
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult a stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Xi'an Kingfar Property Services Co., Ltd., you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

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



Xi'an Kingfar Property Services Co., Ltd. 西安經發物業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1354)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

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



Alliance Capital Partners Limited
同人融資有限公司

A notice convening the EGM of Xi'an Kingfar Property Services Co., Ltd. to be held on Friday, 30 January 2026 at 10:30 a.m. at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC is set out on pages 49 to 50 to this circular. The form of proxy for use at the EGM are also enclosed herein. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.xajfwy.com).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meeting thereof if they so wish, and in such event, the relevant form of proxy shall be deemed to be revoked.

14 January 2026

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	6
Letter from the Independent Board Committee	21
Letter from the Independent Financial Adviser	23
Appendix — General Information	44
Notice of the EGM	49

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Xi’an Kingfar Property Services Co., Ltd. (西安經發物業股份有限公司), a joint stock company incorporated in the People’s Republic of China with limited liability and the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1354)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Domestic Shareholder(s)”	the holder(s) of Domestic Share(s)
“EGM”	the extraordinary general meeting of the Company to be held at Room 10701, Unit 1, Building 3, Xi’an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi’an, Shaanxi, PRC on Friday, 30 January 2026 at 10:30 a.m. or any adjournment thereof, notice of which is set out on pages 49 to 50 of this circular
“Existing Annual Cap(s)”	the existing annual cap(s) for the Previous Continuing Connected Transactions
“GFA”	gross floor area
“Group”	the Company and its subsidiaries

DEFINITIONS

“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange
“H Shareholder(s)”	the holder(s) of H Share(s)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	a committee of the Board comprising the independent non-executive Directors, namely Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang
“Independent Financial Adviser”	Alliance Capital Partners Limited, a licensed corporation under the SFO to engage in type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO, being the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the New Master Property Management Services Framework Agreement and New Master Food Supply Framework Agreement, and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM
“Independent Third Party(ies)”	a person or entity who is not a connected person of the Company under the Listing Rules
“Jiatai Property”	Xi’an Jiatai Property Management Service Co., Ltd. (西安加泰物業管理服務有限公司), a company established in the PRC with limited liability on 1 July 2004 and a wholly-owned subsidiary of the Company
“Jiatai Property Group”	Jiatai Property and its branches, subsidiaries and any new subsidiaries that Jiatai Property may establish in the future

DEFINITIONS

“Kingfar Group”	Xi'an Kingfar Group Co., Ltd. (西安經發集團有限責任公司), a company established in the PRC with limited liability on 5 September 2001 and one of the controlling shareholders (as defined under the Listing Rules) of the Company, which is owned as to approximately 96.29% by Kingfar Holdings, and approximately 3.71% by Shaanxi Financial Asset Management Co., Ltd. (陝西金融資產管理股份有限公司), an Independent Third Party
“Kingfar Holdings”	Xi'an Kingfar Holdings (Group) Co., Ltd. (西安經發控股(集團)有限責任公司), a company established in the PRC with limited liability on 4 May 2010 and one of the controlling shareholders (as defined under the Listing Rules) of the Company, which is wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會)
“Kingfar Holdings Group”	Kingfar Holdings, together with its subsidiaries and associates, excluding the Group
“Kingfar Supply Chain”	Xi'an Kingfar Supply Chain Operation Trading Co., Ltd. (西安經發供應鏈運營貿易有限公司), a company established in the PRC with limited liability on 27 September 2009 and a wholly-owned subsidiary of Kingfar Group
“Latest Practicable Date”	13 January 2026, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Continuing Connected Transaction Agreements”	the New Master Property Management Services Framework Agreement and the New Master Food Supply Framework Agreement
“New Continuing Connected Transactions”	the transactions contemplated under the New Continuing Connected Transaction Agreements
“New Master Food Supply Framework Agreement”	the food supply framework agreement dated 12 December 2025 entered into between the Company and Kingfar Holdings in relation to the supply of certain food ingredients by the Group to the Kingfar Holdings Group

DEFINITIONS

“New Master Property Management Services Framework Agreement”	the master property management services framework agreement dated 12 December 2025 entered into between the Company and Kingfar Holdings in relation to the provision of property management services by the Group to Kingfar Holdings Group
“Previous Continuing Connected Transaction Agreements”	the Previous Master Property Management Services Framework Agreement and the Previous Master Food Supply Framework Agreement
“Previous Master Food Supply Framework Agreement”	the food supply framework agreement dated 30 October 2025 entered into between Jiatai Property to Kingfar Supply Chain in relation to the provision of food supply services by Jiatai Property Group to Kingfar Supply Chain, which is expiring on 31 December 2025
“Previous Master Property Management Services Framework Agreement”	the property management service framework agreement dated 13 June 2024 in relation to the provision of property management services by the Group to the Kingfar Holdings Group, which is expiring on 31 December 2025
“Proposed Annual Cap(s)”	proposed annual cap(s) for the New Continuing Connected Transactions, the details of which are set out in the section headed “The New Continuing Connected Transaction Agreements” in this circular
“Prospectus”	prospectus of the Company dated 24 June 2024
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares
“Shareholder(s)”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Xi’an ETDZ MC”

the Management Committee of Xi’an Economic and Technology Development Zone (西安經濟技術開發區管理委員會), an administrative agency of Xi’an Municipal People’s Government for the management of Xi’an Economic and Technology Development Zone

“%”

per cent

References to time and dates in this circular are to Hong Kong time and dates.

Certain amounts and percentage figures included in this circular have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

LETTER FROM THE BOARD



Xi'an Kingfar Property Services Co., Ltd. **西安經發物業股份有限公司**

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1354)

Executive Directors:

Mr. Wu Suozheng (*Chairman*)
Mr. Sun Qi
Mr. Cheng Hongrang

Non-executive Directors:

Mr. Zhao Junping
Mr. Yang Gang
Ms. Li Lingxiao

Independent non-executive Directors:

Mr. Lam Siu Wing
Dr. Jiang Li
Mr. Cao Yang

*Headquarters and Registered Office
in the PRC:*

Room 10701, Unit 1, Building 3
Xi'an Financial Innovation Center
No. 51 Fengcheng Second Road
Economic and Technological
Development Zone
Xi'an, Shaanxi
PRC

*Principal Place of Business
in Hong Kong:*

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

14 January 2026

To the Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

References are made to (i) the Prospectus in relation to, among other things, the Previous Master Property Management Services Framework Agreement; (ii) the announcement of the Company dated 30 October 2025, in relation to, among other things, the Previous Master Food Supply Framework Agreement; and (iii) the announcement of the Company dated 12 December 2025, in relation to, among other things, the transactions contemplated under the New Continuing Connected Transaction Agreements and the Proposed Annual Caps.

LETTER FROM THE BOARD

Since the terms of the Previous Continuing Connected Transaction Agreements will end on 31 December 2025, and the Company expects that such transactions will continue thereafter, the Company entered into the New Continuing Connected Transaction Agreements to renew the Previous Continuing Connected Transaction Agreements and the Proposed Annual Caps thereunder.

The purpose of this circular is to give you the notice of the EGM and to provide Shareholders with, among other things, (i) details of the transactions contemplated under the New Continuing Connected Transaction Agreements and the Proposed Annual Caps; (ii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the New Continuing Connected Transaction Agreements and the Proposed Annual Caps; (iii) the recommendations of the Independent Board Committee regarding the transactions contemplated under the New Continuing Connected Transaction Agreements and the Proposed Annual Caps; and (iv) a notice of the EGM.

THE NEW CONTINUING CONNECTED TRANSACTION AGREEMENTS

A summary of the Proposed Annual Caps for each of the New Continuing Connected Transaction Agreements is set out below:

Continuing connected transactions	Proposed annual cap for the years ending		
	31 December		
	2026	2027	2028
	<i>(RMB in million)</i>		
(1) Property management services	64.7	74.5	82.2
(2) Food supply	45.0	50.0	51.5

The principal terms of the New Continuing Connected Transaction Agreements are summarized below:

A. New Master Property Management Services Framework Agreement

1. Principal terms

Date	:	12 December 2025 (after trading hours)
Parties	:	(1) Company; and
		(2) Kingfar Holdings

LETTER FROM THE BOARD

- Duration** : From 1 January 2026 or the date on which the New Master Property Management Services Framework Agreement and the Proposed Annual Caps for the transactions under the New Master Property Management Services Framework Agreement are approved by the Independent Shareholders (whichever is later) and ending on 31 December 2028 (may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations).
- Subject matter** : The Group agreed to provide property management services to Kingfar Holdings Group, including but not limited to (i) property management services for the residential and non-residential properties owned or used by Kingfar Holdings Group; (ii) value-added services including but not limited to sales office management services, preliminary planning and design consultancy services, pre-delivery inspection services, customized cleaning, repair and maintenance services and, garbage collection services.
- Transaction principles** : As the New Master Property Management Services Framework Agreement only sets out the framework of the transactions to be conducted, individual agreements shall be entered into between the Group and the Kingfar Holdings Group separately on normal commercial terms. The scope of the individual agreements shall not exceed the scope specified under the New Master Property Management Services Framework Agreement. In the event of conflicts between the terms of the individual agreements and the New Master Property Management Services Framework Agreement, the terms of the New Master Property Management Services Framework Agreement shall prevail.

