfaction of all the following conditions: (a) the passing of a resolution by the Shareholders of the Company to approve the MIP in accordance with the Listing Rules; (b) the occurrence of the Restructuring Effective Date; (c) the approval of the Listing Committee of the Stock Exchange for the listing of and permission to deal the Shares underlying the grants pursuant to the MIPs; and (d) the passing of a resolution by the Board to approve the termination of the 2017 Share Option Scheme (as defined below), conditional and effective upon the adoption of the MIP by the Shareholders at the EGM. None of these conditions are waivable. As of the Latest Practicable Date, none of the conditions above have been satisfied.

MIP Limit

As at the Latest Practicable Date, the issued share capital of the Company comprised 27,988,507,946 Shares. Assuming there is no change to the issued share capital of the Company prior to the EGM, the maximum number of Shares that may be issued in respect of Awards granted under the MIP, when aggregated with the maximum number of Shares under any other share scheme of the Company, will be 2,798,850,794 Shares, representing 10% of the total number of Shares in issue (excluding any Treasury Shares) as at the date of the EGM.

Administration

Upon adoption of the MIP, the Company proposes to enter into a trust deed to appoint a trustee for administration of the MIP. The trustee may not exercise any voting rights in respect of any Shares held under the MIP that have not yet vested, except as required and in accordance with the Listing Rules. The Company confirms that no Director will act as the trustee of the MIP. The Shares underlying the Awards will rank *pari passu* with all other Shares.

Subject to the relevant requirements under the Listing Rules, the Company may use Treasury Shares to satisfy Awards granted under the MIP.

Principal terms of the MIP

A summary of the principal terms of the MIP is set out in Appendix II to this circular. The full text will be made available on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.countrygarden.com.cn) from the date of this circular up to and including the date of the EGM (being not less than 14 days).

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Under the MIP:

- (a) *Participants* — The Eligible Participants under the MIP are directors (including executive, non-executive and independent non-executive directors and excluding the Controlling Shareholder), senior management, and employees of the Group, as determined by the Board or the MIP Administrator according to selection criteria such as present and expected contribution to the Group's business plans, profitability, financial performance, repayment milestones under the New Debt Instruments and share price performance. However, (a) no employee or director of the Group who have left the Group or are serving out their notice period as at the Restructuring Effective Date and (b) no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the MIP is not permitted under the laws and regulations of such place or where, in the view of the Board, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate.

In particular, as at the Latest Practicable Date, the Company had no specific plans or immediate intention to grant Awards to independent non-executive Directors. However, the Eligible Participants include independent non-executive Directors having considered key reasons including that (i) equity-based compensation remains a vital tool for aligning shareholder interests with those of employees (regardless of the manner in which they are employed) and all Board members, including independent non-executive Directors; (ii) inclusion of these categories of Eligible Participants is a common practice among public companies; and (iii) all Board members, including independent non-executive Directors, may provide crucial contributions to the Group's development and business through their knowledge, market experience, professional background and valuable insights and advice. The Board believes that having the flexibility to offer Awards to these categories of Eligible Participants, in addition to cash-based compensation, will enhance the Company's ability to maintain competitive remuneration packages for attracting talented employees and Directors, in order to make significant contributions to the Company's business and operation, and performance of the Company's obligations under the New Debt Instruments. Any grant of Awards to the independent non-executive Directors shall be considered in conjunction with the prevailing corporate governance requirements and shall be approved by the remuneration committee and the Board, and if required by the Listing Rules, the Shareholders in general meeting in accordance with the Listing Rules.

- (b) *Performance targets* — The grant of Awards is subject to (i) performance-based criteria determined by the Board or the MIP Administrator at its sole discretion, including but not limited to the actual profitability achieved by the Group for the year as compared to the target profitability and individual appraisal ratings taking into account the

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contribution of the individual's business segments to the Group's overall profitability, aligning the interests and incentives of participants with those of the Group; and/or (ii) certain criteria determined by the AHG, including but not limited to the satisfaction of scheduled payments under the New Debt Instruments issued under the terms of the Proposed Restructuring and share price performance of the Company, save for Awards granted to independent non-executive Directors where no performance criteria will be imposed.

- (c) *Vesting period* — Vesting of Awards will be subject to a multi-year period during which Selected Participants must remain employed without serious violations or misconducts and meet certain vesting criteria, which may include the participant and his/her business segment's performance (save for Awards granted to independent non-executive Directors where no performance criteria will be imposed), as specified under the terms of each Award.
- (d) *Clawback mechanism* — The Board or the MIP Administrator may claw back vested Awards or adjust unvested Awards in certain circumstances, such as material inaccuracies in financial or performance metrics, unsatisfactory conduct negatively impacting the Company, or other cases as the Board or the MIP Administrator may determine at its sole discretion.
- (e) *Specific grants to be approved by the Shareholders* — In addition to the MIP Limit, the following grants of Awards will require approval of the Shareholders in accordance with the Listing Rules:
 - (i) Awards to any one person if such grant would result in the total number of Shares issued or to be issued in respect of all options and awards granted to such person under the Share Award Scheme and any other share scheme over Shares (excluding any options and awards lapsed in accordance with the rules of any other share schemes) in the 12-month period up to and including the date of the latest grant in aggregate to exceed 1% of the Shares in issue (excluding any Treasury Shares) from time to time;
 - (ii) Awards to a Director (other than an independent non-executive director) or chief executive of the Company or their respective associates which will result in the total number of Shares issued and to be issued in respect of all the awards granted under the Share Award Scheme and any other share scheme over Shares (excluding any award lapsed in accordance with the rules of any other share schemes) to such person in the 12-month period up to and including the date of such grant, in aggregate to exceed 0.1% of the Shares in issue (excluding any Treasury Shares) from time to time; and
 - (iii) Awards to a substantial shareholder or an independent non-executive Director or their respective associates which will result in the total number of Shares issued and to be issued in respect of all the options

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and awards granted under the Share Award Scheme and any other share scheme over Shares (excluding any options and award lapsed in accordance with the rules of any other share schemes) to such person in the 12-month period up to and including the date of such grant, in aggregate to exceed 0.1% of the Shares in issue (excluding any Treasury Shares) from time to time, such further grant of Awards must be approved by the Shareholders in general meeting in accordance with the Listing Rules.

Listing Rules Implications

As of the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of MIP. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

Existing Share Schemes of the Company

For the purpose of rewarding the contribution of the senior management (including the executive Directors of the Company who are also senior management) and employees of the Group engaging in profitable property development projects of the Group, two incentive mechanisms (as amended from time to time) (the “**Incentive Mechanisms**”) were adopted by the Group (with the latest versions being adopted on 27 December 2019 and 18 September 2020 respectively), which respectively concern property development projects located in the PRC and property development projects located in Hong Kong and other overseas jurisdictions (the “**Property Development Projects**”). Under the Incentive Mechanisms, in general, senior management and employees will primarily be provided with cash rewards, calculated with reference to net profits generated from the Property Development Projects and the Group’s internal rate of return. A portion of these cash rewards will then be used as either (i) the consideration for the exercise of the share options to be granted to them by the Company under the terms of the share option schemes (in respect of certain executive Directors of the Company who are also senior management) or (ii) the consideration for the purchase of Shares (i.e. the share awards) (in respect of senior management who are not Directors and employees of the Company).

The aforementioned share awards to the senior management who are not Directors and employees of the Company are funded by existing Shares, and shall be distributed in accordance with the Principles for Employees’ Shares Conversion Rights (as amended from time to time) adopted by the Group on 11 February 2015 (the “**2015 Share Award Scheme**”). The 2015 Share Award Scheme has no fixed expiry date. As of the Latest Practicable Date, (a) the total number of Shares in relation to share awards that were granted under the 2015 Share Award Scheme was 83,259,032 Shares (being the net number after deduction of the exercised and lapsed share awards); and (b) the Company had no plans to revise or terminate the 2015 Share Award Scheme and will continue to comply with the requirements under Rule 17.12 of the Listing Rules.

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A share option scheme (the “**2017 Share Option Scheme**”) was adopted on 18 May 2017 for a period of 10 years commencing on the adoption date. As of the Latest Practicable Date, (a) the total number of Shares underlying the options granted (including options exercised or outstanding) under the 2017 Share Option Scheme was 71,757,758; and (b) the Company had no plans to issue any further options under the 2017 Share Option Scheme and will propose to terminate the 2017 Share Option Scheme by way of Board resolution, conditional and effective upon the approval and adoption of the MIP by the Shareholders at the EGM.

As of the Latest Practicable Date, save for the 2015 Share Award Scheme and the 2017 Share Option Scheme, the Company had not adopted any other share schemes.

9. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED DISPOSAL OF EQUITY INTEREST IN CERTAIN SUBSIDIARIES AND SETTING OFF OF SHAREHOLDER LOANS AND THE RELATED CONTINUING CONNECTED TRANSACTIONS

(1) Share Purchase Agreement

On 13 November 2025 (after trading hours), CGRE, Beauty Humble (each an indirect wholly-owned subsidiary of the Company), Concrete Win and the Company entered into the Share Purchase Agreement, pursuant to which (i) CGRE has conditionally agreed to dispose of the CGWF Shares and the CIBS Preference Shares held by CGRE to Concrete Win (or its designated subsidiary) and (ii) Beauty Humble has conditionally agreed to dispose of CGPV Preference Shares and the CIBS Preference shares held by Beauty Humble to Concrete Win (or its designated subsidiary). Upon the completion of the Proposed Disposal, each of the Target Companies will cease to be a non-wholly owned subsidiary of the Company and the financial results of the Target Companies will no longer be consolidated into the consolidated financial statements of the Company.

The principal terms of the Share Purchase Agreement are as follows:

Date: 13 November 2025

Parties: CGRE, Beauty Humble (each an indirect wholly-owned subsidiary of the Company, as sellers);

Concrete Win (as purchaser); and

the Company

Assets to be disposed of: The Target Shares, being the CGWF Shares, the CGPV Preference Shares and the CIBS Preference Shares, on an “as-is” basis. CGWF and Beauty Humble in turn owns 60% of the ordinary shares and the entire preference shares of CGPV, the Malaysian project company of the FC Project, respectively.

Consideration

The fixed consideration for the Proposed Disposal shall be satisfied by Concrete Win releasing and discharging the obligation of the Company to repay part of the Shareholder Loans in the amount of US\$50,000,000 on a dollar-for-dollar basis upon completion of the Proposed Disposal, and such payment shall constitute a full and complete discharge of Concrete Win's obligation to pay the fixed consideration for the Proposed Disposal. In addition, contingent consideration in respect of the Proposed Disposal may be payable under the Upside Sharing Agreement and the ListCo CVR (each as described in further detail in the sub-sections below headed "Upside Sharing Agreement" and "ListCo CVR").

The fixed consideration of US\$50,000,000 has been determined after arm's length negotiation between the Company and Concrete Win, taking into account that (i) the Proposed Disposal will be made on an "as-is" basis, where Concrete Win accepts the business, operational and financial conditions of the Target Group (including all existing encumbrances and liabilities of the Target Group) in their current state, with no business warranties or undertakings given by the Company and no recourse to the Company, and (ii) the fair value of the Target Group's consolidated net assets as of 31 August 2025, based on the Business Valuation Report prepared by the Valuer as set out in the section "Appendix IV Business Valuation Report", was approximately negative MYR1,998 million (equivalent to approximately negative RMB3,397 million), meaning that the Company is selling Target Shares with no material economic value in exchange of a reduction in its debt owed under the Shareholder Loans, which is value accretive for existing Shareholders and is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The contingent consideration under the Upside Sharing Agreement and the ListCo CVR has been determined after arm's length negotiation between the Company and Concrete Win, with the aim to allow the Company to share in the future success of the FC Project if the FC Project will be developed successfully in the long run. Taking into account (i) projected reinvestment in the FC Project in relation to the development of new transportation infrastructure and large-scale shopping malls; (ii) operating costs of the FC Project, projected by reference to its development plan; (iii) payment of existing liabilities as they fall due; and (iv) if Concrete Win successfully turns around the FC Project, projected gradual improvement of sales and gradual increase of retained earnings of the FC Project throughout the term of the Upside Sharing Agreement and the ListCo CVR, and considering prevailing market conditions and competitive landscape, the Company has agreed with Concrete Win that the total amount of contingent consideration that the Company may receive under the Upside Sharing Agreement and the ListCo CVR shall not exceed MYR134 million (equivalent to approximately RMB228 million). The actual contingent consideration received by the Company would depend on the actual operations and financial performance of the FC Project during the term of the

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Upside Sharing Agreement and the ListCo CVR. There is no assurance or certainty that the conditions for the payment of any contingent consideration will be met, or that the Company will ultimately receive any contingent consideration.

Conditions precedent

The completion of the Proposed Disposal will be conditional upon satisfaction of the following conditions:

- (a) (i) all intercompany payables owed by the Group (excluding the Target Group) to the Target Group having been set off in full, such that there shall be no liability owed by the Group (excluding the Target Group) to the Target Group; and (ii) the relevant companies of the Target Group and the Group (excluding the Target Group) having entered into a forbearance agreement, pursuant to which a total of approximately MYR4,320 million (equivalent to approximately RMB7,344 million) of the net intercompany payables owed by the Target Group to the Group (excluding the Target Group) shall be subject to a standstill and forbearance arrangement for a period of 30 years from the completion of the Proposed Disposal;
- (b) the Independent Shareholders' approval(s) of the transactions contemplated under the transaction documents pursuant to the Share Purchase Agreement having been obtained;
- (c) the establishment of a management incentives plan for the senior management of the Target Group;
- (d) Ms. YANG Huiyan (the chairlady of the Board and executive Director) having complied and having procured her close associates to comply, with any applicable legal and regulatory requirements (including requirements under the Listing Rules) in respect of the Proposed Disposal;
- (e) the Company having made all necessary filings of the Proposed Disposal in the PRC in accordance with applicable laws and regulations, and no government order having been issued, or other government action having been taken, to prohibit the consummation of the Proposed Disposal;
- (f) the due execution of the Upside Sharing Agreement, the ListCo CVR and the Scheme Creditor CVR on completion of the Proposed Disposal;
- (g) the occurrence of the Restructuring Effective Date; and

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- (h) An independent valuation advisor having completed, on behalf of the AHG and the CoCom, an independent review of the property valuation report of the FC Project issued by the Valuer, and having confirmed the Valuer's property valuation of the FC Project.

None of the conditions precedent can be waived by the parties to the Proposed Disposal. As of the Latest Practicable Date, none of the conditions precedent have been satisfied.

With respect to condition precedent (a) above, as of the Latest Practicable Date, the Group (excluding the Target Group) has set off all liabilities owed by the Group (excluding the Target Group) to the Target Group, and the net intercompany payables from the Target Group to the Group (excluding the Target Group) is approximately MYR5,135 million (equivalent to approximately RMB8,730 million). In connection with the Proposed Disposal, the Group (excluding the Target Group) will undertake to the Target Group to standstill and forbear from taking certain enforcement actions in respect of a total of approximately MYR4,320 million (equivalent to approximately RMB7,344 million) of such intercompany payables for a period of 30 years from the completion of the Proposed Disposal. Such forbearance arrangement is designed to relieve the Target Group from immediate financial pressure and provide the Target Group with necessary financial and operational flexibility to develop and monetise the FC Project, a complex large-scale integrated property development project, over the long term, ultimately enhancing the return that the Company may receive under the Management Services Framework Agreement, the Upside Sharing Agreement and the ListCo CVR. For the avoidance of doubt, the Proposed Disposal will not compromise or discharge the obligations of the Target Group under the remaining intercompany payables in the total amount of approximately MYR815 million (equivalent to approximately RMB1,386 million).

With respect to conditions precedent (b) and (d) above, these will be satisfied after the Independent Shareholders have approved the transactions contemplated under the Share Purchase Agreement at the EGM. With respect to condition precedent (f) above, the forms of the Upside Sharing Agreement, the ListCo CVR and the Scheme Creditor CVR have been agreed and are ready to be executed concurrent with the completion of the Proposed Disposal. The Company is working on the satisfaction of the remaining conditions precedent as soon as possible. If any of the conditions precedent is not satisfied and the Proposed Disposal is not completed within six calendar months from the Restructuring Effective Date, each of CGRE, Beauty Humble and Concrete Win is entitled to terminate the Share Purchase Agreement, there will be no set-off of US\$50,000,000 in principal amount of the Shareholder Loans pursuant to the Proposed Disposal, and the full US\$1.148 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) will be equitised in accordance with the Shareholder Loan Equitisation Agreement. All accrued and

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unpaid interest in respect of the Shareholder Loans which has accrued (and remains unpaid) after (and excluding) 30 September 2024 shall be fully waived and cancelled. For details of the proposed issuance of new Shares in such an event, please refer to “7. The Proposed Capitalisation of Shareholder Loans involving Issuance of New Shares to the Controlling Shareholder under Specific Mandate” above.

Completion

Completion of the Proposed Disposal shall occur on the fifth business day following the fulfilment of the conditions precedent.

Upside Sharing Agreement

On completion of the Proposed Disposal, the Company will enter into the Upside Sharing Agreement (the form of which has been agreed under and appended to the Share Purchase Agreement) with Concrete Win, pursuant to which the Company shall be entitled to share a portion of the upside of the FC Project received by Concrete Win in consideration of the Proposed Disposal. From the date of completion of the Proposed Disposal until three years thereafter, the Company shall be entitled to an upside sharing fee comprising an amount equal to 15% of the excess return that Concrete Win receives from the Target Group over an internal rate of return (“**IRR**”) of 12% per annum, which shall be calculated at the time of each distribution by the Target Group and payable within 15 business days of the delivery of a notice in relation to such distribution. The return that Concrete Win receives from the Target Group will be calculated taking into account any and all dividends, bonus issues or any other distribution or payment made by the Target Group to Concrete Win in its capacity as a direct or an indirect shareholder of any member of the Target Group, including any repayment of any principal or interest of shareholder loans (if any), minus any amount paid or payable under the ListCo CVR or the Scheme Creditor CVR.

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ListCo CVR

On completion of the Proposed Disposal, Concrete Win will issue the ListCo CVR to the Company on the basis of the principal terms set out below.

Issuer:	Concrete Win
Counterparty:	The Company
Expiry Date:	The date falling on the earliest of: (i) 31 December 2034 (i.e. 114 complete calendar months from the Reference Date); (ii) the date that Concrete Win (and/or its affiliates) disposes all or substantially all of its economic interest in the FC Project; and (iii) the payment or discharge in full of all outstanding amounts under the SCA Loan, MTI, LTI (A) and LTI (B)
Interest:	Zero coupon
Security:	Unsecured
Trigger Events:	Any of the following disposal events to an Independent Third Party: (i) Concrete Win (and/or its affiliates) completes the sale of all or any part of the Target Shares for cash or monetary consideration and the net sale proceeds are received by Concrete Win (and/or its affiliates, excluding the Target Group); (ii) CGWF and/or Concrete Win completes the sale all or any part of the issued share capital of CGPV which is held by CGWF and/or Concrete Win (as applicable) for cash or monetary consideration, and the net sale proceeds are received by Concrete Win (and/or its affiliates, excluding the Target Group); or

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- (iii) CGPV completes the sale of all or any part of its directly or indirectly held assets in the FC Project (including shares in CIBS) for cash or monetary consideration and the net sale proceeds are received by Concrete Win (and/or its affiliates, excluding the Target Group)

in each case, provided that such event occurs on or before the Expiry Date (“**Trigger Event**”)

CVR settlement amount: In the event that any of the Trigger Events occur, Concrete Win shall pay the Company an amount equal to (i) 15% (from the issuance date of the ListCo CVR to 30 June 2028), (ii) 8% (from 1 July 2028 to 30 June 2031) or (iii) 5% (from 1 July 2031 to 31 December 2034), in each case, of the Company Upside Amount (being (i) the total net cash consideration (after deducting taxes and other transaction expenses) attributable to the distributions from or disposal of the Target Shares (or disposal of the assets of the FC Project) following the occurrence of any of the Trigger Events (plus, without double counting, any dividends or other distributions derived from the shares in CGWF, CGPV and CIBS from the issuance date of the ListCo CVR until the occurrence of such Trigger Event), which are received by Concrete Win (and/or its affiliates, excluding the Target Group); less the aggregate of (ii) US\$50,000,000 (or the relevant *pro rata* amount if only a portion (instead of all)) of the relevant assets are being disposed) and (iii) any outstanding investments advanced by the Controlling Shareholder to the FC Project and the outstanding costs incurred in advancing such investments (without taking into account any prior returns actually received by Concrete Win and/or its affiliates))

Governing Law: Hong Kong law

LETTER FROM THE BOARD

Scheme Creditor CVR

Separately, pursuant to the terms of the Scheme and as part of the Scheme Consideration, Concrete Win has agreed to issue the Scheme Creditor CVR such that the relevant creditors may share in the future success of the FC Project if the FC Project will be successfully developed by Concrete Win in the long run. Principal terms of the Scheme Creditor CVR are set out below.

Issuer:	Concrete Win
Counterparty:	An agent who shall hold the Scheme Creditor CVR for the benefit of the holders of the SCA Loan, MTI and LTIs
Expiry Date:	The date falling on the earliest of: (i) 31 December 2034 (i.e. 114 complete calendar months from the Reference Date); (ii) the date that Concrete Win (and/or its affiliates) disposes all or substantially all of its economic interest in the FC Project; and (iii) the payment or discharge in full of all outstanding amounts under the SCA Loan, MTI, LTI (A) and LTI (B)
Interest:	Zero coupon
Security:	Unsecured
Trigger Events:	Any of the following disposal events to an Independent Third Party: (i) Concrete Win (and/or its affiliates) completes the sale of all or any part of the Target Shares for cash or monetary consideration and the net sale proceeds are received by Concrete Win (and/or its affiliates, excluding the Target Group);

LETTER FROM THE BOARD

- (ii) CGWF and/or Concrete Win completes the sale all or any part of the issued share capital of CGPV which is held by CGWF and/or Concrete Win (as applicable) for cash or monetary consideration, and the net sale proceeds are received by Concrete Win (and/or its affiliates, excluding the Target Group); or
- (iii) CGPV completes the sale of all or any part of its directly or indirectly held assets in the FC Project (including shares in CIBS) for cash or monetary consideration and the net sale proceeds are received by Concrete Win (and/or its affiliates, excluding the Target Group),

in each case, provided that such event occurs on or before the Expiry Date (“**Trigger Event**”)

LETTER FROM THE BOARD

CVR settlement amount: In the event that any of the Trigger Events occur, Concrete Win shall pay the counterparty of the Scheme Creditor CVR an amount equal to (i) 15% (from the issuance date of the Scheme Creditor CVR to 30 June 2028), (ii) 8% (from 1 July 2028 to 30 June 2031) or (iii) 5% (from 1 July 2031 to 31 December 2034), in each case, of the Company Upside Amount (being (i) the total net cash consideration (after deducting taxes and other transaction expenses) attributable to the distributions from or disposal of the Target Shares (or disposal of the assets of the FC Project) following the occurrence of any of the Trigger Events (plus, without double counting, any dividends or other distributions derived from the shares in CGWF, CGPV and CIBS from the issuance date of the Scheme Creditor CVR until the occurrence of such Trigger Event), which are received by Concrete Win (and/or its affiliates, excluding the Target Group); less the aggregate of (ii) US\$50,000,000 (or the relevant *pro rata* amount if only a portion (instead of all)) of the relevant assets are being disposed) and (iii) any outstanding investments advanced by the Controlling Shareholder to the FC Project and the outstanding costs incurred in advancing such investments (without taking into account any prior returns actually received by Concrete Win and/or its affiliates))

Governing Law: Hong Kong law

LETTER FROM THE BOARD

Information about the Target Companies and the Target Group

CGWF is a company incorporated in Malaysia with limited liability. It is principally engaged in investment holding. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of the CGWF are held by CGRE, Active Builder Enterprise Sdn. Bhd. and Teo Chee Yow as to approximately 96.67%, 3.31% and 0.02%, respectively, and the entire issued preference shares of CGWF are held by CGRE. CGWF is accounted for as an indirect non-wholly owned subsidiary of the Company. To the best knowledge and information upon reasonable enquiries, each of (i) Active Builder Enterprise Sdn. Bhd. and its ultimate beneficial owner, Mr. Teo Chee Yow and (ii) Mr. Teo Chee Yow is a third party independent of the Company and its connected persons.

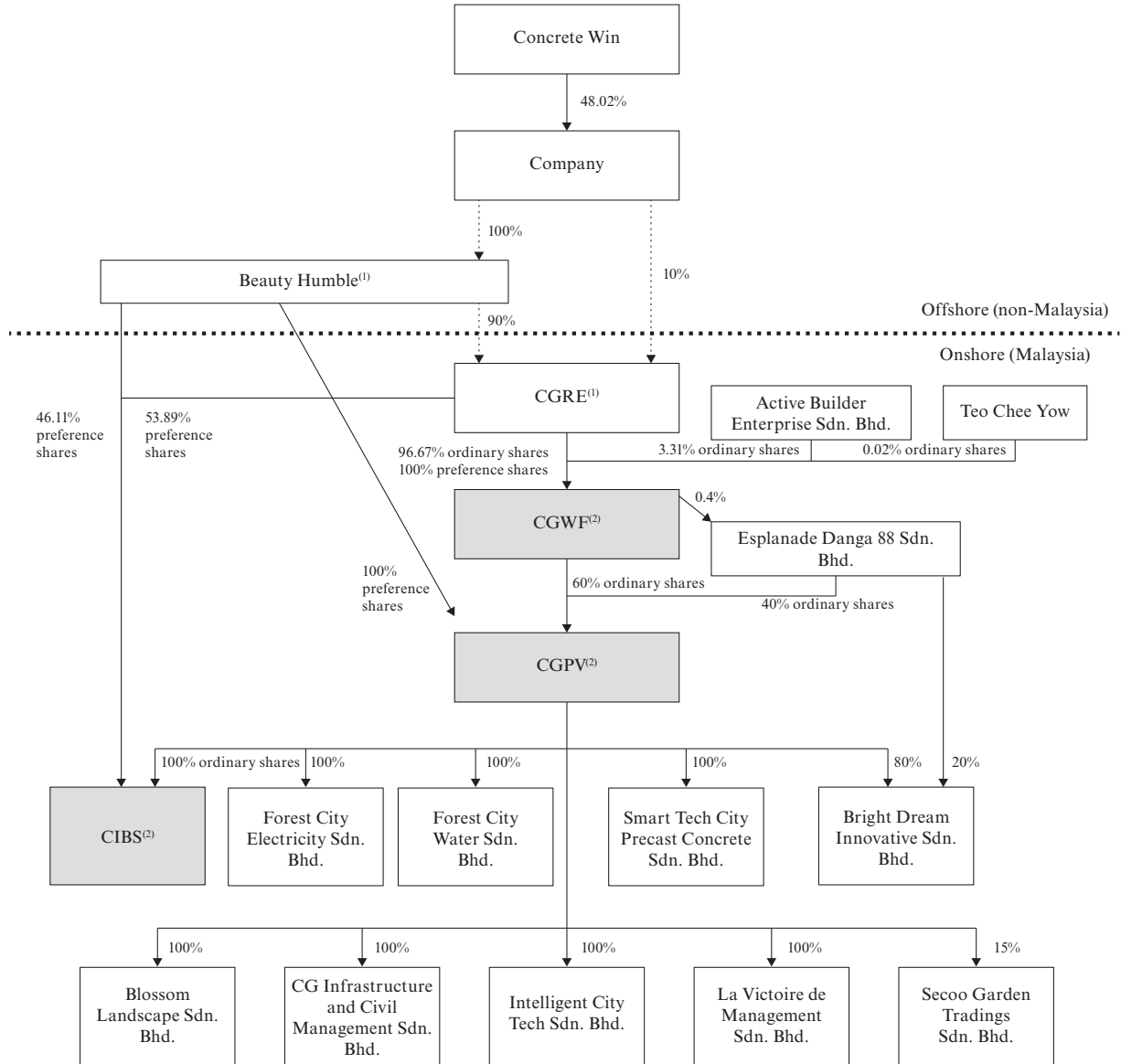
CGPV is a company incorporated in Malaysia with limited liability. It is principally engaged in property development, and the operation of hotels, clubs, restaurants, golf and putting courses. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of CGPV are held by CGWF and Esplanade Danga 88 Sdn. Bhd. as to 60% and 40%, respectively, and the entire issued preference shares of CGPV are held by Beauty Humble. CGPV is accounted for as an indirect non-wholly owned subsidiary of the Company. To the best knowledge and information upon reasonable enquiries, each of Esplanade Danga 88 Sdn. Bhd. and its ultimate beneficial owner, His Majesty Sultan Ibrahim, King of Malaysia, is a third party independent of the Company and its connected persons.

CIBS is a company incorporated in Malaysia with limited liability. It is principally engaged in manufacture of precast concrete and business of construction. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of CIBS are wholly owned by CGPV, and the issued preference shares of CIBS are held by CGRE and Beauty Humble, respectively. CIBS is accounted for as an indirect non-wholly owned subsidiary of the Company.

The Target Group is primarily engaged in the development of the integrated property development and special financial zone located in Johor, Malaysia named “Forest City”. The following diagram illustrates a simplified shareholding structure of the Target Companies and their respective operating subsidiaries and the transaction structure of the Proposed Disposal.

