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

If you have sold or transferred all your shares in **Everbright Grand China Assets Limited**, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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EVERBRIGHT GRAND CHINA ASSETS LIMITED 光大永年有限公司

*(Incorporated in the British Virgin Islands with limited liability and
transferred by way of continuation into the Cayman Islands)*

(Stock code: 3699)

MAJOR AND CONTINUING CONNECTED TRANSACTION: NEW DEPOSIT SERVICE FRAMEWORK AGREEMENT AND CONTINUING CONNECTED TRANSACTION: NEW LOAN SERVICE FRAMEWORK AGREEMENT AND NOTICE OF EXTRAORDINARY GENERAL MEETING

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



A notice convening the EGM to be held at Drawing Room, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 11 June 2026 at 3:15 p.m. (or immediately after the conclusion or adjournment of the AGM to be held at the same place and on the same day) is set out on pages 50 to 52 of this circular and the proxy form for use are enclosed herewith.

Whether or not you intend to attend the EGM, please complete and sign the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the EGM (i.e. not later than 3:15 p.m. on Tuesday, 9 June 2026) or the adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the EGM.

This circular together with the proxy form are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ebgca.com.hk).

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

20 May 2026

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Drawing Room, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 11 June 2026 at 3:00 p.m.
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CE Bank”	China Everbright Bank Co., Ltd. (中國光大銀行股份有限公司), a joint stock company established in the PRC with limited liability, whose shares are listed on the Stock Exchange (stock code: 06818) and the Shanghai Stock Exchange (stock code: 601818), and a subsidiary of China Everbright due to consolidation of its financial statements into those of China Everbright and is therefore a connected person of the Company
“CE Hong Kong”	China Everbright Holdings Company Limited (中國光大集團有限公司), a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of China Everbright
“China Everbright”	China Everbright Group Limited (中國光大集團股份公司), a joint stock company established in the PRC with limited liability, and a controlling shareholder of the Company
“Company”	Everbright Grand China Assets Limited (光大永年有限公司), a company incorporated in the British Virgin Islands with limited liability and transferred by way of continuation into the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 03699)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Deposit Agreements”	the deposit agreements to be entered into between members of the Group and CE Bank as contemplated under the New Deposit Service Framework Agreement
“Deposit Service Framework Agreement”	the deposit service framework agreement entered into between China Everbright and the Company on 18 November 2022 in respect of the provision of the Deposit Services to the Group
“Deposit Services”	deposit services provided by CE Bank
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Drawing Room, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 11 June 2026 at 3:15 p.m. (or immediately after the conclusion or adjournment of the AGM to be held at the same place and on the same day) to consider and, if thought fit, to approve the resolutions contained in the notice of the meeting which is set out on pages 50 to 52 of this circular
“Group”	the Company and its subsidiaries and associates
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Company, the members of which consist of all the independent non-executive Directors, formed to advise the Independent Shareholders with respect to the New Framework Agreements and their respective proposed annual caps
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders

DEFINITIONS

“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM
“Latest Practicable Date”	15 May 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan Agreements”	the loan agreements to be entered into between members of the Group and CE Bank as contemplated under the New Loan Service Framework Agreement
“Loan Service Framework Agreement”	the loan service framework agreement entered into between China Everbright and the Company on 2 November 2020 in respect of the provision of the Loan Services to the Group
“Loan Services”	loan, financing and/or other lending facility services provided by CE Bank
“New Deposit Service Framework Agreement”	the deposit service framework agreement entered into between China Everbright and the Company on 31 March 2026 in respect of the provision of Deposit Services to the Group
“New Framework Agreements”	the New Deposit Service Framework Agreement and the New Loan Service Framework Agreement
“New Loan Service Framework Agreement”	the loan service framework agreement entered into by China Everbright and the Company on 31 March 2026 in respect of the provision of Loan Services to the Group
“PBOC”	the People’s Bank of China (中國人民銀行)
“PRC” or “China”	the People’s Republic of China
“RMB” or “Renminbi”	the lawful currency of the PRC

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the share(s) in the share capital of the Company with nominal value of US\$0.1 each
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



EVERBRIGHT GRAND CHINA ASSETS LIMITED
光大永年有限公司

*(Incorporated in the British Virgin Islands with limited liability and
transferred by way of continuation into the Cayman Islands)*
(Stock code: 3699)

Executive Directors:

Mr. LIU Jia (*Chairman*)
Mr. MA Heming

Non-executive Directors:

Mr. ZHUANG Minrong
Ms. YIN Junyan

Independent non-executive Directors:

Mr. HO Kwai Ching Mark
Mr. SHEK Lai Him Abraham
Mr. LEE Jor Hung
Mr. WANG Cheung Yue

Registered address:

PO Box 309, Uglan House
Grand Cayman, KY1-1104
Cayman Islands

*Head Office and Place of business
in Hong Kong:*

Room 1302, 13th Floor
Bank of East Asia
Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

20 May 2026

To the Shareholders

Dear Sir or Madam,

**MAJOR AND CONTINUING CONNECTED TRANSACTION:
NEW DEPOSIT SERVICE FRAMEWORK AGREEMENT
AND
CONTINUING CONNECTED TRANSACTION:
NEW LOAN SERVICE FRAMEWORK AGREEMENT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

Reference is made to the announcement of the Company dated 31 March 2026. Given the expiry of the Deposit Service Framework Agreement and the Loan Service Framework Agreement, having considered the future needs and optimised the operation of the Group, the Company and China Everbright entered into (i) the New Deposit Service Framework Agreement for a term of

LETTER FROM THE BOARD

three years commencing from the date on which the approval from Independent Shareholders is obtained at the EGM and ending on 31 December 2028; and (ii) the New Loan Service Framework Agreement for a term of five years commencing from the date on which the approval from Independent Shareholders is obtained at the EGM and ending on 31 December 2030.

The purpose of this circular is to provide you with, among other things, (i) details of the continuing connected transactions in relation to the New Framework Agreements; (ii) the letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the New Framework Agreements and their respective proposed annual caps; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreements and their respective proposed annual caps; (iv) other information as required under the Listing Rules; and (v) the notice convening the EGM.

II. CONTINUING CONNECTED TRANSACTION

1. New Deposit Service Framework Agreement

Pursuant to the Deposit Service Framework Agreement, China Everbright shall procure CE Bank to provide the Deposit Services to the Group. The Group withdrew a portion of its deposit with CE Bank prior to the expiry of the Deposit Service Framework Agreement on 31 December 2025. The amount of deposit kept in CE Bank upon the expiry of the Deposit Service Framework Agreement up to the Latest Practicable Date represents less than 0.1%, and therefore constitutes de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules. As the Deposit Service Framework Agreement and its annual caps expired on 31 December 2025, the Company and China Everbright entered into the New Deposit Service Framework Agreement to continue to regulate the provision of the Deposit Services.

The New Deposit Service Framework Agreement is conditional upon the Independent Shareholders' approval at the EGM having been obtained.

The summary of the principal terms of the New Deposit Service Framework Agreement is set forth below:

Date:	31 March 2026
Parties:	(i) the Company; and (ii) China Everbright.

LETTER FROM THE BOARD

Description of the transactions:

China Everbright shall procure CE Bank to provide the Deposit Services to members of the Group for a term of three years commencing from the date on which the approval from Independent Shareholders is obtained at the EGM to 31 December 2028. The New Deposit Service Framework Agreement shall be non-exclusive, and the Group is at liberty to obtain deposit services from other third parties.

The relevant parties shall enter into separate Deposit Agreements to set out the specific provisions of the Deposit Services, and the terms and conditions of the Deposit Agreements shall be determined by the relevant parties in accordance with the terms of the New Deposit Service Framework Agreement.

The term of each of the Deposit Agreements shall not exceed the term of the New Deposit Service Framework Agreement.

Pricing policy:

The interest rates payable by CE Bank to the Group in respect of the Deposit Services shall:

- (i) be determined based on arm's length negotiations between CE Bank and the Group with reference to the prevailing interest rate for similar deposit services which can be obtained by the Group from independent third parties and on normal commercial terms;
- (ii) not be lower than the interest rates to be paid by other independent third parties; and
- (iii) be in compliance with the rules and regulations prescribed by the PBOC and/or other relevant rules and regulations within or outside the PRC (including the National Financial Regulatory Administration and the Hong Kong Monetary Authority).