LETTER FROM THE BOARD

Pricing principles : The fees to be charged for the New Property Management Services shall be determined on arm's length basis with reference to (i) the size, location and positioning of the properties; (ii) the type, scope, standards and requirements of the services; (iii) the anticipated operation costs (including but not limited to labor costs, administration costs and costs of materials); (iv) the fees for similar services and similar types of projects in the market; and (v) the prices charged by us for providing comparable services to Independent Third Parties. The service fees for the provision of the property management services are calculated mainly based on the total GFA of properties owned or used by Kingfar Holdings Group under our management multiplying the service fee per square meter, which shall not be higher than the standard fees designated by the relevant regulatory authorities (if applicable) or lower than the standard fees to be charged from Independent Third Parties.

Settlement method : The method of settlement shall be agreed separately between the parties under the individual agreements after arm's length negotiation.

The Group would normally issue payment notices to Kingfar Holdings Group for the services provided under the New Master Property Management Services Framework Agreement on a quarterly basis, and payment shall be made by Kingfar Holdings Group to the Group by way of bank transfers within one month from the date of receipt of the payment notices. The terms of the payment method set out in the individual agreements shall be determined with reference to the terms of payment method stipulated in no less than three agreements for similar services provided by the Group to the Independent Third Parties to ensure compliance with market practice.

LETTER FROM THE BOARD

In view of the above factors, the Board is of the view that the payment method has been arrived at after arm's length negotiations and are entered into in the ordinary and usual course of business of the Group on normal commercial terms or better, which are also fair and reasonable and in the interests of the Company and its Shareholders as a whole.

2. *Historical data and Proposed Annual Caps*

The table below summarises the historical transaction amounts and the Existing Annual Caps under the Previous Master Property Management Services Framework Agreement:

	2024 <i>(RMB in million)</i>	2025 <i>(RMB in million)</i>
Existing Annual Caps	65.4	69.2
Actual transaction amount (approximate)	53.5	47.0 ⁽¹⁾

Note:

- (1) The figure represents the unaudited historical transaction amount for the period commencing from 1 January 2025 to 31 October 2025 based on the Group's management accounts.

The following sets forth the Proposed Annual Caps under the New Master Property Management Services Framework Agreement:

	2026 <i>(RMB in million)</i>	2027 <i>(RMB in million)</i>	2028 <i>(RMB in million)</i>
Proposed Annual Caps	64.7	74.5	82.2

The Proposed Annual Caps are determined after considering, among others, the following factors:

- (i) the historical transaction amounts during the previous years;
- (ii) the estimated transaction amounts in relation to the New Property Management Services for the three years ending 31 December 2028 based on the existing signed contracts with Kingfar Holdings Group;

LETTER FROM THE BOARD

- (iii) the estimated GFA and number of properties to be delivered by Kingfar Holdings Group for the three years ending 31 December 2028, which is based on the GFA and number of properties under development and the delivery schedule of Kingfar Holdings Group, including existing signed contracts with Kingfar Holdings Group to manage nine undelivered projects with an aggregated total GFA of approximately 1,265,397.14 square meters, of which three, five and one new properties are scheduled for delivery in 2026, 2027 and 2028, respectively, and the expected increase in the demand for services of the Group with reference to the expected increase in GFA of properties developed by Kingfar Holdings Group due to its business growth;
- (iv) the estimated management fee to be charged in respect of properties and facilities owned or used by Kingfar Holdings Group and the standard fees designated by the relevant regulatory authorities;
- (v) the estimated service fee to be charged in respect of our value-added services to be provided to Kingfar Holdings Group; and
- (vi) the estimated year-on-year increase in costs to be incurred for the property management services including labor costs, administration costs and material costs (in particular, labor costs expected to reach annual growth of approximately 6.4%).

3. Reasons and benefits for the transactions

Having considered, among others, (i) the Group in its ordinary course of business provides property management services to its customers, including, but not limited to: (1) property management services for the residential and non-residential properties owned or used by Kingfar Holdings Group; and (2) value-added services including but not limited to sales office management services, preliminary planning and design consultancy services, pre-delivery inspection services, customized cleaning, repair and maintenance services and, garbage collection services, is a core aspect of the Company's operations and a major revenue stream. Offering these services to Kingfar Holdings Group aligns with the Company's long-established business model; (ii) engaging with Kingfar Holdings Group will help establish a stable management scale and revenue base, thereby diluting fixed costs and generating significant economies of scale; (iii) by providing unified and professional services, the Company can ensure the continuous business needs of the Kingfar Holdings Group are met while maintaining a consistent brand image and service standards that align with the Company's management objectives, which is mutually beneficial; and (iv) the New Master Property Management Services Framework Agreement is entered into by the Group in its ordinary and usual course of business and is on normal commercial terms or better, the Directors are of the view that it is in the interest of the Group and the Shareholders as a whole to enter into the New Master Property Management Services Framework Agreement with Kingfar Holdings.

LETTER FROM THE BOARD

B. New Master Food Supply Framework Agreement

Reference is made to the announcement of the Company dated 30 October 2025 in respect of the Previous Master Food Supply Framework Agreement entered into between Jiatai Property (a wholly owned subsidiary of the Company) and Kingfar Supply Chain (a wholly-owned subsidiary of Kingfar Group and a connected person of the Company under the Listing Rules) and the paragraph headed “VII. Clarification” in the announcement of the Company dated 12 December 2025.

Pursuant to the Previous Master Food Supply Framework Agreement, Jiatai Property Group agreed to supply certain food ingredients to Kingfar Supply Chain from 1 November 2025 to 31 December 2025. Since the Previous Master Food Supply Framework Agreement will end on 31 December 2025, and the Company expects that such transactions will continue thereafter, the Company and Kingfar Group entered into the New Master Food Supply Framework Agreement on 12 December 2025.

1. Principal terms

Date	:	12 December 2025 (after trading hours)
Parties	:	(1) Company; and (2) Kingfar Holdings
Duration	:	From 1 January 2026 or the date on which the New Master Food Supply Framework Agreement and the Proposed Annual Caps for the transactions under the New Master Food Supply Agreement are approved by the Independent Shareholders and (whichever is later) ending on 31 December 2028, unless it is terminated earlier by mutual agreement of both parties, with either party required to give the other party not less than 30 days’ written notice prior to such termination.
Subject matter	:	According to the New Master Food Supply Framework Agreement, the Group agrees to supply certain food ingredients, such as meat, to Kingfar Holdings Group during the term of the New Master Food Supply Framework Agreement.

LETTER FROM THE BOARD

Transaction principles : The Group and the Kingfar Holdings Group will enter into separate purchase orders which will set out the specific terms (including the specific prices, validity period of quotations and payment terms) according to the principles provided in the New Master Food Supply Framework Agreement.

Pricing principles : The price of the goods sold to Kingfar Holdings Group shall be determined on a cost-plus basis, with reference to the costs plus an average markup of not less than 10%. The average markup percentage falls within the range of the price differences between market wholesale price and market selling price of similar type of meats.

The price of the goods shall be determined (i) in accordance with the market price of goods of the same or similar type and quality at the same time at the local first-level wholesale market at the place of delivery; (ii) in accordance with the price of the same or similar type and quality released by relevant product market information websites at the same time; or (iii) in case (i) and (ii) are infeasible, on fair and reasonable basis and on normal commercial terms in the ordinary course of business, in accordance with the aforementioned pricing principles.

The price determined through the aforementioned methods shall remain valid for a certain period (e.g., one week or one month, which shall be agreed upon in the individual purchase orders). During the validity period of quotations, if there is a significant change in the market price of the goods to be supplied, either party may request a renegotiation of the price.

Settlement method : The payment time and method shall be fixed by both parties in the individual purchase orders. The transactions will normally be settled in the form of cash payment on a monthly basis and shall be consistent with the payment terms in the market.

LETTER FROM THE BOARD

2. *Historical data and Proposed Annual Caps*

The table below summarises the historical transaction amounts and the Existing Annual Caps under the Previous Master Food Supply Framework Agreement:

	2024⁽¹⁾ <i>(RMB in million)</i>	2025⁽²⁾ <i>(RMB in million)</i>
Existing Annual Caps	nil	9.0
Actual transaction amount (approximate)	nil	4.5 ⁽³⁾

Notes:

- (1) There is no annual cap and historical transaction amounts prior to 2025.
- (2) The annual cap for the transaction with respect to the supply of food ingredients took effective from 1 November 2025 to 31 December 2025.
- (3) The figure represents the unaudited historical transaction amount from 1 November 2025 to 30 November 2025 based on the Group's management accounts.

The following sets forth the Proposed Annual Caps under the New Master Food Supply Framework Agreement:

	2026 <i>(RMB in million)</i>	2027 <i>(RMB in million)</i>	2028 <i>(RMB in million)</i>
Proposed Annual Caps	45.0	50.0	51.5

The Proposed Annual Caps are determined after considering, among others, the following factors:

- (i) the historical transaction amount in November 2025;
- (ii) the estimated quantity of relevant food ingredients required by Kingfar Holdings Group for the three years ending 31 December 2028 based on the existing signed contracts;
- (iii) based on the information provided by Kingfar Holdings, the purpose of procuring such food ingredients by Kingfar Holdings Group is to provide value-added food ingredients delivery services to certain schools. The demand for food ingredients from Kingfar Holdings Group has substantially increased following its award of the school canteen operation tenders by the Education Bureau of Xi'an Economic and Technological Development Zone (including nine additional schools by the end of 2026 and six additional

LETTER FROM THE BOARD

schools in 2027) and Kingfar Holdings Group is experiencing a shortage of food ingredients supply and actively looking for a reliable and stable supplier. Therefore, the Group expects to continue to secure relatively stable purchase orders for food ingredients from the Kingfar Holdings Group;

- (iv) the recent and historical market prices of the similar food ingredients in the market, which refer to local market wholesale prices and the historical guiding prices of relevant regulatory authorities; and
- (v) the estimated year-on-year increase in food ingredient costs.