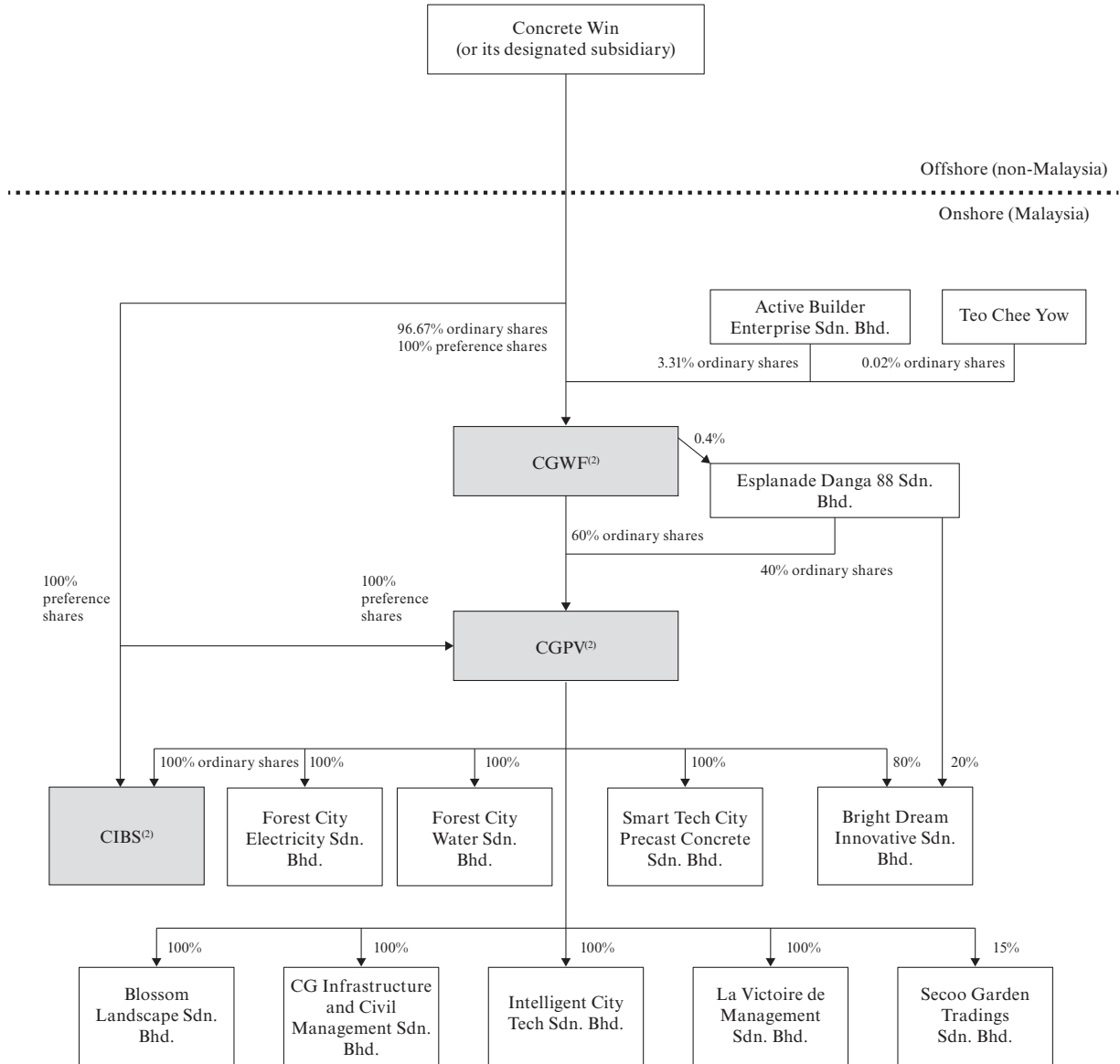
LETTER FROM THE BOARD

The chart below sets out the simplified shareholding structure of the Target Group as at the Latest Practicable Date:



LETTER FROM THE BOARD

The chart below sets out the illustrative and simplified shareholding structure of the Target Group immediately upon the completion of the Proposed Disposal:



Notes:

- (1) Each of Beauty Humble and CGRE is a wholly-owned subsidiary of the Company as at the Latest Practicable Date.
- (2) The Target Companies, namely CGWF, CGPV and CIBS, are shaded in grey in the charts above.

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Set out below is the consolidated financial information of CGWF (consolidating the financial information of CGWF and all its subsidiaries, including but not limited to CGPV and CIBS) for the years ended 31 December 2023 and 2024 and for the eight months ended 31 August 2025:

	For the year ended		For the eight months
	December 31, 2023	December 31, 2024	ended 31 August 2025
	(Unaudited)	(Unaudited)	(Unaudited)
Net profit/(loss) before taxation	MYR(543 million) (equivalent to RMB(923 million))	MYR204 million (equivalent to RMB347 million)	MYR512 million (equivalent to RMB870 million)
Net profit/(loss) after taxation	MYR(543 million) (equivalent to RMB(923 million))	MYR204 million (equivalent to RMB347 million)	MYR494 million (equivalent to RMB840 million)

According to the unaudited consolidated financial statements of CGWF, as at 31 August 2025, the consolidated total assets and net liabilities of CGWF were approximately MYR11,119 million (equivalent to approximately RMB18,902 million) and MYR224 million (equivalent to approximately RMB381 million), respectively.

Set out below is the financial information of CGPV for the years ended 31 December 2023 and 2024 and for the eight months ended 31 August 2025:

	For the year ended		For the eight months
	December 31, 2023	December 31, 2024	ended 31 August 2025
	(Unaudited)	(Unaudited)	(Unaudited)
Net profit/(loss) before taxation	MYR(278 million) (equivalent to RMB(473 million))	MYR259 million (equivalent to RMB440 million)	MYR620 million (equivalent to RMB1,054 million)
Net profit/(loss) after taxation	MYR(278 million) (equivalent to RMB(473 million))	MYR259 million (equivalent to RMB440 million)	MYR602 million (equivalent to RMB1,023 million)

According to the unaudited financial statements of CGPV, as at 31 August 2025, the total assets and net assets of CGPV were approximately MYR11,291 million (equivalent to approximately RMB19,195 million) and MYR1,937 million (equivalent to approximately RMB3,293 million), respectively.

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Set out below is the financial information of CIBS for the years ended 31 December 2023 and 2024 and for the eight months ended 31 August 2025:

	For the year ended		For the eight months
	December 31, 2023	December 31, 2024	ended 31 August 2025
	(Unaudited)	(Unaudited)	(Unaudited)
Net profit/(loss) before taxation	MYR(199 million) (equivalent to RMB(338 million))	MYR9 million (equivalent to RMB15 million)	MYR(3 million) (equivalent to RMB(5 million))
Net profit/(loss) after taxation	MYR(199 million) (equivalent to RMB(338 million))	MYR9 million (equivalent to RMB15 million)	MYR(3 million) (equivalent to RMB(5 million))

According to the unaudited financial statements of CIBS, as at 31 August 2025, the total assets and net liabilities of CIBS were approximately MYR945 million (equivalent to approximately RMB1,607 million) and MYR70 million (equivalent to approximately RMB119 million), respectively.

As at 31 August 2025, the book value of the Target Group was approximately negative MYR224 million (equivalent to approximately negative RMB381 million).

Financial effects of the Proposed Disposal

Upon completion of the Proposed Disposal, each of the Target Companies will cease to be a subsidiary of the Company and the financial results of the Target Companies will no longer be consolidated into the consolidated financial statements of the Company.

The Proposed Disposal will not generate any new cash funding for the Company. For illustrative purpose, based on management's estimate, taking into account (i) the consolidated net liabilities of the Target Group as at 31 August 2025 of approximately MYR224 million (equivalent to approximately RMB381 million) and (ii) the fixed consideration of the Proposed Disposal of US\$50 million (equivalent to approximately RMB360 million), it is expected that, upon completion of the Proposed Disposal, the Company will record a gain on the Proposed Disposal of approximately RMB741 million.

The aforesaid estimation is for illustrative purpose only and does not purport to represent the financial position of the Group after completion of the Proposed Disposal. The actual financial effects of the Proposed Disposal will be determined with reference to the financial status of the Group (excluding the Target Group) upon completion of the Proposed Disposal, and is subject to audit.

LETTER FROM THE BOARD

Non-Competition Undertaking of the Controlling Shareholder

Ms. YANG Huiyan (the chairlady of the Board, executive Director and the ultimate controller of Concrete Win) has entered into a non-competition undertaking dated 21 July 2021 (the “**Undertaking**”) in favor of the Company, where she is prevented from engaging in any business which, directly or indirectly, competes or may compete with the principal businesses engaged by the Company from time to time, except as permitted under the Undertaking. While the FC Project constitutes a competing business, pursuant to the Undertaking, Ms. YANG Huiyan can engage in the Proposed Disposal by following the procedures set forth under the Undertaking, including (i) the Company’s management deciding on behalf of the Company to conduct the Proposed Disposal; (ii) Ms. YANG Huiyan making an offer to the Company of the terms of the Proposed Disposal; (iii) the Independent Board Committee deciding on behalf of the Company to accept such offer and the Independent Shareholders approving the Proposed Disposal; and (iv) Ms. YANG Huiyan acknowledging that she will comply, and will procure her close associates to comply, with any applicable legal and regulatory requirements (including requirements under the Listing Rules) in respect of the Proposed Disposal, and such compliance being a condition precedent to the completion of the Proposed Disposal.

As of the date of this circular, the Company’s management and the Independent Board Committee have decided to accept Ms. YANG Huiyan’s proposal for the Proposed Disposal, and subject to the Independent Shareholders approving the Proposed Disposal at the EGM and the condition precedent on Ms. YANG Huiyan’s compliance with the applicable legal and regulatory requirements in respect of the Proposed Disposal having been satisfied before the completion of the Proposed Disposal, the requirements under the Undertaking will be complied with.

(2) Management Services Framework Agreement

On completion of the Proposed Disposal, the Company (or another entity designated by the Company) will enter into the Management Services Framework Agreement (the form of which has been agreed under and appended to the Share Purchase Agreement) with CGWF, pursuant to which the Company (or its designated entity) will provide Management Services to the Target Group for a term commencing from the completion of the Proposed Disposal until three years after the completion of the Proposed Disposal.

LETTER FROM THE BOARD

The principal terms of the Management Services Framework Agreement, as agreed under the Share Purchase Agreement, are as follows:

- Date:** Date of completion of the Proposed Disposal
- Parties:** the Company (or another entity designated by the Company); and
CGWF
- Term:** From date of completion of the Proposed Disposal until three years after the date of completion of the Proposed Disposal
- Subject Matter:** Provision of Management Services to the Target Group, including, amongst others:
- (a) provision of construction services to the FC Project, including but not limited to building, installing, maintaining and altering construction works; reviewing and assessing design documents; project maintenance services, and project technical services;
 - (b) provision of landscaping services to the FC Project, including but not limited to design and installation services, and maintenance services; and
 - (c) provision of any other matters in relation to the development and management of the FC Project as reasonably requested by the Target Group.

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Pricing policy:

Fees to be charged for the Management Services to be provided by the Group shall be determined after arm's length negotiation between the relevant parties on a "cost-plus" basis, namely the aggregate of (i) the cost incurred or reasonably estimated to be incurred by the Company (or another entity designated by the Company) or its affiliates arising recurrently in the course of the provision of the Management Services (including material costs, equipment costs, labour costs, internal overheads and out of pocket expenses) and (ii) an additional mark-up rate of 5%, or such other rate as determined after arm's length negotiation between the relevant parties, which shall be no less favourable to the Group (excluding the Target Group) than those available from other Independent Third Parties (to the extent practicable) for similar services in comparable property projects during the same period.

The Group will consider the prevailing market prices of other real estate companies for the provision of services in respect of properties of similar scale, location, quality, and the content, quality and standard of services required.

Payment arrangement:

CGWF will deliver, or cause the relevant Target Group company to deliver, to the Company (or another entity designated by the Company) a work order each time it requests for a Management Service. The Company (or another entity designated by the Company) may accept such work order by countersigning it. Fees for the Management Services shall be paid in accordance with a payment schedule to be agreed between the parties through arm's length negotiation.

The Group will negotiate payment terms by reference to the standard terms offered by the Group to Independent Third Parties under similar conditions and the market practice.

LETTER FROM THE BOARD

Historical Amount, Annual Caps and Basis of Determination

As the Target Group was part of the Group prior to the completion of the Proposed Disposal, there was no historical transaction amount in respect of similar Management Services between the Group and the Target Group.

The proposed annual caps (exclusive of tax) for fees payable to the Group by the Target Group under the Management Services Framework Agreement for each of the three years after the Proposed Disposal are as follows:

	From completion of the Proposed Disposal to 31 December 2026	For the year ended 31 December 2027	For the year ended 31 December 2028
Fees receivable by the Group from the Target Group in respect of the Group's provision of Management Services	MYR 65 million (equivalent to RMB110.5 million)	MYR 470 million (equivalent to RMB799 million)	MYR 280 million (equivalent to RMB476 million)

In determining the annual caps for the Management Services Framework Agreement mentioned above, the Directors have considered a number of factors including, without limitation, (i) the type, variety and nature of the Management Services, in particular in relation to construction services, landscaping services and ancillary services required from the Group; (ii) the expected development plan of the FC Project by the Target Group, including the continuing development of ongoing projects, and the expected development of new transportation infrastructure and large-scale shopping malls; (iii) the expected volume of construction services required by the Target Group in relation to its current plans for the FC Project; and (iv) 20% expected annual increase of landscaping services required by the FC Project.

To ensure individual transactions will be conducted in accordance with the Management Services Framework Agreement and the aforesaid pricing policy, the Group will adopt the following internal control measures:

- (a) the financial officers and persons in charge of various departments and units will closely monitor each transaction conducted under the Management Services Framework Agreement, and regularly report monitoring data to the compliance department designated by the Company. The compliance department will then summarise and monitor the total transaction amount of the transactions conducted under the Management Services Framework Agreement, and quarterly assess whether the annual caps of the Management Services Framework

LETTER FROM THE BOARD

Agreement may be exceeded to ensure that the transaction amount does not exceed the proposed annual caps. Continuous monitoring will be in place before, during and after each transaction, to ensure that the responsibilities are duly fulfilled;

- (b) the implementation of each service order entered into pursuant to the Management Services Framework Agreement must be approved by the business department, the finance department, the legal department and the management to ensure that it is in accordance with the pricing policy and the principal terms of the Management Services Framework Agreement;
- (c) the auditors of the Company shall conduct annual reviews on the prices and the annual caps of the continuing connected transactions to ensure that the total transaction amount is within the annual caps and that the transactions are conducted in accordance with the principal terms of the Management Services Framework Agreement; and
- (d) the Board (including the independent non-executive Directors) will continue to review the quarterly monitoring reports on the transactions conducted under the Management Services Framework Agreement issued by the management to ensure that the transactions are entered into in the ordinary and usual course of business of the Company and on normal commercial terms, and the terms of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Reasons for and Benefits of the Share Purchase Agreement (including the Upside Sharing Agreement and ListCo CVR) and the Management Services Framework Agreement

The FC Project has encountered considerable adversity over recent years, stemming from the COVID-19 pandemic, persistent negative media coverage, and intensifying competition within the sector. As of 31 August 2025, based on the Business Valuation Report prepared by the Valuer as set out in the section “Appendix IV Business Valuation Report”, the fair value of the Target Group’s consolidated net assets was approximately negative MYR1,998 million (equivalent to approximately negative RMB3,397 million) with residential sales being sluggish. The long-term sustainability and commercial viability of the FC Project are dependent on substantial, immediate capital investment to overhaul ageing facilities, upgrade core infrastructure, and reposition the project to attract customers in an evolving market environment. Without this reinvestment, the value of the FC Project will likely continue to decline.

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Currently, the Group is not in a position to provide the required capital, due to ongoing liquidity constraints and cash flow challenges. The Group has not committed further resources to the FC Project since 2021. Meanwhile, the Target Group also face significant obstacles in independently securing new financing. The operational challenges of the underlying project are compounded by the Group's own weakened credit profile, further limiting external funding options.

The Group has explored potential sales to independent third parties. There were considerable obstacles. Due diligence by potential buyers is practically impossible given the confidentiality obligations and restrictions in the joint venture arrangements. There are significant challenges in obtaining required third-party consents. Importantly, certain security provided by the Target Group in support of project financings for Group entities outside the Target Group could not be released, as the Group lacks the resources to repay all such indebtedness, and an incoming purchaser cannot independently discharge such security without lenders' consent. As a result, the Company believes that there is little likelihood of disposing of the Target Group to an independent third party. If the Target Group's assets and business were to further deteriorate, the value of the security they provide could be negatively affected, increasing the risks for the Group.

The Group has held extensive discussions with the AHG and CoCom regarding the possible outcome for the Target Group post-Proposed Restructuring. Both the AHG and CoCom have been unequivocal — and the Company concurs — that the Group should not allocate further resources to the Target Group. Certain creditors are concerned that if the Target Group remains within the Group, the FC Project may continue to deteriorate, potentially becoming a financial and operational burden. These creditors strongly urge the Company to dispose of the FC Project, considering it a key factor in their support for the Proposed Restructuring.

In response to these creditors' demands, the Company had no option but to request the Controlling Shareholder acquire the Target Group in order to remove obstacles to the Proposed Restructuring with the aim to complete the Proposed Restructuring by the end of 2025. In order to further support the Company, the Controlling Shareholder ultimately agreed to assume full responsibility for the FC Project once all conditions precedents have been satisfied, despite the considerable strategic challenges and the substantial negative equity value. The Proposed Disposal will proceed on an "as-is" basis, with Concrete Win assuming all business, operational and financial risks of the Target Group, inclusive of existing encumbrances and liabilities, and with no recourse to the Company. The purchase consideration will consist of a set-off of US\$50,000,000 of Shareholder Loans, directly reducing the Group's outstanding obligations. The Proposal Disposal eliminates the risks associated with the Target Group remaining in the Group and alleviates creditor concerns.

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Through the Upside Sharing Agreement and ListCo CVR, the Group preserves an interest in the future success of the FC Project should it be successfully redeveloped and operated by the Controlling Shareholder. Additionally, the Management Services Framework Agreement creates an avenue for the Group to provide ongoing management, operational, and marketing services in exchange for service fees, establishing a potential revenue stream.

In summary, these arrangements allow the Group to realise the maximum available value from the FC Project in the current circumstances, meet its obligations to stakeholders, and shift focus to deleveraging and strengthening its remaining core businesses following the Proposed Restructuring. At the same time, it offers the Group ongoing upside should future conditions improve.

The Directors (excluding the independent non-executive Directors, whose opinion will be issued in this circular) are of the view that, the Share Purchase Agreement (including the Upside Sharing Agreement and the ListCo CVR), the Management Services Framework Agreement and the transactions contemplated thereunder are entered into on normal commercial terms or better, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

In view of Ms. YANG Huiyan's interest in Concrete Win, Ms. YANG Huiyan (the chairlady of the Board and executive Director), and her associates, namely Ms. YANG Ziying (an executive Director) and Mr. CHEN Chong (the non-executive Director) have abstained from voting on the relevant Board resolutions for approving the Share Purchase Agreement, the Upside Sharing Agreement, the ListCo CVR, the Management Services Framework Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors has material interests in the transactions contemplated under the Share Purchase Agreement, the Upside Sharing Agreement, the ListCo CVR, and the Management Services Framework Agreement.

Information about the Parties

The Company

The Company is one of the PRC's largest residential property developers that capitalises on urbanisation. With centralised management and standardisation, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. The Group offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and light-asset entrusted management and construction services.

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The Sellers

Each of CGRE and Beauty Humble is an indirect wholly-owned subsidiary of the Company. They are principally engaged in investment holding.

The Purchaser

Concrete Win is a company incorporated in the British Virgin Islands, which is ultimately controlled by Ms. YANG Huiyan, the chairlady of the Board and the executive Director. Concrete Win is principally engaged in investment holding. As of the Latest Practicable Date, Concrete Win together with its associates held approximately 48.02% of the total issued Shares of the Company.

Listing Rules Implications

As at the Latest Practicable Date, Concrete Win together with its associates (including Ms. YANG Huiyan (the chairlady of the Board and executive Director) and Mr. CHEN Chong (a non-executive Director and the spouse of Ms. YANG Huiyan)) held approximately 48.02% of the total issued Shares of the Company and is a group of Controlling Shareholders of the Company. Accordingly, the Share Purchase Agreement and the Upside Sharing Agreement, the ListCo CVR and the transactions contemplated thereunder will constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the Shareholder Loans in the principal amount of US\$50,000,000 will be set-off in favour of the Group as consideration for the Proposed Disposal and contingent consideration to the Group may be paid under the Upside Sharing Agreement and the ListCo CVR in relation to the Proposed Disposal, such transactions are subject to the announcement, circular and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

In addition, CGWF will become a connected person of the Company upon completion of the Proposed Disposal. The Management Services Framework Agreement and the transactions contemplated thereunder will therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As each of the highest applicable percentage ratios in respect of the highest proposed annual caps during the term of the Management Services Framework Agreement exceeds 5%, the Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereunder) will be subject to subject to the annual review, announcement, circular and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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Pursuant to Rule 14A.36 of the Listing Rules, the connected transaction must be conditional on shareholders' approval at a general meeting held by the listed issuer. Any shareholder who has a material interest in the transaction must abstain from voting on the resolution. Concrete Win and its associates (including Ms. YANG Huiyan (the chairlady of the Board and executive Director) and Mr. CHEN Chong (a non-executive Director and the spouse of Ms. YANG Huiyan)) shall abstain from voting on the resolutions for the Share Purchase Agreement and the Upside Sharing Agreement, the ListCo CVR and the transactions contemplated thereunder and the Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereunder).

10. EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fund raising activities in the past 12 months immediately before the date of this circular.

11. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company has 27,988,507,946 Shares in issue (including Treasury Shares, if any). The following table illustrates the shareholding structure of the Company³:

- (i) as at the Latest Practicable Date;
- (ii) immediately upon (i) full conversion of the MCB (A) at the minimum conversion price of HK\$2.60 per Share (assuming MCB (A) in the aggregate principal amount of US\$7,514,770,000 will be issued by the Company); (ii) full conversion of the MCB (B) at the minimum conversion price of HK\$10.00 per Share (assuming MCB (B) in the aggregate principal amount of US\$644,083,547 will be issued by the Company); (iii) full conversion of the MCB (C) at the minimum conversion price of HK\$1.10 per Share (assuming MCB (C) in the aggregate principal amount of US\$39,461,396 will be issued by the Company); (iv) issuance of up to 16,849,842 new Shares to TFB at issue price of HK\$2.60 per Share; (v) exercise of the SCA Warrant at the initial exercise price of HK\$0.60 per Share; (vi) issuance of up to an additional 42,210,000 new Shares (if the Company is unable to obtain relevant approvals to issue MCB (A) to settle RSA Fees) in full to the relevant Creditors as RSA Fees and to AHG as Work Fee; and (vii) issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group;

³ Assuming, *inter alia*, 1) Option 1, Option 2, Option 3, and Option 5 are fully subscribed by the Creditors and the remaining Scheme Consideration Claims will be allocated to Option 4; 2) all Creditors allocated with Option 1 will be tendered at USD100 for every USD1,000 of Scheme Consideration Claims; 3) calculated based on the latest information available to the Company for illustrative purpose and subject to changes and further confirmation from Creditors; 4) the Proposed Disposal is completed and the US\$50 million in principal amount of Shareholder Loan is not equitised; and 5) all the Existing HKD Convertible Bonds have not been converted.

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- (iii) immediately upon (i) full conversion of the MCB (A) at the minimum conversion price of HK\$2.60 per Share (assuming MCB (A) in the aggregate principal amount of US\$7,514,770,000 will be issued by the Company); (ii) full conversion of the MCB (B) at the minimum conversion price of HK\$10.00 per Share (assuming MCB (B) in the aggregate principal amount of US\$644,083,547⁴ will be issued by the Company); (iii) full conversion of the MCB (C) at the minimum conversion price of HK\$1.10 per Share (assuming MCB (C) in the aggregate principal amount of US\$39,461,396 will be issued by the Company); (iv) exercise of the SCA Warrant at the initial exercise price of HK\$0.60 per Share; (v) issuance of up to an additional 42,210,000 new Shares (if the Company is unable to obtain relevant approvals to issue MCB (A) to settle RSA Fees) in full to the relevant Creditors as RSA Fees and to AHG as Work Fee; (vi) issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group; (vii) issuance of up to 16,849,842 new Shares to TFB at issue price of HK\$2.60 per Share; and (viii) issue of Capitalisation Shares at the issue price of HK\$0.60 per Share in full;
- (iv) immediately upon (i) full conversion of the MCB (A) at the minimum conversion price of HK\$2.60 per Share (assuming MCB (A) in the aggregate principal amount of US\$7,514,770,000 will be issued by the Company); (ii) full conversion of the MCB (B) at the minimum conversion price of HK\$10.00 per Share (assuming MCB (B) in the aggregate principal amount of US\$644,083,547 will be issued by the Company); (iii) full conversion of the MCB (C) at the minimum conversion price of HK\$1.10 per Share (assuming MCB (C) in the aggregate principal amount of US\$39,461,396 will be issued by the Company); (iv) exercise of the SCA Warrant at the initial exercise price of HK\$0.60 per Share; (v) issuance of up to an additional 42,210,000 new Shares (if the Company is unable to obtain relevant approvals to issue MCB (A) to settle RSA Fees) in full to the relevant Creditors as RSA Fees and to AHG as Work Fee; (vi) issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group; (vii) issuance of up to 16,849,842 new Shares to TFB at issue price of HK\$2.60 per Share; (viii) issue of Capitalisation Shares at the issue price of HK\$0.60 per Share in full; and (ix) issue of the maximum number of Shares awarded under the incentive plans in relation to the Proposed Restructuring (including the MIP and any further incentive plans to be adopted after the expiration of MIP) (collectively, the “**Incentive Plans**”),

⁴ This is an estimated amount, assuming that 1) Option 1, Option 2, Option 3, and Option 5 are fully subscribed by the Creditors and the remaining Scheme Consideration Claims will be allocated to Option 4; 2) all Creditors allocated with Option 1 will be tendered at USD100 for every USD1,000 of Scheme Consideration Claims; 3) calculated based on the latest information available to the Company for illustrative purpose and subject to changes and further confirmation from Creditors.

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and assuming there is no other change in the issued Shares other than the aforementioned instruments and transactions and further assuming there is no other change in the issued share capital of the Company from the Latest Practicable Date up to the date of the full conversion of the aforementioned instruments and based on the agreed exchange rate of US\$1 = HK\$7.8.

	Before the Proposed Restructuring		After completion of the Proposed Restructuring, the CHB Bilateral Loan Resolution and the TFB Bilateral Loan Resolution ⁸					
			Immediately upon (i) full conversion of the MCB (A); (ii) full conversion of the MCB (B); (iii) full conversion of the MCB (C); (iv) exercise of the SCA Warrant; (v) issuance of the new Shares in full to the relevant Creditors as RSA Fees; and (vi) issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group; and (vii) issuance of the new Shares to TFB		Immediately upon (i) full conversion of the MCB (A); (ii) full conversion of the MCB (B); (iii) full conversion of the MCB (C); (iv) exercise of the SCA Warrant; (v) issuance of the new Shares in full to the relevant Creditors as RSA Fees; (vi) issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group; (vii) issuance of the new Shares to TFB; and (viii) issue of Capitalisation Shares		Immediately upon (i) full conversion of the MCB (A); (ii) full conversion of the MCB (B); (iii) full conversion of the MCB (C); (iv) exercise of the SCA Warrant; (v) issuance of the new Shares in full to the relevant Creditors as RSA Fees; (vi) issuance of the new Shares to TFB; and (ix) issue of the maximum number of Shares awarded under the Incentive Plans	
	As at the Latest Practicable Date							
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Controlling Shareholder	13,439,618,535	48.02%	13,439,618,535	25.09%	28,958,668,232	41.92%	28,958,668,232	39.83%
Other Existing Shareholders	14,432,652,115	51.57%	14,592,652,072 ⁵	27.24%	14,592,652,072	21.12%	14,592,652,072	20.07%
Incentive Plans	—	—%	—	—	—	—	3,620,288,133	4.98%
Creditors ⁶	—	—%	25,117,916,934	46.89%	25,117,916,934	36.36%	25,117,916,934	34.55%
Holder of MCB (C) under CHB Bilateral Loan Resolution	—	—%	279,817,174	0.52%	279,817,174	0.41%	279,817,174	0.38%
TFB Bilateral Loan Resolution	—	—%	16,849,842	0.03%	16,849,842	0.02%	16,849,842	0.02%
Mr. MO Bin ^{6, 7}	86,591,006	0.31%	86,591,006	0.16%	86,591,006	0.13%	86,591,006	0.12%
Dr. CHENG Guangyu ⁶	29,646,290	0.11%	29,646,290	0.06%	29,646,290	0.04%	29,646,290	0.04%
Total	27,988,507,946	100.00%	53,563,091,853	100.00%	69,082,141,550	100.00%	72,702,429,683	100.00%

⁵ Including the potential purchaser of the new Shares to be issued and disposed for the purpose of settling no less than USD8.2 million CoCom Work Fee.

⁶ Apart from Mr. MO Bin (who beneficially hold US\$30,000,000, in principal amount of the Existing Public Notes), the Company's understanding is that the Creditors are third party independent of the Company and its connected persons. For the avoidance of doubt, Concrete Win and Dr. CHENG Guangyu do not hold any Existing Public Notes as at the Latest Practicable Date. Therefore, barring unforeseen circumstances, the Company is of the view that the full conversion of the MCB and/or the issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group are unlikely to affect the public float compliance of the Company.

⁷ The actual number of shares after completion of the Proposed Restructuring is subject to election of all Scheme Creditors and the reallocation mechanism. Current numbers are calculated based on Scheme Creditors' election available as at 10 November 2025.

⁸ To the best knowledge, information and belief of the Company as at the Latest Practicable Date, upon (i) full conversion of the MCB (A); (ii) full conversion of the MCB (B); (iii) full conversion of the MCB (C); (iv) exercise of the SCA Warrant; (v) issuance of the new Shares in full to the relevant Creditors as RSA Fees; (vi) issuance of the Work Fee Shares in full to the AHG, CoCom and CB Holder Group; (vii) issuance of the new Shares to TFB; (viii) issue of Capitalisation Shares; and (ix) issue of the maximum number of Shares awarded under the Incentive Plans, save for the Shares held by the Controlling Shareholder, Mr. MO Bin and Dr. CHENG Guangyu, approximately 55.03% of the total issued Shares of the Company is expected to be held in the public hands for purpose of Rule 8.08(1) of the Listing Rules.

12. ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders (i) whether the terms of the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under Specific Mandate, the Proposed Disposal and the transactions contemplated under the Share Purchase Agreement (including the Upside Sharing Agreement and the ListCo CVR) and the Management Services Framework Agreement (including the proposed annual caps contemplated thereunder) are on normal commercial terms, fair and reasonable and in the interests of the Company and Shareholders as a whole; and (ii) on how to vote at the EGM. Gram Capital Limited has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

13. NEW DEBT INSTRUMENTS

As disclosed in this circular, the obligations of the Group in respect of the Existing Debt will be compromised (except for the Existing Loans (Onshore Credit Support), in respect of which only claims against the Company and the offshore subsidiaries of the Group will be discharged) pursuant to the Scheme in exchange for the Scheme Consideration comprising, among other things, the New Debt Instruments. For completeness, the Company has elected not to compromise the claims of the lenders under the Existing Loans (Onshore Credit Support) against the onshore subsidiaries of the Group on grounds of fairness. This is because, under the Group Liquidation Scenario, the lenders under the Existing Loans (Onshore Credit Support) are projected to receive a significantly higher level of recoveries from the onshore subsidiaries of the Group as compared to the other claims which are being compromised under the Scheme. The executive Directors, namely Mr. MO Bin, Ms. YANG Ziyang and Ms. WU Bijun, and Mr. YEUNG Kwok Keung (an associate of Ms. YANG Huiyan) each beneficially hold certain Existing Public Notes, and would be entitled to receive Scheme Consideration (including the New Debt Instruments) pursuant to the terms of the Scheme. Notwithstanding the above, each of Mr. MO Bin, Ms. YANG Ziyang, Ms. WU Bijun and Mr. YEUNG Kwok Keung has committed not to make any election to received MCB(A) and MCB (B) as Scheme Consideration. In this circumstances, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries after taking into account publicly available information, the MCB (A), MCB (B) and MCB (C) will not be issued to any other connected person of the Company.