LETTER FROM THE BOARD

Historical figures and annual caps

The following table sets out the historical figures and annual caps under the Deposit Service Framework Agreement:

	For the year ended 31 December					
	2023 Historical	2023 Historical	2024 Historical	2024 Historical	2025 Historical	2025 Historical
	amount	annual cap	amount	annual cap	amount	annual cap
	<i>(RMB'000)</i>					
Maximum daily balance of deposits (including interests accrued thereon) placed by the Group with CE Bank	26,446	38,000	16,808	38,000	28,512	38,000

Proposed annual caps

The following table sets out the proposed annual caps for the transactions to be contemplated under the New Deposit Service Framework Agreement:

	For the year ending 31 December		
	2026	2027	2028
	<i>(RMB'000)</i>		
Maximum daily balance of deposits (including interests accrued thereon) to be placed by the Group with CE Bank	38,000	38,000	38,000

The above proposed annual caps have been determined after taking into consideration of the following factors, among other things:

- (1) the historical transaction amount of the Deposit Services under the Deposit Service Framework Agreement;
- (2) as at the Latest Practicable Date, the Group had placed deposits with not less than 8 different banks (including CE Bank) in the PRC and Hong Kong. Furthermore, the Deposit Services will be obtained by the Group on a voluntary and non-exclusive basis. There is no restriction under the New Deposit Service Framework Agreement on the Group's ability to obtain deposit services from other banks or financial institutions, and the Group is at its sole discretion to make its selection according to the relevant interest

LETTER FROM THE BOARD

rates and quality of services being delivered by other banks or financial institutions. The Group has been diversifying the banks or financial institutions for cash deposits for the purpose of risk management of its capital and the proposed annual caps can provide more flexibility to the Group's cash management and allocation, such as maximising the interest income earned from deposit.

Reasons and benefits for the transactions

CE Bank has been providing the Deposit Services to the Group prior to the listing of the Company on the Stock Exchange in 2017, which has developed a deep understanding of the capital needs and business model of the Group. Moreover, CE Bank offers lower handling fees for internal settlements among members of the Group and settlements to third parties through CE Bank accounts when compared to other bank accounts, and most of the miscellaneous fees are waived for the Deposit Services provided by CE Bank. In view of the stability and reliability of the Deposit Services in previous years, the Directors believe that CE Bank is well-positioned to serve the financial needs of the Group, and it is expected that it will be cost-efficient, expedient and beneficial for the Group to use the Deposit Services.

Moreover, the Group will receive interest on the Deposit Services at interest rates which are no less favourable than those offered by any independent third party for comparable deposits. This arrangement allows the Group to achieve a more efficient use of its current capital.

In addition, CE Bank is regulated by the National Financial Regulatory Administration and the Hong Kong Monetary Authority and is subject to the rules and requirements of such regulatory authorities, which will reduce risks to the Group in receiving the Deposit Services.

Given the transactions to be contemplated under the New Deposit Service Framework Agreement are in the ordinary and usual course of business of the Company and are under normal commercial terms, the Directors (including the independent non-executive Directors) are of the view that the terms of the New Deposit Service Framework Agreement and its proposed annual caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

2. New Loan Service Framework Agreement

After considering the actual need and business development of the Group going forward, the Company and China Everbright entered into the New Loan Service Framework Agreement to better regulate the future provision of the Loan Services.

LETTER FROM THE BOARD

The New Loan Service Framework Agreement is conditional upon the Independent Shareholders' approval at the EGM having been obtained.

The summary of the principal terms of the New Loan Service Framework Agreement is set forth below:

- Date:** 31 March 2026
- Parties:** (i) the Company; and
(ii) China Everbright.
- Description of the transactions:** China Everbright shall procure CE Bank to provide the Loan Services to members of the Group for a term of five years commencing from the date on which the approval from Independent Shareholders is obtained at the EGM to 31 December 2030. The New Loan Service Framework Agreement shall be non-exclusive, and the Group is at liberty to obtain loan services from other third parties.
- The relevant parties shall enter into separate Loan Agreements to set out the specific provisions of the Loan Services, and the terms and conditions of the Loan Agreements shall be determined by the parties in accordance with the terms of the New Loan Service Framework Agreement.
- The term of each of the Loan Agreements shall not exceed the term of the New Loan Service Framework Agreement.
- Subject to the terms and conditions of the Loan Agreements, security over the Group's assets and rental income received from its leasing business may be required for the Loan Services.

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Pricing policy:

The interest rate payable by the Group to CE Bank in respect of the Loan Services shall:

- (i) be determined based on arm's length negotiations between CE Bank and the Group with reference to the prevailing interest rate for similar loan services which can be obtained by the Group from independent third parties and on normal commercial terms;
- (ii) not be higher than the interest rates to be charged by other independent third parties; and
- (iii) be in compliance with the rules and regulations prescribed by the PBOC and/or other relevant rules and regulations within or outside the PRC (including the National Financial Regulatory Administration and the Hong Kong Monetary Authority).

Historical figures and annual caps

The following table sets out the historical figures and annual caps under the Loan Service Framework Agreement:

	For the year ended 31 December					
	2022	2022	2023	2023	2024	2024
	Historical	Historical	Historical	Historical	Historical	Historical
	amount	annual cap	amount	annual cap	amount	annual cap
	<i>(RMB'000)</i>					
Maximum daily balance of loans provided by CE Bank to the Group	Nil	350,000	Nil	350,000	Nil	350,000

For the period from 1 January 2025 up to the Latest Practicable Date, the Group did not enter into any loan transactions with CE Bank or otherwise, and the actual transaction amount for such period was nil.

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Proposed annual caps

The following table sets out the proposed annual caps for the transactions to be contemplated under the New Loan Service Framework Agreement:

	For the year ending 31 December				
	2026	2027	2028	2029	2030
	<i>(RMB'000)</i>				
Maximum daily balance of loans to be provided by CE Bank to the Group	350,000	350,000	350,000	350,000	350,000

The above proposed annual caps have been determined after taking into consideration of the following factors, among other things:

- (1) the Group's assessment of the market background, its investment rationale and the identification of potential targets summarised as follows:
 - (a) the Group's intention to expand its property portfolio by acquiring properties in the United Kingdom, following an extended period of market inactivity and uncertain investment prospects. During the year, the Group has conducted site visits and research and has been liaising with property agents for acquisition of properties in the United Kingdom that fit the Group's selection criteria and development strategy. Considering the fluctuation in the property prices and the changing demand in the housing market in the United Kingdom, the subdued market environment and ambiguous valuation trends precluded viable opportunities;
 - (b) as part of its preliminary market exploration and ongoing evaluation of overseas opportunities, the Group has identified three specific property targets in the United Kingdom, including two student accommodation buildings, and a mixed-use retail and office premise. The Group's core business is property leasing and management, and it does not limit itself to a particular category of acquisition target. Instead, the Group focuses on the rental yield and the potential of each project. In addition to the relatively higher rental yields currently offered by student accommodation assets compared to other property types, the Group notes that there are two viable approaches to managing such assets. One approach is to appoint a professional management agent to oversee student accommodation operations, rendering the management process practically comparable to that of its existing commercial buildings. Alternatively, the Group could lease the property directly to a

LETTER FROM THE BOARD

management agent, in which case the management agent would become the lessee, thereby further reducing the Group's operational involvement. Furthermore, student accommodation assets typically possess established tenancy track records and existing lessees, thereby obviating the need for the Group to source tenants independently. These factors render student accommodation a viable and consistent addition to the Group's property leasing portfolio. Based on internal market research, student accommodation assets currently offer relatively higher rental yields compared to other property types, and the Group will conduct detailed feasibility studies once specific targets are identified. The indicative purchase prices for these targets range from approximately RMB100 million to RMB320 million. The Group has conducted initial research, held preliminary discussions with agents, reviewed available marketing and planning materials, and is undertaking further investment analysis and feasibility studies. As at the Latest Practicable Date, the Group has not entered into any legally binding agreements, memoranda of understanding or provisional contracts in respect of any of the above targets;

- (c) although the Group did not utilise the Loan Services under the Loan Service Framework Agreement to acquire properties in the United Kingdom as at the Latest Practicable Date, with improving overall property market conditions in 2025, the Group has been looking for investment opportunities in properties that are of similar scale and grading as compared to the premises currently owned by the Group to further broaden its property portfolio within and outside the PRC. Based on internal market research, the property market in the United Kingdom between 2022 and 2024 was characterised by significant challenges. London office investment volumes fell by 50% in 2023 compared to 2022 and were 46% below the ten-year average, while central London office vacancy rates rose from 9.0% to 10.0%. In this subdued environment, investment options were limited, and the Group was unable to identify suitable investment targets that met its criteria. In contrast, the 2025 internal market analysis recorded a clear recovery. In the 2025 internal market analysis, investment transaction volumes in the student accommodation sector reached £1.83 billion in the third quarter of 2025, the highest for any third quarter on record, indicating increased market activity and a broader range of available properties. National occupancy rates for student accommodation rose from 76.85% to over 92% in August 2025, and average weekly rents increased by 4.13% year-on-year. The improved market conditions, characterised by higher transaction volumes, stronger occupancy and rental growth, have provided more property options for consideration and present a more favourable environment for potential investments; and

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- (d) with reference to the market value of the premises currently owned by the Group as at 31 December 2025, the purchase price of the potential acquisitions may range from approximately RMB200 million to RMB380 million, which are anticipated to be financed by internal resources and the Loan Services; and
- (2) the expected increase in the amount of loans required by the Group to complement the growth in its future business operations.