3. Reasons and benefits for the transactions

The Group's core business focuses on city services, residential property management services and commercial property management services. The Group commenced the food supply business with Kingfar Holdings Group in November 2025, after Kingfar Holdings Group commenced its operation management services for school canteens in September 2025.

The Group possesses experience and operational capabilities in sourcing, quality control, storage, and delivery of food products through its catering business operated under other subsidiaries. Leveraging its catering operations which primarily involve the preparation of food products to government agencies and public authorities, the general public through the canteens that they operate and property owners and staff of property developers or tenants, the Group has developed a reliable network for sourcing food products and experience in quality control, sourcing and storage of food products. The expansion into the food ingredients supply business represents an extension of the Group's existing value-added service offerings. The Group has personnel with relevant food safety supervisor certificates.

LETTER FROM THE BOARD

The Group first entered into the Previous Master Food Supply Framework Agreement in October 2025 in order to explore and develop this new line of service. Building on the experience and foundation established under the Previous Master Food Supply Framework Agreement, the Group is now entering into the New Master Food Supply Framework Agreement. This will enable the Group to further optimise and upgrade its business structure, expand the scale of the food supply business, and ultimately drive sustainable revenue growth. The Group expects to continue to secure relatively stable purchase orders from the Kingfar Holdings Group, who provide food ingredient delivery services to certain schools. The New Master Food Supply Framework Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms or better. Accordingly, the Directors are of the view that it is in the interest of the Group and the Shareholders as a whole to enter into the New Master Food Supply Framework Agreement with Kingfar Holdings.

INFORMATION OF THE PARTIES TO THE NEW CONTINUING CONNECTED TRANSACTION AGREEMENTS

The Company

The Company and its subsidiaries are principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC.

Kingfar Holdings

Kingfar Holdings is a company established in the PRC with limited liability on 4 May 2010 and one of our controlling shareholders, which is wholly owned by the Xi'an ETDZ MC. Kingfar Holdings is a state-owned urban construction and operation service provider in Xi'an.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

In order to ensure continuous compliance with the Proposed Annual Caps and the relevant requirements under Chapter 14A of the Listing Rules, the Company has adopted the internal control measures below:

1. The entering into and monitoring of continuing connected transactions are to be conducted in accordance with the Group's internal control manual;
2. The finance department will collect statistics of the continuing connected transactions under the New Continuing Connected Transaction Agreements on a monthly basis and monitor such transactions through the Group's internal online system to ensure the approved annual caps are not exceeded every half year;

LETTER FROM THE BOARD

3. The business department collects market information and keep track of the latest changes in the industry on a monthly basis, especially the purchase prices of similar goods through different sources, including at least two market quotations from other Independent Third Party suppliers and/or reputable industry sources (if any), on a monthly basis;
4. The independent non-executive Directors conduct an annual review with respect to the continuing connected transactions throughout the preceding financial year to ensure that the transactions are entered into on normal commercial terms, are fair and reasonable, and are carried out pursuant to the terms of the relevant agreements governing the continuing connected transactions and in the interest of the shareholders of the Company as a whole;
5. The auditors of the Company review the statistics of the continuing connected transactions on an annual basis in compliance with the annual reporting and review requirements under the Listing Rules;
6. The compliance department provides training to the Directors and the relevant personnel on the above internal control policies and on the relevant requirements in relation to continuing connected transactions under Chapter 14A of the Listing Rules on an annual basis so as to strengthen their awareness on the compliance requirements and periodically conducts the aforesaid training to ensure that all the above parties maintain their awareness on compliance requirements concerning continuing connected transactions; and
7. The finance department is responsible for tracking payments. The accounting department will send monthly aging reports to the management for review. In case of any overdue balances exceeding a month, the finance department will issue reminders.

LISTING RULE IMPLICATIONS

As at the Latest Practicable Date, the Company is owned as to (i) approximately 67.5% by Kingfar Group, which is in turn owned as to approximately 88.5% by Kingfar Holdings, a company wholly owned by Xi'an ETDZ MC, an administrative agency of Xi'an Municipal People's Government, and (ii) approximately 7.5% by Kingfar Holdings. Accordingly, Kingfar Holdings is a controlling shareholder and connected person of the Company. Therefore, the transactions contemplated under the New Continuing Connected Transaction Agreements constitute continuing connected transactions of the Company under the Listing Rules.

LETTER FROM THE BOARD

As one or more of the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the Proposed Annual Caps for the transactions contemplated under each of the New Continuing Connected Transaction Agreements exceed 5%, and that the aggregate annual consideration payable under, on an annual basis, exceeds HK\$10.0 million, the New Continuing Connected Transactions are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

No Director has a material interest in the New Continuing Connected Transaction Agreements, or is required to abstain from voting on the Board resolutions approving the transactions in relation to the New Continuing Connected Transaction Agreements.

INDEPENDENT FINANCIAL ADVISER AND INDEPENDENT BOARD COMMITTEE

An Independent Board Committee, comprising the independent non-executive Directors (namely Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang), has been established to advise and make recommendations to the Independent Shareholders as to how to vote at the EGM on the resolutions in relation to the New Continuing Connected Transaction Agreements. No member of the Independent Board Committee has any material interest in the New Continuing Connected Transaction Agreements and the transactions contemplated thereunder.

Alliance Capital Partners Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the New Continuing Connected Transaction Agreements are fair and reasonable, and whether the terms of the New Continuing Connected Transactions are on normal commercial terms, in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole, and how to vote on the New Continuing Connected Transaction Agreements and the transactions contemplated thereunder.

EGM, PROXY ARRANGEMENT AND CLOSURE OF REGISTER OF MEMBERS

The proxy form of the EGM is enclosed herewith.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon by personal delivery or by post not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof. H Shareholders are required to return the proxy form to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and the Domestic Shareholders are required to return the proxy form to the Company's principal place of business in the PRC at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or at any adjourned meeting should you so wish, and in such event the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

For the purpose of determining the Shareholders' eligibility to attend and vote at the EGM (and any adjourned meeting thereof), the register of members of the Company will be closed from Tuesday, 27 January 2026 to Friday, 30 January 2026, both days inclusive, during which period no transfer of Shares will be registered. In order for the H Shareholders to qualify for attending and voting at the EGM, all properly completed share transfer forms together with the relevant H Share certificates shall be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 26 January 2026. Shareholders whose names appear on the register of members of the Company on Friday, 30 January 2026, being the record date for the EGM, are entitled to attend and vote at the EGM.

Pursuant to Rule 14A.36 of the Listing Rules, any shareholder who has a material interest in a proposed transaction must abstain from voting at the relevant general meeting on the relevant resolution(s). To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, save as Kingfar Holdings and Kingfar Group, no Shareholder has a material interest in the resolutions in respect of the New Continuing Connected Transaction Agreements or should be required to abstain from voting on the resolutions to be proposed at the EGM.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions to be proposed at the EGM shall be put to a vote on a poll unless the chairman of the meeting, in good faith, allows a vote by show of hands on a resolution which relates purely to a procedural or administrative matter.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by a duly authorized representative shall be entitled to one vote for each Share held by him. The Shareholders with more than one vote are not required to cast all their votes or vote in the same way.

RECOMMENDATIONS

Taking into consideration of the reasons for and benefits of each of the New Continuing Connected Transaction Agreements set out in this circular, the Board (including the independent non-executive Directors after taking into consideration the advice of the Independent Financial Adviser) is of the view that (i) the New Continuing Connected Transaction Agreements and the transactions contemplated thereunder; and (ii) the Proposed Annual Caps are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Independent Shareholders should vote in favour of the relevant resolutions to be proposed at the EGM to approve (i) the New Continuing Connected Transaction Agreements; and (ii) the Proposed Annual Caps.

LETTER FROM THE BOARD

FURTHER INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee set out on pages 21 to 22 of this circular, the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 23 to 43 of this circular, the additional information as set out in the appendix to this circular and the notice of the EGM.

Yours faithfully,

By order of the Board

Xi'an Kingfar Property Services Co., Ltd.

Mr. Wu Suozheng

Chairman of the Board and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the full text of a letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the New Continuing Connected Transaction Agreements and the Proposed Annual Caps:



Xi'an Kingfar Property Services Co., Ltd.

西安經發物業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1354)

14 January 2026

To the Independent Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

We refer to the circular dated 14 January 2026 (the “**Circular**”) issued by the Company to its Shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed as the Independent Board Committee to consider and to advise the Independent Shareholders on the transactions contemplated under the New Continuing Connected Transaction Agreements and the Proposed Annual Caps.

Alliance Capital Partners Limited has been appointed as the independent financial adviser to provide advice and recommendations to the Independent Board Committee and the Independent Shareholders in this regard. Details of the independent advice of the Independent Financial Adviser, together with the principal factors and reasons the Independent Financial Adviser has taken into consideration, are set out in pages 23 to 43 of the Circular.