Whilst the issuance of New Debt Instruments is not subject to Shareholders' approval at the EGM, such issuance is part of the Proposed Restructuring which is conditional upon, among other things, approval of the issuance of MCB (A) and MCB (B) at the EGM. In order to provide the Shareholders with a holistic view of the Company's state of affairs following consummation of the Proposed Restructuring, the principal terms of the New Debt Instruments (other than MCB (A) and MCB (B) as described in the section headed "3. The Proposed Issuance of Mandatory Convertible Bonds under Specific Mandate" and SCA Warrants as described in the section headed "4. The Proposed Issuance of SCA Warrant Shares under the Specific Mandate") are set out below.

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(A) Principal terms of SCA Loan

Principal amount:	USD89,000,000
Maturity:	24 months after the Restructuring Effective Date
Interest:	The SCA Loan will bear interest (or fee which is economically similar to interest) from and including the Reference Date at 4.29% per annum payable semi-annually (each such date a “ SCA Loan Interest Payment Date ”) in arrears.

The Company may elect prior to each SCA Loan Interest Payment Date to pay part of the accrued interest in respect of the relevant interest period in kind (“**SCA PIK Interest**”), provided always that the Company must pay cash interest at a rate of at least 2.50% per annum. Upon such election by the Company, the SCA PIK Interest shall form a part of the principal of the SCA Loan.

The Company shall have the option to prepay the SCA Loan (in full or in part) at any time, provided that if any part of the SCA Loan is prepaid on or before the Restructuring Effective Date, the relevant interest (or fee which is economically similar to interest) shall only accrue on the remaining outstanding principal amount of the SCA Loan.

Security and guarantee:	Common Security Package, Tiered Security Package and Guarantee Package
Form:	To be issued in the form of a loan only
Governing Law:	Hong Kong law
Listing:	Not listed

(B) Principal terms of MTI

Principal amount:	Up to USD2,709,300,000
Maturity:	31 December 2032 (being 90 months after the Reference Date) or, in the event the cumulative onshore contract sales of the Group for the period of 1 January 2025 to 31 December 2030 reflected in the report delivered by the Company to the Monitoring Accountant exceeds USD67.3 billion, 30 June 2032

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Interest: The MTI will bear interest from and including the Reference Date at 2.50% per annum payable semi-annually (each such date a “**MTI Interest Payment Date**”) in arrears.

The Company may elect, by giving a notice in writing prior to each MTI Interest Payment Date, to pay a portion of such interest in paid-in-kind interest (such interest, “**MTI PIK Interest**”) instead of Cash Interest under the terms of the MTI by increasing the principal amount of the Notes by the amount of such MTI PIK Interest accrued for such interest period, with the remaining portion of accrued and unpaid interest paid in Cash Interest under the terms of the MTI; provided, that the Company must pay Cash Interest under the terms of the MTI at a rate of at least 1.0% per annum on the Interest Accrual Basis.

If the Company elects to pay MTI PIK Interest in lieu of Cash Interest under the terms of the MTI in respect of a portion of the interest due on an MTI Interest Payment Date, the amount of MTI PIK Interest in respect of the relevant interest period for that MTI Interest Payment Date shall be in an amount which reflects an interest rate increase of 2.50% as compared to the amount of Cash Interest under the terms of the MTI in lieu of which the MTI PIK Interest was paid.

Security and guarantee: Common Security Package, Tiered Security Package and Guarantee Package

Form: To be issued in the form of a loan and notes

Governing Law: (a) MTI issued in the form of a loan to be governed by Hong Kong law; and (b) MTI issued in the form of notes to be governed by the laws of the State of New York

Listing: (a) MTI issued in the form of a loan will not be listed; and (b) MTI issued in the form of notes to be listed on the Singapore Stock Exchange

(C) Principal terms of LTI (A)

Principal amount: An amount in USD to be determined, based on the creditors which elect for and/or are allocated LTI (A)

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Maturity: 31 December 2034 (being 114 months after the Reference Date) or, in the event the cumulative onshore contract sales of the Group for the period of 1 January 2025 to 31 December 2033 reflected in the report delivered by the Company to the Monitoring Accountant exceeds USD105.3 billion, 30 June 2034

Interest: The LTI (A) bears interest from and including the Reference Date at 2.00% per annum payable semi-annually (each such date a “**LTI (A) Interest Payment Date**”) in arrears.

The Company may elect, by giving a notice in writing prior to each LTI (A) Interest Payment Date, to pay all or a portion of such interest in paid-in-kind interest (such interest, “**LTI (A) PIK Interest**”) instead of Cash Interest under the terms of the LTI (A) by increasing the principal amount of the LTI (A) by the amount of such LTI (A) PIK Interest accrued for such interest period, with the remaining portion of accrued and unpaid interest paid in Cash Interest under the terms of the LTI (A); provided, that:

- (i) with respect to any accrued and unpaid interest during the 18-month period commencing on and from the Reference Date until 31 December 2026 (“**LTI (A) Full PIK Period**”), the Company may elect to pay all or a portion of the interest due on the respective LTI (A) Interest Payment Dates in LTI (A) PIK Interest, with the remaining portion of accrued and unpaid interest (if any) paid in Cash Interest under the terms of the LTI (A);
- (ii) with respect to any accrued and unpaid interest during the 48-month period commencing on the first day after the LTI (A) Full PIK Period until 31 December 2030 (“**LTI (A) Partial PIK Period**”), the Company may elect to pay a portion of the interest due on the respective LTI (A) Interest Payment Dates in LTI (A) PIK Interest, with the remaining portion of accrued and unpaid interest paid in Cash Interest under the terms of the LTI (A), provided that, for such period, the Company must pay Cash Interest under the terms of the LTI (A) at a rate of at least 0.5% per annum on the Interest Accrual Basis; and

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- (iii) for all interest periods after the LTI (A) Partial PIK Period, the Company is not permitted to elect to pay any LTI (A) PIK Interest and shall pay all interest payments in full as Cash Interest under the terms of the LTI (A) on the relevant LTI (A) Interest Payment Dates.

If the Company elects to pay LTI (A) PIK Interest in lieu of Cash Interest under the terms of the LTI (A) in respect of all or a portion of the interest due on a LTI (A) Interest Payment Date, the amount of LTI (A) PIK Interest in respect of the relevant interest period for that LTI (A) Interest Payment Date shall be in an amount which reflects an interest rate increase of 0.25% as compared to the amount of Cash Interest under the terms of the LTI (A) in lieu of which the LTI (A) PIK Interest was paid.

Security and guarantee: Common Security Package, Tiered Security Package and Guarantee Package

Form: To be issued in the form of a loan and notes

Governing Law: (a) LTI (A) issued in the form of a loan to be governed by Hong Kong law; and (b) LTI (A) issued in the form of notes to be governed by the laws of the State of New York

Listing: (a) LTI (A) issued in the form of a loan will not be listed; and (b) LTI (A) issued in the form of notes to be listed on the Singapore Stock Exchange

(D) Principal terms of LTI (B)

Principal amount: Up to USD1,500,000,000

Maturity: (a) if the principal amount of LTI (B) is equal to or less than US\$40 million:

- (i) 31 December 2035 (being 126 months after the Reference Date); or
- (ii) in the event that the cumulative onshore contract sales of the Group for the period of 1 January 2025 to 31 December 2033 reflected in the report delivered by the Company to the Monitoring Accountant exceeds USD105.3 billion, 30 June 2035; or

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(b) if the principal amount of LTI (B) is greater than USD540 million:

(i) 31 December 2036 (being 138 months after the Reference Date); or

(ii) in the event that the cumulative onshore contract sales of the Group for the period of 1 January 2025 to 31 December 2033 reflected in the report delivered by the Company to the Monitoring Accountant exceeds USD105.3 billion, 30 June 2036

Interest:

The LTI (B) will bear interest from and including the Reference Date at 1.00% per annum payable semi-annually (each such date a “**LTI (B) Interest Payment Date**”) in arrears.

The Company may elect, by giving a notice in writing prior to each LTI (B) Interest Payment Date, to pay all or a portion of such interest in paid-in-kind interest (such interest, “**LTI (B) PIK Interest**”) instead of Cash Interest under the terms of the LTI (B) by increasing the principal amount of the LTI (B) by the amount of such LTI (B) PIK Interest accrued for such interest period, with the remaining portion of accrued and unpaid interest paid in Cash Interest under the terms of the LTI (B); provided that:

(i) with respect to any accrued and unpaid interest during the 18-month period commencing on and from the Reference Date until 31 December 2026 (“**LTI (B) Full PIK Period**”), the Company may elect to pay all or a portion of the interest due on the respective LTI (B) Interest Payment Dates in LTI (B) PIK Interest, with the remaining portion of accrued and unpaid interest (if any) paid in Cash Interest under the terms of the LTI (B);

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- (ii) with respect to any accrued and unpaid interest during the 60-month period commencing on the first day after the LTI (B) Full PIK Period until 31 December 2031 (“**LTI (B) Partial PIK Period**”), the Company may elect to pay a portion of the interest due on the respective LTI (B) Interest Payment Dates in LTI (B) PIK Interest, with the remaining portion of accrued and unpaid interest paid in Cash Interest under the terms of the LTI (B), provided that, for such period, the Company must pay Cash Interest under the terms of the LTI (B) at a rate of at least 0.5% per annum on the Interest Accrual Basis; and
- (iii) for all interest periods after the LTI (B) Partial PIK Period, the Company is not permitted to elect to pay any LTI (B) PIK Interest and shall pay all interest payments in full as Cash Interest under the terms of the LTI (B) on the relevant LTI (B) Interest Payment Dates.

If the Company elects to pay LTI (B) PIK Interest in lieu of Cash Interest under the terms of the LTI (B) in respect of all or a portion of the interest due on a LTI (B) Interest Payment Date, the amount of LTI (B) PIK Interest in respect of the relevant interest period for that LTI (B) Interest Payment Date shall be in an amount which reflects an interest rate increase of 0.25% as compared to the amount of Cash Interest under the terms of the LTI (B) in lieu of which the LTI (B) PIK Interest was paid.

- Security and guarantee:** Common Security Package, Tiered Security Package and Guarantee Package
- Form:** To be issued in the form of a loan and notes
- Governing Law:** (a) LTI (B) issued in the form of a loan to be governed by Hong Kong law; and (b) LTI (B) issued in the form of notes to be governed by the laws of the State of New York
- Listing:** (a) LTI (B) issued in the form of a loan will not be listed; and (b) LTI (B) issued in the form of notes to be listed on the Singapore Stock Exchange

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14. EXISTING DEBT INSTRUMENTS SUBJECT TO THE SCHEME

PART A

The Existing Loans

Item	Description of Existing Loans instrument	Capacity of the Company
1	Existing Syndicated Loans	
1.	HK\$8,133,300,000 and US\$453,000,000 dual currency term loan facility agreement dated 21 October 2020, entered into between, among others, Country Garden Holdings Company Limited as borrower and Bank of China (Hong Kong) Limited as facility agent, as amended and restated by an amendment and restatement deed dated 30 June 2023 and as further amended or supplemented from time to time.	Borrower
2.	HK\$6,076,000,000 and US\$559,000,000 dual currency term loan facility agreement dated 22 July 2021, entered into between, among others, Country Garden Holdings Company Limited as borrower and China Construction Bank Corporation, Hong Kong Branch as facility agent, as amended and restated by an amendment and restatement deed dated 29 June 2023 and as further amended or supplemented from time to time.	Borrower
3.	HK\$3,583,020,000 and US\$388,660,000 dual currency term loan facility agreement dated 20 July 2023, entered into between, among others, Country Garden Holdings Company Limited as borrower and Bank of China (Hong Kong) Limited as facility agent, as amended or supplemented from time to time.	Borrower
2	Other loans	
a.	HKD1,880,000,000 term loan facility agreement dated 1 December 2021, entered into between, among others, Country Garden Holdings Company Limited as borrower and Ever Credit Limited as lender, as amended or supplemented from time to time.	Borrower

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Item	Description of Existing Loans instrument	Capacity of the Company
b.	US\$280,000,000 dual currency term loan facility agreement dated 26 December 2022, entered into between, among others, Country Garden Holdings Company Limited as borrower and Industrial and Commercial Bank of China (Asia) Limited as facility agent, as amended or supplemented from time to time.	Borrower
3	Existing Loans (Onshore Credit Support)	
a.	The CNY500,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 15 February 2022 entered into between 保定立旭房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司保定市分行) as lender, as amended or supplemented from time to time.	Guarantor
b.	The CNY500,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 22 July 2021 entered into between 滄州碧華房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司滄州市分行) as lender, as amended or supplemented from time to time.	Guarantor
c.	The CNY170,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 24 April 2023 entered into between 天津海昌房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司天津自由貿易試驗區分行) as lender, as amended or supplemented from time to time.	Guarantor
d.	The CNY500,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 22 June 2020 entered into between 襄陽榮碧房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司襄陽市分行) as lender, as amended or supplemented from time to time.	Guarantor
e.	The CNY800,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 28 April 2021 entered into between 武漢常歡置業有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司武漢市分行) as lender, as amended or supplemented from time to time.	Guarantor

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Item	Description of Existing Loans instrument	Capacity of the Company
f.	The CNY1,000,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 18 November 2022 entered into between 常州博瑞房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司常州市分行) as lender, as amended or supplemented from time to time.	Guarantor
g.	The CNY600,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 21 March 2022 entered into between 濰坊市卓景健康科技有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司濰坊市分行) as lender, as amended or supplemented from time to time.	Guarantor
h.	The CNY300,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 28 December 2021 entered into between 宿遷市新洋房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司宿遷市分行) as lender, as amended or supplemented from time to time.	Guarantor
i.	The CNY700,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 15 November 2021 entered into between 湖州富瀾房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司湖州市分行) as lender, as amended or supplemented from time to time.	Guarantor
j.	The CNY120,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 26 July 2021 entered into between 玉林市匯享房地產開發有限公司 as borrower and Postal Savings Bank of China Co., Ltd (中國郵政儲蓄銀行股份有限公司玉林市分行) as lender, as amended or supplemented from time to time.	Guarantor
k.	The CNY147,000,000 term loan facility agreement (流動資金借款合同) dated 19 September 2023 entered into between 肇慶市現代築美家居有限公司 as borrower and 廣州銀行股份有限公司佛山季華支行 as lender, as amended or supplemented from time to time.	Guarantor

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Item	Description of Existing Loans instrument	Capacity of the Company
1.	The CNY100,000,000 term loan facility agreement (房地產開發貸款借款合同) dated 16 June 2023 entered into between 肇慶市現代築美家居有限公司 as borrower and 廣州銀行股份有限公司佛山季華支行 as lender, as amended or supplemented from time to time.	Guarantor

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Part B

The Existing Notes

No.	Description of Existing Notes	ISIN/ Common Code	Capacity of the Company	Indenture
1	Existing Public Notes			
a.	8.0% Senior Notes due 2024	XS1880442717/ 188044271	Issuer	As constituted by the indenture dated 27 September 2018, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
b.	6.5% Senior Notes due 2024	XS1974522853/ 197452285	Issuer	As constituted by the indenture dated 8 April 2019, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
c.	5.125% Senior Notes due 2025	XS1750118462/ 175011846	Issuer	As constituted by the indenture dated 17 January 2018, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
d.	5.4% Senior Notes due 2025	XS2178949561/ 217894956	Issuer	As constituted by the indenture dated 27 May 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.

LETTER FROM THE BOARD

No.	Description of Existing Notes	ISIN/ Common Code	Capacity of the Company	Indenture
e.	6.15% Senior Notes due 2025	XS2051371222/ 205137122	Issuer	As constituted by the indenture dated 17 September 2019, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
f.	3.125% Senior Notes due 2025	XS2240971742/ 224097174	Issuer	As constituted by the indenture dated 22 October 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
g.	4.2% Senior Notes due 2026	XS2210960022/ 221096002	Issuer	As constituted by the indenture dated 6 August 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
h.	7.25% Senior Notes due 2026	XS1974522937/ 197452293	Issuer	As constituted by the indenture dated 8 April 2019, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
i.	2.7% Senior Notes due 2026	XS2280833133/ 228083313	Issuer	As constituted by the indenture dated 12 January 2021, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.

LETTER FROM THE BOARD

No.	Description of Existing Notes	ISIN/ Common Code	Capacity of the Company	Indenture
j.	5.625% Senior Notes due 2026	XS1512953040/ 151295304	Issuer	As constituted by the indenture dated 15 December 2016, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
k.	5.125% Senior Notes due 2027	XS2100725949/ 210072594	Issuer	As constituted by the indenture dated 14 January 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
l.	5.625% Senior Notes due 2030	XS2100726160/ 210072616	Issuer	As constituted by the indenture dated 14 January 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
m.	4.8% Senior Notes due 2030	XS2210960378/ 221096037	Issuer	As constituted by the indenture dated 6 August 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
n.	3.875% Senior Notes due 2030	XS2240971825/ 224097182	Issuer	As constituted by the indenture dated 22 October 2020, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.

LETTER FROM THE BOARD

No.	Description of Existing Notes	ISIN/ Common Code	Capacity of the Company	Indenture
o.	3.3% Senior Notes due 2031	XS2280833307/ 228083330	Issuer	As constituted by the indenture dated 12 January 2021, as amended, supplemented, or otherwise modified from time to time, between Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee.
2	Existing HKD Convertible Bonds			
a.	HK\$3,900,000,000 4.95 per cent. Secured Guaranteed Convertible Bonds due 2026	XS2434313016/ 243431301	Guarantor	As constituted by the trust deed dated 28 January 2022, as amended, supplemented, or otherwise modified from time to time, between Smart Insight International Limited, Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee and security trustee.
b.	HK\$7,830,000,000 4.50 per cent. Secured Guaranteed Convertible Bonds due 2023	XS1914667057/ 191466705	Guarantor	As constituted by the trust deed dated 5 December 2018, as amended, supplemented, or otherwise modified from time to time, between Smart Insight International Limited, Country Garden Holdings Company Limited, the subsidiary guarantors therein and Citicorp International Limited as trustee and security trustee.

15. MATERIAL INDEBTEDNESS OF THE GROUP

As at 31 December 2024, the consolidated non-current liabilities were in the aggregate amount of approximately RMB41,839 million (c. US\$5,811.0 million) and its aggregate consolidated current liabilities were approximately RMB942,750 million (c. US\$130,937.5 million).

LETTER FROM THE BOARD

The aggregate outstanding principal amount of indebtedness sought to be compromised by the Scheme is approximately USD14,541,606,222, and the aggregate amount of liabilities that will be excluded from the Scheme is approximately USD114,121,650,006, in each case as at 31 December 2024. The table below summarises this indebtedness by the category or nature of the underlying obligation:

Indebtedness subject to the Scheme

Existing Debt	Before the Proposed Restructuring	After completion of the Proposed Restructuring ⁹	
	Outstanding principal amount as at 31 December 2024 (USD)	New Debt Instruments	Issuance amount (USD)
Existing Syndicated Loans	3,618,140,128	SCA Loan	89,000,000
Ever Credit Bilateral Loan	204,871,795	Medium Term Instrument	2,709,300,000
ICBC Loan	— ¹⁰	Long Term Instrument (A)	1,196,155,159
Existing Loans (Onshore Credit Support) with the Company as guarantor	458,770,914	Long Term Instrument (B)	1,500,000,000
Existing Public Notes	9,375,208,000		
Existing HKD Convertible Bonds	884,615,385		
Total Existing Debt	<u>14,541,606,222</u>	Total New Debt Instruments	<u>5,494,455,159</u>

⁹ Assuming 1) Option 1, Option 2, Option 3, and Option 5 are fully subscribed by the Creditors and the remaining Scheme Consideration Claims will be allocated to Option 4, 2) all Creditors allocated with Option 1 will be tendered at USD100 for every USD1,000 of Scheme Consideration Claims, and 3) all MCBs are converted into Shares; calculated based on the latest information available to the Company for illustrative purpose and subject to changes and further confirmation from Creditors

¹⁰ USD1,564,306.86 in interest outstanding

16. EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held as a virtual meeting via online platform (the “eVoting Portal”) on Wednesday, 3 December 2025 at 3:00 p.m. is set out on pages EGM-1 to EGM-8 of this circular to consider and, if thought fit, approve (i) the proposed issuance of Mandatory Convertible Bonds and MCB Conversion Shares under the Specific Mandate; (ii) the proposed issuance of SCA Warrants and SCA Warrant Shares under the Specific Mandate; (iii) the proposed issuance of new Shares pursuant to the Work Fee Arrangements and RSA Fees under the Specific Mandate; (iv) the proposed issuance of new Shares pursuant to the TFB Bilateral Loan Resolution under the Specific Mandate; (v) the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate; (vi) the proposed adoption of the Management Incentive Plan; and (vii) connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.countrygarden.com.cn>). If you do not intend or are unable to attend the EGM and wish to appoint a proxy/proxies to attend and vote on your behalf, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

To the best of the Directors’ knowledge, information and belief:

- (i) Concrete Win, who beneficially owns 13,439,618,535 Shares, representing approximately 48.02% of the issued Shares as at the Latest Practicable Date, pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the transaction and its associates will abstain from voting on the relevant resolutions at the EGM. Accordingly, Concrete Win and its associates (including Ms. YANG Huiyan (the chairlady of the Board and executive Director) and Mr. CHEN Chong (a non-executive Director and the spouse of Ms. YANG Huiyan)) will abstain from voting on the ordinary resolutions to be proposed at the EGM in relation to (i) the proposed capitalisation of part of the Shareholder Loans and the proposed issuance of the Capitalisation Shares and the transactions contemplated thereunder (including the related grant of the Specific Mandate), and (ii) the Proposed Disposal, the Share Purchase Agreement, the Upside Sharing Agreement, the ListCo CVR, the Management Services Framework Agreement and the transactions contemplated thereunder pursuant to the Listing Rules (collectively, the “**Connected Transactions**”);

LETTER FROM THE BOARD

- (ii) as the Connected Transactions form part of the Proposed Restructuring, for good corporate governance, Concrete Win and its associates (including Ms. YANG Huiyan (the chairlady of the Board and executive Director) and Mr. CHEN Chong (a non-executive Director and the spouse of Ms. YANG Huiyan)) will abstain from voting on the ordinary resolutions to be proposed at the EGM in relation to the proposed issuance of Mandatory Convertible Bonds and MCB Conversion Shares under the Specific Mandate, the proposed issuance of SCA Warrants and SCA Warrant Shares under the Specific Mandate, the proposed issuance of new Shares pursuant to the Work Fee Arrangements and RSA Fees under the Specific Mandate, and the proposed issuance of new Shares pursuant to the TFB Bilateral Loan Resolution under the Specific Mandate;
- (iii) Mr. MO Bin, an executive Director, beneficially holds certain Existing Public Notes, and would have the right to participate in the Scheme and to elect to receive MCB (A) and/or MCB (B) as Scheme Consideration. Therefore, Mr. MO Bin who has a beneficial interest in 86,591,006 Shares, representing approximately 0.30% of the issued Shares as at the Latest Practicable Date, is considered to have a material interest in, and will abstain from voting on, the ordinary resolutions to be proposed at the EGM in relation to the proposed issuance of Mandatory Convertible Bonds and MCB Conversion Shares under the Specific Mandate, the proposed issuance of SCA Warrants and SCA Warrant Shares under the Specific Mandate, the proposed issuance of new Shares pursuant to the Work Fee Arrangements and RSA Fees under the Specific Mandate, and the proposed issuance of new Shares pursuant to the TFB Bilateral Loan Resolution under the Specific Mandate and the Connected Transactions; and
- (iv) no Shareholders are considered to have material interest in the adoption of the Management Incentive Plan. Accordingly, no Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the ECM in relation to the proposed adoption of the Management Incentive Plan.

Save for the Shareholders disclosed above, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, no other Shareholder is required to abstain from voting on the resolutions to be proposed at the EGM.

17. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the EGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) and Rule 13.39(5A) of the Listing Rules.

LETTER FROM THE BOARD

18. RECOMMENDATION

The Directors consider that (i) the proposed issuance of Mandatory Convertible Bonds and MCB Conversion Shares under the Specific Mandate; (ii) the proposed issuance of SCA Warrants and SCA Warrant Shares under the Specific Mandate; (iii) the proposed issuance of new Shares pursuant to the Work Fee Arrangements and RSA Fees under the Specific Mandate; (iv) the proposed issuance of new Shares pursuant to the TFB Bilateral Loan Resolution under the Specific Mandate; (v) the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate; (vi) the proposed adoption of the Management Incentive Plan; and (vii) connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions are fair and reasonable and each in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM as set out in the EGM Notice.

19. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders, the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders, and additional information set out in the appendices to this circular.

Shareholders, holders of securities and potential investors should note that the proposed transactions set out in this circular are subject to fulfilment of certain conditions precedent set out in this circular or under the respective definitive transaction documentation and these transactions may or may not become unconditional or be completed.

The implementation of the Proposed Restructuring will be subject to many factors outside of the control of the Company, and there is no assurance that the Proposed Restructuring will be successfully implemented. Shareholders, holders of securities and other investors of the Company are (i) advised not to rely solely on the information contained in this circular and (ii) reminded to consider the related risks and exercise caution when dealing in the shares and other securities of the Company. When in doubt, the shareholders, holders of other securities and other investors of the Company are advised to seek professional advice from their own professional or financial advisors.

Yours faithfully,
For and on behalf of the Board
Country Garden Holdings Company Limited
MO Bin
President and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate and the connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions, which has been prepared for the purpose of inclusion in this circular.



COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

17 November 2025

To the Independent Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION IN RELATION TO THE PROPOSED
CAPITALISATION OF SHAREHOLDER LOANS INVOLVING ISSUANCE OF NEW
SHARES TO THE CONTROLLING SHAREHOLDER
UNDER SPECIFIC MANDATE
AND
CONNECTED TRANSACTION IN RELATION TO
THE PROPOSED DISPOSAL OF EQUITY INTEREST IN CERTAIN SUBSIDIARIES
AND SETTING OFF OF SHAREHOLDER LOAN AND
RELATED CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular dated 17 November 2025 issued by the Company (the “Circular”) of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein, unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to advise you on the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate and the connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions and whether the terms contemplated thereunder are fair and

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

reasonable and in the interests of the Company and the Shareholders as a whole. The Independent Financial Adviser, Gram Capital, has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the letter from the Board, as set out on pages 17 to 122 of the Circular, and the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders which contains its opinion in respect of the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate and the connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions as set out on pages 125 to 161 of the Circular. After taking into consideration the advice from Gram Capital, we concur with the views of Gram Capital and consider that the terms of the (i) the Shareholder Loans Equitisation Agreement, the proposed issuance of Capitalisation Shares under Specific Mandate and the transaction contemplated thereunder, and (ii) the Share Purchase Agreement (including the Upside Sharing Agreement and the ListCo CVR), the Proposed Disposal and the transactions contemplated thereunder) while not in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and on normal commercial terms. After taking into consideration the advice from Gram Capital, we concur with the views of Gram Capital and consider that the terms of the Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereunder) are in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and on normal commercial terms.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the connected transaction in relation to the proposed capitalisation of part of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under the Specific Mandate and the connected transaction in relation to the Proposed Disposal and setting off of part of the Shareholder Loans and the related continuing connected transactions.

Yours faithfully

For and on behalf of

Independent Board Committee

Dr. HAN Qinchun

Mr. WANG Zhijian

Mr. TUO Tuo

Independent non-executive Directors

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Shareholder Loans Capitalisation, the Proposed Disposal and the CCTs for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

17 November 2025

To: The independent board committee and the independent shareholders of Country Garden Holdings Company Limited

Dear Sir/Madam,

**(I) SHAREHOLDER LOANS CAPITALISATION;
(II) PROPOSED DISPOSAL;
AND
(III) 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 respect of the proposed capitalisation of part (or all) of the Shareholder Loans involving issuance of new Shares to the Controlling Shareholder under Specific Mandate (the “**Shareholder Loans Capitalisation**”), the Proposed Disposal and the continuing connected transactions as contemplated under the Management Services Framework Agreement (the “**CCTs**”), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 17 November 2025 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.

The Proposed Restructuring

With reference to the Board Letter, the Company has obtained sufficient support from the Class 1 Creditors and Class 2 Creditors to approve the Scheme at the Scheme Meetings, which were convened on 5 November 2025. The Group has been working closely with the AHG and the CoCom to implement the Proposed Restructuring by the end of 2025. The Proposed Restructuring will involve, among others, the Shareholder Loans Capitalisation and the Proposed Disposal.

The Shareholder Loans Capitalisation

On 13 November 2025, the Company and Concrete Win entered into the Shareholder Loans Equitisation Agreement. Subject to the occurrence of the Restructuring Effective Date, approximately US\$1.098 billion in the principal amount of the Shareholder Loans (together with accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) shall be set-off and settled with immediate effect upon the Restructuring Effective Date (and if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date, the remaining US\$50 million in principal amount of the Shareholder Loans shall be set-off and settled on the date falling six calendar months after the Restructuring Effective Date), and the Company will issue the Capitalisation Shares to Concrete Win from time to time upon written request by Concrete Win. Such Capitalisation Shares will be issued under a Specific Mandate to be sought from the Shareholders at the EGM.

The Proposed Disposal

On 13 November 2025, CGRE, Beauty Humble (each an indirect wholly-owned subsidiary of the Company), Concrete Win and the Company entered into the Share Purchase Agreement, pursuant to which (i) CGRE has conditionally agreed to dispose of the CGWF Shares (including (a) approximately 96.67% of the issued ordinary shares in CGWF (the “**CGWF Ordinary Shares**”) and (b) the entire issued preference shares in CGWF (the “**CGWF Preference Shares**”), each held by CGRE as of the Latest Practicable Date) and the CIBS Preference Shares held by CGRE to Concrete Win (or its designated subsidiary) and (ii) Beauty Humble has conditionally agreed to dispose of CGPV Preference Shares and the CIBS Preference shares held by Beauty Humble to Concrete Win (or its designated subsidiary). Upon the completion of the Proposed Disposal, each of the Target Companies will cease to be a non-wholly owned subsidiary of the Company and the financial results of the Target Companies will no longer be consolidated into the consolidated financial statements of the Company.

The CCTs

On completion of the Proposed Disposal, the Company (or another entity designated by the Company) will enter into the Management Services Framework Agreement (the form of which has been agreed under and appended to the Share Purchase Agreement) with CGWF, pursuant to which the Company (or its designated entity) will provide Management Services to the Target Group for a term commencing from the completion of the Proposed Disposal until three years after the completion of the Proposed Disposal.