Reasons and benefits for the transactions

The Directors believe that CE Bank is well-positioned to serve the financial needs of the Group because CE Bank has a thorough understanding of the operations and development needs of the Group, and the Group will only be required to pay interests on the Loan Services at rates which are no less favourable than those offered by any independent third party for comparable loans. Therefore, it is expected that the transactions contemplated under the New Loan Service Framework Agreement would be cost-efficient, expedient and beneficial for the Group.

In addition, CE Bank is regulated by the National Financial Regulatory Administration and the Hong Kong Monetary Authority and is subject to the rules and requirements of such regulatory authorities, which will reduce risks to the Group in receiving the Loan Services from CE Bank.

Furthermore, the Directors believe that it is important for the Group to have more readily available funding for capturing suitable investment opportunities which arise at any time as mentioned above. In the event that the Company identifies any suitable property investment opportunity, the Company will perform valuation and due diligence on the property to assess if it is beneficial for the Group to proceed with the investment. For insolvent property investment opportunity, the Company will also engage professional advisers to perform due diligence in order to identify if there is any defect, potential claims by other relevant parties, costs and barriers of the recovery process of the insolvent property before deciding whether to make such investment. The Company will comply with the relevant requirements of the Listing Rules as and when the investment materialises.

LETTER FROM THE BOARD

The Directors are of the view that it is reasonable for the term of the New Loan Service Framework Agreement to be longer than three years and it is the market practice to enter into long-term loans for more than three years to finance acquisitions of sizeable properties based on the following factors:

- (1) financing arrangements of this kind are in line with prevailing market practice and taking into account the nature and scale of the transactions, typically structured with a tenure exceeding three years, so as to ensure alignment with the long-term funding requirements and cash flow profile of such transactions; and
- (2) the Group's payments on the costs of the property acquisition are to be effective over a longer period, which provides flexibility to the Group and allows sufficient time for the Group to generate adequate cash flow for the purpose of repayment without creating unreasonable stress to the planning of working capital by the Group.

Rule 14A.52 of the Listing Rules stipulates that the period for an agreement for continuing connected transactions must have a fixed period and such fixed period shall normally be no more than three years, unless special circumstances justify a longer period based on the nature of the transaction.

As mentioned above, the Company considers it is reasonable for the term of the New Loan Service Framework Agreement to be longer than three years and it is the market practice to enter into long-term loans for more than three years to finance acquisitions of sizeable properties. In this regard, the Company has appointed Gram Capital as the Independent Financial Adviser as required by Rule 14A.52 of the Listing Rules to explain why the New Loan Service Framework Agreement requires a period longer than three years and to confirm that it is normal business practice for arrangement of these type to be of such duration.

Having considered that the Group will obtain the Loan Services mainly for the acquisition of properties, and that obtaining long-term loans to finance such acquisitions can ease the financial burden and provide more flexibility to the Group; and it is not uncommon for comparable companies engaged in property leasing to have bank borrowings repayable over a period of five years or more, which is normal business practice for arrangements of this type, Gram Capital is of the view that it is reasonable for the term of the New Loan Service Framework Agreement to be of a longer period than three years. For details, please refer to the letter from the Independent Financial Adviser set out on pages 23 to 42 of this circular.

LETTER FROM THE BOARD

Given the transactions to be contemplated under the New Loan Service Framework Agreement are in the ordinary and usual course of business of the Company and are under normal commercial terms, the Directors (including the independent non-executive Directors) are of the view that the terms of the New Loan Service Framework Agreement and its proposed annual caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

3. Internal Control Measures

In order to ensure that the pricing policy in the New Framework Agreements is adhered to, the Group has the following internal control procedures and policies:

- (i) the finance department of the Company shall be responsible for reviewing the pricing terms of the Deposit Services and the Loan Services by obtaining quotations from CE Bank and at least two other independent banks for rates of deposits or loans of an equivalent amount and for the equivalent period, and will only use the Deposit Services or the Loan Services if the terms quoted by CE Bank are no less favourable than the terms quoted by such two other independent banks;
- (ii) the finance department of the Company shall also be responsible for monitoring and collecting on a daily basis (i) the actual maximum daily balance of deposits to be placed by the Group with CE Bank pursuant to the New Deposit Service Framework Agreement and the Deposit Agreements, and (ii) the actual maximum daily balance of loans to be provided by CE Bank to the Group pursuant to the New Loan Service Framework Agreement and the Loan Agreements, so as to ensure that the maximum daily balance will not exceed the proposed annual caps for each financial year;
- (iii) the internal control department and relevant personnel of the Company shall monitor and ensure all transactions contemplated under the New Framework Agreements are entered into on normal commercial terms or better, are fair and reasonable, and are carried out pursuant to the terms of the New Framework Agreements;
- (iv) the independent non-executive Directors will review the transactions to be entered into pursuant to the New Framework Agreements in order to ensure all such transactions are entered into on normal commercial terms or better, on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and are carried out in accordance with the terms of the New Framework Agreements; and
- (v) the auditor of the Company will conduct an annual review on the pricing and annual caps of the continuing connected transactions to be entered into pursuant to the New Framework Agreements.

LETTER FROM THE BOARD

4. Information of the Company, China Everbright and CE Bank

The Company is an investment holding company principally engaged in property leasing and provision of property management services. As at the Latest Practicable Date, the premises owned by the Group included three commercial buildings, which are located in Chengdu, Sichuan province and Kunming, Yunnan province in the PRC. The Group's property management services include general property management services, value-added property management services and parking management services.

China Everbright is a state-owned enterprise established on 8 December 2014 after the restructuring from China Everbright (Group) Corporation, with its registered capital mainly contributed by the Ministry of Finance of the PRC and Central Huijin Investment Ltd. China Everbright is a financial conglomerate which, through its subsidiaries and associates, engages in a diverse range of businesses including banking, securities and asset management.

CE Bank is one of the major commercial banks in the PRC and primarily engages in the commercial banking business, including retail banking, corporate banking and treasury operation. CE Bank is a subsidiary of China Everbright due to consolidation of its financial statements into those of China Everbright.

5. Implications under the Listing Rules

China Everbright is the holder of 100% of the issued share capital of CE Hong Kong, which in turn directly holds approximately 99.997% shares in Capital Century Company Limited (0.3% of which is held on trust for the National Administrative Bureau of Stated Owned Property) and indirectly holds 0.003% shares in Capital Century Company Limited through Everbright Investment & Management Limited. Capital Century Company Limited indirectly held 331,000,000 Shares (representing approximately 74.99% of the issued Shares) through Lucky Link Investments Limited and Top Charm Investments Limited as at the Latest Practicable Date. Accordingly, China Everbright is a controlling shareholder of the Company, and thus China Everbright and its associates (other than the Group) are connected persons of the Company. As such, the transactions contemplated under the New Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than profits ratio) (as defined under Rule 14.07 of the Listing Rules) in respect of the proposed annual caps of the transactions to be contemplated under each of the New Framework Agreements exceed 5%, the transactions to be contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

Furthermore, as one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the provision of the Deposit Services exceeds 25% but is less than 100%, the provision of the Deposit Services under the New Deposit Service Framework Agreement also constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Directors has any material interest in the transactions contemplated under the New Framework Agreements. However, for good corporate governance, Mr. Liu Jia (an executive Director), who is also a director of certain subsidiaries of China Everbright, has voluntarily abstained from voting on the relevant Board resolutions approving the New Framework Agreements.