We wish to draw your attention to the Letter from the Board and the Letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which contains its advice to us in respect of the transactions contemplated under the New Continuing Connected Transaction Agreements and the Proposed Annual Caps. Your attention is also drawn to the additional information set out in the appendix to the Circular.

Having considered the advice and recommendations of the Independent Financial Adviser, we are of the view that: (i) the terms of the New Continuing Connected Transaction Agreements are fair and reasonable and on normal commercial terms, and the New Continuing Connected Transaction Agreements are in the interests of the Company and the Shareholders as a whole and

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

the transactions contemplated thereunder are in the ordinary and usual course of business of the Group; and (ii) the Proposed Annual Caps are fair and reasonable, so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve (i) the New Continuing Connected Transaction Agreements and (ii) the Proposed Annual Caps.

Yours faithfully,

**The Independent Board Committee of
Xi'an Kingfar Property Services Co., Ltd.**

Mr. Lam Siu Wing

*Independent non-executive
Director*

Dr. Jiang Li

*Independent non-executive
Director*

Mr. Cao Yang

*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



Alliance Capital Partners Limited
同人融資有限公司

Room 03
7/F Worldwide House
Des Voeux Road Central
Hong Kong

14 January 2026

To: The Independent Board Committee

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

A. INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders of the Company on whether the terms of the continuing connected transactions contemplated under the New Continuing Connected Transaction Agreements (i.e., New Master Property Management Services Framework Agreement and New Master Food Supply Framework Agreement) between the Company and Kingfar Holdings Group, the transactions contemplated thereunder, and the relevant proposed Annual Caps are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole. Details of which are set out in the announcement dated 12 December 2025 (the “**Announcement**”). Capitalised terms used in this letter shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

As at the date of the Announcement, Kingfar Holdings is the controlling shareholder of the Company holding approximately 67.5% interests in the Company and therefore is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, each of property management services and the food supply services under New Continuing Connected Transactions constitutes continuing connected transactions of the Company. As one or more of the applicable percentage ratios for each of the New Continuing Connected Transactions and the relevant proposed Annual Caps exceed 5%, therefore it is subject to the reporting, announcement, annual review and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang, has been established by the Company to advise and make recommendations to the Independent Shareholders in respect of the terms of the New Continuing Connected Transaction Agreements and the relevant proposed Annual Caps.

During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, we are independent from, and not associated with the Company or any other party to the Kingfar Holdings Group, or their respective substantial

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

shareholder(s) or other connected person(s), as defined under the Listing Rules and accordingly, are considered eligible to give independent advice on the terms of the New Continuing Connected Transactions and the relevant proposed Annual Caps. Apart from the normal advisory fee payable to us in connection with our appointment as the independent financial adviser to the Independent Board Committee and Independent Shareholders, we have no relationship with or interest in Company or any other party to the Kingfar Holdings Group or any of their respective associates, and any other parties that could reasonably be regarded as relevant to our independence. In addition, we had not acted as financial adviser to the Company or any of the companies mentioned above in the past. As such we are of the opinion that we are independent in relation to our acting as independent financial adviser pursuant to Rule 13.84 of the Listing Rules.

B. BASIS OF OUR OPINION

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

- (i) the annual report of the Company for the year ended 31 December 2024 (the “**Annual Report 2024**”);
- (ii) the interim report of the Company for the period ended 30 June 2025 (the “**Interim Report 2025**”);
- (iii) the prospectus of the Company dated 24 June 2024;
- (iv) the announcement of the Company dated 30 October 2025;
- (v) the announcement of the Company dated 12 December 2025;
- (vi) the New Master Property Management Services Framework Agreement;
- (vii) the New Master Food Supply Framework Agreement; and
- (viii) other information as set out in the Announcement.

We have relied on (i) the information contained or referred to in the Announcement and/or the information and representations as provided to us by the Directors and/or the management of the Company (the “**Management**”); and (ii) our review of the relevant public information. We have assumed that all information and representations that have been provided by the Management, for which they are solely and wholly responsible, are true, complete, and accurate in all material respects at the time when they were made and continue to be so as at the date of the dispatch of the Announcement. We have also assumed that all statements of belief, opinion, expectation, and intention made by the Management in the Announcement are reasonably made after due enquiries and careful consideration.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors have jointly and severally accepted full responsibility for the accuracy of the information contained in the Announcement and have confirmed, having made all reasonable enquires, which to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in the Announcement misleading. We have no reasons 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 Announcement, or the reasonableness of the opinions expressed by the Company, its advisers and/or Directors, which have been provided to us.

We consider that we have reviewed sufficient information to reach an informed view and to justify our reliance on the accuracy of the information contained in the Announcement so as to provide a reasonable basis for our recommendation in compliance with Rule 13.80 of the Listing Rules. We have not, however, carried out any independent verification of the information, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company or its respective subsidiaries or associates.

This letter is issued for the information of the Independent Board Committee solely in connection with their consideration of the New Master Property Management Services Framework Agreement and New Master Food Supply Framework Agreement, and the transactions contemplated thereunder, and the proposed Annual Caps.

C. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion regarding the continuing connected transactions under the New Continuing Connected Transaction Agreements, we have considered the following principal factors and reasons:

1. Background information of the Company and Kingfar Holdings

1.1 Subsidiaries of the Group

The Company and its subsidiaries are principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The table below shows a summary of major financial information of the statement of profit or loss and other comprehensive income of the Group for the two years ended 31 December 2024 and the six months ended 30 June 2025, as extracted from Annual Report 2024 and Interim Report 2025.

	Years ended 31 December		Six months ended 30 June	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(unaudited)	(unaudited)
Revenue				
– City services	524,908	594,309	289,143	293,752
– Residential property management services	184,170	200,914	97,620	103,615
– Commercial property management services	149,844	153,056	74,740	72,416
– Gross rental income	3,325	3,248	1,827	1,690
Total	862,247	951,527	463,330	471,473
Profit after tax for the year/period	51,018	61,092	31,003	32,098

For the year ended 31 December 2024

The Group derived its revenue primarily from the city services and property management and related services segment which accounted for approximately 99.7% of total revenue for the year ended 31 December 2024. It recorded a growth of revenue of approximately 10.4% as compared to the previous financial year.

The profit after tax for the year ended 31 December 2024 was approximately RMB61.0 million, representing an increase of approximately 19.8% as compared to approximately RMB51.0 million for the year ended 31 December 2023. According to the Annual Report 2024, such increase was mainly attributable to (i) the increase in revenue as the Group had a total contracted GFA of approximately 18.1 million sq.m as at 31 December 2024, representing an increase of approximately 20.7% as compared with 31 December 2023; and (ii) improved gross profit due to the effective cost control measures adopted by the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For the six months ended 30 June 2025

The Group's revenue increased by approximately 1.8% from approximately RMB463.3 million for the six months ended 30 June 2024 to approximately RMB471.5 million for the six months ended 30 June 2025, mainly reflecting (i) an increase in city services income from the Group's hospital projects and the increase in the GFA under management and the number of residential projects managed by the Group.

The profit for the six months ended 30 June 2025 was approximately RMB32.1 million, representing an increase of approximately 3.5% as compared to approximately RMB31.0 million for the same period of last year. According to the Interim Report 2025, such improvement in the profitability was mainly attributable to the increase in revenue and gross profit during the period.

The table below shows a summary of major financial information of the statement of financial position of the Group as at 30 June 2025, as extracted from the Interim Report 2025.

	As at 30 June 2025 <i>RMB'000</i> (unaudited)
Cash and cash equivalent	360,631
Trade receivables and bills receivables	293,191
Others	<u>47,016</u>
Current assets	700,838
Non-current assets	<u>117,661</u>
Total assets	<u>818,499</u>
Current liabilities	520,903
Non-current liabilities	<u>3,408</u>
Total liabilities	<u>524,311</u>
Net assets	<u><u>294,188</u></u>

As at 30 June 2025, the total assets of the Group mainly comprise of trade receivables and bills receivables, and cash and cash equivalents in aggregate

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

amounted to approximately RMB653.8 million, which represented approximately 79.9% of the total assets. As at 30 June 2025, the total liabilities of the Group mainly comprise of trade and other payables of approximately RMB476.8 million, which represented approximately 90.9% of the total liabilities.

1.2 Kingfar Holdings

Kingfar Holdings is a company established in the PRC with limited liability on 4 May 2010 and one of the Company's controlling shareholders, which is wholly owned by the Xi'an ETDZ MC. Kingfar Holdings is a state-owned urban construction and operation service provider in Xi'an.

As per our discussion with the Management, it is important to note that the Company and Kingfar Holdings Group engage in distinct business activities. The Company mainly engaged in the provision of property management services for residential and commercial buildings in the PRC, while Kingfar Holdings Group specializes in the development of residential and commercial properties in the PRC. Therefore, we are of the view that the Company entering into the New Continuing Connected Transaction Agreements with Kingfar Holdings Group is in its ordinary course of business.

2. The New Continuing Connected Transaction Agreements

The Company intends to enter into New Continuing Connected Transaction Agreements with Kingfar Holdings Group, pursuant to which (i) the Company will provide property management services to Kingfar Holdings Group, and (ii) the Company will supply food ingredients, primarily meats, to Kingfar Holdings Group. Details of which are set out in the letter from the Board as contained in the section headed "NEW CONTINUING CONNECTED TRANSACTION AGREEMENTS" in the Circular.