With reference to the Board Letter:

- (i) The Shareholder Loans Capitalisation constitutes connected transaction of the Company and is subject to, among others, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM GRAM CAPITAL

- (ii) The Proposed Disposal constitutes a connected transaction of the Company and is subject to, among others, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.
- (iii) The CCTs constitute continuing connected transactions of the Company and are subject to, among others, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Dr. HAN Qinchun, Mr. WANG Zhijian and Mr. TUO Tuo (being all independent non-executive Directors) has been formed to advise the Independent Shareholders on (i) whether the terms of the Shareholder Loans Capitalisation, the Proposed Disposal and the CCTs are on normal commercial terms and are fair and reasonable; (ii) whether the Shareholder Loans Capitalisation, the Proposed Disposal and the CCTs are in the interests of the Company and the Shareholders as a whole and is conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Shareholder Loans Capitalisation, the Proposed Disposal and the CCTs at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationship or interest between Gram Capital Limited and the Company; or (ii) any services provided by Gram Capital Limited to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital Limited's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders. Having considered the above and that none of the circumstances as set out under Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone

LETTER FROM GRAM CAPITAL

concerning the Shareholder Loans Capitalisation, the Proposed Disposal and the CCTs. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

We have not made an independent evaluation or appraisal of the assets and liabilities of the Target Group. Since we are not experts in the valuation of assets or business, we have relied upon the valuation report in respect of the Target Group (the “**Business Valuation Report**”) prepared by Roma Appraisals Limited, an independent valuer engaged by the Company (i.e. the Valuer) as set out in Appendix IV to the Circular for the value of the Target Shares after performing our work on the Business Valuation Report as set out under the sub-section headed “Valuation” under the section headed “Share Purchase Agreement” below.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make the Circular or any statement therein misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the Target Group, the Controlling Shareholder or their respective subsidiaries or associates, nor have we considered the legal requirements applicable to completion of the Shareholder Loans Capitalisation/Proposed Disposal or the taxation implication on the Group or the Shareholders as a result of the Shareholder Loans Capitalisation/Proposed Disposal. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital Limited to ensure that such information has been correctly extracted from the relevant sources and such sources are reliable.

LETTER FROM GRAM CAPITAL

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Shareholder Loans Capitalisation, the Proposed Disposal and the CCTs, we have taken into consideration the following principal factors and reasons:

I. Background

Information on the Group

With reference to the Board Letter, the Company is one of the PRC's largest residential property developers that capitalises on urbanisation. With centralised management and standardisation, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. The Group offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and light-asset entrusted management and construction services.

Set out below is a summary of the consolidated financial information of the Group for the two years ended 31 December 2024 and the six months ended 30 June 2025 (with comparative figures) as extracted from the Company's annual report for the year ended 31 December 2024 (the "2024 Annual Report") and interim report for the six months ended 30 June 2025 (the "2025 Interim Report"):

	For the six months ended 30 June 2025 ("1H2025") (<i>unaudited</i>) RMB million	For the six months ended 30 June 2024 ("1H2024") (<i>unaudited</i>) RMB million	Change from 1H2024 to 1H2025 %	For the year ended 31 December 2024 ("FY2024") (<i>audited</i>) RMB million	For the year ended 31 December 2023 ("FY2023") (<i>audited</i>) RMB million	Change from FY2023 to FY2024 %
Revenue (<i>Note</i>)	72,570	102,102	(28.92)	252,756	401,015	(36.97)
Gross loss	(6,457)	(1,704)	278.93	(1,687)	(93,609)	(98.20)
Operating loss	(13,223)	(9,025)	46.52	(17,698)	(161,946)	(89.07)
Loss attributable to owners of the Company	(19,078)	(12,842)	48.56	(32,835)	(178,400)	(81.59)

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	As at 30 June 2025 (unaudited) RMB million	As at 31 December 2024 (audited) RMB million	As at 31 December 2023 (audited) RMB million
Net current (liabilities)/			
assets	(43,657)	(25,865)	29,942
Net assets	23,918	51,254	88,609
Equity attributable to			
owners of the Company	(26,072)	(7,185)	25,947

Note: The Group's revenue from sales of properties represented approximately 96% to approximately 98% of the Group's revenue for each of FY2023, FY2024, 1H2024 and 1H2025.

As depicted from the table above, the Group's revenue decreased by approximately 36.97% from approximately RMB401 billion for FY2023 to approximately RMB253 billion for FY2024. With reference to the 2024 Annual Report, such decrease was mainly due to decrease in gross floor area ("GFA") delivered. The Group also recorded gross loss, operating loss and loss attributable to owners of the Company for the two years ended 31 December 2024.

As depicted from the table above, the Group's revenue decreased by approximately 28.92% from approximately RMB102 billion for 1H2024 to approximately RMB73 billion for 1H2025. With reference to the 2025 Interim Report, such decrease was mainly due to decrease in GFA delivered. The Group continued to record gross loss, operating loss and loss attributable to owners of the Company for 1H2025.

As depicted from the table above, the Group recorded net current liabilities of approximately RMB26 billion as at 31 December 2024 in contrast to net current assets of approximately RMB30 billion as at 31 December 2023. The Group's net current liabilities increased to approximately RMB44 billion as at 30 June 2025. The equity attributable to owners of the Company was approximately RMB26 billion, approximately negative RMB7 billion and approximately negative RMB26 billion as at 31 December 2023, 31 December 2024 and 30 June 2025 respectively.

With reference to the 2025 Interim Report, the Company will continue to work on the strategy of "guaranteeing delivery, stabilising capital and debt, and maintaining operation". In addition, the Company will continue to focus on stabilising capital and debt and work towards a healthy and sustainable capital structure.

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With reference to the 2024 Annual Report, ZHONGHUI ANDA CPA Limited, being the Company's auditor, did not express an opinion on the consolidated financial statements of the Group for FY2024 (the “**Disclaimer of Opinion**”). Given the significance of the matters described in the “Basis for Disclaimer of Opinion” section of the auditor's report as contained in the 2024 Annual Report (the “**2024 Auditor's Report**”), the auditor was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the aforesaid consolidated financial statements. With reference to the 2024 Auditor's Report, the following events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business:

- (i) The Group incurred a loss attributable to owners of the Company of approximately RMB32.8 billion for FY2024.
- (ii) As at 31 December 2024, the Group had net current liabilities of approximately RMB25.9 billion and total debt of approximately RMB253.5 billion, out of which approximately RMB226.8 billion was included in current liabilities, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB29.9 billion.
- (iii) As at 31 December 2024, the Group had certain indebtedness, including senior notes, corporate bonds, convertible bonds and bank and other borrowings, with an aggregated carrying amount of approximately RMB188.2 billion that were defaulted or cross-defaulted.

With reference to the Company's announcement dated 30 September 2025, during the period from 28 April 2025 (being the publication date of the 2024 Annual Report) and up to 30 September 2025, the Group had implemented certain plans and measures to resolve the Disclaimer of Opinion (including the Proposed Restructuring).

The Proposed Restructuring

With reference to the Board Letter, the Proposed Restructuring will involve, among others, the following transactions:

- (i) the implementation of the Existing HKD Convertible Bonds Consent Solicitation to change the governing law of the Existing HKD Convertible Bonds from English law to Hong Kong law to facilitate the cancellation of the Existing HKD Convertible Bonds on the Restructuring Effective Date pursuant to the Scheme;
- (ii) pursuant to the terms of the Scheme, the compromise and discharge of the obligations of the Group under the Existing Debt Instruments (except for the Existing Loans (Onshore Credit Support), in respect of

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which only claims against the Company and offshore subsidiaries of the Group will be discharged) in return for Creditors receiving an entitlement to elect between several options of Scheme Consideration, including cash, the proposed MCB (A), MCB (B), MTI and LTIs;

- (iii) pursuant to the terms of the Scheme, release all of the 2023 Refinancing Credit Support obtained by the Class 1 Creditors in the 2023 refinancing exercise of the Existing Syndicated Loans in exchange for (A) the payment of cash consideration of US\$89 million and (B) the issuance of the SCA Loan in the amount of US\$89 million and the proposed SCA Warrants;
- (iv) the proposed adoption of the MIP in order to align the interests of the management team with the long-term growth prospects of the Group and incentivise management and key personnel to meet or exceed performance targets under the Group's business plan;
- (v) the Proposed Disposal; and
- (vi) the Shareholder Loans Capitalisation.

In conjunction with the Proposed Restructuring:

- (a) The Company has also agreed the CHB Bilateral Loan Resolution with the lender under the CHB Bilateral Loan under which the obligations of the Group under the CHB Bilateral Loan will be fully discharged and compromised in return for the lender receiving MCB (C). The CHB Bilateral Loan Resolution shall only take effect on the Restructuring Effective Date.
- (b) The Company has also agreed the TFB Bilateral Loan Resolution with the lender under the TFB Bilateral Loan under which the Company has entered into the TFB Standstill Deed with TFB on 29 October 2025. Pursuant to the TFB Standstill Deed, (i) the Company has agreed to exclude the TFB Bilateral from the Proposed Restructuring and the indebtedness to be compromised under the Scheme, and (ii) TFB has undertaken to the Company to standstill and forbear from taking certain enforcement actions in respect of the TFB Bilateral Loan until 31 December 2030. Additionally, the Company and TFB have agreed that (i) on and from 1 July 2025 until the expiry of the TFB Standstill Period, the applicable rate of interest in respect of the TFB Bilateral Loan shall be 2.5% per annum and no default interest shall accrue; (ii) any accrued and unpaid interest (including default interest) under the TFB Bilateral Loan from 1 October 2024 (inclusive) up to and including 30 June 2025 shall be waived; and (iii) any accrued and unpaid interest (including default interest) under the TFB Bilateral Loan up to and including 30

September 2024 shall be repaid by the Company through the issuance of the TFB Shares (with each Share valued at HK\$2.60) to TFB on the Restructuring Effective Date pursuant to the Specific Mandate.

II. The Shareholder Loans Capitalisation

Information on the Controlling Shareholder

Concrete Win is a company incorporated in the British Virgin Islands, which is ultimately controlled by Ms. YANG Huiyan, the chairlady of the Board and the executive Director. Concrete Win is principally engaged in investment holding. As at the Latest Practicable Date, Concrete Win together with its associates held approximately 48.02% of the total issued Shares of the Company.

Reasons for and benefits of the Shareholder Loans Capitalisation

On 11 April 2025, the Company announced that it entered into the RSA with members of the AHG in respect of the Proposed Restructuring, and, with the Controlling Shareholder's intention to provide significant support to the Company, the Company also entered into a memorandum of understanding with Concrete Win (the "**Shareholder Warrant MOU**") to document their general understanding on the previously proposed issue of warrants with initial strike price of HK\$0.60 per share to set off a substantial amount of the Shareholder Loans.

On 13 October 2025, Concrete Win further executed an irrevocable undertaking (the "**Deed of Undertaking**") in favour of the Company, pursuant to which Concrete Win irrevocably undertook to subscribe for the Capitalisation Shares at an issue price of HK\$0.60 per Capitalisation Share (the "**Capitalisation Price**") on or after the Restructuring Effective Date to set off and settle the balance of approximately US\$1.14 billion (or equivalent) of the Shareholder Loans with immediate effect upon the Restructuring Effective Date. The Shareholder Warrant MOU was superseded by the Deed of Undertaking.

On 13 November 2025, the Company and Concrete Win entered into the Shareholder Loans Equitisation Agreement. Subject to the occurrence of the Restructuring Effective Date, approximately US\$1.098 billion in principal amount of the Shareholder Loans (together with accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) shall be set-off and settled with immediate effect upon the Restructuring Effective Date, and the Company will issue the corresponding Capitalisation Shares at the issue price of HK\$0.60 per Capitalisation Share to Concrete Win from time to time upon written request by Concrete Win.

If the Proposed Disposal completes, the remaining US\$50 million in principal amount of the Shareholder Loans will be set-off as part of the Proposed Disposal. Otherwise, if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date (i.e. there is no set-off of US\$50 million in

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principal amount of Shareholder Loans pursuant to the Proposed Disposal), the remaining US\$50 million in principal amount of the Shareholder Loans shall be set-off and settled on the date falling six calendar months after the Restructuring Effective Date, and the Company will issue the corresponding Capitalisation Shares at the issue price of HK\$0.60 per Capitalisation Share to Concrete Win from time to time upon written request by Concrete Win.

All accrued and unpaid interest in respect of the Shareholder Loans which has accrued (and remains unpaid) after (and excluding) 30 September 2024 shall be fully waived and cancelled.

With reference to the Board Letter, the Shareholder Loans Capitalisation through the issuance of the Capitalisation Shares to Concrete Win will have an immediate and significant impact on the Group's financial profile and enable the Company to further extinguish up to approximately US\$1.148 billion in principal amount of the Group's debt (plus any accrued and unpaid interest) as soon as the Proposed Restructuring becomes effective, achieving immediate deleveraging and strengthening the Group's balance sheet. The Controlling Shareholders' agreement to convert this substantial loan (originally extended voluntarily in response to the industry-wide liquidity crunch since 2021) into equity demonstrates their ongoing commitment to the Company's long-term success and stability. The Capitalisation Shares will be issued at a price higher than the prevailing market price when the restructuring framework was first agreed, further reflecting the Controlling Shareholder's confidence in the Company's long-term prospects. In addition, this capitalisation is expected to encourage other creditors to consider equitising their own debt holdings by electing the relevant MCB options, supporting further deleveraging and a more sustainable capital structure in the longer term. Concrete Win may be issued up to 15,519,049,697 Capitalisation Shares (subject to agreed adjustments) at its written request(s) from time to time to maintain its control. This approach enhances stability of the ownership structure and aligns the Group's capital structure with the interests of all stakeholders.

Having considered that (i) the Shareholder Loans Capitalisation will enable the Company to set off a substantial amount of the Shareholder Loans without deploying the Group's financial resources; (ii) the Shareholder Loans Capitalisation demonstrates the Controlling Shareholder's confidence in the Company's long-term business value; and (iii) the Shareholder Loans Capitalisation forms part of the Proposed Restructuring which enable the Group to achieve significant deleveraging and have a more sustainable capital structure, we are of the view that although the Shareholder Loans Capitalisation is not conducted in the ordinary and usual course of business of the Group, it is in the interest of the Company and the Shareholders as a whole.

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Principal terms of the Shareholder Loans Capitalisation

The principal terms of the Shareholder Loans Capitalisation under the Shareholder Loan Equitisation Agreement are summarised as follows:

Issuer:	The Company
Number of Capitalisation Shares:	(A) Up to 15,519,049,697 new Shares if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date; or (B) Up to 14,869,049,697 new Shares if the Proposed Disposal completes within six calendar months from the Restructuring Effective
Issue price:	The issue price for each Capitalisation Share is HK\$0.6 per Share (the “Capitalisation Price”). The aggregate Issue Price of all Capitalisation Shares payable by Concrete Win shall be satisfied by capitalising and setting off against up to approximately US\$1.148 billion in the principal amount of the Shareholder Loans upon the occurrence of the Restructuring Effective Date.
Issue period (the “Issue Period”):	At any time during the period commencing from (and including) the Restructuring Effective Date up to (and including) the maturity date of the MCB (B) to be issued in connection with the Scheme, upon delivery by Concrete Win of an issue notice, the Company undertakes to issue new Shares to Concrete Win pursuant to the terms of the Shareholder Loans Equitisation Agreement.
Adjustment mechanism:	Subject to the terms of the Shareholder Loans Equitisation Agreement, the Capitalisation Price shall be subject to adjustment upon the occurrence of certain adjustment events as stated in the Board Letter.
Ranking of the Capitalisation Shares:	The Capitalisation Shares will rank <i>pari passu</i> with all Shares.

The Capitalisation Price

The Capitalisation Price of HK\$0.6 per Capitalisation Share represents:

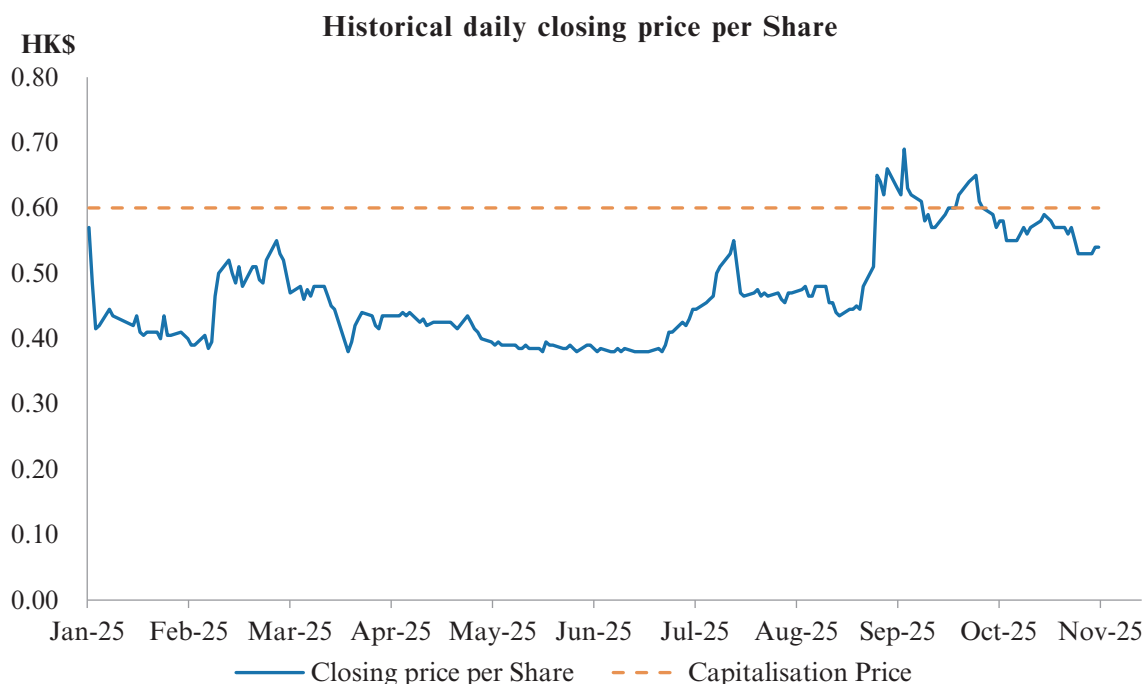
- (i) a premium of approximately 13.21% over the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 11.11% over the closing price of HK\$0.540 per Share as quoted on the Stock Exchange on the date of the Shareholder Loan Equitisation Agreement (the “**Agreement Date**”);
- (iii) a premium of approximately 39.53% (the “**Initial Premium**”) over the closing price of HK\$0.430 per Share as quoted on the Stock Exchange on 10 April 2025 (being the date of the Shareholder Warrant MOU when the initial strike price of the previously proposed issue of warrants was determined to be HK\$0.6 per share (the “**Initial Price Determination Date**”));
- (iv) a premium of approximately 1.69% (the “**Determination Date Premium**”) over the closing price of HK\$0.590 per Share as quoted on the Stock Exchange on 13 October 2025 (being the date of the Deed of Undertaking when the Capitalisation Price of HK\$0.6 was determined (the “**Determination Date**”); and
- (v) a discount of approximately 3.85% to the average of the closing price of HK\$0.624 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Determination Date.

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In order to assess the fairness and reasonableness of the Capitalisation Price, we conducted the following analysis:

Share price performance

Set out below is a chart showing the movement of the closing prices of the Shares during the period from 21 January 2025 (being the date of resumption in trading of the Shares after a long suspension from 2 April 2024 (the “**Resumption Date**”) to 13 November 2025, being the period from the Resumption Date up to and including the Agreement Date (the “**Review Period**”), to illustrate the general trend and level of movement of the closing prices of the Shares:



Source: the Stock Exchange's website

During the Review Period, the highest and lowest closing prices of Shares as quoted on the Stock Exchange were HK\$0.690 per Share recorded on 17 September 2025 and HK\$0.380 recorded in April, June and July 2025.

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From the Resumption Date to 24 January 2025, the closing prices of the Shares dropped significantly from HK\$0.570 per Share to HK\$0.420 per Share. After fluctuation and further decrease to HK\$0.385 per Share on 25 February 2025, the closing prices of the Shares recovered and reached HK\$0.550 per Share on 17 March 2025. Subsequently, the closing prices of the Shares formed a general decreasing trend and reached HK\$0.380 per Share on 8 July 2025 before it started another recovery. From July to September 2025, the closing prices of the Shares fluctuated and reached HK\$0.690 per Share on 17 September 2025. Thereafter, the closing prices of the Shares kept fluctuating and reached HK\$0.540 per Share on the Agreement Date.

The Capitalisation Price of HK\$0.6 (i) falls within the closing price range of the Shares during the Review Period; and (ii) is higher than the closing prices of the Shares on 184 out of 201 trading days during the Review Period.

Loan Capitalisation Comparables

As part of our analysis, we also identified loan capitalisation by way of issuing new shares under specific mandate conducted and announced by Hong Kong listed companies during the period from 1 April 2025 up to and including the Agreement Date, which were not lapsed/terminated up to the Agreement Date (the “**Loan Capitalisation Comparables**”). To the best of our knowledge and as far as we are aware of, we identified 11 transactions which met the said criteria and they are exhaustive. We consider the Loan Capitalisation Comparables to be sufficient, fair and representative as they were announced during a period close to the Determination Date and the Agreement Date (i.e. approximately six months prior to and including the Determination Date, together with the period from the Determination Date up to the Agreement Date) and we did not carve out any transaction which met the said criteria. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the subject companies of the Loan Capitalisation Comparables.

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Company name (stock code)	Date of announcement	Premium/ (discount) of the issue price to closing price per share on the last trading day prior to or the date of agreement in relation to the transaction (%)	Connected transaction
Regent Pacific Group Limited (575)	7 April 2025	Nil	Yes
China HK Power Smart Energy Group Limited (931)	17 April 2025	Nil	Yes
Sunshine Oilsands Ltd. (2012)	28 April 2025	2.27	No
GoFintech Quantum Innovation Limited (290)	29 April 2025	4.92	Yes
SuperRobotics Holdings Limited (8176)	7 May 2025	Nil	Yes
New City Development Group Limited (456)	18 June 2025	(4.95)	Yes
New Concepts Holdings Limited (2221)	25 August 2025	13.64 (Note 1)	Yes
Sheng Tang Holdings Limited (8305)	26 September 2025	(24.00)	Yes

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Company name (stock code)	Date of announcement	Premium/ (discount) of the issue price to closing price per share on the last trading day prior to or the date of agreement in relation to the transaction (%)	Connected transaction
CIFI Holdings (Group) Co. Ltd. (884)	16 October 2025	6.67	Yes
Zhonghua Gas Holdings Limited (8246)	20 October 2025	8.89	Yes
JX Energy Ltd. (3395)	31 October 2025	(1.64)	Yes
Maximum		13.64	
Minimum		(24.00)	
Average		0.53	
Median		Nil	
The Shareholder Loans Capitalisation	13 November 2025	Initial Premium — 39.53 (Note 2) Determination Date Premium — 1.69	

Notes:

1. Based on theoretical closing price per consolidated share after taking into account the effect of share consolidation.
2. We also consider the Initial Premium in our analysis as it represents the premium of the initially determined “issue price” over the closing price of the Share on the date when it was determined.

We noted from the above table that the issue prices of the Loan Capitalisation Comparables represented a discount of approximately 24.00% to a premium of approximately 13.64% to/over the respective closing prices of their shares on the last trading day prior to or the date of agreement in relation to the respective transaction (the “**Loan Capitalisation**”).

Discount/Premium Market Range”). Accordingly, the Initial Premium of approximately 39.53% is higher than the Loan Capitalisation Discount/Premium Market Range and the Determination Date Premium of approximately 1.69% falls within the Loan Capitalisation Discount/Premium Market Range.

Having considered that:

- (i) the Capitalisation Price falls within the closing price range of the Shares during the Review Period;
- (ii) the Capitalisation Price is higher than the closing prices of the Shares on 184 out of 201 trading days during the Review Period;
- (iii) the Initial Premium of approximately 39.53% is higher than the Loan Capitalisation Discount/Premium Market Range; and
- (iv) the Determination Date Premium of approximately 1.69% falls within the Loan Capitalisation Discount/Premium Market Range,

we consider the Capitalisation Price to be fair and reasonable.

Difference between the Capitalisation Price and the Conversion Price

We noticed that the Capitalisation Price is substantially lower than the MCB (A) Conversion Price of initially HK\$2.60 per Share, MCB (B) Conversion Price of initially HK\$10.00 per Share and MCB (C) Conversion Price of initially HK\$1.10 per Share. Upon our enquiry, the Directors advised us that the difference between the Capitalisation Price and the Conversion Price was mainly due to different consideration when determining the Capitalisation Price and the Conversion Price, including:

- (i) the Capitalisation Price was determined based on arm’s length negotiations among the Company, the AHG, the CoCom and Concrete Win, taking into account, *inter alia*, the prevailing market price of the Shares at the time when the negotiations were undergoing and the Controlling Shareholder’s ownership in the Company after the Proposed Restructuring is completed; and
- (ii) the Conversion Price was determined based on arm’s length negotiations among the Company, the AHG and the CoCom or CHB (as the case may be), taking into account, *inter alia*, the assessment of acceptability of the Creditors towards the terms of the Proposed Restructuring with a view to achieving a sustainable capital structure and consideration of economic compensation and recovery rate for the Creditors.

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With reference to the Board Letter, the Board considers that it is fair and reasonable for the issue price of the Capitalisation Shares to be lower than the Conversion Price of the MCBs. This is because Creditors acknowledge the contribution of the Controlling Shareholder by way of Shareholder Loans to alleviate the liquidity pressure of the Group before the announcement of pursuit of a holistic solution to address the Group's material offshore indebtedness and while Creditors were entitled to elect from five different options of Scheme Consideration (including receiving debt instruments without any substantial reduction on their original holdings of the Existing Debt), the Controlling Shareholder will only be entitled to compromise the Shareholder Loans in exchange for Capitalisation Shares pursuant to the terms of the Shareholder Loans Equitisation Agreement.

Having also considered:

- (i) that there was different consideration when the Company determining the Capitalisation Price and the Conversion Price;
- (ii) the factors that we considered before concluding the fairness and reasonableness of the Capitalisation Price as set out above;
- (iii) the Capitalisation Price equals to the SCA Warrant Exercise Price (in respect of the SCA Warrants proposed to be issued to the original lenders of the SCA Loan who are Independent Third Parties); and
- (iv) the Capitalisation Price is higher than the corresponding prices of each Work Fee Share (i.e. HK\$0.50 or HK\$0.55) to be issued to the AHG, the CoCom and the CB Holder Group which are Independent Third Parties,

we are of the view that the difference between the Capitalisation Price and the Conversion Price would not affect fairness and reasonableness of the Capitalisation Price.

The Issue Period

With reference to the Board Letter, Concrete Win may be issued up to 15,519,049,697 Capitalisation Shares (subject to agreed adjustments) at its written request(s) from time to time to maintain its control. This approach enhances stability of the ownership structure and aligns the Group's capital structure with the interests of all stakeholders.

As aforementioned, under the Shareholder Loans Capitalisation:

- (i) Subject to the occurrence of the Restructuring Effective Date, approximately US\$1.098 billion in principal amount of the Shareholder Loans (together with accrued and unpaid interest in

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respect of all Shareholder Loans up to (and including) 30 September 2024) shall be set-off and settled with immediate effect upon the Restructuring Effective Date, and the Company will issue the corresponding Capitalisation Shares to Concrete Win from time to time upon written request by Concrete Win.

- (ii) If the Proposed Disposal completes, the remaining US\$50 million in principal amount of the Shareholder Loans will be set-off as part of the Proposed Disposal. Otherwise, if the Proposed Disposal fails to complete within six calendar months from the Restructuring Effective Date, the remaining US\$50 million in principal amount of the Shareholder Loans shall be set-off and settled on the date falling six calendar months after the Restructuring Effective Date, and the Company will issue the corresponding Capitalisation Shares to Concrete Win from time to time upon written request by Concrete Win.

Given the above, we consider that the arrangement in respect of the Issue Period is justifiable.

Detailed terms and conditions of the Shareholder Loans Capitalisation are set out under the section headed “7. THE PROPOSED CAPITALISATION OF SHAREHOLDER LOANS INVOLVING ISSUANCE OF NEW SHARES TO THE CONTROLLING SHAREHOLDER UNDER SPECIFIC MANDATE” of the Board Letter.

Dilution

With reference to the shareholding table in the section headed “11. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY” of the Board Letter and based on 15,519,049,697 Capitalisation Shares to be issued, the shareholding interests held by the existing public Shareholders would be diluted by approximately 18.39 percentage points as a result of the Shareholder Loans Capitalisation. In this regard, taking into account (i) the aforementioned reasons for and benefits of the Shareholder Loans Capitalisation; and (ii) the terms of the Shareholder Loans Capitalisation being fair and reasonable, we are of the view that the said level of dilution to the shareholding interests of the existing public Shareholders as a result of the Shareholder Loans Capitalisation is acceptable.

Recommendation on the Shareholder Loans Capitalisation

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Shareholder Loans Capitalisation are on normal commercial terms and are fair and reasonable; and (ii) although the Shareholder Loans Capitalisation is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be

proposed at the EGM to approve the Shareholder Loans Capitalisation and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

III. The Proposed Disposal

Information on the sellers

Each of CGRE and Beauty Humble is an indirect wholly-owned subsidiary of the Company. They are principally engaged in investment holding.

Information on the purchaser

Concrete Win is a company incorporated in the British Virgin Islands, which is ultimately controlled by Ms. YANG Huiyan, the chairlady of the Board and the executive Director. Concrete Win is principally engaged in investment holding. As at the Latest Practicable Date, Concrete Win together with its associates held approximately 48.02% of the total issued Shares of the Company.

Information on the Target Group

With reference to the Board Letter:

- (i) CGWF is a company incorporated in Malaysia with limited liability. It is principally engaged in investment holding. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of the CGWF are held by CGRE, Active Builder Enterprise Sdn. Bhd. and Teo Chee Yow as to approximately 96.67%, 3.31% and 0.02%, respectively, and the entire issued preference shares of CGWF are held by CGRE.
- (ii) CGPV is a company incorporated in Malaysia with limited liability. It is principally engaged in property development, and the operation of hotels, clubs, restaurants, golf and putting courses.
- (iii) As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of CGPV are held by CGWF and Esplanade Danga 88 Sdn. Bhd. as to 60% and 40%, respectively, and the entire issued preference shares of CGPV are held by Beauty Humble.
- (iv) CIBS is a company incorporated in Malaysia with limited liability. It is principally engaged in manufacture of precast concrete and business of construction. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of CIBS are wholly owned by CGPV, and the issued preference shares of CIBS are held by CGRE and Beauty Humble, respectively.

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- (v) The Target Group is primarily engaged in the development of the integrated property development and special financial zone located in Johor, Malaysia named “Forest City”.

Further information on the Target Group is set out in the section headed “Information about the Target Companies and the Target Group” of the Board Letter.