As China Everbright and its associates have material interests in the transactions to be contemplated under the New Framework Agreements, China Everbright and its associates, which exercise control over the voting right (through direct and indirect shareholding) of 331,000,000 Shares in aggregate, representing approximately 74.99% of the Company's total issued share capital as at the Latest Practicable Date, including Lucky Link Investments Limited (directly holding 297,900,000 Shares) and Top Charm Investments Limited (directly holding 33,100,000 Shares) will be required to abstain from voting at the EGM with respect to the ordinary resolutions in connection with the New Framework Agreements and their proposed annual caps.

6. Independent Board Committee

The Independent Board Committee has been formed by the Company to consider, and to advise the Independent Shareholders on, the terms of the New Framework Agreements and their proposed annual caps.

The Independent Financial Adviser has been appointed to make recommendations to the Independent Board Committee and the Independent Shareholders on the terms of the New Framework Agreements and their proposed annual caps. A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 21 to 22 of this circular. The letter from the Independent Board Committee to the Independent Shareholders contains its recommendation on the New Framework Agreements and their proposed annual caps. Having considered the appropriate internal control measures in place and the pricing policies with respect to the New Framework Agreements, the methods and procedures established by the Company to ensure the strict compliance with the transactions contemplated thereunder the New Framework Agreements will be conducted in the ordinary and usual course of business and on normal

LETTER FROM THE BOARD

commercial terms, the independent non-executive Directors are of the view that the New Framework Agreements and their proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

7. Independent Financial Adviser

Gram Capital has been appointed as the Independent Financial Adviser for providing advice to the Independent Board Committee and the Independent Shareholders on whether the terms of each of the New Framework Agreements and their proposed annual caps are fair and reasonable, and whether they are in the interests of the Company and the Shareholders as a whole. In addition, pursuant to Rule 14A.52 of the Listing Rules, as the terms of the New Loan Service Framework Agreement exceed three years, Gram Capital shall advise the reasons for the New Loan Service Framework Agreement to have terms exceeding three years and to confirm that it is a normal business practice for an agreement of this type to be such duration. A letter from Gram Capital to the Independent Board Committee and the Independent Shareholders is set out on pages 23 to 42 of this circular. The letter from Gram Capital to the Independent Board Committee and the Independent Shareholders contains factors they have considered and their recommendations on the New Framework Agreements and their proposed annual caps.

III. EGM

The notice convening the EGM is set out on pages 50 to 52 of this circular. At the EGM, ordinary resolutions will be proposed to approve, among other things, the entering of the New Framework Agreements and their respective proposed annual caps.

A proxy form for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the Company's branch share register in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 3:15 p.m. on Tuesday, 9 June 2026) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

For determining the entitlement to attend and vote at the EGM, the Register of Members of the Company will be closed from Monday, 8 June 2026 to Thursday, 11 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. Shareholders whose names appear on the Register of Members of the Company on Thursday, 11 June 2026 will be entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the

LETTER FROM THE BOARD

relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 pm on Friday, 5 June 2026.

IV. RECOMMENDATION

The Directors (including the independent non-executive Directors whose recommendation is contained in the Letter from the Independent Board Committee of this circular) reaffirm their views that the transactions contemplated under the New Framework Agreements are in the ordinary and usual course of business of the Company and are under normal commercial terms, and the terms of the New Framework Agreements and their respective proposed annual caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

In light of the above, the Board recommends that the Independent Shareholders vote in favour of the New Framework Agreements, their proposed annual caps and the ordinary resolutions of the transactions contemplated under the New Framework Agreements to be proposed at the EGM.

V. OTHER INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 21 to 22 of this circular which contains its recommendation to the Independent Shareholders on the New Framework Agreements and their proposed annual caps; and (ii) the letter from the Independent Financial Adviser set out on pages 23 to 42 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the New Framework Agreements and their proposed annual caps and the principal factors and reasons considered by Gram Capital in arriving at its advice.

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

Yours faithfully,

By and on behalf of the Board
Everbright Grand China Assets Limited
LIU Jia
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the New Framework Agreements:



EVERBRIGHT GRAND CHINA ASSETS LIMITED

光大永年有限公司

(Incorporated in the British Virgin Islands with limited liability and transferred by way of continuation into the Cayman Islands)

(Stock code: 3699)

20 May 2026

To the Independent Shareholders

Dear Sir or Madam,

**MAJOR AND CONTINUING CONNECTED TRANSACTION:
NEW DEPOSIT SERVICE FRAMEWORK AGREEMENT
CONTINUING CONNECTED TRANSACTION:
NEW LOAN SERVICE FRAMEWORK AGREEMENT**

We refer to the circular of the Company (the “**Circular**”) dated 20 May 2026 of which this letter forms part. Terms defined in the Circular have the same meanings when used in this letter unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the terms of the New Framework Agreements and their proposed annual caps, and to give recommendation to the Independent Shareholders as to whether, in our opinion, the terms of the New Framework Agreements and their proposed annual caps are fair and reasonable and on normal commercial terms so far as the Independent Shareholders are concerned and whether the New Framework Agreements and their proposed annual caps is in the interests of the Company and its Shareholders as a whole. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreements and their proposed annual caps.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We wish to draw your attention to the letter from the Board set out in the section of Letter from the Board in the Circular which contains, among other things, information about the New Framework Agreements and their proposed annual caps, and the letter of advice from Gram Capital set out in the section of Letter from Gram Capital in the Circular which contains its advice in respect of the terms of the New Framework Agreements and their proposed annual caps.

Having taken into account the advice from Gram Capital, we consider that the terms of the New Framework Agreements and their proposed annual caps are fair and reasonable on normal commercial terms and in the ordinary and usual course of business of the Company so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the New Framework Agreements, their proposed annual caps and the transactions contemplated thereunder.

Yours faithfully,

For and on behalf of

Independent Board Committee

HO Kwai Ching

Mark

Independent

non-executive Director

SHEK Lai Him

Abraham

Independent

non-executive Director

LEE Jor Hung

Independent

non-executive Director

WANG Cheung Yue

Independent

non-executive Director

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions for the purpose of inclusion in this circular.



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

20 May 2026

*To: The independent board committee and the independent shareholders
of Everbright Grand China Assets Limited*

Dear Sirs,

**MAJOR AND CONTINUING CONNECTED TRANSACTION:
NEW DEPOSIT SERVICE FRAMEWORK AGREEMENT
AND
CONTINUING CONNECTED TRANSACTION:
NEW LOAN SERVICE FRAMEWORK AGREEMENT**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Deposit Services and the Loan Services as contemplated under the New Framework Agreements (the “**Transactions**”), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 20 May 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Given the expiry of the Deposit Service Framework Agreement and the Loan Service Framework Agreement, having considered the future needs and optimised the operation of the Group, the Company and China Everbright entered into: (i) the New Deposit Service Framework Agreement on 31 March 2026 for a term commencing from the date on which the approval from Independent Shareholders is obtained at the EGM and ending on 31 December 2028; and (ii) the

LETTER FROM GRAM CAPITAL

New Loan Service Framework Agreement on 31 March 2026 for a term of commencing from the date on which the approval from Independent Shareholders is obtained at the EGM and ending on 31 December 2030.

With reference to the Board Letter, the Transactions constitute continuing connected transactions of the Company and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. In addition, the Deposit Services also constitutes a major transaction of the Company under Chapter 14 of the Listing Rules.

The Independent Board Committee comprising Mr. Ho Kwai Ching Mark, Mr. Shek Lai Him Abraham, Mr. Lee Jor Hung and Mr. Wang Cheung Yue (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Transactions are fair and reasonable and on normal commercial terms; and (ii) whether the Transactions are in the interests of the Company and its Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Transactions at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

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

LETTER FROM GRAM CAPITAL

have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

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

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

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

LETTER FROM GRAM CAPITAL

PRINCIPAL FACTORS AND REASONS CONSIDERED

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

1. Background of and reasons for the Transactions

Information of the Group

With reference to the Board Letter, the Company is an investment holding company principally engaged in property leasing, provision of property management services and sales of properties held for sale. As at the Latest Practicable Date, the premises owned by the Group included three commercial buildings, which are located in Chengdu, Sichuan province and Kunming, Yunnan province in the PRC. The Group's property management services include general property management services, value-added property management services and parking management services.