2.1 Reasons for and benefits of the New Continuing Connected Transactions

(a) Provision of property management services to Kingfar Holdings Group

As advised by Management, they believe that both the Company and Kingfar Holdings Group would benefit from the New Master Property Management Services Framework Agreement for the following reasons:

- (1) The provision of value-added property management services including, but not limited to: (i) property management services for the residential and non-residential properties owned or used by Kingfar Holdings Group; and (ii) value-added services including but not limited to sales office management services, preliminary planning and design consultancy services, pre-delivery inspection services, customized cleaning, repair and maintenance services and, garbage collection

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

services, is a core aspect of the Company's operations and a major revenue stream. As a mature property management service provider, offering these services to Kingfar Holdings Group aligns with the Company's long-established business model;

- (2) Engaging with Kingfar Holdings Group will help establish a stable management scale and revenue base, thereby diluting fixed costs and generating significant economies of scale;
- (3) By providing unified and professional services, the Company can ensure the continuous business needs of Kingfar Holdings Group are met while maintaining a consistent brand image and service standards that align with the Company's management objectives, which is mutually beneficial; and
- (4) The New Master Property Management Services Framework Agreement is entered by the Company in its ordinary and usual course of business and is on normal commercial terms, which is in the interest of the Company and the Shareholders as a whole.

(b) Supply of food ingredients to Kingfar Holdings Group

As advised by Management, they believe that both the Company and Kingfar Holdings Group would benefit from the New Master Food Supply Framework Agreement.

On one hand, the Group possesses experience and operational capabilities in sourcing, quality control, storage, and delivery of food products through its catering business operated under other subsidiaries. Leveraging its catering operations which primarily involve the preparation of food products to government agencies, public authorities, the general public through canteens they operate and the Group has developed a reliable network for sourcing food products and experience in quality control, sourcing and storage of food products. In addition, the Group also has personnel with relevant food safety supervisor certificates. The expansion into the food ingredients supply business represents an extension of the Group's existing value-added service offerings which opens up new revenue streams for the Company, realizes the synergistic value of the supply chain which generates reasonable income for the Company.

On the other hand, as the demand for food ingredients from Kingfar Holdings Group has substantially increased following its award of the school canteen operation tender by the Education Bureau of Xi'an Economic and Technological Development Zone, Kingfar Holdings Group is experiencing a shortage of food ingredients supply and actively looking for a reliable and stable supplier. By entering into the New Master Food Supply Framework Agreement,

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Kingfar Holdings Group will obtain a relatively stable supply of relevant goods and competitive procurement prices. Therefore, the engagement in the New Master Food Supply Framework Agreement is mutually beneficial to both the Company and Kingfar Holdings Group.

In addition, both the Company and Kingfar Holdings Group decided to enter into the New Continuing Connected Transaction Agreements, taking into consideration that the Company has maintained a business relationship with Kingfar Holdings Group for more than 20 years, during which there were no disputes and neither party ever failed to meet each other's demands or service commitments.

In light of the above, the Management is of the view and we concur that it is beneficial to continue its long-term relationship with Kingfar Holdings Group with an aim to secure a stable and quality services and entering into the New Continuing Connected Transaction Agreements are in the interests of the Company and its Shareholders as a whole.

2.2 Principal terms of the New Continuing Connected Transaction Agreements

The major terms of the New Continuing Connected Transaction Agreements are summarised as follows:

New Master Property Management Services Framework Agreement

Date	:	12 December 2025 (after trading hours)
Parties	:	(1) Company; and (2) Kingfar Holdings
Duration	:	From 1 January 2026 or the date on which the New Master Property Management Services Framework Agreement and the proposed annual caps for the transactions under the New Master Property Management Services Framework Agreement are approved by the Independent Shareholders (whichever is the later) and ending on 31 December 2028 (may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- Subject matter** : The Group agreed to provide property management services to Kingfar Holdings Group, including but not limited to (i) property management services for the residential and non-residential properties owned or used by Kingfar Holdings Group; (ii) value-added services including but not limited to sales office management services, preliminary planning and design consultancy services, pre-delivery inspection services, customized cleaning, repair and maintenance services and, garbage collection services.
- Transaction principles** : As the New Master Property Management Services Framework Agreement only sets out the framework of the transactions to be conducted, individual agreements shall be entered into between the Group and the Kingfar Holdings Group separately on normal commercial terms. The scope of the individual agreements shall not exceed the scope specified under the New Master Property Management Services Framework Agreement. In the event of conflicts between the terms of the individual agreements and the New Master Property Management Services Framework Agreement, the terms of the New Master Property Management Services Framework Agreement shall prevail.
- Pricing principles** : The fees to be charged for the New Property Management Services shall be determined on arm's length basis with reference to (i) the size, location and positioning of the properties; (ii) the type, scope, standards and requirements of the services; (iii) the anticipated operation costs (including but not limited to labor costs, administration costs and costs of materials); (iv) the fees for similar services and similar types of projects in the market; and (v) the prices charged by us for providing comparable services to Independent Third Parties. The service fees for the provision of the property management services are calculated mainly based on the total GFA of properties owned or used by Kingfar Holdings Group under our management multiplying the service fee per square meter, which shall not be higher than the standard fees designated by the relevant regulatory authorities (if applicable) or lower than the standard fees to be charged from Independent Third Parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Settlement method : The method of settlement shall be agreed separately between the parties under the individual agreements after arm's length negotiation.

The Group would normally issue payment notices to Kingfar Holdings Group for the services provided under the New Master Property Management Services Framework Agreement on a quarterly basis, and payment shall be made by Kingfar Holdings Group to the Group by way of bank transfers within one month from the date of receipt of the payment notices. The terms of the payment method set out in the individual agreements shall be determined with reference to the terms of payment method stipulated in no less than three agreements for similar services provided by the Group to the Independent Third Parties to ensure compliance with market practice.

In view of the above factors, the Board is of the view that the payment method has been arrived at after arm's length negotiations and are entered into in the ordinary and usual course of business of the Group on normal commercial terms or better, which are also fair and reasonable and in the interests of the Company and its Shareholders as a whole.

New Master Food Supply Framework Agreement

Date : 12 December 2025 (after trading hours)

Parties : (1) Company; and
(2) Kingfar Holdings

Duration : From 1 January 2026 or the date on which the New Master Food Supply Framework Agreement and the proposed annual caps for the transactions under the New Master Food Supply Framework Agreement are approved by the Independent Shareholders and (whichever is later) ending on 31 December 2028, unless it is terminated earlier by mutual agreement of both parties, with either party required to give the other party not less than 30 days' written notice prior to such termination.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Subject matter : According to the New Master Food Supply Framework Agreement, the Group agrees to supply certain food ingredients, such as meat, to Kingfar Holdings Group during the term of the New Master Food Supply Framework Agreement.

Transaction principles : The Group and the Kingfar Holdings Group will enter into separate purchase orders which will set out the specific terms (including the specific prices, validity period of quotations and payment terms) according to the principles provided in the New Master Food Supply Framework Agreement.

Pricing principles : The price of the goods sold to Kingfar Holdings Group shall be determined on a cost-plus basis, with reference to the costs plus an average markup of not less than 10%. The average markup percentage falls within the range of the price differences between market wholesale price and market selling price of similar type of meats.

The price of the goods shall be determined (i) in accordance with the market price of goods of the same or similar type and quality at the same time at the local first-level wholesale market at the place of delivery; (ii) in accordance with the price of the same or similar type and quality released by relevant product market information websites at the same time; or (iii) in case (i) and (ii) are infeasible, on fair and reasonable basis and on normal commercial terms in the ordinary course of business and in accordance with the aforementioned pricing principles and credit terms.

The price determined through the aforementioned methods shall remain valid for a certain period (e.g., one week or one month, which shall be agreed upon in the individual purchase orders). During the validity period of quotations, if there is a significant change in the market price of the goods to be supplied, either party may request a renegotiation of the price.

Settlement method : The payment time and method shall be fixed by both parties in the individual purchase orders. The transactions will normally be settled in the form of cash payment on a monthly basis and shall be consistent with the payment terms in the market.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(a) Pricing policy

The price under the New Continuing Connected Transaction Agreements should be determined according to the market price on arm's length basis based on normal commercial terms in the ordinary and usual course of business. In assessing the fairness and reasonableness of the pricing policy under the New Continuing Connected Transaction Agreements, we had reviewed a list of documents for each of the services provided to Kingfar Holdings Group. For the New Property Management Services, we obtained and reviewed (1) the new framework agreement entered into between the Company and Kingfar Holdings Group, (2) the transactions made between the Company and Kingfar Holdings Group for the year ended 31 December 2024 ("**FY2024**") and the period ended 31 October 2025 ("**10M2025**"), (3) the agreements for the top five property management transactions made between the Company and Kingfar Holdings Group for FY2024 and 10M2025, which accounted for approximately 50.6% and 51.5% of the total transaction amount in relation to the provision of property management services to Kingfar Holdings Group for FY2024 and 10M2025, respectively, and (4) three individual agreements entered into between the Company and its independent customers for similar scope of services provided to Kingfar Holdings Group. For the New Supply of Food Ingredients, we obtained and reviewed (1) the new framework agreement entered into between the Company and Kingfar Holdings Group, (2) the framework agreement related to the purchase of meats entered into between the Company and its downstream supplier, (3) the full purchase price and selling price lists for different types of meat provided to Kingfar Holdings Group during November 2025, and (4) an official, publicly available market pricing benchmark from a local authority (collectively, the "**Selected Samples**"). Detailed analyses are outlined below, respectively.