Set out below is the unaudited consolidated financial information of the Target Group for FY2023, FY2024 and the eight months ended 31 August 2025 (“8M2025”) as extracted from the Board Letter:

	For the year ended 31 December 2023 <i>MYR million</i>	For the year ended 31 December 2024 <i>MYR million</i>	For the eight months ended 31 August 2025 <i>MYR million</i>
Net profit/(loss) before taxation	(543)	204	512
Net profit/(loss) after taxation	(543)	204	494

According to the Board, unaudited consolidated net liabilities of the Target Group was approximately MYR224 million as at 31 August 2025.

With reference to the Board Letter and as advised by the Directors, FC Project has encountered considerable adversity over recent years, stemming the COVID-19 pandemic, persistent negative media coverage, and intensifying competition within the sector. As of 31 August 2025, the Target Group had substantial net liabilities. The Target Group’s net profit for FY2024 and 8M2025 was mainly attributable to non-recurring and extraordinary items (including (i) unrealized foreign exchange gain of approximately MYR238 million for FY2024; and (ii) reversal of excess accrual for project development costs of approximately MYR338 million for 8M2025 and unrealized foreign exchange gain of approximately MYR400 million for 8M2025).

Reasons for and benefits of the Proposed Disposal

With reference to the Board Letter:

- (i) The FC Project has encountered considerable adversity over recent years, stemming the COVID-19 pandemic, persistent negative media coverage, and intensifying competition within the sector. As of 31 August 2025, the fair value of the Target Group’s consolidated net asset was approximately negative MYR1,998 million (equivalent to approximately negative US\$454 million) according to the Business Valuation Report, with residential sales being sluggish. The long-term

sustainability and commercial viability of the FC Project are dependent on substantial, immediate capital investment to overhaul ageing facilities, upgrade core infrastructure, and reposition the project to attract customers in an evolving market environment. Without this reinvestment, the value of the FC Project will likely continue to decline. Currently, the Group is not in a position to provide the required capital, due to ongoing liquidity constraints and cash flow challenges. The Group has not committed further resources to the FC Project since 2021. Meanwhile, the Target Group also face significant obstacles in independently securing new financing. The operational challenges of the underlying project are compounded by the Group's own weakened credit profile, further limiting external funding options.

- (ii) The Group has explored potential sales to independent third parties. There were considerable obstacles. Due diligence by potential buyers is practically impossible given the confidentiality obligations and restrictions in the joint venture arrangements. There are significant challenges in obtaining required third-party consents. Importantly, certain security provided by the Target Group in support of project financings for Group entities outside the Target Group could not be released, as the Group lacks the resources to repay all such indebtedness, and an incoming purchaser cannot independently discharge such security without lenders' consent. As a result, the Company believes that there is little likelihood of disposing of the Target Group to an independent third party. If the Target Group's assets and business were to further deteriorate, the value of the security they provide could be negatively affected, increasing the risks for the Group.
- (iii) The Group has held extensive discussions with the AHG and CoCom regarding the possible outcome for the Target Group post-Proposed Restructuring. Both the AHG and CoCom have been unequivocal, and the Company concurs, that the Group should not allocate further resources to the Target Group. Certain creditors are concerned that if the Target Group remains within the Group, the FC Project may continue to deteriorate, potentially becoming a financial and operational burden. These creditors strongly urge the Company to dispose of the FC Project, considering it a key factor in their support for the Proposed Restructuring.
- (iv) In response to these creditors' demands, the Company had no option but to request the Controlling Shareholder acquire the Target Group in order to remove obstacles to the Proposed Restructuring with the aim to complete the Proposed Restructuring by the end of 2025. In order to further support the Company, the Controlling Shareholder ultimately agreed to assume full responsibility for the FC Project once all conditions precedents have been satisfied, despite the considerable

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strategic challenges and the substantial negative equity value. The Proposed Disposal will proceed on an “as-is” basis, with Concrete Win assuming all business, operational, and financial risks of the Target Group, inclusive of existing encumbrances and liabilities, and with no recourse to the Company. The consideration will consist of a set-off of US\$50,000,000 of Shareholder Loans, directly reducing the Group’s outstanding obligations. The Proposal Disposal eliminates the risks associated with the Target Group remaining in the Group and alleviates creditor concerns.

- (v) Through the Upside Sharing Agreement and ListCo CVR, the Group preserves an interest in the future success of the FC Project, should it be successfully redeveloped and operated by the Controlling Shareholder. Additionally, the Management Services Framework Agreement creates an avenue for the Group to provide ongoing management, operational, and marketing services in exchange for service fees, establishing a potential revenue stream.

Having considered:

- (i) the reasons and benefits of the Proposed Disposal as set out above; and
- (ii) the conditions and financial positions of the Target Group and the FC Project as mentioned above,

we consider that, although the Disposal is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole.

Principal terms of the Proposed Disposal

Set out below is the principal terms of the Proposed Disposal, details of which are set out under the section headed “9. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED DISPOSAL OF EQUITY INTEREST IN CERTAIN SUBSIDIARIES AND SETTING OFF OF SHAREHOLDER LOANS AND THE RELATED CONTINUING CONNECTED TRANSACTIONS” of the Board Letter.

Share Purchase Agreement

Date

13 November 2025

Parties

- (a) CGRE, Beauty Humble (each an indirect wholly-owned subsidiary of the Company, as sellers);

(b) Concrete Win (as purchaser); and

(c) the Company

Assets to be disposed of

The Target Shares, being the CGWF Shares, the CGPV Preference Shares and the CIBS Preference Shares, on an “as-is” basis. CGWF and Beauty Humble in turn owns 60% of the ordinary shares and the entire preference shares of CGPV, the Malaysian project company of the FC Project, respectively.

Consideration

The fixed consideration for the Proposed Disposal (the “**Consideration**”) shall be satisfied by Concrete Win releasing and discharging the obligation of the Company to repay part of the Shareholder Loans in the amount of US\$50,000,000 on a dollar-for-dollar basis upon completion of the Proposed Disposal, and such payment shall constitute a full and complete discharge of Concrete Win’s obligation to pay the fixed consideration for the Proposed Disposal. In addition, contingent consideration in respect of the Proposed Disposal may be payable under the Upside Sharing Agreement and the ListCo CVR.

Valuation

To assess the fairness and the reasonableness of the Consideration, we obtained the Business Valuation Report prepared by the Valuer. According to the Business Valuation Report:

- (i) the fair value of the Target Group’s consolidated net asset was approximately negative MYR1,998 million (equivalent to approximately negative US\$454 million) as at 31 August 2025; and
- (ii) there was no commercial value on the CGWF Ordinary Shares as at 31 August 2025 and it is reasonable to assume that there was no commercial value on the CGWF Preference Shares, the CGPV Preference Shares and the CIBS Preference Shares as at the Latest Practicable Date.

For our due diligence purpose, we reviewed and enquired into (i) the terms of engagement of the Valuer with the Company; (ii) the Valuer’s qualification and experience in relation to the preparation of the Business Valuation Report; and (iii) the steps and due diligence measures taken by the Valuer for preparation of the Business Valuation Report. Based on the information provided by the Valuer, we noted that (i) the Valuer is registered as a firm regulated by the Royal Institution of Chartered Surveyors (the “**RICS**”) and the signatory of the Business Valuation Report is a chartered surveyor and registered valuer with the RICS; and (ii) the Valuer and the signatory of the Business Valuation Report are experienced in conducting business valuation and property valuation for listed

companies in Hong Kong. From the mandate letter and relevant information provided by the Valuer and based on our interview with them, we are satisfied with the terms of engagement of the Valuer as well as their qualification and experience for preparation of the Business Valuation Report. The Valuer also confirmed that they are independent to the Group and the Purchaser.

We also reviewed the Business Valuation Report and enquired with the Valuer on the methodology, bases and assumptions adopted in order for us to understand the Business Valuation Report. With reference to the Business Valuation Report:

- (a) The market-based approach was not adopted in this case as the Valuer could not identify comparable transactions with publicly disclosed or readily available information, after considering the nature and conditions of the CGWF Group and the FC Project. The limited availability of such data made it difficult to establish meaningful market benchmarks, rendering this approach unsuitable.
- (b) The income-based approach was not adopted as the CGWF Group was unable to provide concrete development plans and reliable financial forecasts. The use of this approach would require numerous assumptions, and any inaccuracy in these assumptions could materially distort the valuation outcome.
- (c) The Valuer therefore considered the adoption of the asset-based approach for the valuation.

In light of (i) the aforesaid limitations in respect of market-based approach and income-based approach associated with this case; (ii) the significance of the CGWF Group stems from its holding of the FC Project; and (iii) the Valuer assessed the fair value of the Property-related Assets (as defined below) with three recognized and accepted approaches as appropriate, we consider that the adoption of the asset-based approach for the valuation to be fair and reasonable and we did not adopt additional methodology to assess the fair value of the Target Group's net asset.

By adoption of the asset-based approach, the Valuer assessed the fair value of the Target Group's net asset as at 31 August 2025 based on the Target Group's consolidated balance sheet as at 31 August 2025. Under the Valuer's assessment, except for the lands and properties under the "property, plant and equipment", "land held for property development", "investment property", "property development costs", "completed properties held for sale" and "inventories" (all together, the "**Property-related Assets**"), the Valuer adopted the book values of the Target Group's assets and liabilities as fair value.

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For the Valuer's assessment of the fair value of the Property-related Assets, the adopted three recognized and accepted approaches, namely, direct comparison approach, investment approach and depreciated replacement cost approach/cost approach as appropriate. The approaches adopted for the Property-related Assets are summarized below:

Property-related Assets	Valuation approach adopted
— Fisherman wharf, sales gallery, commercial units of transportation hub, industrial bare land, hotels	Direct comparison approach With reference to the Business Valuation Report and as confirmed by the Valuer, given that direct comparison approach could reflect market conditions based on actual transactions, direct comparison approach is considered as the most appropriate method of valuation when comparable information is adequate. In respect of the subject lands and properties, the Valuer could identify and obtain adequate comparable information. Accordingly, direct comparison approach was adopted for the subject lands and properties.
— Forest city bare land and golf resort bare land	
— Unsold properties including residential units, retail premises and office spaces	
— Golf course	Investment approach With reference to the Business Valuation Report and as confirmed by the Valuer, the investment approach provides a more reliable indication of the asset's value over time based on its income-generating potential. As the golf course was under operation as at the valuation date and the Valuer could obtain adequate operational data of the golf course, the investment approach was adopted for the golf course.

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Property-related Assets	Valuation approach adopted
— Industrial buildings	Depreciated replacement cost approach/cost approach
— International school	With reference to the Business Valuation Report and as confirmed by the Valuer, due to lack of comparable market evidence and the specialized nature of the subject properties, depreciated replacement cost approach/cost approach was adopted for the subject properties.

After considering the reasons for adoption of different approaches for the Valuer's assessment of the fair value of the Property-related Assets as stated above, we are of the view that the adoption of such approaches to be fair and reasonable and we did not adopt additional methodology to assess the fair value of the Property-related Assets.

During our discussion with the Valuer, we did not identify any major factor which caused us to doubt the reasonableness of the methodology, principal bases, assumptions and parameters used in the Business Valuation Report.

Having considered our work performed on the Business Valuation Report as set out above and that:

- (i) the fair value of the Target Group's consolidated net asset was approximately negative MYR1,998 million (equivalent to approximately negative US\$454 million) as at 31 August 2025; and
- (ii) there was no commercial value on the CGWF Ordinary Shares as at 31 August 2025 and it is reasonable to assume that there was no commercial value on the CGWF Preference Shares, the CGPV Preference Shares and the CIBS Preference Shares as at the Latest Practicable Date,

we are of the view that the Consideration is fair and reasonable.

Conditions precedent and completion

The completion of the Proposed Disposal will be conditional upon satisfaction of the conditions as set out under the subsection headed "Conditions precedent" of the section headed "9. CONNECTED TRANSACTION IN RELATION TO THE PROPOSED DISPOSAL OF EQUITY INTEREST IN CERTAIN SUBSIDIARIES AND SETTING OFF OF SHAREHOLDER LOANS AND THE RELATED CONTINUING

CONNECTED TRANSACTIONS” under the Board Letter. Completion of the Proposed Disposal shall occur on the fifth business day following the fulfilment of the conditions precedent. The aforesaid conditions precedent include, among others:

“(i) all intercompany payables owed by the Group (excluding the Target Group) to the Target Group having been set off in full, such that there shall be no liability owed by the Group (excluding the Target Group) to the Target Group; and (ii) a total of approximately MYR4,320 million (equivalent to approximately US\$982 million) of the net intercompany payables owed by the Target Group to the Group (excluding the Target Group) having been subject to a standstill and forbearance arrangement for a period of 30 years from the completion of the Proposed Disposal.”

According to the Board Letter, with respect to the above condition, as of the Latest Practicable Date, the Group (excluding the Target Group) has set off all liabilities owed by the Group (excluding the Target Group) to the Target Group, and the net intercompany payables from the Target Group to the Group (excluding the Target Group) was approximately MYR5,135 million (equivalent to approximately US\$1,167 million). In connection with the Proposed Disposal, the Group (excluding the Target Group) will undertake to the Target Group to standstill and forbear from taking certain enforcement actions in respect of a total of approximately MYR4,320 million (equivalent to approximately US\$982 million) of such intercompany payables for a period of 30 years from the completion of the Proposed Disposal (the “**TG Payables Forbearance**”). Such forbearance arrangement is designed to relieve the Target Group from immediate financial pressure and provide the Target Group with necessary financial and operational flexibility to develop and monetize the FC Project, a complex large-scale integrated property development project, over the long term, ultimately enhancing the return that the Company may receive under the Upside Sharing Agreement, the ListCo CVR and the Management Services Framework Agreement.

In light of the following factors:

- (i) the condition of the Target Group and the FC Project as stated above;
- (ii) the TG Payables Forbearance shall relieve the Target Group from immediate financial pressure and provide the Target Group with necessary financial and operational flexibility to develop and monetize the FC Project over the long term. Such relief and flexibility provided to the Target Group could be considered as a balance for Concrete Win to acquire the Target Shares at the Consideration of US\$50,000,000 (together with agreeing to enter into the Upside Sharing Agreement and issue the ListCo CVR/Scheme Creditor CVR) whereas the fair value of

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the Target Group's consolidated net asset was approximately negative MYR1,998 million (equivalent to approximately negative US\$454 million) as at 31 August 2025;

- (iii) the above relief and flexibility provided to the Target Group may ultimately enhance the return that the Company may receive under the Upside Sharing Agreement, the ListCo CVR and the Management Services Framework Agreement,

we considered the TG Payables Forbearance to be justifiable.

Upside Sharing Agreement

On completion of the Proposed Disposal, the Company will enter into the Upside Sharing Agreement (the form of which has been agreed under and appended to the Share Purchase Agreement) with Concrete Win, pursuant to which the Company shall be entitled to share a portion of the upside of the FC Project received by Concrete Win in consideration of the Proposed Disposal. From the date of completion of the Proposed Disposal until three years thereafter, the Company shall be entitled to an upside sharing fee comprising an amount equal to 15% of the excess return that Concrete Win receives from the Target Group over an internal rate of return (“**IRR**”) of 12% per annum, which shall be calculated at the time of each distribution by the Target Group and payable within 15 business days of the delivery of a notice in relation to such distribution. The return that Concrete Win receives from the Target Group will be calculated taking into account any and all dividends, bonus issues or any other distribution or payment made by the Target Group to Concrete Win in its capacity as a direct or an indirect shareholder of any member of the Target Group, including any repayment of any principal or interest of shareholder loans (if any), minus any amount paid or payable under the ListCo CVR and the Scheme Creditor CVR.

ListCo CVR and Scheme Creditor CVR

In addition, Concrete Win will issue (i) the ListCo CVR to the Company on completion of the Proposed Disposal; and (ii) the Scheme Creditor CVR pursuant to the terms of the Scheme and as part of the Scheme Consideration, in each case, in connection with the completion of the Proposed Disposal on the basis of the principal terms set out under the sub-section headed “ListCo CVR and Scheme Creditor CVR” of the Board Letter. Under such principal terms, in the event that any of the Trigger Events occur, Concrete Win shall pay each of the Company/counterparty of the Scheme Creditor CVR an amount equal up to (i) 15% (from the issuance date of the ListCo CVR to 30 June 2028), (ii) 8% (from 1 July 2028 to 30 June 2031 or (iii) 5% (from 1 July 2031 to 31 December 2034), in each case, of the Company Upside Amount (being (i) the total net cash consideration (after deducting taxes and other transaction expenses) attributable to the distributions from or disposal of the Target Shares (or disposal of the assets of the FC Project) following the occurrence of any of the Trigger Events (plus, without doubling counting, any dividends or other

distributions derived from the shares in CGWF, CGPV and CIBS from the issuance date of the ListCo CVR and Scheme Creditor CVR until the occurrence of such Trigger Event), which are received by the Concrete Win (and/or its affiliates, excluding the Target Group); less the aggregate of (ii) US\$50,000,000 (or the relevant pro rata amount if only a portion (instead of all)) of the relevant assets are being disposed) and (iii) any outstanding investments advanced by the Controlling Shareholder to the FC Project and the outstanding costs incurred in advancing such investments (without taking into account any prior returns actually received by Concrete Win and/or its affiliates)).

With reference to the Board Letter, the Company has agreed with Concrete Win that the total amount of contingent consideration that the Company may receive under the Upside Sharing Agreement and the ListCo CVR shall not exceed MYR134 million.

We consider that the Upside Sharing Agreement and the ListCo CVR enable the Group to enjoy further benefits (in addition to the Consideration) from the future development of the Target Group (if any). Accordingly, we consider the Upside Sharing Agreement and the ListCo CVR to be fair and reasonable.

Taking into account the above principal terms of the Proposed Disposal, we consider that the terms of the Disposal are fair and reasonable.

Possible financial effects of the Proposed Disposal

With reference to the Board Letter, upon completion of the Proposed Disposal, each of the Target Companies will cease to be a subsidiary of the Company and the financial results of the Target Companies will no longer be consolidated into the consolidated financial statements of the Company. The Proposed Disposal will not generate any new cash funding for the Company. For illustrative purpose, based on management's estimate, taking into account (i) the consolidated net liabilities of the Target Group as at 31 August 2025 of approximately MYR224 million (equivalent to approximately RMB381 million); and (ii) the Consideration of US\$50 million (equivalent to approximately RMB360 million), it is expected that, upon completion of the Proposed Disposal, the Company will record a gain on the Proposed Disposal of approximately RMB741 million.

It should be noted that the aforementioned analyses are for illustrative purposes only and do not purport to represent how the financial position of the Group will be upon completion of the Proposed Disposal.

Recommendation on the Proposed Disposal

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Proposed Disposal are on normal commercial terms and are fair and reasonable; and (ii) although the Proposed Disposal is not conducted in the ordinary and usual course of business of the Group, it is in the

interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Proposed Disposal and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

IV. The CCTs

Reasons for and benefits of the CCTs

On completion of the Proposed Disposal, the Company (or another entity designated by the Company) will enter into the Management Services Framework Agreement (the form of which has been agreed under and appended to the Share Purchase Agreement) with CGWF, pursuant to which the Company (or its designated entity) will provide Management Services to the Target Group for a term commencing from the completion of the Proposed Disposal until three years after the completion of the Proposed Disposal.

As aforementioned, the Group may provide support and receive service fees in the form of the Management Services to the Target Group for its development, operation and marketing of the FC Project after completion of the Proposed Disposal under the Management Service Framework Agreement.

As the Group is a sizeable property developer and possesses extensive experience in the FC Project, it is beneficial for the Group to provide support to Target Group and receive service fees under the Management Service Framework Agreement. This will also enhance to revenue source of the Group.

Given the above, we are of the view that the CCTs are conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

Principal terms of the CCTs

Set out below is the principal terms of the CCTs, details of which are set out under the sub-section headed “(2) Management Services Framework Agreement” of the Board Letter:

Date:	Date of completion of the Proposed Disposal
Parties:	the Company (or another entity designated by the Company); and CGWF
Term:	From date of completion of the Proposed Disposal until three years after the date of completion of the Proposed Disposal

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Subject Matter: Provision of Management Services to the Target Group, including, amongst others:

- (a) provision of construction services to the FC Project, including but not limited to building, installing, maintaining and altering construction works; reviewing and assessing design documents; project maintenance services, and project technical services;
- (b) provision of landscaping services to the FC Project, including but not limited to design and installation services, and maintenance services; and
- (c) provision of any other matters in relation to the development and management of the FC Project as reasonably requested by the Target Group.

Pricing policy: Fees to be charged for the Management Services to be provided by the Group shall be determined after arm's length negotiation between the relevant parties on a "cost-plus" basis, namely the aggregate of (i) the cost incurred or reasonably estimated to be incurred by the Company (or another entity designated by the Company) or its affiliates arising recurrently in the course of the provision of the Management Services (including material costs, equipment costs, labour costs, internal overheads and out of pocket expenses) and (ii) an additional mark-up rate of 5%, or such other rate as determined after arm's length negotiation between the relevant parties, which shall be no less favourable to the Group (excluding the Target Group) than those available from other Independent Third Parties (to the extent practicable) for similar services in comparable property projects during the same period.

The Group will consider the prevailing market prices of other real estate companies for the provision of services in respect of properties of similar scale, location, quality, and the content, quality and standard of services required.

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Payment arrangement: CGWF will deliver, or cause the relevant Target Group company to deliver, to the Company (or another entity designated by the Company) a work order each time it requests for a Management Service. The Company (or another entity designated by the Company) may accept such work order by countersigning it. Fees for the Management Services shall be paid in accordance with a payment schedule to be agreed between the parties through arm's length negotiation.

The Group will negotiate payment terms by reference to the standard terms offered by the Group to Independent Third Parties under similar conditions and the market practice.

Pricing policies

Given that “cost-plus” basis is commonly adopted for services pricing and the service fees shall be no less favourable to the Group (excluding the Target Group) than those available from other Independent Third Parties, we consider the pricing policies for the Management Services to be fair and reasonable.

With reference to the Board Letter, to ensure individual transactions will be conducted in accordance with the Management Services Framework Agreement and the aforesaid pricing policy, the Group will adopt the internal control measures as set out under the sub-section headed “(2) Management Services Framework Agreement” of the Board Letter. We consider that the effective implementation of such internal control measures will ensure fair pricing of the Management Services.

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Proposed annual caps

Set out below are proposed annual caps (exclusive of tax) for fees payable to the Group by the Target Group under the Management Services Framework Agreement (the “**Proposed Annual Cap(s)**”) for each of the three years after the Proposed Disposal:

	From completion of the Proposed Disposal to 31 December 2026 (the “2026 Period”)	For the year ending 31 December 2027 (“FY2027”)	For the year ending 31 December 2028 (“FY2028”)
Fees receivable by the Group from the Target Group in respect of the Group’s provision of Management Services	MYR65 million	MYR470 million	MYR280 million

With reference to the Board Letter, in determining the annual caps for the Management Services Framework Agreement mentioned above, the Directors have considered a number of factors including, without limitation, (i) the type, variety and nature of the Management Services, in particular in relation to construction services, landscaping services and ancillary services required by the Target Group from the Group; (ii) the expected development plan of the FC Project by the Target Group, including the continuing development of ongoing projects, and the expected development of new transportation infrastructure and large-scale shopping malls; and (iii) the expected volume of construction services required by the Target Group in relation to its current plans for the FC Project; (iv) around 20% expected annual increase of landscaping services required by the FC Project.

For our due diligence purpose, we obtained the calculation of the Proposed Annual Caps from the Company and noted that the Proposed Annual Caps principally cover:

- (i) estimated construction services fees in respect of construction of infrastructures and a shopping mall under the FC Project (i.e. approximately MYR52 million for 2026 Period, approximately MYR450 million for FY2027 and approximately MYR258 million for FY2028);

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- (ii) estimated landscaping services fees for the FC Project (i.e. approximately MYR10 million for 2026 Period, approximately MYR12 million for FY2027 and approximately MYR14 million for FY2028); and
- (iii) top-up buffer to cater for other possible services to be provided under the Management Services Framework Agreement and any unforeseeable circumstances (i.e. approximately MYR3 million for 2026 Period, approximately MYR8 million for FY2027 and approximately MYR8 million for FY2028).

In respect of the above estimated construction services fees, we obtained from the Company corresponding budgeting and development schedule which formed the basis of such estimated construction services fees for 2026 Period, FY2027 and FY2028.

In respect of the above estimated landscaping services fees, the Company advised us that the highest amount of landscaping services provided by the landscaping services provider for the FC Project on an inter-group basis was approximately MYR8 million per annum for the two years ended 31 December 2024. In anticipation of further development of the FC Project, the Company expects such amount to increase continuously for 2026 Period, FY2027 and FY2028.

In addition, we noted that the top-up buffer represented less than 10% of the Proposed Annual Cap for each of 2026 Period, FY2027 and FY2028. We noted from other Hong Kong listed companies' circulars regarding continuing connected transactions that the incorporation of buffer of 10% or less in the proposed annual caps is not uncommon. Therefore, we consider the top-up buffer to be justifiable.

In light of the above, we consider the proposed annual caps for the period ending 31 December 2028 are fair and reasonable.

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Shareholders should note that as the Proposed Annual Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of revenue to be generated from the CCTs. Consequently, we express no opinion as to how closely the actual costs to be incurred from revenue to be generated from the CCTs will correspond with the Proposed Annual Caps.

Having considered the principal terms of the CCTs above, we are of the view that the terms of the CCTs (including the Proposed Annual Caps) are on normal commercial terms and are fair and reasonable.

Listing Rules requirements on the CCTs

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the value of the CCTs must be restricted by the Proposed Annual Caps; (ii) the terms of the CCTs (including the Proposed Annual Caps) must be reviewed by the independent non-executive Directors annually; and (iii) details of the independent non-executive Directors' annual review on the terms of the CCTs must be included in the Company's subsequent published annual reports. Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the CCTs (i) have not been approved by the Board; (ii) were not, in all material aspects, in accordance with the pricing policies of the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the Proposed Annual Caps. In the event that the total amount of the CCTs is anticipated to exceed the Proposed Annual Caps, or that there is any proposed material amendment to the terms of the CCTs, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for the continuing connected transactions pursuant to the Listing Rules by the Company, we are of the view that there are adequate measures in place to monitor the CCTs (together with the Proposed Annual Caps) and hence the interest of the Independent Shareholders would be safeguarded.

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Recommendation on the CCTs

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the CCTs are on normal commercial terms and are fair and reasonable; and (ii) the CCTs are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the CCTs and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporation

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and any 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 and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO, or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) adopted by the Company were as follows:

Long positions in the Shares, underlying Shares and debentures of the Company

Name of Directors	Capacity	Number of Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage of total issued Shares as at the Latest Practicable Date	Amount of debentures held
Ms. YANG Huiyan	Interest of controlled corporation	14,539,618,535 ^{1,7}	14,869,049,697	29,408,668,232 ^{6,7}	105.07%	—
Mr. MO Bin	Beneficial owner	86,591,006	—	86,591,006	0.30%	USD30,000,000
Ms. YANG Ziyang	Interest of controlled corporation	—	—	—	—	USD18,000,000 ²
Dr. CHENG Guangyu	Beneficial owner	12,338,951	1,757,149 ³	14,096,100	—	—
	Interest of spouse	17,307,339 ⁴	—	17,307,339	—	—
				31,403,439	0.11%	
Ms. WU Bijun	Beneficial owner	—	—	—	—	USD500,000
Mr. CHEN Chong	Interest of spouse	14,539,618,535 ^{5,7}	14,869,049,697	29,408,668,232 ^{6,7}	105.07%	—

Notes:

- These Shares represent Shares held by Concrete Win Limited in which Ms. YANG Huiyan beneficially owns the entire issued share capital.

2. The amount of debentures represents the debentures held by Shiny Dragon Assets Limited in which Ms. YANG Ziying beneficially owns the entire issued share capital.
3. The relevant interests are share awards granted pursuant to the Share Award Scheme. The grant date was prior to appointment of Dr. CHENG Guangyu as Director on 20 December 2022.
4. These Shares represent Shares held by Ms. ZUO Ying who is the spouse of Dr. CHENG Guangyu.
5. These Shares represent Shares held by Ms. YANG Huiyan who is the spouse of Mr. CHEN Chong.
6. On 13 October 2025, Concrete Win entered into a deed of undertaking in respect of the equitisation of its approximately USD1.15 billion shareholder loan at a price of HKD0.60 per share into 14,869,049,697 ordinary shares, which resulted in an increase in Concrete Win's (and Ms. YANG Huiyan's) interest in the ordinary shares of Country Garden Holdings Company Limited.
7. On 13 October 2025, Concrete Win entered into an equity derivative swap referencing 1,100,000,000 ordinary shares, which resulted in Concrete Win's interest in the referenced shares to be exchanged from a beneficial interest in such shares into a long interest under the equity derivative swap.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of the Company (including their spouses and children under the age of 18) had, any interests or short positions in any Shares and underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept by the Company under Section 352 of the SFO, or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests and short positions of the Shareholders disclosable under the SFO

As at the Latest Practicable Date, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons, other than the Directors and chief executive of the Company, had long positions of 5% or more in the Shares and underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Long positions in the Shares

Name of Shareholders	Capacity	Number of ordinary Shares held	Number of underlying Shares held under equity derivatives	Total	Percentage of total issued Shares ¹ as at the Latest Practicable Date
Concrete Win	Beneficial owner	14,539,618,535 ^{2,4}	14,869,049,697	29,408,668,232 ^{3,4}	105.07%

Notes:

1. As at the Latest Practicable Date, the total number of the issued Shares is 27,988,507,946 Shares.
2. These Shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.
3. On 13 October 2025, Concrete Win entered into a deed of undertaking in respect of the equitisation of its approximately USD1.15 billion shareholder loan at a price of HKD0.60 per share into 14,869,049,697 ordinary shares, which resulted in an increase in Concrete Win's (and YANG Huiyan's) interest in the ordinary shares of Country Garden Holdings Company Limited.
4. On 13 October 2025, Concrete Win entered into an equity derivative swap referencing 1,100,000,000 ordinary shares, which resulted in Concrete Win's interest in the referenced shares to be exchanged from a beneficial interest in such shares into a long interest under the equity derivative swap.

Saved as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any person (other than Directors and chief executives of the Company) who had interests or short positions in the Shares and underlying Shares under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept under Section 336 of the SFO.

As at the Latest Practicable Date, no Director or proposed Director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. EXPERT'S QUALIFICATIONS AND CONSENTS

The following is the qualification of the experts who have given opinion or advice which contained in this circular:

Name	Qualification
Gram Capital	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Roma Appraisals Limited	Independent valuer

Each of the abovementioned experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report or letter or opinion included in the form and context in which it is included.

As at the Latest Practicable Date, each of the abovementioned experts did not have any shareholding, directly or indirectly, 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.