Set out below are the consolidated financial information of the Group for the three years ended 31 December 2025 as extracted from the Company's annual report for the year ended 31 December 2025 (the "2025 Annual Report") and the Company's annual report for the year ended 31 December 2024 (the "2024 Annual Report"):

	For the year ended 31 December 2025 ("FY2025") <i>RMB'000</i> <i>(audited)</i>	For the year ended 31 December 2024 ("FY2024") <i>RMB'000</i> <i>(audited)</i>	For the year ended 31 December 2023 ("FY2023") <i>RMB'000</i> <i>(audited)</i>	Change from FY2024 to FY2025 %	Change from FY2023 to FY2024 %
Revenue	49,929	45,910	46,779	8.75	(1.86)
— <i>Provision of property management services</i>	15,893	15,363	13,545	3.45	13.42
— <i>Gross rentals from investment properties</i>	34,036	30,547	33,234	11.42	(8.09)
Gross profit	34,588	33,010	34,617	4.78	(4.64)
Profit for the year attributable to equity shareholders of the Company	19,528	25,260	19,258	(22.69)	31.17

LETTER FROM GRAM CAPITAL

FY2023 vs FY2024

As illustrated in the above table, the Group's revenue decreased from approximately RMB46.78 million for FY2023 to approximately RMB45.91 million for FY2024, representing a decrease of approximately 1.86%. With reference to the 2024 Annual Report, such decrease was mainly attributable to reduction in rental income from investment properties. Along with the aforesaid decrease in revenue, the Group's gross profit for FY2024 decreased by approximately 4.64% as compared to that for FY2023.

Despite the aforesaid decreases in the Group's revenue and gross profit, the Group's profit attributable to equity shareholders of the Company for FY2024 increased substantially by approximately 31.17% as compared to that for FY2023. With reference to the 2024 Annual Report, such increase was mainly due to increase in net foreign exchange gain and valuation gains on investment properties.

FY2024 vs FY2025

As illustrated in the above table, the Group's revenue increased from approximately RMB45.91 million for FY2024 to approximately RMB49.93 million for FY2025, representing an increase of approximately 8.75%. With reference to the 2025 Annual Report, such increase was mainly driven by increase in gross rentals from investment properties. Along with the aforesaid increase in revenue, the Group's gross profit for FY2025 also increased by approximately 4.78% as compared to that for FY2024.

Despite the aforesaid increases in the Group's revenue and gross profit, the Group's profit attributable to equity shareholders of the Company for FY2025 decreased by approximately 22.69% as compared to that for FY2024. With reference to the 2025 Annual Report, such decrease was mainly due to the increase in dividend withholding tax and deferred tax recognized in 2025.

LETTER FROM GRAM CAPITAL

Set out below is a summary of (a) cash and cash equivalents; and (b) fixed deposits, of the Group as at each of 31 December 2023, 31 December 2024 and 31 December 2025, as extracted from the 2024 Annual Report and 2025 Annual Report:

	As at 31 December 2025 <i>RMB'000</i> <i>(audited)</i>	As at 31 December 2024 <i>RMB'000</i> <i>(audited)</i>	As at 31 December 2023 <i>RMB'000</i> <i>(audited)</i>
Cash and cash equivalents	130,972	231,498	154,244
Fixed deposits	104,428	Nil	67,967

As illustrated in the above table, the Group's cash and cash equivalents were approximately RMB154.24 million, approximately RMB231.50 million and approximately RMB130.97 million as at 31 December 2023, 31 December 2024 and 31 December 2025 respectively. The Group also had fixed deposits of approximately RMB67.97 million and approximately RMB104.43 million as at 31 December 2023 and 31 December 2025 respectively.

Information of China Everbright and CE Bank

With reference to the Board Letter, China Everbright is a state-owned enterprise established on 8 December 2014 after the restructuring from China Everbright (Group) Corporation, with its registered capital mainly contributed by the Ministry of Finance of the PRC and Central Huijin Investment Ltd. China Everbright is a financial conglomerate which, through its subsidiaries and associates, engages in a diverse range of businesses including banking, securities and asset management.

With reference to the Board Letter, CE Bank is one of the major commercial banks in the PRC and primarily engages in the commercial banking business, including retail banking, corporate banking and treasury operation. CE Bank is a subsidiary of China Everbright due to consolidation of its financial statements into those of China Everbright.

Reasons for and benefits of the Transactions

Deposit Services

With reference to the Board Letter, CE Bank has been providing the Deposit Services to the Group prior to the listing of the Company on the Stock Exchange in 2017, which has developed a deep understanding of the capital needs and business model of the Group. Moreover, CE Bank

LETTER FROM GRAM CAPITAL

offers lower handling fees for internal settlements among members of the Group and settlements to third parties through CE Bank accounts when compared to other bank accounts, and most of the miscellaneous fees are waived for the Deposit Services provided by CE Bank. In view of the stability and reliability of the Deposit Services in previous years, the Directors believe that CE Bank is well-positioned to serve the financial needs of the Group, and it is expected that it will be cost-efficient, expedient and beneficial for the Group to use the Deposit Services.

Moreover, the Group will receive interest on the Deposit Services at interest rates which are no less favourable than those offered by any independent third party for comparable deposits. This arrangement allows the Group to achieve a more efficient use of its current capital.

In addition, CE Bank is regulated by the National Financial Regulatory Administration and the Hong Kong Monetary Authority and is subject to the rules and requirements of such regulatory authorities, which will reduce risks to the Group in receiving the Deposit Services.

Loan Services

With reference to the Board Letter, the Directors believe that CE Bank is well-positioned to serve the financial needs of the Group because CE Bank has a thorough understanding of the operations and development needs of the Group, and the Group will only be required to pay interests on the Loan Services at rates which are no less favourable than those offered by any independent third party for comparable loans. Therefore, it is expected that the transactions contemplated under the New Loan Service Framework Agreement would be cost-efficient, expedient and beneficial for the Group.

In addition, CE Bank is regulated by the National Financial Regulatory Administration and the Hong Kong Monetary Authority and is subject to the rules and requirements of such regulatory authorities, which will reduce risks to the Group in receiving the Loan Services from CE Bank.

Furthermore, the Directors believe that it is important for the Group to have more readily available funding for capturing suitable investment opportunities which arise at any time. In the event that the Company identifies any suitable property investment opportunity, the Company will perform valuation and due diligence on the property to assess if it is beneficial for the Group to proceed with the investment. For insolvent property investment opportunity, the Company will also engage professional advisers to perform due diligence in order to identify if there is any defect, potential claims by other relevant parties, costs and barriers of the recovery process of the insolvent property before deciding whether to make such investment. The Company will comply with the relevant requirements of the Listing Rules as and when the investment materialises.

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The Directors are of the view that it is reasonable for the term of the New Loan Service Framework Agreement to be longer than three years and it is the market practice to enter into long-term loans for more than three years to finance acquisitions of sizeable properties based on the following factors:

- (1) financing arrangements of this kind are in line with prevailing market practice and taking into account the nature and scale of the transactions, typically structured with a tenure exceeding three years, so as to ensure alignment with the long-term funding requirements and cash flow profile of such transactions; and
- (2) the Group's payments on the costs of the property acquisition are to be effective over a longer period, which provides flexibility to the Group and allows sufficient time for the Group to generate adequate cash flow for the purpose of repayment without creating unreasonable stress to the planning of working capital by the Group.

Having considered (i) that the Transactions are required for the Group's business operation; and (ii) the reasons for and benefits of the Transactions as set out above, we concur with the Directors' view that the Transactions are in the interests of the Company and the Shareholders as a whole and are conducted under the ordinary and usual course of business of the Group.

2. Principal terms of the New Framework Agreements

New Deposit Service Framework Agreement

Principal terms of the New Deposit Service Framework Agreement are set out below:

Date: 31 March 2026

Parties: (i) the Company; and

(ii) China Everbright.

Description of the transactions:

China Everbright shall procure CE Bank to provide the Deposit Services to members of the Group for a term commencing from the date on which the approval from Independent Shareholders is obtained at the EGM to 31 December 2028. The New Deposit Service Framework Agreement shall be non-exclusive, and the Group is at liberty to obtain deposit services from other third parties.

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The relevant parties shall enter into separate Deposit Agreements to set out the specific provisions of the Deposit Services, and the terms and conditions of the Deposit Agreements shall be determined by the relevant parties in accordance with the terms of the New Deposit Service Framework Agreement.

The term of each of the Deposit Agreements shall not exceed the term of the New Deposit Service Framework Agreement.

Pricing policy:

The interest rates payable by CE Bank to the Group in respect of the Deposit Services shall:

- (i) be determined based on arm's length negotiations between CE Bank and the Group with reference to the prevailing interest rate for similar deposit services which can be obtained by the Group from independent third parties and on normal commercial terms;
- (ii) not be lower than the interest rates to be paid by other independent third parties; and
- (iii) be in compliance with the rules and regulations prescribed by the PBOC and/or other relevant rules and regulations within or outside the PRC (including the National Financial Regulatory Administration and the Hong Kong Monetary Authority).