Provision of property management services to Kingfar Holdings Group

The fees to be charged for the New Property Management Services shall be determined on arm's length basis with reference to (i) the size, location and positioning of the properties; (ii) the type, scope, standards and requirements of the services; (iii) the anticipated operation costs (including but not limited to labor costs, administration costs and costs of materials); (iv) the fees for similar services and similar types of projects in the market; and (v) the prices charged by the Company for providing comparable services to Independent Third Parties.

In assessing the fairness and reasonableness of the pricing policy under the New Master Property Management Services Framework Agreement, we obtained and reviewed the (1) previous framework agreements entered into between the Company and Kingfar Holdings Group, and (2) the framework agreements related to the same scope of property management services

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

provided to three of the Company's independent customers with similar size, location and positioning of the properties (collectively, "**Customer Framework Agreements**").

We noted that the service fee for property management services outlined in the Customer Framework Agreements was mainly determined based on (i) the unit service price per square meter, multiplied by (ii) the total GFA of the properties to be managed, plus (iii) the anticipated operational costs (including but not limited to labor costs, administration costs and costs of materials).

In this regard, we obtained and reviewed the Government Guidance Pricing Standards for Property Service Fees in Xi'an, issued by Xi'an Municipal Market Supervision Administration in January 2021, which is set to be renewed every five years. We noted that the maximum unit service price per square meter is clearly defined according to the type, location and positioning of properties within Xi'an, which aligns with the unit service price specified in the Customer Framework Agreements, including Kingfar Holdings Group. Additionally, we reviewed the labor costs per personnel for similar services of the same type, location and positioning of properties as specified in the Customer Framework Agreements, and we concluded that the labor cost per personnel provided to Kingfar Holdings Group are no less favourable than those offered to the Company's independent customers.

As such, the Directors are of the view, and we concur that the fees to be charged for the New Property Management Services will not be lower than the standard fees charged to the Company's independent customers, and are on normal commercial terms.

Supply of food ingredients to Kingfar Holdings Group

The price of the goods shall be determined (i) in accordance with the market price of good of the same type and quality at the same time at the local first-level wholesale market at the place of delivery; (ii) in accordance with the price of the same type and quality released by relevant product market information websites at the same time; or (iii) in case (i) and (ii) are infeasible, on fair and reasonable basis and on normal commercial terms and in accordance with the aforementioned pricing principles and credit terms.

In assessing the fairness and reasonableness of the pricing policy under the New Master Food Supply Framework Agreement, we obtained and reviewed the (i) Tender documents for Operation Management Services of School Canteens issued by the Education Bureau of Xi'an Economic and Technological Development Zone to Kingfar Holdings Group; (ii) the framework agreement related to the purchase of meats entered into between

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

the Company and Kingfar Holdings Group; and (iii) the framework agreement related to the purchase of meats entered into between the Company and its downstream supplier.

We then note that the product price is determined based on (i) the monthly total purchase amounts of meats by Kingfar Holdings Group; and (ii) the market price of the same type and quality of meats at the similar period of the local first-level wholesale market and product market at the place of delivery. The price determined through the aforementioned methods shall remain valid for a certain period (e.g., one week or one month, which shall be agreed upon in the individual purchase orders). During the validity period of quotations, if there is a significant change in the market price of the goods to be supplied, either party may request a renegotiation of the price.

It is also worth noting that the Company has never engaged in the supply of food ingredients to any other independent customers and has only begun this business with Kingfar Holdings Group since November 2025, after Kingfar Holdings Group commencing its operation management services for school canteens in September 2025. In this regard, we discussed with the Company the underlying pricing policy for the supply of meats and learned that the Company has its own network for sourcing meats due to its operation of food and beverage services under other subsidiaries. The downstream meat supplier is positioned to supply large quantities of meats at a discounted price, i.e., the wholesale price, due to bulk purchases, allowing the Company to sell the meats to Kingfar Holdings Group at market prices, with an average markup of not less than 10% on the wholesale price, thereby capturing the difference between the wholesale price and the selling price. We are given to understand that the average price per kilogram of meat offered to Kingfar Holdings Group is determined with reference to the market price of similar types and qualities of products quoted from publicly available sources. Consequently, the markup is determined mainly by the purchase prices set by the Company's downstream supplier. These prices fluctuate and are influenced by the monthly total purchase amount of meat and the recent prices of similar types and qualities of products in the local first-level wholesale market. In other words, the lower the purchase costs of meat from the Company's downstream supplier, the higher the markup will be. In any case, the Company will not charge Kingfar Holdings Group a markup percentage lower than the price differences between market wholesale price and market selling price of similar types and qualities of products in the same period. We then obtained (i) the full purchase price and selling price lists for different types of meat provided to Kingfar Holdings Group during November 2025, and (ii) both the average wholesale price and the average selling price per kilogram of meat from publicly available source, i.e., the latest daily market price of

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

similar type of meats published by the Xi'an Municipal Bureau of Agriculture and Rural Affairs. We concluded that (1) the average selling price offered to Kingfar Holdings Group was not lower than the average market price, (2) the average markup percentage for Kingfar Holdings Group fell within the range of the price differences between market wholesale price and market selling price of similar type of meats, and (3) the meats supplied to Kingfar Holdings Group are on normal commercial terms.

Per review of the above Selected Samples, we noted that the Company has implemented the pricing policy effectively and that the transactions between Kingfar Holdings Group and the Company align with prevailing market prices. Each of the Selected Samples is supported by corresponding comparable quotations to the independent customers of the Company, or backed by publicly available market data, which serves the purpose of ascertaining the transaction prices are consistent with the market. Therefore, we concur with the Management's view that the pricing policy of the New Continuing Connected Transaction Agreements are fair and reasonable.

(b) Payment terms

The payment terms under the New Continuing Connected Transaction Agreements should be consistent with the payment terms in the market based on normal commercial terms in the ordinary and usual course of business. To assess the fairness and reasonableness of the payment terms for the property management services provided to Kingfar Holdings Group, we reviewed (i) the agreements for the top five property management transactions between the Company and Kingfar Holdings Group for FY2024 and 10M2025, and (ii) three individual agreements between the Company and its independent customers for similar services. We compared the payment terms stated in these agreements and concluded that the terms under the New Master Property Management Services Framework Agreement are no more favorable than those offered to the Company's independent customers for comparable services.

As previously mentioned, the Company has never supplied food ingredients to any other independent customers; thus, we are unable to assess the payment terms provided to those customers for similar services. In evaluating the fairness and reasonableness of the payment terms for the food supply to Kingfar Holdings Group, we compared the payment terms the Company offered to Kingfar Holdings Group with that provided by the Company's downstream meat supplier to the Company, by reviewing their respective framework agreements. We concluded that the payment terms under the New Master Food Supply Framework Agreement are no more favourable than that available in the market.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In light of the above, we concur with the Management's view that the payment terms of the New Continuing Connected Transaction Agreements are fair and reasonable, on normal commercial terms, and in the interest of the Company and the Shareholders as a whole.

(c) Annual Caps

The transaction amount in relation to each of the New Continuing Connected Transactions for the three years ending 31 December 2028 will not exceed the amount as set out below:

	For the year ending 31 December		
	2026	2027	2028
	RMB	RMB	RMB
	<i>in million</i>	<i>in million</i>	<i>in million</i>
Provision of property management services to Kingfar Holdings Group ("Annual Cap E")	64.7	74.5	82.2
Supply of food ingredients to Kingfar Holdings Group ("Annual Cap F")	45.0	50.0	51.5

Set out below are the historical transaction amounts in relation to the New Continuing Connected Transactions between the Company and Kingfar Holdings Group:

	For the year ended	For the ten months ended
	31 December	31 October
	2024	2025
	RMB	RMB
	<i>in million</i>	<i>in million</i>
Provision of property management services to Kingfar Holdings Group	53.5	47.0
Supply of food ingredients to Kingfar Holdings Group	Nil	4.5 ^(Note 1)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Note 1: Given the supply of food ingredients to Kingfar Holdings Group only effective since 1 November 2025, the figure represents the historical transaction amounts as at 30 November 2025.

Annual Cap E – Provision of property management services to Kingfar Holdings Group

In order to assess the fairness and reasonableness of the proposed Annual Cap E, we reviewed the historical usage of the annual cap for the year ended 31 December 2024 and the ten months ended 31 October 2025 under the previous master agreement, which were approximately RMB53.5 million and RMB47.0 million, respectively. The expected annualised annual cap for the year ended 31 December 2025 would be approximately RMB57.1 million (the “**2025 Annualised Annual Cap**”), with the consideration of the transaction amount for the ten months ended 31 October 2025, and existing property delivery schedule obtained from Kingfar Holdings Group. These annual amounts represent approximately 81.8% and 82.5% (by using the 2025 Annualised Annual Cap) of the respective annual cap for the two years ended 31 December 2025.