As at the Latest Practicable Date, each of the abovementioned experts did not have 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.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm there had been no 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 consolidated financial statements of the Company were made up.

5. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one (1) year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective close associates was considered to have an interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the Group's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder).

7. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date,

- (a) none of the Directors were materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and
- (b) 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.

8. GENERAL

As at the Latest Practicable Date,

- (a) the registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands; and
- (b) the branch share registrar of the Company in Hong Kong is Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

9. DOCUMENTS ON DISPLAY

Copies of the following documents (or copies thereof) will be available on the HKExnews website (<http://www.hkexnews.hk>) and the Company's website (<http://www.countrygarden.com.cn/>) from the date of this circular until 14 days hereafter:

- (a) the Shareholder Loans Equitisation Agreement;
- (b) the Share Purchase Agreement (with the form of the Management Services Framework Agreement, the Upside Sharing Agreement and the ListCo CVR appended);
- (c) the Management Incentive Plan;
- (d) the property valuation report prepared by the independent valuer;
- (e) the business valuation report prepared by the independent valuer;
- (f) the letter from the Independent Board Committee, the text of which is set out under the section headed "Letter from the Independent Board Committee" of this circular;

- (g) the letter from the Gram Capital, the Independent Financial Adviser, the text of which is set out under the section headed “Letter from Gram Capital” of this circular;
- (h) the letters of consent from the experts identified in the section headed “3. Expert’s Qualifications and Consents” above in this appendix; and
- (i) this circular.

1. CONDITIONS

The MIP shall take effect upon all of the following having been satisfied:

- (a) the passing of a resolution by the Shareholders of the Company to approve the MIP in accordance with the Listing Rules;
- (b) the occurrence of the Restructuring Effective Date;
- (c) the approval of the Listing Committee of the Stock Exchange for the listing of and permission to deal the Shares underlying the grants pursuant to the MIP; and
- (d) the passing of a resolution by the Board to approve the termination of the share option scheme adopted on May 18, 2017, conditional and effective upon the adoption of the MIP by the Shareholders at the EGM.

2. PURPOSES

The purposes of the MIP are to incentivise the senior management and other employees of the Group who are critical to the Group's operations to execute business plans effectively and to improve the Group's financial performance and position, satisfy the scheduled payments under the New Debt Instruments issued under the terms of the Proposed Restructuring, and improve share price performance after the Restructuring Effective Date.

3. DURATION

Subject to early termination in accordance with the MIP Rules, the MIP shall be valid and effective for the ten years upon the fulfilment of all the conditions for the adoption of MIP (after which no further Awards will be granted), and thereafter for so long as there are any non-vested Award Shares granted hereunder prior to the expiration of the MIP, in order to give effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the MIP Rules.

4. OPERATION OF THE MIP

The grant of Awards is subject to (i) performance-based criteria determined by the Board or the MIP Administrator at its sole discretion, including but not limited to the actual profitability achieved by the Group for the year as compared to the target profitability and individual appraisal ratings taking into account the contribution of the relevant business segments to the Group's profitability, aligning the interests and incentives of participants with those of the Group; and/or (ii) certain criteria determined by the AHG, including but not limited to the satisfaction of scheduled payments under the New Debt Instruments issued under the terms of the Proposed Restructuring and share price performance of the Company, save for Awards granted to independent non-executive Directors where no performance criteria will be imposed. The Board, the MIP Administrator, and/or AHG may, from time to time, decide such criteria.

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The eligibility of any of the Eligible Participants to an Award shall be determined by the Board or the MIP Administrator from time to time on the basis of the Board or the MIP Administrator's opinion as to his/her satisfaction of the criteria decided by the Board, the MIP Administrator, and/or AHG.

After the Board or the MIP Administrator has decided to make a grant of Award to any Eligible Participant, the Company shall issue an Award Letter (as defined below) to the Selected Participant.

Each grant of an Award to any director of the Company, chief executive or substantial shareholder of the Company, or any of their respective associates (each term as defined in the Listing Rules) shall be subject to the prior approval of the independent non-executive directors of the Company (excluding any independent non-executive director who is a proposed recipient of the grant of an Award) and shall be subject to compliance with the Listing Rules.

Notwithstanding the above, no grant of any Award Shares to any Selected Participant may be made:

- (a) in any circumstances where the requisite approval from any applicable regulatory authorities has not been granted;
- (b) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the MIP, unless the Board or the MIP Administrator determines otherwise;
- (c) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- (d) unless specific approval required under the Listing Rules has been granted in accordance with the Listing Rules, where such grant of Award would result in a breach of the MIP Limit or the minimum public float requirement as required under the Listing Rules;

and any such grant so made shall be null and void to the extent (and only to the extent) that it falls within the circumstances above.

5. TIMING OF AWARDS

No Award shall be made to Selected Participants, no share buybacks or new shares shall be issued pursuant to the MIP, and no directions or recommendation shall be given to the Trustee with respect to a grant of an Award under the MIP:

- (a) after inside information has become to the Company's knowledge until (and including) the Trading Day after the Company has announced the information;

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- (b) during the period commencing 30-day immediately before the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the results of the Company for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),and ending on the date of the results announcement. No Award shall be granted during any period of delay in publishing a results announcement.
- (c) in the case of an Award to any director of the Company:
 - (i) during the period of 60 days immediately preceding the publication of the annual results of the Company or, if shorter, the period from the end of the relevant financial year up to the publication of the results; or
 - (ii) during the period of 30 days immediately preceding the publication of the quarterly (if any) or half-yearly results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication of the results.

6. AWARD LETTER AND NOTIFICATION OF GRANT OF AWARDS

The Company shall issue a letter to each Selected Participant in such form as the Board or the MIP Administrator may from time to time determine, specifying the Grant Date, the number of Award Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details as they may consider necessary (an “**Award Letter**”). Unless the Board or the MIP Administrator decides otherwise and specifies the same in the Award Letter, no amount is payable on the grant of an Award.

Where a Trust has been established for the purposes of administering the MIP, as soon as practicable after the grant of any Award to a Selected Participant, the Company shall notify the Trustee of:

- (a) the name of each such Selected Participant to whom such an Award has been made;
- (b) the number of Award Shares to which each such Award relates; and
- (c) the date or dates on which each such Award will vest.

7. ISSUE OF SHARES TO THE TRUSTEE

Where a Trust has been established, subject to the MIP Rules, the Company shall, at such time as it considers appropriate prior to vesting of Awards and for the purposes of satisfying the grant of Awards, issue and allot Shares to the Trustee and/or transfer to the Trust the necessary funds, which shall be payable by the Company, and/or instruct the Trustee, subject to the provision below in relation to Awards requiring specific approval by the Shareholders, whether or not to apply any Returned Shares. Where any Award is to be satisfied by an allotment and issue of new Shares to the Trustee, such allotment and issue should only be made upon fulfillment of the following conditions:

- (a) the total number of Shares to be allotted and issued to the Trustee under the MIP shall not exceed the MIP Limit, the Individual Limit (as defined below) or other limits (as applicable to the relevant Selected Participants) as specified below;
- (b) where applicable, the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Shares which may be allotted and issued by the Company to the Trustee pursuant to the MIP; and
- (c) the Selected Participants having been specified.

The Shares underlying the Awards will rank *pari passu* with all other Shares. Save that the Board or the MIP Administrator at its discretion may from time to time determine that any dividends declared and paid by the Company in relation to the Award Shares be paid to the Selected Participants even though the Award Shares have not yet vested, the Trustee shall hold the Award Shares, such dividends payable to the Selected Participants and Related Income (if any) on trust for the Selected Participant until the end of relevant vesting period. For the avoidance of doubt, the Selected Participants do not have any automatic right to any dividend in relation to the Award Shares prior to vesting (i.e. any dividend will be held on trust and the Selected Participants will only earn the dividend upon vesting, whereby the Trustee will then transfer such dividend on vesting).

The Trustee shall only be obliged to transfer Award Shares and Related Income (if any) to Selected Participants where vesting has taken place to the extent that Award Shares and Related Income (if any) are comprised in the Trust, unless the Board or the MIP Administrator instructs otherwise.

The Company shall not issue or allot Shares where such action (as applicable) is prohibited under the Listing Rules, the SFO or other applicable laws from time to time. Where such a prohibition causes the prescribed timing imposed by the MIP Rules or the MIP Trust Deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first (1st) Business Day on which the prohibition no longer prevents the relevant action.

8. VESTING OF AWARD

The vesting of Awards will be subject to a multi-year period during which Selected Participants must remain employed without serious violations or misconducts and meet certain vesting criteria, which may include the participant and his/her business segment's performance (save for Awards granted to independent non-executive Directors where no performance criteria will be imposed), as specified under the terms of each Award.

In accordance with the Listing Rules, the vesting period shall not be less than 12 months, save that the vesting period may be less than 12 months in the following circumstances:

- (a) grants of Selected Participants who are new joiners to the Group in order to replace any incentives that are lapsed and/or forfeited when leaving the previous employers;
- (b) where the grants of Award contains performance-based vesting conditions, and vesting takes place as a result of the satisfaction of such performance-based vesting conditions in lieu of time-based vesting criteria;
- (c) grants of Awards that are made in batches during a year for administrative and/or compliance reasons, where the vesting period is then adjusted to reflect the time from which a grant would have been made; and
- (d) grants of Awards with a mixed or accelerated vesting schedule (e.g. where vesting will take place evenly over a period of not less than 12 months).

If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares, be the Business Day immediately thereafter.

Any non-statutory long leave of absence, as the Board or the MIP Administrator may determine, may be taken into account such that the Awards that will vest to a Selected Participant will be pro-rated accordingly.

For the purposes of vesting of the Award, the Board or the MIP Administrator may direct and procure the Trustee to release from the Trust the Award Shares and Related Income, if any, to the Selected Participants by transferring the number of Award Shares and Related Income, if any, to the Selected Participants in such manner as determined by them from time to time. To the extent that, (i) a Selected Participant chooses to receive cash instead of Award Shares upon vesting of Awards, and such choice is approved by the Board or the MIP Administrator at its absolute discretion, or (ii) at the determination of the Board or the MIP Administrator, it is not practicable for the Selected Participant to receive Award Shares upon vesting due to legal or regulatory restrictions, the Board or the MIP Administrator may (a) direct and procure the Trustee to sell, either at the time of the Board or the MIP Administrator's instruction or the instruction of the relevant Selected Participant, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the Award Sale Proceeds of such Award Shares and

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Related Income, if any, as set out in the Vesting Notice; or (b) settle the vested Award in cash in lieu of delivering Award Shares and Related Income at such cash amount determined by the Board or the MIP Administrator with reference to the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Vesting Date.

Except in the circumstances as set out in the MIP Rules (including where the Selected Participants did not satisfy his/her obligations relating to the Taxes), barring any unforeseen circumstances, within a reasonable time period as agreed between the Trustee and the Board or the MIP Administrator from time to time prior to any Vesting Date, the Board or the MIP Administrator shall send to the relevant Selected Participant a vesting notice (the "**Vesting Notice**"). The Board or the MIP Administrator shall forward a copy of the Vesting Notice to the Trustee and instruct the Trustee the extent to which the Award Shares held in the Trust shall be sold, transferred and/or released from the Trust to the Selected Participant in the manner as determined by the Board or the MIP Administrator.

Except in the circumstances as set out in the MIP Rules (including where the Selected Participants did not satisfy his/her obligations relating to the Taxes), subject to the receipt of the Vesting Notice and the instructions from the Board or the MIP Administrator, the Trustee shall transfer and release the relevant Award Shares to the relevant Selected Participant in the manner as determined by the Board or the MIP Administrator or sell the relevant Award Shares within any time stipulated above and pay the Award Sale Proceeds to the Selected Participant within a reasonable time period (in both cases with the Related Income, if any), in satisfaction of the Award.

Any stamp duty or other direct costs and expenses arising on vesting and transfer of the Award Shares and Related Income to or for the benefit of the Selected Participants, if any, shall be borne by the Company. Any duty or other direct costs and expenses arising on the sale of the Award Shares after the vesting shall be borne by the Selected Participant.

All costs and expenses in relation to all dealings with the Award Shares after vesting and transfer of the Award Shares to the Selected Participant (as the case may be) shall be borne by the Selected Participant and neither the Company nor the Trustee shall be liable for any such costs and expenses thereafter.

Other than the stamp duty to be borne by the Company in accordance with the above, all other taxes (including personal income taxes, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant's participation in the MIP or in relation to the Award Shares, Related Income or cash amount of equivalent value of the Award Shares (the "**Taxes**") shall be borne by the Selected Participant and neither the Company nor the Trustee shall be liable for any Taxes. The Selected Participant will indemnify the Trustee and all members of the Group/any affiliate against any liability each

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of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, the Trustee or any member of the Group may, notwithstanding anything else in the MIP Rules (but subject to applicable law):

- (a) reduce or withhold the number of the Selected Participant's Award Shares underlying the Award or the amount of the Related Income (the number of Award Shares underlying the Award that may be reduced or withheld shall be limited to the number of Award Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Company is sufficient to cover any such liability);
- (b) sell, on the Selected Participant's behalf, such number of Shares to which the Selected Participant becomes entitled under the MIP and retain the proceeds and/or pay them to the relevant authorities or government agency;
- (c) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under the MIP or from any payments due from a member of the Group to the Selected Participant, including from the salary payable to the Selected Participant by any member of the Group; and/or
- (d) require the Selected Participant to remit to any member of the Group, in the form of cash or a certified bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by any member of the Group on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Trustee shall not be obliged to transfer any Award Shares (or pay the Award Sale Proceeds of such Award Shares in cash) or Related Income to a Selected Participant unless and until the Selected Participant satisfies the Trustee and the Company that such Selected Participant's obligations have been met.

9. LAPSE OF THE AWARD, CESSATION OF EMPLOYMENT AND OTHER EVENTS

Change of Control

If, following the Restructuring Effective Date, there is an event of change of control of the Company including by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, any Awards that are outstanding and unvested as at the date of such change of control shall immediately lapse and shall not vest. For this purpose, "control" shall have the meanings as specified in The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time.

Change of Position

In the event the position of a Selected Participant is changed as a part of the Company or its Subsidiaries' normal course of business, the Awards granted to him or her, whether vested or not, will remain valid in accordance with the terms and conditions herein and set forth in the Award Letter.

Resignation and dismissal

In the event a Selected Participant ceases to be an Eligible Participant of the Company by reason of:

- (a) the death or ill health of the Selected Participant;
- (b) the termination of the Selected Participant's employment, office or service by the Company or a member of the Group, other than in circumstances set out in (d) below;
- (c) the resignation of the Selected Participant of the Selected Participant's employment, office or service, other than by reason of ill health as agreed by the Company or a member of the Group in circumstances set out in (a) above; and
- (d) the termination of the Selected Participant's employment, office or service by the Company or a member of the Group, on any one or more of the grounds that the Selected Participant (1) has been guilty of gross misconduct; (2) has been convicted of any criminal offence involving his integrity or honesty that seriously impair the interests and benefits of the relevant member of the Group or (if so determined by the Board or the MIP Administrator in its absolute discretion); (3) has committed any other misconduct or inappropriate behaviours; (4) has underperformed and (5) on any other ground on which the relevant member of the Group would be entitled to terminate the Selected Participant's employment or office summarily at common law or pursuant to any applicable laws or under the Selected Participant's service contract with the relevant member of the Group. For the avoidance of doubt, this applies regardless of whether such termination is implemented by the Company or the relevant member of the Group with or without notice and whether or not the Selected Participant successfully challenges such termination, and a resolution of the Board or the board of directors of the relevant member of the Group or the MIP Administrator to the effect that the employment, office or service of a Selected Participant has or has not been terminated on one or more of the grounds specified shall be conclusive,

then all Awards that are at the relevant time outstanding and unvested shall immediately lapse and shall not vest. The relevant time in the preceding sentence shall be the date of death or the date of termination of the Selected Participant's employment, office or service in the case of (a), (b) or (d); and the date that the

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Selected Participant gives notice of resignation (rather than, for the avoidance of doubt, the date of termination) of employment, office or service in the case of (c). In addition:

- (a) where the circumstances in (a) or (b) apply and as an exception to this, the Board or the MIP Administrator, in its respective sole discretion, may (but is not obliged to) determine that all or part of the Awards granted to the relevant Selected Participant will instead continue to vest, in such manner and on such terms and conditions as communicated to the Selected Participant (or the Selected Participant's legal representative, as applicable); and
- (b) where the circumstances in (c) or (d) apply, as the Board or the MIP Administrator may determine and to the extent it is practicable and permissible under the Listing Rules and any other applicable laws and regulations, the Company may require that all Shares (if any) acquired by the Selected Participant pursuant to any vested Awards shall be repurchased by the Company at the price equal to the amount actually paid by the Selected Participant (if any), and all other cash and benefits received by the Selected Participant (if any) under the granting and/or vesting of Awards (including, for the avoidance of doubt, the price of the Shares and other Related Income as at the date that the Company exercises this right where any repurchase is not practicable or permissible) shall be repaid/returned to the Company or another member of the Group as determined by the Board or the MIP Administrator.

Any Award, to the extent not vested, shall lapse automatically on the earliest of:

- (a) upon passing of an effective resolution for the voluntary winding-up of the Company or an order of the court being made for the winding-up of the Company;
- (b) where the Selected Participant is an Eligible Participant of a member of the Group (other than the Company), if such member of the Group ceases to be a member of the Group;
- (c) where the Selected Participant commits a breach of the transferability provisions below;
- (d) where a general or partial offer (whether by way of take-over offer, share repurchase offer or otherwise in like manner other than by way of a scheme of arrangement) is made to all Shareholders (or all Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror);
- (e) where, after the Restructuring Effective Date and for the avoidance of doubt the Proposed Restructuring will not trigger the application of this provision, any other compromise or arrangement of any nature between the Company

and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, save that if for any reason such scheme is not approved by the court, the rights of the Selected Participants in respect of the Award shall with effect from the date of the making of the order by the court be restored in full and may be vested (but subject to the other terms of the MIP, the MIP Trust Deed or the Award Letter) as if such scheme had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Selected Participant as a result of the aforesaid process; or

- (f) the occurrence or non-occurrence of any event, expiry of any period, or non-satisfaction of any condition, as specified in the letter containing the offer or grant of the relevant Award.

Notwithstanding any other provision in the MIP, the MIP Trust Deed or any Award Letter, the Board or the MIP Administrator may at any time and at its discretion cancel Awards previously granted to, but not yet lapsed or vested to a Selected Participant. Where the Company cancels Awards and makes a new grant of Award to the same Selected Participant, such new grant may only be made with available limits approved by the shareholders of the Company as mentioned below. In other words, such cancelled Award will be regarded as utilised for the purpose of calculating the relevant limits.

Malus and Clawback

If, following the vesting of an Award, the Board or the MIP Administrator in its absolute discretion determines that any of the events described below has occurred, then, as the Board or the MIP Administrator may determine and to the extent it is practicable and permissible under the Listing Rules and any other applicable laws and regulations, the Company may require that all Shares (if any) acquired by the Selected Participant pursuant to any vested Awards shall be repurchased by the Company at the price equal to the amount actually paid by the Selected Participant (if any), and all other cash and benefits received by the Selected Participant (if any) under the granting and/or vesting of Awards (including, for the avoidance of doubt, the price of the Shares and other Related Income as at the date that the Company exercises this right where any repurchase is not practicable or permissible) shall be repaid/returned to the Company or another member of the Group as determined by the Board or the MIP Administrator.

If, before an Award vests, the Board or the MIP Administrator determines that any of the following events has occurred:

- (a) the granting and/or vesting of any Award was based on materially inaccurate financial statements (which includes, but is not limited to, statements or earnings, revenues or gains, or other key performance indicators) or any other materially inaccurate performance indicators or criteria;

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- (b) the performance forming the basis on which grant or vesting of the Award has been proved not genuine (e.g. misstatement of data, failure to disclose material information, fraud, malfeasance or violation of policies);
- (c) any term and condition set out in the MIP Rules and the Award Letter in respect of such Award was not satisfied;
- (d) any circumstances in which the Board or the MIP Administrator considers that the conduct of the Selected Participant has harmed the business or reputation of the Company or any member of the Group; or
- (e) any other circumstances in respect of which the Board or the MIP Administrator considers that the application or the operation of these provisions would otherwise be appropriate,

the Board or the MIP Administrator may direct that:

- (a) the Award shall lapse in whole or in part, and the Board or the MIP Administrator may claw back such number of Awards by notice in writing to the Selected Participant;
- (b) the vesting of the Award will be delayed for such period as the Board or the MIP Administrator may determine; and/or
- (c) the vesting of the Award will be subject to any additional conditions imposed by the Board or the MIP Administrator.

In addition, the Board or the MIP Administrator may direct that vesting of an Award will be delayed while any investigation is carried out which could result in any disciplinary action against a Selected Participant or any lapse of an Award or the imposition of conditions under this provision. For the avoidance of doubt, vesting may occur at the end of the investigation of the relevant circumstances.

The Company will determine whether a financial statement or other performance metrics or criteria is materially inaccurate in accordance with the standards consistently adopted by the Group or any similar or successor standards applicable to the Group and in effect from time to time.

10. TRANSFERABILITY AND OTHER RIGHTS TO AWARD SHARES

Unless waiver has been obtained from the Stock Exchange in accordance with the Listing Rules and express written consent is obtained from the Board or the MIP Administrator in respect of any vehicle (including a trust or a private company) that is wholly owned by the Selected Participant as at the date of the proposed transfer and the date of vesting of the Award, any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or

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transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

Any actual or purported breach of the above shall render any outstanding Award or part thereof granted to such Selected Participant as lapsed. For this purpose, a determination from the legal department of the Company or such other person(s) who is delegated with this function by the Board or the MIP Administrator, to the effect that the Selected Participant has or has not breached any of the foregoing shall be final and conclusive.

11. INTEREST IN THE ASSETS OF THE TRUST

For the avoidance of doubt:

- (a) a Selected Participant shall have only a contingent interest in the Award and Related Income (if any) subject to the vesting of such Award and Related Income (if any) in accordance with the MIP Rules, unless the Board or the MIP Administrator determines otherwise;
- (b) neither the Selected Participant nor the Trustee may exercise any voting rights in respect of any Award Shares that have not yet vested, except required and in accordance with the Listing Rules;
- (c) a Selected Participant shall have no right to any dividend of the Returned Shares or any of the Returned Shares, all of which shall be retained by the Trustee for the benefit of the MIP; and
- (d) a Selected Participant shall have no rights in the balance of the fractional shares, rounded to the nearest whole share, arising out of consolidation of Shares (if any) and such Shares shall be deemed Returned Shares for the purposes of the MIP, for example, the Selected Participant failing to satisfy the vesting criteria.

12. ALTERATIONS TO THE SHARE CAPITAL

In the event of any capitalisation issue, rights issue, sub-division or consolidation of the Shares (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), the Board or the MIP Administrator may make adjustments to the number of outstanding Award Shares that have been granted in accordance with the provisions of the MIP (including the requisite approvals for the alteration of the MIP), provided that such adjustments must give the Selected Participant the same proportion of the share capital of the Company (rounded to the nearest whole Share), as that to which the Selected Participant was previously entitled and are made in accordance with the requirements of the Listing Rules (including the requirement for any confirmation from the independent financial advisor or the auditors of the Company).

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In the event of any non-cash distribution or other events not referred to above by reason of which the Board or the MIP Administrator considers an adjustment to an outstanding Award to be fair and reasonable, an adjustment shall be made to the number of outstanding Award Shares of each Selected Participant as the Board or the MIP Administrator shall consider to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the MIP for the Selected Participants. Where applicable, the Company shall provide such funds, or such directions as may be required, to enable the Trustee to purchase Shares on-market at the prevailing market price to satisfy any additional Award, and/or shall provide instructions on the application of Returned Shares or Returned Trust Funds.

In the event of other non-cash and non-scrip distributions made by the Company not otherwise referred to in the MIP Rules in respect of the Shares held upon Trust, the Trustee shall sell such distribution and the net sale proceeds thereof shall be deemed as Related Income of the Award Shares or Returned Trust Funds of the Returned Shares held upon Trust as the case may be.

Subject to the above principles and certification procedures, and any further or updated guidance or interpretation of the Listing Rules from time to time, the default method of adjustment shall be made in accordance with FAQ13 No. 16 published by the Stock Exchange, as may be amended from time to time.

13. MIP LIMITS

The maximum number of Shares which may be allotted and issued in respect of all Awards that may be granted under the MIP, when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme (as this term is defined in the Listing Rules) over Shares, shall not exceed 10% of the issued capital of the same class of the Company (excluding any Treasury Shares) as of the MIP Limit Reference Date (the “**MIP Limit**”). Except as provided for in the case of Awards requiring specific approvals by the Shareholders, any Awards lapsed in accordance with the terms of the MIP shall not be counted for the purpose of calculating the MIP Limit and may be regranted to any Selected Participant.

The MIP Limit may be refreshed subject to any applicable Shareholders’ approval requirements under the Listing Rules. For the avoidance of doubt, the total number of Shares that may underlie all grants made pursuant to the MIP under the refreshed limit, and pursuant to any other share scheme of the Company (excluding those scheme(s) which have expired or terminated) following the date of approval must not exceed 10% of the number of Shares in issue (excluding any Treasury Shares) as at the relevant date of approval except where separate Shareholders’ approval is obtained as further described below.

The Company may seek separate Shareholders’ approval in general meeting for granting Awards beyond the MIP Limit, provided that any such grants are only made to Selected Participants specifically identified by the Company before such approval is sought. The approval must be obtained in the manner prescribed by the Listing Rules.

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No Award may be granted to any one person if such grant would result in the total number of Shares issued or to be issued in respect of all options and awards granted to such person under the MIP and any other share scheme over Shares (excluding any options and awards lapsed in accordance with the rules of any other share schemes) in the 12-month period up to and including the date of the latest grant in aggregate to exceed 1% of the Shares in issue (excluding any Treasury Shares) from time to time (the “**Individual Limit**”). Where any grant of Award to a Selected Participant would exceed the Individual Limit, such grant must be separately approved by the Shareholders in general meeting (with any Selected Participants and her/her associates or close associates, as the case may be, abstaining from voting) in the manner prescribed by the Listing Rules. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules.

The approval of independent non-executive directors of the Company (excluding any independent non-executive director of the Company who is intended to be a Selected Participant of the Award) will be required for each grant of Awards to a director, chief executive, or substantial shareholder of the Company or any of their respective associates.

If a grant of Awards to a director of the Company (other than an independent non-executive director) or chief executive of the Company or their respective associates will result in the total number of Shares issued and to be issued in respect of all the awards granted under the MIP and any other share scheme over Shares (excluding any award lapsed in accordance with the rules of any other share schemes) to such person in the 12-month period up to and including the date of such grant, in aggregate to exceed 0.1% of the Shares in issue (excluding any Treasury Shares) from time to time, such further grant of Awards must be approved by the Shareholders in general meeting in accordance with the Listing Rules.

If a grant of Awards to a substantial shareholder or an independent non-executive director of the Company or their respective associates will result in the total number of Shares issued and to be issued in respect of all the options and awards granted under the MIP and any other share scheme over Shares (excluding any options and award lapsed in accordance with the rules of any other share schemes) to such person in the 12-month period up to and including the date of such grant, in aggregate to exceed 0.1% of the Shares in issue (excluding any Treasury Shares) from time to time, such further grant of Awards must be approved by the Shareholders in general meeting in accordance with the Listing Rules.

Where the above provisions relating to grant of Awards to directors, chief executive, substantial shareholder or independent non-executive director (or their respective associates) apply, the Company shall procure that all the requirements of the Listing Rules relating to sending a circular to Shareholders are complied with, and the Selected Participant, his/her associates and all core connected persons of the Company must abstain from voting in favour at the relevant general meeting.

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Notwithstanding the MIP Limit, all Awards exceeding the Individual Limit (or the relevant limits for specified persons as set out above) requiring specific approval by the Shareholders as appropriate in accordance with any of the above (as the case may be) will not count towards the MIP Limit. However, any such Awards, if lapsed or cancelled (as the case may be) in accordance with the terms of the MIP, shall not be re-granted to any other Selected Participants. Any Returned Shares arising from the lapse or cancellation of such Awards shall not be applied by the Trustee for the purposes of satisfying any other grant of Awards.

For the avoidance of doubt, the MIP Limit and the Individual Limit, as well as the requirements set out above, only apply to grants pursuant to the MIP and any other share schemes of the Company to the extent that the grants will be satisfied by newly issued Shares.

14. ALTERATION OF THE MIP

The MIP may be altered in any respect by a resolution of the Board or the MIP Administrator, save that alternations to the MIP which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rule to the advantage of the Selected Participants must be approved by the Shareholders in general meeting.

Any change to the terms of any Award granted to a Selected Participant shall be subject to the approval of the Board, the MIP Administrator, the remuneration committee, the independent non-executive Directors and/or Shareholders in general meeting (as the case may be), if the initial grant of the Awards was approved by Board, the MIP Administrator, the remuneration committee, the independent non-executive Directors or Shareholders in general meeting (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the MIP. The terms of the MIP or the Awards so altered must comply with Chapter 17 of the Listing Rules.

The powers and authority of the Board or the MIP Administrator of the MIP in relation to the alteration of any terms of the MIP shall be approved by the Shareholders in general meeting.

15. TERMINATION

The MIP shall terminate on the earlier of:

- (a) the end of the Award Period except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the MIP, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the MIP; and
- (b) such date of early termination as determined by the Board or the MIP Administrator provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder; provided further that for the

APPENDIX II PRINCIPAL TERMS OF MANAGEMENT INCENTIVE PLAN

avoidance of doubt, the change in the subsisting rights of a Selected Participant in this provision refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant.

In such event, no further Awards may be offered or granted but Awards granted prior to the termination of the Scheme shall in all other respects remain in full force and effect.

On the Business Day following the settlement, lapse or cancellation (as the case may be) of the last outstanding Award made under the MIP, the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice of the settlement, lapse or cancellation (as the case may be) of such last outstanding Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale referred to in this provision and the Returned Trust Funds (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the MIP Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than the proceeds in the sale of such Shares pursuant to this provision).

The following is the text of a report prepared for the purpose of incorporation in this circular received from Roma Appraisals Limited, an independent valuer, in connection with its valuation as at 31 August 2025 of the property interests owned by the Country Garden Pacificview Sdn. Bhd..



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17 November 2025

COUNTRY GARDEN HOLDINGS COMPANY LIMITED

Unit 1702, 17th Floor
Dina House, Ruttonjee Centre
11 Duddell Street
Central, Hong Kong

Dear Sir/Madam,

Re: Property Valuation of Forest City, Malaysia Held by The Country Garden Pacificview Sdn. Bhd.