For our due diligence purpose, we obtained a list of deposit balances regarding deposit placed by the Group with CE Bank (the "**Connected Deposit Balance(s)**") for the three years ended 31 December 2025 (the "**Deposit List**"). We randomly selected one Connected Deposit Balance from the Deposit List for each of the three years ended 31 December 2025 (i.e. three Connected Deposit Balances were selected in total). As the selected Connected Deposit Balance were selected on random basis and covered the period for the three years ended 31 December 2025, we consider that the selected Connected Deposit Balances are fair and representative. Upon our request, the Company provided us with the deposit records on the selected Connected Deposit Balances, together with the corresponding deposit records regarding the same type of deposit placed by the Group with other independent third parties for the same period. We noted from the aforementioned documents that the interest rates offered by CE Bank were not less than those offered by independent third parties.

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In order to ensure that the pricing policy in each of the New Framework Agreements is adhered to, the Group has the internal control procedures and policies as set out under the section headed “3. Internal Control Measures” of the Board Letter (the “**IC Procedures & Policies**”).

We consider that the effective implementation of the IC Procedures & Policies would help to ensure fair determination of the interest rates for the Deposit Services.

With reference to the 2025 Annual Report, the independent non-executive Directors have reviewed, for the purpose of Rule 14A.55 of the Listing Rules, amongst others, the Deposit Services for FY2025 and confirmed that the Deposit Services have been entered into by the Group (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the Company’s shareholders as a whole.

With reference to the 2025 Annual Report and as confirmed by the Directors, pursuant to Rule 14A.56 of the Listing Rules, the Company’s auditors were engaged to report on, amongst others, the Deposit Services for FY2025 in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The Company’s auditors have not qualified its report in respect of the Deposit Services.

LETTER FROM GRAM CAPITAL

Proposed annual caps

The historical figures and annual caps of the Deposit Services for the three years ending 31 December 2025 are set out as follows:

	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the year ended 31 December 2025 <i>RMB'000</i>
Maximum daily balance of deposits (including interests accrued thereon) placed by the Group with CE Bank	26,446	16,808	28,512
Annual caps	38,000	38,000	38,000
Utilisation rate (%)	69.59	44.23	75.03

The proposed annual caps of the Deposit Services (the “**Deposit Cap(s)**”) for the three years ending 31 December 2028 are set out as follows:

	For the year ending 31 December 2026 (“FY2026”) <i>RMB'000</i>	For the year ending 31 December 2027 (“FY2027”) <i>RMB'000</i>	For the year ending 31 December 2028 (“FY2028”) <i>RMB'000</i>
Maximum daily balance of deposits (including interests accrued thereon) to be placed by the Group with CE Bank	38,000	38,000	38,000

We noted that the Deposit Caps are determined with reference to the factors set out under the sub-section headed “Proposed annual caps” under the section headed “1. New Deposit Services Framework Agreement” of the Board Letter.

According to the above table, the utilization rates of the existing annual caps were approximately 69.59% for FY2023, approximately 44.23% for FY2024 and approximately 75.03% for FY2025 (the “**Deposit Utilization Rates**”).

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With reference to the 2024 Annual Report and the 2025 Annual Report, the Group's cash and cash equivalents were approximately RMB154.24 million as at 31 December 2023, approximately RMB231.50 million as at 31 December 2024 and approximately RMB130.97 million as at 31 December 2025. The Group also had fixed deposits of approximately RMB67.97 million and approximately RMB104.43 million as at 31 December 2023 and 31 December 2025 respectively.

Having considered (i) the Deposit Utilization Rates; and (ii) the Deposit Caps represent less than 20% of the sum of the Group's cash and cash equivalents and fixed deposits (if any) as at 31 December 2023, 31 December 2024 and 31 December 2025, we are of the view that it is justifiable for the Company to maintain the Deposit Caps at RMB38 million. Accordingly, we consider the Deposit Caps for the three years ending 31 December 2028 to be fair and reasonable.

Shareholders should note that as the Deposit Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of deposit amount under the Deposit Services. Consequently, we express no opinion as to how closely the actual deposit amount under the Deposit Services will correspond with the Deposit Caps.

Having considered the principal terms of the Deposit Services as set out above, we consider the terms of the Deposit Services (including the Deposit Caps) to be fair and reasonable.

New Loan Service Framework Agreement

Principal terms of the New Loan Service Framework Agreement are set out below:

Date: 31 March 2026

Parties: (i) the Company; and
(ii) China Everbright.

Description of the transactions: China Everbright shall procure CE Bank to provide the Loan Services to members of the Group for a term of commencing from the date on which the approval from Independent Shareholders is obtained at the EGM to 31 December 2030. The New Loan Service Framework Agreement shall be non-exclusive, and the Group is at liberty to obtain loan services from other third parties.

LETTER FROM GRAM CAPITAL

The relevant parties shall enter into separate Loan Agreements to set out the specific provisions of the Loan Services, and the terms and conditions of the Loan Agreements shall be determined by the parties in accordance with the terms of the New Loan Service Framework Agreement.

The term of each of the Loan Agreements shall not exceed the term of the New Loan Service Framework Agreement.

Subject to the terms and conditions of the Loan Agreements, security over the Group's assets and rental income received from its leasing business may be required for the Loan Services.

Pricing policy:

The interest rate payable by the Group to CE Bank in respect of the Loan Services shall:

- (i) be determined based on arm's length negotiations between CE Bank and the Group with reference to the prevailing interest rate for similar loan services which can be obtained by the Group from independent third parties and on normal commercial terms;
- (ii) not be higher than the interest rates to be charged by other independent third parties; and
- (iii) be in compliance with the rules and regulations prescribed by the PBOC and/or other relevant rules and regulations within or outside the PRC (including the National Financial Regulatory Administration and the Hong Kong Monetary Authority).

As the Group did not utilise any Loan Services for the five years ended 31 December 2024 (as governed by the Loan Service Framework Agreement), we could not make comparison between the Loan Services and loan services provided by independent third parties to the Group.

In order to ensure that the pricing policy in each of the New Framework Agreements is adhered to, the Group has the IC Procedures & Policies as set out under the section headed "3. Internal Control Measures" of the Board Letter.

LETTER FROM GRAM CAPITAL

We consider that the effective implementation of the IC Procedures & Policies would help to ensure fair determination of the interest rates for the Loan Services.

As aforementioned, China Everbright shall procure CE Bank to provide the Loan Services to members of the Group for a term of five years from 1 January 2026 to 31 December 2030. In assessing the reasons for the duration of the New Loan Service Framework Agreement to be longer than three years, we enquired into the Directors and the Directors advised us that the Group will obtain the Loan Services mainly for acquisition of properties. We consider that obtaining long-term loans to finance acquisitions of properties can ease the financial burden of and provide more flexibility to the Group.

As advised by the Directors, members of the Group may obtain Loan Services from CE Bank branches in Hong Kong and the PRC.

In considering whether it is normal business practice for agreements of similar nature (i.e. loan facilities obtained from banks/financial institutions) with the New Loan Service Framework Agreement with term of more than three years, we researched over the internet and noted from the websites of (i) HSBC Holdings plc (stock code: 5), Hang Seng Bank Limited, The Bank of East Asia Limited (stock code: 23), Standard Chartered PLC (stock code: 2888) and BOC Hong Kong (Holdings) Limited (stock code: 2388) (being major commercial banks in Hong Kong); and (ii) Bank of China Limited (3988 & SH601988), China Construction Bank Corporation (stock code: 939), Industrial and Commercial Bank of China Limited (stock code: 1398) and Agricultural Bank of China Limited (stock code: 1288) (being major commercial banks in the PRC), that they offered mortgage loan tenors up to 30 years. We also conducted research on bank borrowings of companies listed on the Stock Exchange which are engaged in similar line of business as the Company's major business, being property leasing business (and not as a property developer), and derived a majority of their turnover/revenue from such business based on their respective latest annual financial information ("**Comparable Companies**") (the list of Comparable Companies below is exhaustive based on our selection criteria). We noted from the Comparable Companies' latest published annual reports that their bank borrowings were repayable over a period of time (from their respective year-end date) as set out below:

Company name (stock code)	Principal businesses	Year-end date	Borrowings repayable (year)
Hang Lung Group Limited (10)	Principally engaged in (i) property leasing; (ii) property sales; and (iii) hotels operations.	31 December 2025	From within 1 year to more than 5 years