We noted that the proposed Annual Caps are slightly greater than the historical transaction amounts for the relevant service to Kingfar Holdings Group. To understand the rationale behind this, we discussed with Management that the Annual Caps are determined based on (i) the historical transaction amount for the relevant services to Kingfar Holdings Group for the year ended 31 December 2024 and ten months ended 31 October 2025, which were approximately RMB53.5 million and RMB47.0 million, respectively; (ii) the estimated GFA and number of properties to be delivered by Kingfar Holdings Group for the three years ending 31 December 2028, as detailed in the property delivery schedule obtained from Kingfar Holdings Group and the existing signed contracts with Kingfar Holdings Group; (iii) the estimated management fee to be charged in respect of properties and facilities owned or used by Kingfar Holdings Group, crossed references with the standard unit service price designated by the relevant regulatory authorities; (iv) the estimated service fee to be charged in respect of the Company’s value-added services to be provided to Kingfar Holdings Group; and (v) the year-on-year labor cost (being the largest component of operating costs) growth rate of 6.4% per annum, based on economic data released by the National Bureau of Statistics as at 31 July 2025.

We reviewed (i) the Annual Report 2024, which we noted that both the revenue for the residential property management services and commercial property management services of the Company increased gradually, by 9.1% and 2.1%, respectively, as compared to the same period of the previous

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

financial year; and (ii) the Interim Report 2025, which we noted that the residential property management services of the Company increased gradually, by 6.1%, as compared to the same period of the previous financial year. Besides, we understand that the Company plans to expand and focus on deepening property management and expanding urban services starting from the second half of 2025, particularly in the Northwest China, to strengthen its market position.

Additionally, we noted from the property delivery schedule for the three years ending 31 December 2028, that Kingfar Holdings Group is expected to deliver approximately three, five, and one new properties in phases by 2026, 2027 and 2028, respectively. These new properties, located in Xi'an, are designated for residential use and have an aggregated total GFA of approximately 1,265,397.14 square meters. The expected revenue from providing property management services for these new properties is estimated to represent approximately 6.9%, 9.6% and 11.3% of the proposed annual cap for the three years ending 31 December 2028, respectively.

In justifying the fairness and reasonableness of the property delivery schedule for the three years ending 31 December 2028, we further discussed with the Management, who anticipates an increase in property management projects in the foreseeable future, supported by the expected GDP growth rate of approximately 4.2% in 2026, as indicated by data from the International Monetary Fund. The growth is expected to be driven by the upcoming domestic investments in technology and infrastructure. In fact, with reference to a research report published by the CITIC Securities Company Limited in November 2025, the PRC's real estate market will be stabilised by 2026 and the property cycle may turn upward by 2027. Given that Kingfar Holdings Group is primarily engaged in property development, while the Company focuses on property management services, the Company stands to benefit from the growth in the domestic real estate market. Therefore, we believe the estimated number of properties to be delivered by Kingfar Holdings Group, as outlined in the property delivery schedule for the three years ending 31 December 2028, is justifiable. Consequently, the annual caps are proposed at approximately RMB64.7 million for the year ending 31 December 2026, and further increased to RMB74.5 million and RMB82.2 million for the two years ending 31 December 2028, respectively.

In light of the above, we concur with the view of the Management that the proposed Annual Cap E have taken into account, among other things, the historical transaction amount, the additional increasing cost to be incurred, the existing property delivery schedule, and for the sake of flexibility to adapt to varying conditions, including fluctuations in operating costs, are fair and reasonable, and in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Annual Cap F – Provision of food ingredients to Kingfar Holdings

As advised by the Management, the proposed Annual Cap F was primarily determined based on (i) the historical transaction amount for the relevant services to Kingfar Holdings Group for the one month ended 30 November 2025, which was approximately RMB4.5 million; (ii) anticipated demand resulting from the increase in number of school canteens to be supplied, thereby leading to an increase in diners and overall meat consumption; (iii) the recent and historical average market prices of the relevant food ingredients, which refer to local market wholesale prices published relevant regulatory authorities, and assuming that the prices of these relevant food ingredients will not fluctuate significantly for the next few months; and (iv) the rise in the year-on-year food ingredients cost growth rate at 3%, as supported by the data released by the National Bureau of Statistics as at 31 July 2025.

We noted that the proposed Annual Cap F is significantly greater than the historical transaction amounts for the relevant service provided to Kingfar Holdings. To understand the rationale behind this, we reviewed (i) the tender documents for Operation Management Services of School Canteens issued by the Education Bureau of Xi'an Economic and Technological Development Zone to Kingfar Holdings; and (ii) the framework agreement related to the purchase of meats entered into between the Company and Kingfar Holdings Group. We are aware that there will be a significant increase in number of school canteens that need to be supplied as required by the domestic Education Bureau, rising from current 24 school canteens to 33 school canteens for the year ending 31 December 2026, and further increasing to 39 school canteens, for the two years ending 31 December 2028, respectively. As a result, the total number of diners is also expected to rise substantially, from the current 55,000 to 67,500 for the year ending 31 December 2026, and further increasing to 75,000, for the two years ending 31 December 2028, respectively.

Moreover, the food ingredients costs are projected to increase by 3% year-on-year, as supported by the data released by the National Bureau of Statistics as at 31 July 2025. Assuming an average meat consumption of 4 kg per diner per month, and that each school canteens operates for nine months a year (excluding the summer holiday in July and August, and Chinese New Year break in January or February), the annual caps are proposed at approximately RMB45.0 million for the year ending 31 December 2026, and further increased to RMB50.0 million and RMB51.5 million for the two years ending 31 December 2028, respectively.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In light of the above, we concur with the view of the Management that the proposed Annual Cap F are fair and reasonable, and in the interest of the Company and its Shareholders as a whole.

To conclude, having considered the abovementioned factors, we concur with the Management's view that the proposed Annual Caps in respect of the transactions contemplated under the New Continuing Connected Transaction Agreements are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

(d) Periodic review and internal control

To ensure the Company's conformity with the above pricing policy in relation to the transactions contemplated under the New Continuing Connected Transaction Agreements and the proposed Annual Caps will not be exceeded, we have obtained and reviewed the internal control policies of the Company in relation to connected transaction and note the following:

- (i) The entering into and monitoring of continuing connected transactions are to be conducted in accordance with the Group's internal control manual;
- (ii) The finance department will collect statistics of the continuing connected transactions under the framework agreements on a monthly basis and monitor such transactions through the Group's internal online system to ensure the approved annual caps are not exceeded every half year;
- (iii) The business department collects market information and keep track of the latest changes in the industry on a monthly basis, especially the purchase prices of similar goods or services fees of similar services through different sources, including at least two market quotations from other Independent third party suppliers, or to other Independent third party customers, and/or reputable industry sources (if any), on a monthly basis;
- (iv) The independent non-executive Directors conduct an annual review with respect to the continuing connected transactions throughout the preceding financial year to ensure that the transactions are entered into on normal commercial terms, are fair and reasonable, and are carried out pursuant to the terms of the relevant agreements governing the continuing connected transactions and in the interest of the shareholders of the Company as a whole;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (v) The auditors of the Company review the statistics of the continuing connected transactions on an annual basis in compliance with the annual reporting and review requirements under the Listing Rules;
- (vi) The compliance department provides training to the Directors and the relevant personnel on the above internal control policies and on the relevant requirements in relation to continuing connected transactions under Chapter 14A of the Listing Rules on an annual basis so as to strengthen their awareness on the compliance requirements and periodically conducts the aforesaid training to ensure that all the above parties maintain their awareness on compliance requirements concerning continuing connected transactions; and
- (vii) The finance department is responsible for tracking payments. The accounting department will send monthly aging reports to the management for review. In case of any overdue balances exceeding a month, the finance department will issue reminders.

By implementing the above procedures, the Directors consider that, and we concur that the Company has established sufficient internal control measures to ensure that the pricing basis of the New Continuing Connected Transaction Agreements will be on normal commercial terms, fair and reasonable, in accordance with the pricing policy of the Company and in the interests of the Company and the Shareholders as a whole.

D. RECOMMENDATION

Having taken into account the above principal factors and reasons, we are of the view that the entering into the New Continuing Connected Transaction Agreements is in ordinary course of business of the Company, on normal commercial terms and are fair and reasonable so far as the Company's Independent Shareholders are concerned and in the interests of the Company and its shareholders as a whole. Accordingly, we recommend the Company's Independent Board Committee to approve the relevant continuing connected transactions and the proposed Annual Caps under the New Continuing Connected Transaction Agreements.

Yours faithfully,
For and on behalf of

Alliance Capital Partners Limited

Danielle Yau
Director

Naomi Lai
Senior Associate

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS**(a) Directors' and chief executive's interests and short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and 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 executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) recorded in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules.