In accordance with the instructions from Country Garden Holdings Company Limited (hereinafter referred to as the “**Company**”) to us to conduct a property valuation on Malaysia’s Forest City held by Country Garden Pacificview Sdn. Bhd. and its subsidiaries (collectively referred to as the “**Target Group**”). We are pleased to report that we have made relevant enquiries and obtained other information which we considered relevant for the purpose of providing our valuation as at 31 August 2025 (hereinafter referred to as the “**Date of Valuation**”) for circular reference purpose only.

1. BASIS OF VALUATION

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

Market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes. The market value is estimated based on highest and best use. The use of a non-financial asset by market participants that would maximise the value of the asset or the group of assets and liabilities (e.g. a business) within which the asset would be used.

2. VALUATION METHODOLOGY

There are three recognised and accepted approaches to value the Property, namely the direct comparison approach, income approach, and depreciated replacement cost (“**DRC**”) approach.

(1) Direct Comparison Approach

Direct comparison approach is considered as the most appropriate method of valuation when comparable information is adequate. Comparable properties of similar nature, character and location are analysed. Adjustments will be applied to the said comparable properties to reflect items such as location, size, building age, floor level, view and layout, and then carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of the market value of the property.

(2) Investment Approach

The investment approach is the present worth of the future economic benefits of ownership. This approach is generally applied to an aggregation of assets that consists of stable cash flow income.

(3) DRC/Replacement Cost Approach

Due to the specific purpose for which most of the buildings and structures of the property have been constructed, there are no readily identifiable market comparables. Thus the buildings and structures have been valued on the basis of their depreciated replacement costs instead of direct comparison method. The DRC/Cost approach is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the existing structures less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Conclusion

In the course of our valuation, all three approaches should be considered. Since different usage of the property, one or more approaches may be applicable in the valuation.

To conclude, we adopted the market approach for valuing unsold properties, bare land, and hotels, incorporating appropriate adjustments to reflect prevailing market conditions. For the hotel properties, the results were also cross-checked using the cost approach, with outcomes from both valuation methods found to be consistent and broadly comparable. The investment approach was employed for the valuation of the golf club, as it provides a more reliable indication of the asset’s value over time based on its income-generating potential. For other properties, including schools and industrial buildings, the cost approach was adopted due to the lack of comparable market evidence and the specialized nature of these assets.

3. TITLE INVESTIGATION

For the property in Malaysia, we have relied on the advice given by the Instructing Party that the property has valid and enforceable title to the property which is freely transferable, and has free and uninterrupted right to use the same, for the whole of the unexpired term granted subject to the payment of annual government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

We have also relied on the advice given by the Instructing Party that the current owners have valid and enforceable title to the property which is freely transferable, and have free and uninterrupted right to use the same, for the whole of the unexpired term granted subject to the payment of annual government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

4. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the owners sell the property in the market in its existing states without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the value of such property. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no allowance has been made for the property to be sold in one lot or to a single purchaser.

5. SOURCE OF INFORMATION

In the course of our valuation, we have relied to a very considerable extent on the information provided by the Instructing Party and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of property, particulars of occupation, floor areas, age of building and all other relevant matters which can affect the value of the property. All documents have been used for reference only.

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

6. VALUATION CONSIDERATION

We have inspected the exterior and, where possible, the interior of certain property. No structural survey has been made in respect of the property. However, in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out on any of the building services.

We have not carried out on-site measurement to verify the floor areas of the property under consideration, but we have assumed that the floor areas shown on the documents handed to us are correct. Except as otherwise stated, all dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Instructing Party and are therefore approximations.

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

Our valuation is prepared in accordance with the requirements set out in Chapter 5 and Notes of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited and in accordance with “RICS Valuation — Global Standards” published by the Royal Institution of Chartered Surveyors and the International Valuation Standards published by the International Valuation Standards Council.

7. INDEPENDENT CLAUSE

We are independent from the Company and its subsidiaries (collectively, the “**Group**”) and their respective directors and controlling shareholders and that we do not have any direct or indirect material interest in the securities or assets of the Group, its connected persons, or any associate of the Group.

8. REMARKS

Unless otherwise stated, all monetary amounts stated in our valuation is in Malaysian Ringgits (MYR).

Our Property Valuation Certificate is attached.

Yours faithfully,
For and on behalf of
Roma Appraisals Limited

Frank F. Wong

BA (Business Admin in Acct/Econ) MSc (Real Est)
MRICS Registered Valuer MAusIMM ACIPHE
Director, Head of Property and Asset Valuation

Note: Mr. Frank F. Wong is a Chartered Surveyor, Registered Valuer, Member of the Australasian Institute of Mining & Metallurgy and Associate of Chartered Institute of Plumbing and Heating Engineering with over 20 years of valuation, transaction advisory and project consultancy experience of properties in Hong Kong and over 15 years of experience in valuation of properties in the PRC as well as relevant experience in the Asia-Pacific region, Australia and Oceania-Papua New Guinea, Thailand, Vietnam, Malaysia, Cambodia, France, Germany, Austria, Czech Republic, Poland, United Kingdom, United States, Mexico, Abu Dhabi (UAE), Ukraine and Jordan.

VALUATION CERTIFICATE

Property held by the Group for future development in the Malaysia

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in Existing State as at 31 August 2025
1.	A development located in Forest City, Mukim Tanjung Kupang, Johor Bahru, Johor, Malaysia	The property comprises three main zones — Zone 1 (Residential and Commercial), Zone 2 (Hotel and Golf), and Zone 3 (Industrial) — with a total covered land area, including reclaimed land, of approximately 3,937,010.49 sq.m. Development was mainly completed between 2017 and 2022, and the total construction cost incurred was MYR 10,724,000,000 as of 24 November 2024. There are approximately 21,841,419.76 sq.m. of unreclaimed land. The estimated cost to reclaim this land is approximately MYR 9,437,086,080, and reclamation is planned for the full development in the future. The lands are held under Fee Simple Estate. The development has a total GFA of approximately 3,366,336.19 sq.m. The details are set out as following:	Part of the Property with GFA approximately 40,112 sq.m. is tenant to various tenants with the total monthly rental fee MYR 60,632.10 and the latest expired date as at 10 November 2026. The details are set out on Notes 4. Part of the Property is owner occupied and the remaining part of the Property is vacant	MYR 6,887,640,000 (100% interest attributable to the Target Group)

Zone 1: Residential and Commercial Zone

	Land Area (sq.m.)	GFA (sq.m.)
Residential	637,928.01	2,576,140.71*
Forest City		
Marina Hotel,		
Forest City		
Sale Gallery,		
Fisherman		
Wharf &		
Transportation		
Hub	112,000	186,610**
School	94,073	112,846
Carnelian Tower	26,110	171,072.18*
Public Facilities	74,691	N.A.
Vacant Land	638,310	N.A.
Unreclaimed land	18,045,650.24	N.A.
Total:	<u>19,628,762.25</u>	<u>3,046,668.89</u>

* Excluding car parking area

** Including approximately 78,448 sq.m. of Forest City Marina Hotel, 21,026 sq.m. of Forest City Sale Gallery, 52,277 sq.m. of Fisherman Wharf and 34,859 sq.m. of Transportation Hub

Description and Tenure *(Continued)*

The residential component comprises 10 development phases, including 124 residential buildings, 203 retail shops with a total GFA of 2,576,140.71 sq.m., and 10,576 car parking spaces with a total GFA of 3,013,551.06 sq.m., completed between January and August 2019.

The commercial component comprises a five-star hotel, a school, an office tower, and a sales center, completed between 2016 and 2020.

The five-star hotel is a primarily 14-storey building completed on March 2017, with a GFA of approximately 78,448 sq.m. It accommodates 283 standard guest rooms and includes recreational and support facilities such as restaurants, a swimming pool, a gym, meeting rooms, a conference hall, retail shops, and car parking facilities.

The school comprises four 3- to 6-storey academic blocks, a 17-storey living quarter, a swimming pool, multiple sports courts, an indoor golf practice hall, a fitness center, a theater, libraries, laboratories, multiple classrooms, and car parking facilities. It was completed on 30 May 2018, with a total GFA of approximately 112,846.95 sq.m..

The office tower is a 45-storey mixed-use building comprising four retail floors, several office floors, and residential floors above, with 321 car parking spaces on the lower levels. It was completed on 30 November 2020 and has a total GFA of approximately 171,072.18 sq.m..

The sales center is a 1-storey building with GFA 21,026 sq.m..

Description and Tenure (Continued)

Zone 2: Hotel and Golf Zone

	Land Area (sq.m.)	GFA (sq.m.)
Forest City Golf		
Hotel	42,016	54,665
Fringe Villa	207,399	117,090
Fringe Villa 2	96,720	54,937
Albatrossville 3	85,260	48,035
Golf Court 1	712,800	N.A.
Golf Court 2	664,012	N.A.
Vacant Land	107,577	N.A.
Unreclaimed land	<u>2,732,120</u>	<u>N.A.</u>
Total:	<u>4,647,904</u>	<u>274,727</u>

The Hotel and Golf Zone comprises a four-star hotel completed on April 2018, two 18-hole golf courses, and part of a residential area completed between March 2021 and November 2022. The hotel is an 11-storey building with 295 standard rooms and three presidential suites, and includes facilities such as several restaurants, two swimming pools, a gym, five meeting rooms, a conference hall, three VIP rooms, ten retail shops, and car parking. A total of 233 residential houses have been built with a combined GFA of approximately 220,062 sq.m., of which about 14,201 sq.m. remains unsold.

Description and Tenure (Continued)

Zone 3: Industrial Zone

The property comprises 2 industrial developments (CIBS & IBS 2), various vacant lands and unreclaimed lands with a total site area of approximately 1,501,763 sq.m. which the industrial developments (CIBS & IBS 2) were completed on 27 December 2018 and 2 October 2022 respectively.

Phase 1, named CIBS, comprises a two-storey office building and a single-storey industrial building. Phase 2, named IBS 2, comprises a single-storey office area and an uncovered industrial area. The details are as follows:

	Land Area (sq.m.)	GFA (sq.m.)
CIBS	197,731	40,304.3
IBS 2	68,391.93	4,636
Vacant Land	171,991	N.A.
Unreclaimed land	<u>1,063,649.52</u>	<u>N.A.</u>
Total:	<u>1,501,764</u>	<u>44,940.3</u>

Notes:

- Pursuant to 70 Real Estate Title Certificates, issued by the Pendaftaran Hakmilik Tanah Johor, the land use rights of the Zone 1- Residential and Commercial Zone of the Property with a site area of approximately 19,628,762.25 sq.m. have been granted to Country Garden Pacificview SDN BHD is a wholly owned subsidiary of the Company. There are 63 plots that have been reclaimed, and the details has shown as follows:

Plot No.	Real Estate Title Certificate No.	Land Area (sq.m.)	Land Use
Cerulean Bay (Plot 3)	550717	25,030	Composite
Regalia Park (Plot 4)	561309	55,960	Composite
Starview Bay (Plot 26)	561308	119,400	Composite
Anise Pearl (Plot 5)	560764	187,500	Residential
Nigella Park (Plot 52)	589041	11,068	Residential
Ataraxia Park 1 (Plot 29)	573308	60,550	Composite
Ataraxia Park 2 (Plot 30)	573309	58,260	Residential
Ataraxia Park 3 (Plot 31)	573310	42,990	Composite
Ataraxia Park 4 (Plot 32)	573311	77,170	Composite
Carnelian Tower (Plot 69)	589039	26,110	Composite
Fisherman Wharf, Forest City Sale Gallery, Transportation Hub (Plot 1)	550556	112,000	Composite
Forest City International School (Plot 62)	HSD 578235	94,073	Others
Future Development Land (Plot 2)	HSD 562021	30,949	Composite

Plot No.	Real Estate Title Certificate No.	Land Area (sq.m.)	Land Use
Future Development Land (Plot 7)	HSD 562024	2,931	Residential
Future Development Land (Plot 8)	HSD 562025	1,138	Residential
Future Development Land (Plot 9)	HSD 562026	1,138	Residential
Future Development Land (Plot 10)	HSD 562027	1,138	Residential
Future Development Land (Plot 11)	HSD 562028	1,138	Residential
Future Development Land (Plot 12)	HSD 562029	1,138	Residential
Future Development Land (Plot 13)	HSD 562030	1,138	Residential
Future Development Land (Plot 14)	HSD 564646	1,622	Residential
Future Development Land (Plot 15)	HSD 564645	2,087	Residential
Future Development Land (Plot 16)	HSD 562033	1,067	Residential
Future Development Land (Plot 17)	HSD 562034	974	Residential
Future Development Land (Plot 18)	HSD 562035	1,090	Residential
Future Development Land (Plot 19)	HSD 562036	1,376	Residential
Future Development Land (Plot 20)	HSD 562037	1,038	Residential
Future Development Land (Plot 21)	HSD 562038	1,147	Residential
Future Development Land (Plot 22)	HSD 562039	1,422	Residential
Future Development Land (Plot 23)	HSD 562040	1,408	Residential
Future Development Land (Plot 24)	HSD 562041	2,015	Residential
Future Development Land (Plot 27)	HSD 564637	17,601	Composite
Future Development Land (Plot 28)	HSD 564638	57,156	Composite
Future Development Land (Plot 36)	HSD 578303	41,621	Composite
Future Development Land (Plot 37)	HSD 578304	908	Residential
Future Development Land (Plot 38)	HSD 578305	1,299	Residential
Future Development Land (Plot 39)	HSD 578306	1,034	Residential
Future Development Land (Plot 40)	HSD 578307	985	Residential
Future Development Land (Plot 41)	HSD 578308	1,295	Residential
Future Development Land (Plot 42)	HSD 578309	972	Residential
Future Development Land (Plot 43)	HSD 578310	1,005	Residential
Future Development Land (Plot 44)	HSD 578311	1,185	Residential
Future Development Land (Plot 45)	HSD 578312	1,889	Residential
Future Development Land (Plot 46)	HSD 578313	5,355	Residential
Future Development Land (Plot 47)	HSD 578314	1,138	Residential
Future Development Land (Plot 48)	HSD 578315	1,138	Residential
Future Development Land (Plot 49)	HSD 578316	1,142	Residential
Future Development Land (Plot 50)	HSD 578317	1,220.00	Residential
Future Development Land (Plot 51)	HSD 578318	2,007.00	Residential
Future Development Land (Plot 53)	HSD 578227	38,975.00	Composite
Future Development Land (Plot 55)	HSD 578229	124,821.00	Composite
Future Development Land (Plot 58)	HSD 578232	73,790.00	Composite
Future Development Land (Plot 61)	HSD 578234	21,820	Composite
Future Development Land (Plot 64)	HSD 574558	78,160	Composite
Future Development Land (Plot 65)	HSD 578236	23,360	Composite
Future Development Land (Plot 66)	HSD 577117	51,780	Composite
Future Development Land (Plot 67)	HSD 577120	13,177	Composite
Future Development Land (Plot 68)	HSD 577123	17,523.00	Composite
Future Development Land (Plot 70)	HSD 577122	2,185.00	Public
			Transportation
Forest City STP 1	HSD 564641	11,681.00	Government
Forest City STP 2	HSD 564642	5,307.00	Government
Forest City STP 3	HSD 578231	21,010	Government

Plot No.	Real Estate Title Certificate No.	Land Area (sq.m.)	Land Use
Forest City STP 4	HSD 578302	34,508.00	Government

2. Pursuant to 15 Real Estate Title Certificates, issued by the Pendaftaran Hakmilik Tanah Johor, the land use rights of the Zone 2- Hotel and Golf Zone of the Property with a site area of approximately 4,647,904 sq.m. have been granted to Country Garden Pacificview SDN BHD is a wholly owned subsidiary of the Company. There are 12 plots that have been reclaimed, and the details has shown as follows:

Plot No.	Real Estate Title Certificate No.	Land Area (sq.m.)	Land Use
Forest City Golf Hotel (Plot 13)	HSD 589233	42,016	Others
Fringe Villa (Plot 15)	600572	207,399	Residential
Fringe Villa 2 (Plot 18)	600573	96,720	Residential
Albatrossville 3 (Plot 23)	600879	85,260.00	Residential
(Plot 14)	HSD 592948	13,434.00	Composite
(Plot 16)	HSD 592950	3,783.00	Residential
(Plot 17)	HSD 592949	14,550.00	Residential
(Plot 21)	HSD 592120	35,869.00	Residential
(Plot 22)	HSD 592121	39,941.00	Residential
Golf Course 1	HSD 589235	597,246.00	Others
Golf Course Part of 1	HSD 589234	115,554.00	Others
Golf Course 2	HSD 592951	664,012.00	Others

3. Pursuant to 5 Real Estate Title Certificates, issued by the Pendaftaran Hakmilik Tanah Johor, the land use rights of the Zone 3- Industrial Zone of the Property with a site area of approximately 1,501,764 sq.m. have been granted to Country Garden Pacificview SDN BHD is a wholly owned subsidiary of the Company. There are 2 plots that have been reclaimed or part of been reclaimed, and the details has shown as follows:

Plot No.	Real Estate Title Certificate No.	Land Area (sq.m.)	Land Use
CIBS (Plot 1)	HSD 583803	197,731.00	Industrial
(Plot 2)	HSD 609235	867,621.00	Industrial

4. For the details of the leased portions of the Property is as follow:

No.	Address	Lease-out		Monthly Rental as at the valuation Date (MYR)
		Area (sq.ft.)	Rental Period	
1.	Unit 723, 7/F	1,163	1 Mar 2024 — 28 Feb 2026	930.40
2.	Unit 730–Unit 734, 7/F	3,432	1 Apr 2024 — 31 Mar 2026	3,775.20
3.	Unit 725, 7/F	1,140	1 Jul 2024 — 30 Jun 2027	1,140.00
4.	Unit 721–722, 7/F	1,722	23 Jul 2024 — 22 Jul 2027	3,444.00
5.	Unit 1301–1313, 13/F	8,146	1 Sept 2024 — 31 Aug 2026	12,219.00
6.	Unit 1314–1336, 13/F	14,991	1 Sept 2024 — 31 Aug 2026	22,486.50
7.	13-discussion room	444	1 Sept 2024 — 31 Aug 2026	444.00
8.	Unit 720, 7/F	1,140	3 Sept 2024 — 2 Sept 2026	1,140.00
9.	Unit 718–719, 7/F	2,280	13 Sept 2024 — 12 Sept 2026	2,280.00
10.	Unit 706–711, 7/F	5,514	18 Sept 2024 — 17 Sept 2026	5,514.00
11.	Unit 701, 7/F	888	1 Oct 2024 — 30 Sept 2026	888.00
12.	Unit 735–736, 7/F	1,733	1 Oct 2024 — 30 Sept 2026	3,466.00
13.	Unit 714–715, 7/F	1,162	11 Nov 2024 — 10 Nov 2026	2,905.00

5. The site inspection was performed by Ms. Vinci Hou, M.Sc., with valuation experience of 10-years and Ms. Gloria Lam, BSc (Hons) in Surveying, with about 4-year experience, in December 2024.

6. The breakdown of the market value has shown as follows:

No.	Details	Salable Area (sq.m.)	GFA (sq.m.)	Market Value in Existing State as at 31 August 2025 (MYR)
1.	Unsold Property (including residentials, retail shops and offices)	539,885 [#]	/	5,618,800,000
2.	Forest City Marina Hotel	/	78,448	134,630,000
3.	Forest City Golf Hotel & the Golf Club	/	54,665	180,110,000
4.	School	/	112,846	195,900,000
5.	Industrial	/	44,940.3	385,300,000
6.	Bare Land	/	/	372,900,000
Total				<u>6,887,640,000^{##}</u>

[#]Remark: Approximately 72,026 sq.m. of commercial units, 42,806 sq.m. of office units, and 446,079 sq.m. of residential units are included in the unsold properties.

^{##}Remark: The market value excludes the unreclaimed land, the land without a proper title certificate and sold properties.

7. The breakdown of comparables is as follows:

The property has been valued based on the market approach. For the unsold portion, we have identified and analysed comparable transactions involving similar properties in Forest City, Johor Bahru, Malaysia.

For apartment:

- Apartment situated at Serene Bay, Forest City with a building area of 59 sq.m. transacted on 27 August 2025 at a consideration of RM706,869 @ unit rate of RM11,981.
- Apartment situated at Serene Bay, Forest City with a building area of 48 sq.m. transacted on 8 August 2025 at a consideration of RM515,749 @ unit rate of RM10,745.
- Apartment situated at Serene Bay, Forest City with a building area of 48 sq.m. transacted on 9 June 2025 at a consideration of RM557,253 @ unit rate of RM11,609.
- Apartment situated at Serene Bay, Forest City with a building area of 107 sq.m. transacted on 6 June 2025 at a consideration of RM1,080,281 @ unit rate of RM10,096.

For house:

- House situated at Gr-Fringe Villa, Forest City with a building area of 127 sq.m. transacted on 26 August 2025 at a consideration of RM1,117,894 @ unit rate of RM8,802.
- House situated at Gr-Fringe Villa, Forest City with a building area of 127 sq.m. transacted on 15 June 2025 at a consideration of RM1,375,645 @ unit rate of RM 10,832.
- House situated at Gr-Fringe Villa, Forest City with a building area of 127 sq.m. transacted on 21 January 2025 at a consideration of RM2,284,545 @ unit rate of RM17,989.

For the office units:

- Office situated at Tower1, Cernelian Tower, Forest City with a building area of 83 sq.m. transacted on 12 June 2025 at a consideration of RM1,094,419 @ unit rate of RM13,186.
- Office situated at Tower1, Cernelian Tower, Forest City with a building area of 83 sq.m. transacted on 3 April 2025 at a consideration of RM1,088,830 @ unit rate of RM13,118.
- Office situated at Tower1, Cernelian Tower, Forest City with a building area of 44 sq.m. transacted on 23 June 2025 at a consideration of RM507,006 @ unit rate of RM11,523.

For retails unit:

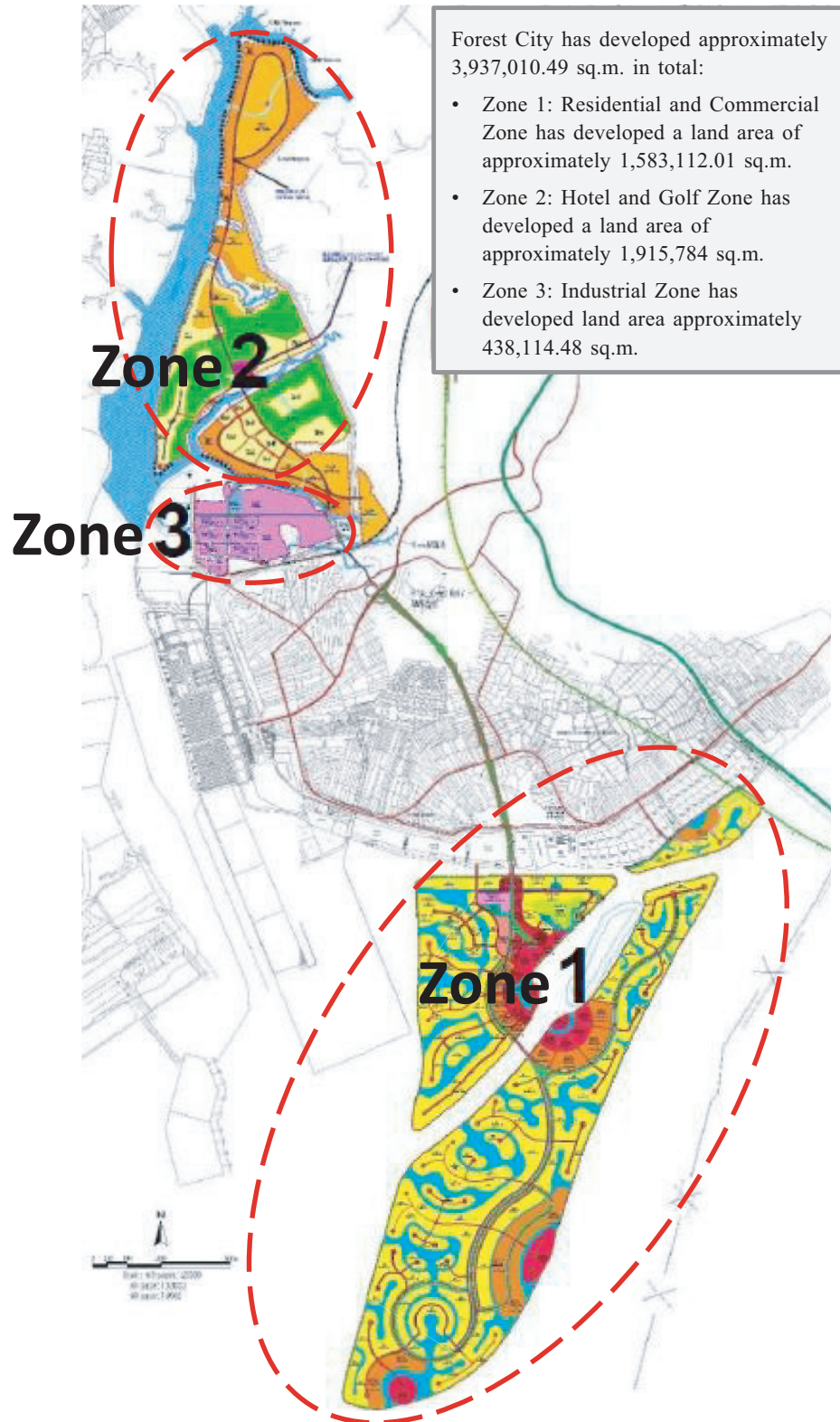
- A retail unit situated at Serene Bay, Forest City with a building area of 84 sq.m. transacted on 28 June 2025 at a consideration of RM747,198 @ unit rate of RM8,895.
- A retail unit situated at Serene Bay, Forest City with a building area of 152 sq.m. transacted on 12 June 2025 at a consideration of RM1,553,391 @ unit rate of RM10,220.
- A retail unit situated at Serene Bay, Forest City with a building area of 88 sq.m. transacted on 28 June 2025 at a consideration of RM527,577 @ unit rate of RM5,995.
- A retail unit situated at Starview Bay, Forest City with a building area of 85 sq.m. transacted on 9 January 2025 at a consideration of RM869,019 @ unit rate of RM10,224.

8. The breakdown of comparables is as follows:

The property has been valued based on the market approach. For the hotels, we have identified and analyzed comparable transactions involving similar properties in Malaysia.

- Thistle Johor Bahru situated at Johor Bahru, Malaysia with a 381 hotel rooms transacted in September 2025 at a consideration of RM150,000,000 @ unit room rate of RM393,701.
- The Langham Kuala Lumpur situated at Kuala Lumpur, Malaysia with a 198 hotel rooms transacted in October 2024 at a consideration of RM250,000,000 @ unit room rate of RM1,262,626.
- Hotel Stripes Kuala Lumpur situated at Kuala Lumpur, Malaysia with a 184 hotel rooms transacted in September 2023 at a consideration of RM138,000,000 @ unit room rate of RM750,000.

MAP FOR ILLUSTRATIVE PURPOSES ONLY (NOT TO SCALE)



The following is the text of a report prepared for the purpose of incorporation in this circular received from Roma Appraisals Limited, an independent valuer, in connection with its valuation as at 31 August 2025 of 100% interests of the Country Garden Waterfront Sdn. Bhd. and its subsidiaries.



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17 November 2025

COUNTRY GARDEN HOLDINGS COMPANY LIMITED

Unit 1702, 17th Floor
Dina House, Ruttonjee Centre
11 Duddell Street
Central, Hong Kong

Dear Sir/Madam,

Re: Valuation of the 100% equity interest in Country Garden Waterfront Sdn. Bhd.

In accordance with the instructions from Country Garden Holdings Company Limited (hereinafter referred to as the “**Company**”) to us to conduct a business valuation on 100% equity interest in Country Garden Waterfront Sdn. Bhd. and its subsidiaries (hereinafter referred to as the “**CGWF Group**”). We are pleased to report that we have made relevant enquiries and obtained other information which we considered relevant for the purpose of providing our valuation as at 31 August 2025 (hereinafter referred to as the “**Date of Valuation**”).

This report states the purpose of valuation, scope of work, overview of CGWF Group, basis of valuation, investigation and analysis, valuation methodology, major assumptions, information reviewed, limiting conditions, remarks and opinion of value.

1. PURPOSE OF VALUATION

This report is prepared solely for the use of the directors and management of the Company. In addition, Roma Appraisals Limited (hereinafter referred to as “**Roma Appraisals**”) acknowledges that this report may be made available to the Company for circular reference purpose only.

Roma Appraisals assumes no responsibility whatsoever to any person other than the Company in respect of, or arising out of, the contents of this report. If others choose to rely in any way on the contents of this report they do so entirely at their own risk.

2. BASIS OF VALUATION

We have appraised CGWF Group on the basis of fair value. According to Hong Kong Financial Reporting Standard 13 “Fair Value Measurement”, fair value is defined as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date”.

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

Market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes. The market value is estimated based on highest and best use. The use of a non-financial asset by market participants that would maximise the value of the asset or the group of assets and liabilities (e.g. a business) within which the asset would be used.

3. SCOPE OF WORK

Our valuation conclusion is based on the assumptions stated herein and the information provided by the management of the Company and/or its representative(s) (together referred to as the “**Management**”).

In preparing this report, we have had discussions with the Management in relation to the development and prospect of the property industry, and the development, operations and other relevant information of the CGWF Group. In arriving at our opinion of value, we have relied on the completeness, accuracy and representation of operational, financial and other pertinent data and information of the CGWF Group as provided by the Management to a considerable extent.