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Company name (stock code)	Principal businesses	Year-end date	Borrowings repayable (year)
China Asia Valley Group Limited (63)	Principally engaged in (i) property investment; (ii) horticultural services and sale of plants, property management and other related services; and (iii) construction services.	31 December 2025	Within 1 to 5 years
Hang Lung Properties Limited (101)	Principally engaged in (i) property investment for rental income; (ii) property development for sales and leasing; and (iii) car park management and property management.	31 December 2025	From within 1 year to more than 5 years
Silver Grant International Holdings Group Limited (171)	Principally engaged in the property leasing.	31 December 2025	Within 1 year
SOHO China Limited (410)	Principally engaged in (i) real estate development; and (ii) the provision of property leasing and related services.	31 December 2025	From within 1 year to more than 5 years
Multifield International Holdings Limited (898)	Principally engaged in (i) property investment; (ii) the provision of serviced apartment and property management services; and (iii) the trading and investments of securities.	31 December 2025	From within 1 year to more than 5 years

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Company name (stock code)	Principal businesses	Year-end date	Borrowings repayable (year)
Chinlink International Holdings Limited (997)	Principally engaged in (i) leasing of property and provision of property management services; and (ii) financial guarantee services and other financing services.	31 March 2025	From within 1 year to more than 5 years
Red Star Macalline Group Corporation Ltd. (1528 & SH601828)	Principally engaged in (i) leasing floor areas to the tenants and providing comprehensive and continuous operation and management support; (ii) providing initiation, consultation and management services, building installation, decorating services and related decorating services; and (iii) development and management of the shopping malls.	31 December 2025	From within 1 year to more than 5 years
Xinji Shaxi Group Co., Ltd (3603)	Principally engaged in (i) property leasing; and (ii) property management services.	31 December 2025	From within 1 year to more than 5 years

Source: The Stock Exchange website

As depicted from the above table, it is not uncommon for the Comparable Companies to have bank borrowings repayable in a period of 5 years or more.

In addition, the Company also randomly provided and we reviewed three loan agreements (for the purpose of property-related equipment/facilities purchase, property renovation or loan repayment) entered into between the Company and independent third parties (i.e. banks) in 1998 and 2010 with terms ranged from 5 years to 12 years.

Taking into account of the above, we confirm that the duration of the New Loan Service Framework Agreement, which is longer than three years is required and it is normal business practice for the New Loan Service Framework Agreement to be of such duration.

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Annual caps of the Loan Services

The historical figures and annual caps of the Loan Services for the three years ended 31 December 2025 are set out as follows:

	For the year ended 31 December 2020 <i>RMB'000</i>	For the year ended 31 December 2021 <i>RMB'000</i>	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>
Maximum daily balance of loans provided by CE Bank to the Group	Nil	Nil	Nil	Nil	Nil
Annual caps	350,000	350,000	350,000	300,000	300,000
Utilisation rate (%)	Nil	Nil	Nil	Nil	Nil

Note: With reference to the Board Letter, for the period from 1 January 2025 up to the Latest Practicable Date, the Group did not enter into any loan transactions with CE Bank or otherwise, and the actual transaction amount for such period was nil.

The proposed annual caps of the Loan Services (the “**Loan Cap(s)**”) are set out as follows:

	For the year ending 31 December				
	2026 <i>RMB'000</i>	2027 <i>RMB'000</i>	2028 <i>RMB'000</i>	2029 <i>RMB'000</i>	2030 <i>RMB'000</i>
Maximum daily balance of loans to be provided by CE Bank to the Group	350,000	350,000	350,000	350,000	350,000

We noted that the Loan Caps are determined with reference to the factors set out under the sub-section headed “Proposed annual caps” under the section headed “2. New Loan Service Framework Agreement” of the Board Letter.

Although the Group did not utilise any Loan Services for the five years ended 31 December 2024 and for the period from 1 January 2025 up to the Latest Practicable Date, with reference to the Board Letter, the Group has been looking for investment opportunities in properties that are of similar scale and grading as compared to the premises currently owned by the Group (the “**Premises**”) as at 31 December 2025 (the “**Potential Acquisition(s)**”) to further broaden its property portfolio within and outside the PRC. With reference to the market value of the Premises

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as at 31 December 2025, the purchase prices of the Potential Acquisitions may range from approximately RMB200 million to RMB380 million, which are anticipated to be financed by internal resources and the Loan Services.

With reference to the Board Letter:

- (i) The Group intended to expand its property portfolio by acquiring properties in the United Kingdom, following an extended period of market inactivity and uncertain investment prospects. The Group conducted site visits and research and has been liaising with property agents for acquisition of properties in the United Kingdom London that fit the Group's selection criteria and development strategy.
- (ii) As part of its preliminary market exploration and ongoing evaluation of overseas opportunities, the Group has identified three specific property targets in the United Kingdom (the "**UK Targets**"), including two student accommodation buildings, and a mixed-use retail and office premises. The indicative purchase prices for the UK Targets range from approximately RMB100 million to RMB320 million. The Group has conducted initial research, held preliminary discussions with agents, reviewed available marketing and planning materials, and is undertaking further investment analysis and feasibility studies.

For our due diligence purpose, we obtained a list of the Potential Acquisitions (including the UK Targets) and noted that the indicative purchase prices of the Potential Acquisitions (including the UK Targets) ranged from RMB60 million to RMB320 million, which indicates the possible demand for Loan Services for the five years ending 31 December 2030. We also obtained the Company's internal analysis for the UK Targets and minutes of the Company's investment committee meeting held in December 2025 which recorded its discussion on the United Kingdom market and one of the UK Targets.

Should the Potential Acquisitions (including the UK Targets) materialise, the Loan Caps of RMB350 million per annum for the five years ending 31 December 2030 are required to finance the Potential Acquisitions (including the UK Targets).

Accordingly, we consider that the Loan Caps for the five years ending 31 December 2030 to be fair and reasonable.

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Shareholders should note that as the Loan Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2030, and they do not represent forecasts of loans under the Loan Services. Consequently, we express no opinion as to how closely the actual loans under the Loan Services will correspond with the Loan Caps.

Having considered the principal terms of the Loan Services as set out above, we consider the terms of the Loan Services (including the Loan Caps) to be fair and reasonable.

Listing Rules implication

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the maximum values of the Transactions must be restricted by the annual caps for the period concerned under the New Framework Agreements; (ii) the terms of the New Framework Agreements must be reviewed by the independent non-executive Directors annually; (iii) details of independent non-executive Directors' annual review on the terms of the New Framework Agreements must be included in the Company's subsequent published annual reports and financial accounts. Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision or procurement of goods or services by the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the proposed annual caps. In the event that the maximum amounts of the Transactions are anticipated to exceed the annual caps, or that there is any proposed material amendment to the terms of the New Framework Agreements, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transaction.

With the stipulation of the above requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the Transactions and hence the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into account that above factors and reasons, we are of the opinion that (i) the Transactions are conducted under the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole; and (ii) the terms of the Transactions are on normal commercial terms and are fair and reasonable. Accordingly, we

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recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the EGM to approve the Transactions and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

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

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

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three years ended 31 December 2023, 2024 and 2025 have been published and are available on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.ebgca.com.hk), and can be accessed by the direct hyperlinks below:

- (i) the audited financial statements included in the annual report of the Company for the year ended 31 December 2023 published on 22 April 2024 (pages 141 to 240):

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0422/2024042200289.pdf>)

- (ii) the audited financial statements included in the annual report of the Company for the year ended 31 December 2024 published on 25 April 2025 (pages 141 to 224):

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042501383.pdf>)

- (iii) the audited financial statements included in the annual report of the Company for the year ended 31 December 2025 published on 24 April 2026 (pages 144 to 232):

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0424/2026042401556.pdf>)

2. WORKING CAPITAL

The Directors are of the opinion that taking into account the existing banking and other borrowing facilities available and the existing cash and bank balances, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular.

3. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 March 2026 (being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular), the Group had aggregate lease liabilities of approximately HK\$2.4 million in respect of lease contracts for a property situated in Hong Kong. The lease liabilities were unsecured and unguaranteed.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities, normal trade payables and other payables and accruals in the ordinary course of business, as at the close of business on 31 March 2026, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, or any other term loans, other borrowings or

indebtedness in the nature of borrowing including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, lease liabilities, mortgages or charges, other material contingent liabilities or guarantees outstanding.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025 (being the date to which the latest published audited financial statements of the Group were made up).