As at the Latest Practicable Date, save that (i) Ms. Li Lingxiao, a non-executive Director, is a deputy director of the strategic investment department of Kingfar Group and (ii) Mr. Yang Gang, a non-executive Director, is a deputy director of the finance department of Kingfar Group, none of the Directors was a director or employee of a company which had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

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

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, the following persons/entities have interests and/or short positions in the Shares or the underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO, or are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Name of Shareholder	Nature of interest	Description of Shares ⁽²⁾	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in the Unlisted Domestic Shares/ H Shares ⁽³⁾	Approximate percentage in the total issued capital of the Company ⁽³⁾
Xi'an Kingfar Holdings (Group) Co., Ltd.* (西安經發控股(集團) 有限責任公司)	Beneficial owner	Unlisted Domestic Shares	5,000,000 (L)	10.00%	7.50%
	Interest in a controlled corporation ⁽⁴⁾	Unlisted Domestic Shares	45,000,000 (L)	90.00%	67.50%
Xi'an Kingfar Group Co., Ltd.* (西安經發集團有限責任公司)	Beneficial owner	Unlisted Domestic Shares	45,000,000 (L)	90.00%	67.50%
Xi'an Tianbo Diagnostic Technology Co., Ltd.* (西安天博診斷技術有限公司)	Beneficial owner	H Shares	4,391,100 (L)	26.35%	6.59%
Meng Wujun (蒙武軍)	Interest in a controlled corporation ⁽⁵⁾	H Shares	4,391,100 (L)	26.35%	6.59%
Xi'an Dingzhun Education Technology Co., Ltd.* (西安訂準教育科技有限公司)	Beneficial owner	H Shares	1,463,700 (L)	8.78%	2.20%
Ding Huaming (丁華明)	Interest in a controlled corporation ⁽⁶⁾	H Shares	1,463,700 (L)	8.78%	2.20%
Jue Trading Group (Hong Kong) Co., Limited (聚鰐貿易集團(香港) 有限公司)	Beneficial owner	H Shares	3,564,000 (L)	21.38%	5.35%
Pan Zhixiong (潘智雄)	Interest in a controlled corporation ⁽⁷⁾	H Shares	3,564,000 (L)	21.38%	5.35%
Kaufmann & Company Pan- Asia Limited	Beneficial owner	H Shares	1,320,000 (L)	7.92%	1.98%
The Reynold Lemkins Group (Asia) Limited	Beneficial owner	H Shares	1,320,000 (L)	7.92%	1.98%

Notes:

- (1) (L) denotes the person's long position in the Shares.
- (2) For the avoidance of doubt, both Unlisted Domestic Shares and H Shares are ordinary Shares in the share capital of the Company, and are considered as one class of Shares.
- (3) The calculation is based on a total of 66,666,800 Shares in issue as of 30 June 2025, which consists of 50,000,000 Unlisted Domestic Shares and 16,666,800 H Shares.
- (4) As at the Latest Practicable Date, Xi'an Kingfar Group Co., Ltd.* (西安經發集團有限責任公司) was owned as to approximately 94.07% by Xi'an Kingfar Holdings (Group) Co., Ltd.* (西安經發控股(集團)有限責任公司). By virtue of the SFO, Kingfar Holdings (Group) Co., Ltd.* (西安經發控股(集團)有限責任公司) was deemed to be interested in the Shares held by Xi'an Kingfar Group Co., Ltd.* (西安經發集團有限責任公司).
- (5) As at the Latest Practicable Date, Xi'an Tianbo Diagnostic Technology Co., Ltd.* (西安天博診斷技術有限公司) was owned as to 64.10% by Meng Wujun. By virtue of the SFO, Meng Wujun was deemed to be interested in the Shares held by Xi'an Tianbo Diagnostic Technology Co., Ltd.* (西安天博診斷技術有限公司).
- (6) As at the Latest Practicable Date, Xi'an Dingzhun Education Technology Co., Ltd.* (西安訂準教育科技有限公司) was owned as to 66.00% by Ding Huaming. By virtue of the SFO, Ding Huaming was deemed to be interested in the Shares held by Xi'an Dingzhun Education Technology Co., Ltd.* (西安訂準教育科技有限公司).
- (7) As at the Latest Practicable Date, Jue Trading Group (Hong Kong) Co., Limited (聚鰐貿易集團(香港)有限公司) was wholly owned by Pan Zhixiong. By virtue of the SFO, Pan Zhixiong was deemed to be interested in the Shares held by Jue Trading Group (Hong Kong) Co., Limited (聚鰐貿易集團(香港)有限公司).

Save as disclosed above, as at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other persons/entities who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates had engaged in or had any interest in any business which competes or may compete, either directly or indirectly, with the businesses of the Group.

4. DIRECTORS' INTERESTS IN TRANSACTIONS, ASSETS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

As at the Latest Practicable Date, no Director had any interest, direct or indirect, in any assets which had since 31 December 2024 being the date to which the latest published audited accounts of the Group were made up, been acquired or disposed of by or leased to, or proposed to be acquired or disposed of by or leased to, any member of the Group.

None of the Directors was materially interested in any contract or arrangement which was entered into by any members of the Group and subsisting at the Latest Practicable Date which was significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into a service contract which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

6. QUALIFICATION AND CONSENT OF EXPERT

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter of advice dated 14 January 2026 for incorporation in this circular, and references to its name included in the form and context in which they appear. The following is the qualifications of the expert who has given an opinion or advice, which is contained in this circular:

Name	Qualifications
Alliance Capital Partners Limited	a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities

As at the Latest Practicable Date, the Independent Financial Adviser 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, the Independent Financial Adviser was not interested, directly or indirectly, in any assets which had since 31 December 2024 being the date to which the latest published audited accounts of the Group were made up, been acquired or disposed of by or leased to, or proposed to be acquired or disposed of by or leased to, any member of the Group.

7. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial or trading positions of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

8. DOCUMENTS ON DISPLAY

The following documents will be available on (i) the website of the Company (www.xajfwy.com) and (ii) the website of the Stock Exchange (www.hkexnews.hk) during the period of 14 days from the date of this circular:

- (a) the New Master Property Management Services Framework Agreement; and
- (b) the New Master Food Supply Framework Agreement.

* *For identification purposes only*

NOTICE OF THE EGM



Xi'an Kingfar Property Services Co., Ltd. 西安經發物業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1354)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “EGM”) of Xi'an Kingfar Property Services Co., Ltd. (the “**Company**”) will be held at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC on Friday, 30 January 2026 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT** the continuing connected transactions contemplated under the master property management services framework agreement dated 12 December 2025 entered into between the Company and Xi'an Kingfar Holdings (Group) Co., Ltd. (西安經發控股(集團)有限責任公司) (“**Kingfar Holdings**”) (the “**New Master Property Management Services Framework Agreement**”) (a copy of the New Master Property Management Services Framework Agreement has been produced at the meeting marked “A” and signed by the chairman of the meeting for identification purpose), and the proposed annual caps in relation thereto be and are hereby generally and unconditionally approved, confirmed and ratified and the directors of the Company acting together or by committee, or any director of the Company acting individually, be and is hereby authorized to do all such further acts and things and execute such further documents and take all such steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the terms of such continuing connected transactions.”
2. **“THAT** the continuing connected transactions contemplated under the food supply framework agreement dated 12 December 2025 entered into between the Company and Kingfar Holdings (the “**New Master Food Supply Framework Agreement**”) (a copy of the New Master Food Supply Framework Agreement has been produced at the meeting marked “B” and signed by the chairman of the meeting for identification purpose) and the proposed annual caps in relation thereto be and are hereby generally and unconditionally approved, confirmed and ratified and the directors of the Company acting together or by committee, or any director of the Company acting individually, be and is hereby authorized to do all such further acts and things and

NOTICE OF THE EGM

execute such further documents and take all such steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the terms of such continuing connected transactions.”

By order of the Board
Xi'an Kingfar Property Services Co., Ltd.
Mr. Wu Suozheng
Chairman of the Board and Executive Director

Hong Kong, 14 January 2026

As at the date of this notice, the Board comprises: (i) Mr. Wu Suozheng, Mr. Sun Qi and Mr. Cheng Hongrang as executive Directors; (ii) Mr. Zhao Junping, Mr. Yang Gang and Ms. Li Lingxiao as non-executive Directors; and (iii) Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang as independent non-executive Directors.

Notes:

1. All resolutions at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of the Company at www.xajfwy.com and the Stock Exchange at www.hkexnews.hk after the EGM.
2. Any Shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy needs not be a Shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant proxy form. Every Shareholder of the Company presents in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for Shareholders of H Shares), or the Company's principal place of business in the PRC at Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road, Economic and Technological Development Zone, Xi'an, Shaanxi, PRC (for holders of Domestic Shares) at least 24 hours before the EGM (i.e. before 10:30 a.m. on Thursday, 29 January 2026) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude a Shareholder from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish.
4. For the purpose of determining the Shareholders' eligibility to attend and vote at the EGM (and any adjourned meeting thereof), the Company's H share registrar will be closed from Tuesday, 27 January 2026 to Friday, 30 January 2026, both days inclusive, during which period no transfer of H Shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of the H Shares shall ensure all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 26 January 2026 for registration. Shareholders whose names appear on the register of members of the Company on Friday, 30 January 2026, being the record date for the EGM, are entitled to attend and vote at the EGM.
5. The necessary expenses required for the general meetings convened by the Shareholders shall be borne by the Company.

NOTICE OF THE EGM

6. Individual Shareholders attending a shareholders' general meeting in person shall produce their identity cards or other valid proof or certificate of their identities; in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the power of attorneys from Shareholders.

7. Contact information of the meeting:

The Office of the Board of Xi'an Kingfar Property Services Co., Ltd.

Address: Room 10701, Unit 1, Building 3, Xi'an Financial Innovation Center, No. 51 Fengcheng Second Road,
Economic and Technological Development Zone, Xi'an, Shaanxi, PRC

Postal code: 710016

Phone: 029-86689912

Email: JF-IPO@xajfwy.cn

8. References to time and dates in this notice are to Hong Kong time and dates.