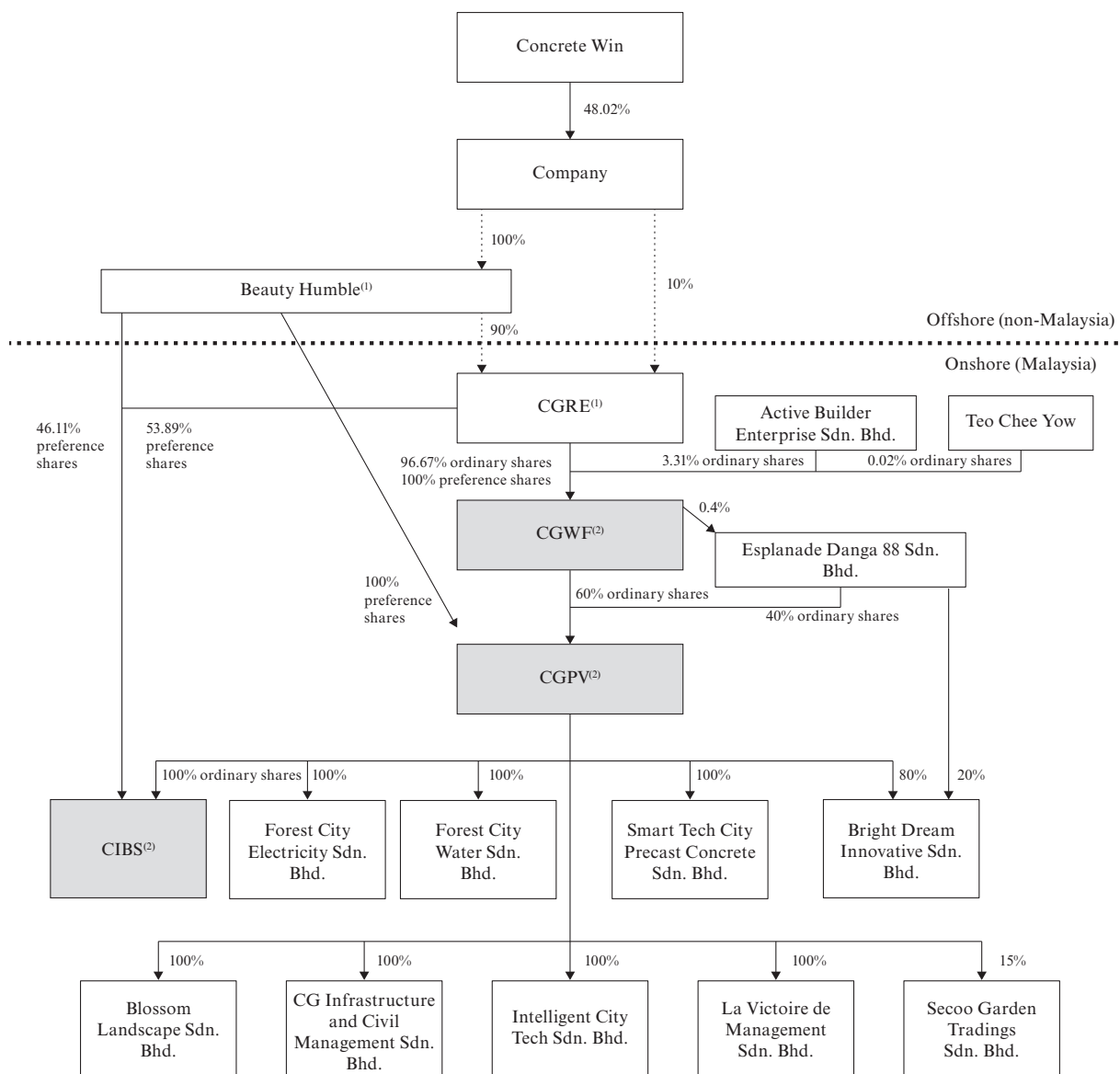
We do not express an opinion as to whether the actual results of the business operation of the CGWF Group will approximate those projected because assumptions regarding future events by their nature are not capable of independent substantiation.

4. OVERVIEWS OF CGWF GROUP

CGWF is a company incorporated in Malaysia with limited liability. It is principally engaged in investment holding. CGWF was established to undertake the Forest City Project in Johor Bahru, Malaysia, which is strategically located near the Malaysia-Singapore border. The development aims to create a modern urban community integrating residential, commercial, hospitality, and leisure components. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of the CGWF are held by CGRE, Active Builder Enterprise Sdn. Bhd. and Teo Chee Yow as to 96.67%, 3.31% and 0.02%, respectively, and the entire issued preference shares of CGWF are held by CGRE. CGWF is accounted for as an indirect non-wholly owned subsidiary of the Company.

CGPV is a company incorporated in Malaysia with limited liability. It is principally engaged in property development, and the operation of hotels, clubs, restaurants, golf and putting courses. As of the Latest Practicable Date and prior to the completion of the Proposed Disposal, the issued ordinary shares of CGPV are held by CGWF and Esplanade Danga 88 Sdn. Bhd. as to 60% and 40%, respectively, and the entire issued preference shares of CGPV are held by Beauty Humble. CGPV is accounted for as an indirect non-wholly owned subsidiary of the Company.

The structure of the Company and CGWF Group are shown below.



5. INVESTIGATION

Our investigation included discussions with members of the Management in relation to the development, operations and other relevant information of CGWF Group. In addition, we have made relevant inquiries and obtained further information and statistical figures regarding the property industry as we considered necessary for the purpose of the valuation.

We have had discussions with the Management in relation to the development, operations and other relevant information of CGWF Group. We have also consulted other sources of financial and business information. In arriving at our opinion of value, we have

relied on the completeness, accuracy and representation of operational, financial and other pertinent data and information of the Group as provided by the Management to a considerable extent.

The valuation of CGWF Group requires consideration of all pertinent factors, which may or may not affect the operation of the business and its ability to generate future investment returns. The factors considered in our valuation include, but are not necessarily limited to, the following:

- The nature and prospect of CGWF Group;
- The financial condition of CGWF Group;
- The economic outlook in general and the specific economic environment and market elements affecting the business, industry and market;
- The business risks of the Group such as the ability in maintaining competent technical and professional personnel; and
- Relevant licenses and agreements.

For the property in the Malaysia, we have been provided with copies of extracts of various title documents relating to the property. However, we have not searched the original documents to ascertain the existence of any amendments which do not appear on the copies handed to us. We have relied to a very considerable extent on information given by CGWF Group. All documents have been used for reference only.

In valuing the property, we have relied on the advice given by CGWF Group that CGWF Group has valid and enforceable title to the property which is freely transferable, and has free and uninterrupted right to use the same, for the whole of the unexpired term granted subject to the payment of annual government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

6. VALUATION METHODOLOGY

There are generally three accepted approaches to obtain the fair value of CGWF Group, namely the Market-Based Approach, Income-Based Approach and Asset-Based Approach. Each of these approaches is appropriate in one or more circumstances, and sometimes, two or more approaches may be used together. Whether to adopt a particular approach will be determined by the most commonly adopted practice in valuing business entities that are similar in nature.

6.1 Market-Based Approach

The Market-Based Approach values a business entity by comparing prices at which other business entities in a similar nature changed hands in arm's length transactions. The underlying theory of this approach is that one would not pay more than one would have to for an equally desirable alternative. By adopting this approach, the valuer will first look for valuation indication of prices of other similar business entities that have been sold recently.

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

6.2 Income-Based Approach

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

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

6.3 Asset-Based Approach

The Asset-Based Approach is based on the general concept that the earning power of a business entity is derived primarily from its existing assets. The assumption of this approach is that when each of the elements of working capital, tangible and intangible assets is individually valued, their sum represents the value of a business entity and equals to the value of its invested capital ("**equity and long-term debt**").

Under the Asset-Based Approach, the fair value of equity of a business entity/group refers to the fair values of various assets and liabilities on the statement of financial position of the business entity/group as at the measurement date, in which the fair value of each asset and liability was determined by reasonable valuation approaches based on its nature.

6.4 Business Valuation

In the process of valuing CGWF Group, we have taken into account of its operation and the nature of the industry it is participating.

The Market-Based Approach was not adopted in this case as comparable transactions with publicly disclosed or readily available information cannot be identified, after considering the nature and conditions of the CGWF Group and the Forest City Projects. The limited availability of such data made it difficult to establish meaningful market benchmarks, rendering this approach unsuitable. Similarly, the Income-Based Approach was not adopted, as the CGWF Group was unable to provide concrete development plans, and reliable financial forecasts. The use of this approach would require numerous assumptions, and any inaccuracies in these assumptions could materially distort the valuation outcome. We have therefore considered the adoption of the Asset-Based Approach in arriving at the market value of the 100% equity interests in CGWF Group. This approach is considered the most appropriate under the circumstances, as it reflects the Group's underlying asset position and provides a more reliable basis for assessing its fair value.

After discussion with the Management and analysing the nature of assets and liabilities in CGWF Group, except for the Property, Plant and Equipment, Land Held for Property Development, Investment Property, Property Development Costs, Completed Properties Held for Sale, and Inventories, we have adopted the book values of assets and liabilities in the reviewed consolidated management accounts as the fair values as at the Date of Valuation.

6.5 Fair values of the Assets and Liabilities

Property, Plant and Equipment, Land Held for Property Development, Investment Property, Property Development Costs, Completed Properties Held for Sale, and Inventories

As advised by the Management, the Property, Plant and Equipment comprise fisherman wharf, sales gallery, transportation hub, industrial bare land, industrial buildings, hotel, golf hotel and golf course.

As advised by the Management, Land Held for Property Development includes bare land and costs associated with the rights of sea use and mangrove area. The Investment Property consists of an international school.

As advised by the Management, Property Development Costs, Completed Properties Held for Sale, and Inventories are aggregated as unsold properties, comprising residential, retail premises and office space.

There are three recognised and accepted approaches to value the Property, namely the direct comparison approach, investment approach, and depreciated replacement cost (“**DRC**”)/cost approach.

(1) Direct Comparison Approach

Direct comparison approach is considered as the most appropriate method of valuation when comparable information is adequate. Comparable properties of similar nature, character and location are analysed. Adjustments will be applied to the said comparable properties to reflect items such as location, size, building age, floor level, view and layout, and then carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of the market value of the property.

(2) Investment Approach

The investment approach is the present worth of the future economic benefits of ownership. This approach is generally applied to an aggregation of assets that consists of stable cash flow income.

(3) DRC/Cost Approach

Due to the specific purpose for which most of the buildings and structures of the property have been constructed, there are no readily identifiable market comparable. Thus, the buildings and structures have been valued on the basis of their depreciated replacement costs instead of direct comparison method. The DRC/Cost approach is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the existing structures less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Conclusion

In the course of our valuation, all three approaches should be considered. Since different usage of the property, one or more approaches may be applicable in the valuation.

To conclude, we adopted the market approach for valuing unsold properties, bare land, and hotels, incorporating appropriate adjustments to reflect prevailing market conditions. For the hotel properties, the results were also cross-checked using the cost approach, with outcomes from both valuation methods found to be consistent and broadly comparable. The investment approach was employed for the valuation of the golf club, as it provides a more reliable indication of the asset's value over time based on its income-generating potential. For other properties, including schools and industrial buildings, the cost approach was adopted due to the lack of comparable market evidence and the specialized nature of these assets.

Trade Receivables and Other Receivables

The book value of these receivables reflects the expected cash flows, making it a reasonable estimate of their fair value. After discussion with the Management and analysing their natures, we have adopted the book values as their fair values as at the Date of Valuation.

Deposits and Prepayments, Prepaid Taxes and Cash and Bank Equivalents

After discussion with the Management and analysing their natures, the deposits and prepayments, prepaid taxes and cash and bank equivalents were considered to be cash equivalent. we have adopted the book values as their fair values as at the Date of Valuation.

Due from Ultimate Holding Company, Due from Immediate Holding Company — CGRE (Antepenultimate Holding Company) and Due from Related Companies

After discussion with the Management and analysing their natures, these transactions were intercompany transactions, we have adopted the book values as their fair values as at the Date of Valuation.

Assets Classified as Held for Sale

As advised by the Management, the assets classified as held for sale were machinery and equipment assets. After discussion with the Management and analysing their natures, we have adopted the book values as their fair values as at the Date of Valuation.

Trade Payables, Other Payables and Accruals

Trade payables, other payables and accruals are recorded at cost. This reflects the actual amount the company has agreed to pay the supplier, i.e. the transaction price. After discussion with the Management and analysing their natures, we have adopted the book values as their fair values as at the Date of Valuation.

Due to Ultimate Holding Company, Due to Immediate Holding Company and Due to Related Companies and Income Taxes Payable

After discussion with the Management and analysing their natures, these transactions were intercompany transactions, we have adopted the book values as their fair values as at the Date of Valuation.

Non-current Liabilities of Due to Ultimate Holding Company, Due to Immediate Holding Company and Due to Related Companies

After discussion with the Management and analysing their natures, it was considered that these were stable, long-term intercompany transactions. This stability reduces the likelihood of significant changes to the terms of the liabilities, meaning that the book value is a reliable measure. we have adopted the book values as their fair values as at the Date of Valuation.

Deferred tax liabilities

Deferred tax liabilities result from temporary differences between the tax base of an asset or liability and its carrying amount. The book value accurately reflects these temporary differences. After discussion with the Management and analysing their natures, we have adopted the book values as their fair values as at the Date of Valuation.

7. CONCLUSION OF ASSET-BASED APPROACH

	Book Value RM	Fair Value RM	Material Differences RM
Non-Current Assets			
Property, Plant and Equipment	1,201,356,136	1,194,199,174	(7,156,962) ^(Note 1)
Land Held for Property Development	4,040,704,296	1,268,474,120	(2,772,230,176) ^(Note 2)
Investment Property	414,944,901	195,900,000	(219,044,901) ^(Note 3)
Total Non-Current Assets	5,657,005,333	2,658,573,294	(2,998,432,039)
Current Assets			
Property Development Costs	23,656,617	Please refer to Note 4	N/A
Completed Properties Held for Sale	4,051,467,896	Please refer to Note 4	N/A
Inventories	2,993,694	Please refer to Note 4	N/A
Sub total	4,078,118,207	5,302,900,000	1,224,781,793^(Note 4)
Trade Receivables	490,391,174	490,391,174	0
Prepaid Taxes	10,470,457	10,470,457	0
Other Receivables, Deposits and Prepayments	521,714,618	521,714,618	0
Due from Ultimate Holding Company	262,581,408	262,581,408	0
Due from Immediate Holding Company — CGRE (Antepenultimate Holding Company)	5,988,213	5,988,213	0
Due from Related Companies	13,578,755	13,578,755	0
Cash And Cash Equivalents	55,135,088	55,135,088	0
Assets classified as held for sale	23,678,054	23,678,054	0
Total Current Assets	5,461,655,974	6,686,437,767	1,224,781,793
Total Assets	11,118,661,307	9,345,011,061	(1,773,650,246)

	Book Value RM	Fair Value RM	Material Differences RM
Current Liabilities			
Trade Payables	1,444,250,218	1,444,250,218	0
Other Payables and Accruals	4,252,599,623	4,252,599,623	0
Due to Immediate Holding Company	51,451,105	51,451,105	0
Due to Ultimate Holding Company	332,826,300	332,826,300	0
Due to Related Companies	863,618,144	863,618,144	0
Income Taxes Payable	7,839	7,839	0
Total Current Liabilities	6,944,753,229	6,944,753,229	0
Non-Current Liabilities			
Due to Immediate Holding Company			
— Non-current	112,250,707	112,250,707	0
Due to Ultimate Holding Company			
— Non-current	1	1	0
Due to Related Companies			
— Non-current	4,286,068,969	4,286,068,969	0
Deferred Tax Liabilities	4,028	4,028	0
Total Non-Current Liabilities	4,398,323,705	4,398,323,705	0
Total Liabilities	11,343,076,934	11,343,076,934	0
Net Asset Value	(224,415,627)	(1,998,065,873)	(1,773,650,246)

The totals may not add up due to rounding.

Notes:

1. *As discussed with Management, the Property, Plant and Equipment, primarily represents the book values on fisherman wharf, sales center, transportation hub, IBS industrial bare land, IBS Industrial building-owner occupied portion, Hotel, Golf Hotel and Golf course, the principal variance arises from the adoption of both the market and cost approaches in the valuation of these assets.*
2. *As discussed with Management, the Land Held for Property Development primarily represents costs associated with the right of land reclamation, including the mangrove area, the right of sea area use, and reclaimed land. However, as the Management is unable to provide a detailed development plan or cost estimates for land reclamation and formation in respect of the area subject to future reclamation, we are unable to determine the reclamation area and estimated completion timeline. Accordingly, we adopted the book value corresponding to the right of sea area use and the mangrove area, while the market approach was adopted to the reclaimed land.*
3. *As discussed with Management, the Investment Property primarily represents international school on book, we adopted the cost approach.*

4. *As discussed with the Management, the classification of unsold properties was consolidated under the account names Property Development Costs, Completed Properties Held for Sale, and Inventory. We determined the fair value of these unsold properties, which include residential units, houses, offices, and retail/commercial spaces, and categorized them into a single classification.*

Valuation regarding the Property, Plant and Equipment, Land Held for Property Development, Investment Property, Property Development Costs, Completed Properties Held for Sale, and Inventories can be found in section “Appendix III Property Valuation Report”.

8. MAJOR ASSUMPTIONS

We have adopted certain specific assumptions in our valuation and the major ones are as follows:

- As advised by the Management, the unaudited consolidated financial statements of CGWF Group as at 31 August 2025 can reasonably represent CGWF Group’s financial positions as at the Date of valuation, since the audited consolidated financial statements of CGWF Group as at the Date of Valuation were not available;
- All relevant legal approvals and business certificates or licenses to operate the business in the localities in which CGWF Group operates or intends to operate would be officially obtained and renewable upon expiry;
- There will be sufficient supply of technical staff in the industry in which CGWF Group operates, and CGWF Group will retain competent management, key personnel and technical staff to support its ongoing operations and developments;
- There will be no major change in the current taxation laws in the localities in which CGWF Group operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;
- There will be no major change in the political, legal, economic or financial conditions in the localities in which CGWF Group operates or intends to operate, which would adversely affect the revenues attributable to and profitability of CGWF Group; and
- Interest rates and exchange rates in the localities for the operation of CGWF Group will not differ materially from those presently prevailing.

9. LIMITING CONDITIONS

The valuation reflects facts and conditions existing at the Date of Valuation. Subsequent events or circumstances have not been considered and we are not required to update our report for such events and conditions.

We would particularly point out that our valuation was based on the information such as the company background and business nature of the Group provided to us.

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

We have relied on the historical and/or prospective information provided by the Management and other third parties to a considerable extent in arriving at our opinion of value. The information has not been audited or compiled by us. We are not in the position to verify the accuracy of all information provided to us. However, we have had no reason to doubt the truth and accuracy of the information provided to us and to doubt that any material facts have been omitted from the information provided. No responsibilities for the operation and financial information that have not been provided to us are accepted.

We assumed that the Management is competent and perform duties under the company regulation. Also, ownership of the Group was in responsible hands, unless otherwise stated in this report. The quality of the Management may have direct impact on the viability of the business as well as the fair value of the Group. We have not investigated the title to or any legal liabilities of the Group and have assumed no responsibility for the title to the Group appraised.

Our conclusion of fair value was derived from generally accepted valuation procedures and practices that rely substantially on the use of various assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. The conclusion and various estimates may not be separated into parts, and/or used out of the context presented herein, and/or used together with any other valuation or study.

We assume no responsibility whatsoever to any person other than the directors and the Management in respect of, or arising out of, the content of this report. If others choose to rely in any way on the contents of this report, they do so entirely at their own risk.

The working papers and models for this valuation are being kept in our files and would be available for further references. We would be available to support our valuation if required. The title of this report shall not pass to the Company until all professional fee has been paid in full.

10. CONSIDERATION AND ASSUMPTIONS OF PROPERTY VALUATION

Our valuation has been made on the assumption that the owner sells the property in the market in their existing states without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the values of such property. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no allowance has been made for the property to be sold in one lot or to a single purchaser.

We have inspected the exterior and, where possible, the interior of certain property. No structural survey has been made in respect of the property. However, in the course of our inspections, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out on any of the building services.

We have not carried out on-site measurements to verify the site/floor areas of the property under consideration but we have assumed that the site/floor areas shown on the documents handed to us are correct. Except as otherwise stated, all dimensions, measurements and areas included in the Valuation Certificate is based on information contained in the documents provided to us by the Group and are therefore approximations.

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

11. SOURCE OF INFORMATION

In the course of our valuation, we have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of properties, particulars of occupation, site/floor areas, ages of buildings and all other relevant matters which can affect the values of the properties. All documents have been used for reference only.

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

Our valuations are prepared in compliance with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and in accordance with the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors and the International Valuation Standards published by the International Valuation Standards Council.

12. INDEPENDENT CLAUSE

We are independent from the Company and its subsidiaries (collectively, the “**Group**”) and their respective directors and controlling shareholders and that we do not have any direct or indirect material interest in the securities or assets of the Group, its connected persons, or any associate of the Group.

13. REMARKS

Unless otherwise stated, all monetary amounts stated in our valuation is in Malaysian Ringgits (MYR).

14. OPINION OF VALUE

Based on the investigation stated above and the valuation method employed, the fair value of the CGWF Group and its ordinary share as at the Date of Valuation, in our opinion, was reasonably stated as No Commercial Value due to its negative net asset value. It is reasonable to assume that the CGWF Group preference shares, the CGPV preference shares, the CIBS preference shares as at the Latest Practicable Date, in our opinion, also stated as No Commercial Value.

Yours faithfully,
For and on behalf of
Roma Appraisals Limited

Frank F. Wong
BA (Business Admin in Acct/Econ) MSc (Real Est)
MRICS Registered Valuer MAusIMM ACIPHE
Director, Head of Property and Asset Valuation

NOTICE OF EXTRAORDINARY GENERAL MEETING



COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Country Garden Holdings Company Limited (the “**Company**”) will be held as a virtual meeting via online platform (the “**eVoting Portal**”) on Wednesday, 3 December 2025 at 3:00 p.m. (the “**EGM**”) for the following purposes. Unless otherwise stated, capitalised terms shall have the same meanings as those defined in the circular of the Company dated 17 November 2025 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the proposed issue of up to aggregate principal amount of USD7,514,770,000 mandatory convertible bonds of the Company (“**MCB (A)**”); which are convertible into ordinary shares of the Company, the details of which are set out in the Circular, be and is hereby unconditionally approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things and sign, ratify or execute all such documents and take all such steps or actions as the Director in his discretion may consider necessary, appropriate, desirable and expedient to implement, give effect to or in connection with the proposed issue of the MCB (A) and the issuance of MCB Conversion Shares in respect of MCB (A) and the transactions contemplated thereunder and agree to such variation, amendment or waiver as are, in the opinion of such Director, in the interest of the Company and the Shareholders as a whole; and
- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the MCB Conversion Shares in respect of MCB (A), the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the MCB Conversion Shares in respect of MCB (A), on and subject to the terms and conditions of

NOTICE OF EXTRAORDINARY GENERAL MEETING

the MCB (A), provided that the Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

2. “**THAT**

- (a) the proposed issue of up to aggregate principal amount of USD5,442,583,547 mandatory convertible bonds of the Company (“**MCB (B)**”), which are convertible into ordinary shares of the Company, the details of which are set out in the Circular, be and is hereby unconditionally approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things and sign, ratify or execute all such documents and take all such steps or actions as the Director in his discretion may consider necessary, appropriate, desirable and expedient to implement, give effect to or in connection with the proposed issue of the MCB (B) and the issuance of MCB Conversion Shares in respect of MCB (B) and the transactions contemplated thereunder and agree to such variation, amendment or waiver as are, in the opinion of such Director, in the interest of the Company and the Shareholders as a whole; and
- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the MCB Conversion Shares in respect of MCB (B), the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the MCB Conversion Shares in respect of MCB (B), on and subject to the terms and conditions of the MCB (B), provided that the Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

3. “**THAT**

- (a) the proposed issue of up to aggregate principal amount of USD39,461,396 mandatory convertible bonds of the Company (“**MCB (C)**”), which are convertible into ordinary shares of the Company, the details of which are set out in the Circular, be and is hereby unconditionally approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things and sign, ratify or execute all such documents and take all such steps or actions as the Director in his discretion may consider necessary, appropriate, desirable and expedient to implement, give effect to or in connection with the proposed issue of the MCB (C) and the issuance of MCB Conversion Shares in respect of MCB (C) and the transactions

NOTICE OF EXTRAORDINARY GENERAL MEETING

contemplated thereunder and agree to such variation, amendment or waiver as are, in the opinion of such Director, in the interest of the Company and the Shareholders as a whole; and

- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the MCB Conversion Shares in respect of MCB (C), the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the MCB Conversion Shares in respect of MCB (C), on and subject to the terms and conditions of the MCB (C), provided that the Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

4. “THAT

- (a) the proposed issue of the SCA Warrants to certain Class 1 Creditors and the issuance and allotment of the SCA Warrant Shares to certain Class 1 Creditors under the Specific Mandate, be and are hereby unconditionally approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things, to sign, ratify or execute all such documents and take all such steps or actions as the Director in his discretion may consider necessary, appropriate, desirable and expedient to implement, give effect to or in connection with the SCA Warrants and the issuance of new Shares upon exercise of the SCA Warrants and the transactions contemplated thereunder and agree to such variation, amendment or waiver as are, in the opinion of such Director, in the interest of the Company and the Shareholders as a whole; and
- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the SCA Warrant Shares, the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the SCA Warrant Shares to certain Class 1 Creditors, on and subject to the terms and conditions of the SCA Warrants, provided that the Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

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5. **“THAT**

- (a) the issuance of 914,221,768 new shares of the Company for payment of certain work fees owed to each of the AHG, CoCom and CB Holder Group under their respective Work Fee Arrangements, and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Work Fee Shares) be and are hereby approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things, to sign, ratify or execute all such documents and take all such steps or actions as the Director in his discretion may consider necessary, appropriate, desirable and expedient to implement, give effect to or in connection with proposed issuance of Work Fee Shares, to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole; and
- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the issuance of Work Fee Shares, the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the Work Fee Shares to each of the AHG, CoCom and CB Holder Group under their respective Work Fee Arrangements, provided that the Specific mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

6. **“THAT**

- (a) the issuance of 16,849,842 new shares of the Company for payment of certain accrued and unpaid interest owed to TFB under the TFB Bilateral Loan Resolution, and the transactions contemplated thereunder (including but not limited to the allotment and issue of the TFB Shares) be and are hereby approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things, to sign ratify or execute all such documents and take all such steps or actions as the Director in his discretion may consider necessary, appropriate, desirable and expedient to implement, give effect to or in connection with proposed issuance of the TFB Shares, and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the TFB Shares, the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the TFB Shares to TFB under the TFB Bilateral Loan Resolution, provided that the Specific mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

7. “THAT

- (a) the shareholder loans equitisation agreement dated 13 November 2025 (the “**Shareholder Loans Equitisation Agreement**”) in relation to the equitisation and setting off of up to US\$1.148 billion in principal amount of the Shareholder Loans (together with all accrued and unpaid interest in respect of all Shareholder Loans up to (and including) 30 September 2024) and issuance of up to 15,519,049,697 shares of the Company (the “**Capitalisation Shares**”) at the issue price of HK\$0.6 per Capitalisation Share (a copy of which has been produced to the EGM and marked “A” and initialed by the chairperson of the EGM for the purpose of identification), and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Capitalisation Shares) be and are hereby approved, confirmed and ratified;
- (b) any one Director be and is hereby authorised, on behalf of the Company, do all such acts and things, to sign ratify or execute such documents or agreements or deeds and take all such actions as the director in his discretion consider necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Shareholder Loans Equitisation Agreement, and the transactions contemplated thereunder and to agree with such variation, amendment or waiver as are, in the opinion of the Director, in the interests of the Company and the Shareholders as a whole; and
- (c) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the Capitalisation Shares, the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to issue, allot and credit as fully paid, the Capitalisation Shares pursuant to Shareholder Loans Equitisation Agreement, provided that the Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

8. “THAT

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of and permission to deal in the new Shares which may be issued by the Company in respect of the relevant awards to be granted under the Management Incentive Plan, the rules of which are contained in the document produced to the meeting and for the purposes of identification signed by the chairperson thereof, the Management Incentive Plan be and is hereby approved and adopted, and the Directors (or the MIP Administrator or any committee of the Board) be and are hereby authorised (i) to grant awards under the Management Incentive Plan, (ii) to administer the Management Incentive Plan in accordance with its terms, (iii) to allot and issue Shares underlying the awards, with maximum number of new Shares which may be issued upon vesting of all awards under the Management Incentive Plan shall not exceed 10% of the total number of Shares in issue on the date of passing of this resolution, (iv) to modify and/or amend the rules of the Management Incentive Plan from time to time provided that such modification and/or amendment is effected in accordance with the rules of the Management Incentive Plan relating to the modification and/or amendment and is in compliance with Chapter 17 of the Listing Rules, and (v) to do all such acts and to enter into all such transactions, arrangements and agreements as the Directors (or the MIP Administrator or any committee of the Board) may in their absolute discretion deem necessary or expedient in order to give full effect to the Management Incentive Plan.”

9. “THAT

- (a) the execution of the Share Purchase Agreement entered into between the CGRE, Beauty Humble (each an indirect wholly-owned subsidiary of the Company), Concrete Win and the Company (a copy of which has been produced to the EGM marked “B” for the identification purpose), and the transactions contemplated thereunder (including the contingent consideration contemplated under the Upside Sharing Agreement and the ListCo CVR), be and are hereby approved, confirmed and ratified; and
- (b) any one of the Directors be and is hereby authorised to do all such acts and things and sign, agree, ratify, execute, perfect or deliver all such documents or instruments under hand (or where required, under the common seal of our Company together with another Director or any person authorised by the board of Directors) and take all such steps as the Director in his/her discretion may consider necessary, appropriate, desirable or expedient to implement, give effect to or in connection with the Share Purchase Agreement, the Upside Sharing Agreement and the ListCo CVR and the transactions contemplated thereunder.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

10. “THAT

- (a) the execution of the Management Services Framework Agreement entered into between CGWF and the Company (or another entity designated by the Company) (a copy of which has been produced to the EGM marked “C” for the identification purpose), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and
- (b) any one of the Directors be and is hereby authorised to do all such acts and things and sign, agree, ratify, execute, perfect or deliver all such documents or instruments under hand (or where required, under the common seal of our Company together with another Director or any person authorised by the board of Directors) and take all such steps as the Director in his/her discretion may consider necessary, appropriate, desirable or expedient to implement, give effect to or in connection with the Management Services Framework Agreement and the transactions contemplated thereunder.”

By order of the Board
Country Garden Holdings Company Limited
MO Bin
President & Executive Director

Foshan, Guangdong Province, the PRC, 17 November 2025

Notes:

- 1. Any member entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy needs not be a member of the Company.
- 2. If more than one of the joint registered holders are present at the meeting personally or by proxy, then only one of the said persons so present whose name stands first on the registers of members in respect of such share(s) of the Company shall be accepted to the exclusion of the votes of the other joint registered holders.
- 3. In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (the “**Share Registrar**”) not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- 4. Completion and return of the form of proxy will not preclude a member from attending and voting via the eVoting Portal at the EGM or at any adjournment thereof and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- 5. The register of members of the Company will be closed from Tuesday, 2 December 2025 to Wednesday, 3 December 2025, both days inclusive, during which period no transfer of shares will be registered. In order to determine shareholders’ eligibility to attend and vote at the meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Share Registrar not later than 4:30 p.m. on Monday, 1 December 2025.

NOTICE OF EXTRAORDINARY GENERAL MEETING

6. Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the general meeting will be taken by poll except where the chairperson, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) and Rule 13.39(5A) of the Listing Rules.
7. As at the date of this notice, the Board is comprised of 9 Directors, of which Ms. YANG Huiyan (Chairlady), Mr. MO Bin (President), Ms. YANG Ziyang, Dr. CHENG Guangyu and Ms. WU Bijun are executive Directors, Mr. CHEN Chong is a non-executive Director and Dr. HAN Qinchun, Mr. WANG Zhijian and Mr. TUO Tuo are independent non-executive Directors.