5. FINANCIAL AND TRADING PROSPECT

The Group provides digital services to its tenants and will continue to expand such offerings. Such value-added digital services help attract companies in the software and technology sectors, enabling the Group to bring in more tenants from this emerging market. This, in turn, supports the Group's efforts to attract a broader base of high-quality merchants and further strengthen its leasing business. In addition, the Group will accelerate the adoption of smart property technologies to improve operational efficiency, elevate customer experience, and raise the overall standard of property management.

The Group will also fully leverage synergies with its parent company, China Everbright, to expand diversified value-added services. This approach is expected to enrich the revenue structure, strengthen brand influence, and support the Group's prudent operations amid industry transformation. Robust risk management and internal controls remain a priority, enabling the Group to respond flexibly to macroeconomic and policy changes while continuously optimising its asset portfolio.

Despite ongoing global economic volatility, the Group will adhere to a disciplined operating strategy, carefully reassess overseas investment plans with due regard to regional risks, and flexibly seize appropriate investment windows to safeguard capital. With policy support and a gradual market recovery, the Group remains confident in its ability to navigate challenges and create greater value for its shareholders.

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

(1) Directors' and chief executive's interests in the Company and associated corporations

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests or short positions which they were taken or deemed to have under such provisions of the SFO); (ii) to be entered into the register kept by the Company pursuant to section 352 of the SFO or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

(2) Substantial Shareholders' interests in the Company

So far as is known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, the persons (other than Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying Shares, which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange were as follows:

Name	Note	Capacity	Number of ordinary Shares interested	Approximately percentage of interest
Lucky Link Investments Limited ("Lucky Link")	1	Beneficial owner	297,900,000	67.49%

Name	Note	Capacity	Number of ordinary Shares interested	Approximately percentage of interest
Top Charm Investments Limited ("Top Charm")	1	Beneficial owner	33,100,000	7.50%
Capital Century Company Limited ("Capital Century")	1	Interests in controlled corporation	331,000,000	74.99%
CE Hong Kong	2	Interests in controlled corporation	331,000,000	74.99%
China Everbright Group	3	Interests in controlled corporation	331,000,000	74.99%
Central Huijin Investment Ltd. ("Huijin")	4	Interests in controlled corporation	331,000,000	74.99%

Notes:

- (1) Lucky Link and Top Charm directly hold approximately 67.49% and 7.50% of the total issued shares, respectively, Capital Century holds 100% shares in Lucky Link and Top Charm and is therefore deemed to be interested in 297,900,000 and 33,100,000 Shares held by Lucky Link and Top Charm, respectively. Mr. Liu Jia, Mr. Ma Heming, Mr. Zhuang Minrong and Ms. Yin Junyan, being the directors of the Company, are also directors of Capital Century.
- (2) CE Hong Kong is an indirect controlling shareholder of Lucky Link and Top Charm. CE Hong Kong directly holds 99.997% shares in Capital Century, 0.3% of which is held on trust for the National Administrative Bureau of State Owned Property, and indirectly holds 0.003% shares in Capital Century through Everbright Investment & Management Limited. Therefore, CE Hong Kong is deemed to be interested in 297,900,000 and 33,100,000 Shares held by Lucky Link and Top Charm, respectively. Mr. Liu Jia, being the director of the Company, is also director of CE Hong Kong.
- (3) China Everbright holds 100% shares in CE Hong Kong and is therefore deemed to be interested in 297,900,000 and 33,100,000 shares held by Lucky Link and Top Charm, respectively.
- (4) Huijin is indirectly wholly-owned by the State Council of the PRC and holds 63.16% equity interest in China Everbright. It is deemed to be interested in 297,900,000 and 33,100,000 Shares held by Lucky Link and Top Charm, respectively.

3. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, neither the Company nor any member of the Group was engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against the Company or any member of the Group.

4. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group, or has or may have any other conflicts of interest with the Group pursuant to Rule 8.10 of the Listing Rules.

5. SERVICE CONTRACTS OF DIRECTORS

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

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up) acquired or disposed of by or leased to or are 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 subsisting at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole.

7. EXPERT AND CONSENT

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

Name	Qualification
Gram Capital Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, Gram Capital was not beneficially interested in the share capital of the Group nor did it have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in the Group.

As at the Latest Practicable Date, Gram Capital had no direct or indirect interest in any assets which had been since 31 December 2025 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to the Group, or were proposed to be acquired or disposed of by or leased to the Group.

Gram Capital has given and has not withdrawn its written consent to the issue of this circular, with the inclusion therein of its letter(s), report(s), opinion and/or the references to its name in the form and context in which it appears.

The letter and recommendation from Gram Capital are given as at the date of this circular for incorporation herein.

8. MATERIAL CONTRACTS

No contracts outside the ordinary course of business carried on by the Group had been entered into by the Group within the two years immediately preceding the date of this circular which are or may be material.

9. CORPORATE INFORMATION OF THE GROUP

Registered office	Maple Corporate Services Limited PO Box 309, Ugland House Grand Cayman KY1-1104 Cayman Islands
Headquarters and principal place of business in Hong Kong	Room 1302, 13th Floor Bank of East Asia Harbour View Centre 56 Gloucester Road, Wanchai Hong Kong
Company secretary	Ms. TANG Yuk Ha <i>(associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators) in United Kingdom)</i>
Principal share registrar and transfer office	Maples Fund Services (Cayman) Limited PO Box 1093, Boundary Hall Cricket Square Grand Cayman KY1-1102 Cayman Islands
Hong Kong Branch share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.ebgca.com.hk>) from the date of this circular and for a reasonable period of time (not less than 14 days):

- (a) the New Framework Agreements;
- (b) the letter from Gram Capital as set out on pages 23 to 42 of this circular; and
- (c) the written consent given by Gram Capital referred to in the paragraph headed “Expert and Consent” in this Appendix above.

NOTICE OF EGM



EVERBRIGHT GRAND CHINA ASSETS LIMITED 光大永年有限公司

*(Incorporated in the British Virgin Islands with limited liability and
transferred by way of continuation into the Cayman Islands)*

(Stock code: 3699)

EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**EGM**”) of Everbright Grand China Assets Limited (the “**Company**”) will be held at Drawing Room, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 11 June 2026 at 3:15 p.m. (or immediately after the conclusion or adjournment of the annual general meeting of the Company to be held at the same place and on the same day) for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 20 May 2026 (the “**Circular**”):

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the execution of the New Deposit Service Framework Agreement and its proposed annual caps (as defined and described in the Circular) be and are hereby confirmed, ratified and approved and the transactions contemplated thereunder be and is hereby approved; and
- (b) any one or more directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary and to sign and execute all such documents (including under the seal of the Company), and to take all such steps which in their opinion may be necessary appropriate, desirable or expedient for the purpose of giving effect to the New Deposit Service Framework Agreement and its proposed annual caps and completing the transactions contemplated thereunder.”

NOTICE OF EGM

2. “**THAT**

- (a) the execution of the New Loan Service Framework Agreement and its proposed annual caps (as defined and described in the Circular) be and are hereby confirmed, ratified and approved and the transactions contemplated thereunder be and is hereby approved; and
- (b) any one or more directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary and to sign and execute all such documents (including under the seal of the Company), and to take all such steps which in their opinion may be necessary appropriate, desirable or expedient for the purpose of giving effect to the New Loan Service Framework Agreement and its proposed annual caps and completing the transactions contemplated thereunder.”

By and on behalf of the Board
Everbright Grand China Assets Limited
LIU Jia
Chairman

Hong Kong, 20 May 2026

Notes:

- (1) All resolutions at the meeting 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 Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (2) Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him/her. A proxy need 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 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 proxy form together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the above meeting (i.e. not later than 3:15 p.m. on Tuesday, 9 June 2026) or the adjourned meeting (as the case may be). Delivery of the proxy form shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Monday, 8 June 2026 to Thursday, 11 June 2026, both dates inclusive, during which period no transfer of shares will be registered. The record date will be Thursday, 11 June 2026. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 5 June 2026.

NOTICE OF EGM

- (5) Details of the abovementioned resolutions to be considered and approved at the EGM are set out in the circular of the Company in respect of the EGM dated 20 May 2026.
- (6) References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Board comprises Mr. Liu Jia and Mr. Ma Heming as executive Directors; Mr. Zhuang Minrong and Ms. Yin Junyan as non-executive Directors; and Mr. Ho Kwai Ching Mark, Mr. Shek Lai Him Abraham, Mr. Lee Jor Hung and Mr. Wang Cheung Yue as independent non-executive Directors.