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Redco Healthy Living Company Limited
力高健康生活有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2370)

**(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS;
AND
(2) VERY SUBSTANTIAL ACQUISITION AND CONNECTED
TRANSACTIONS — DEBTS SETTLEMENT FRAMEWORK AGREEMENT**

(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

References are made to (a) the Prospectus in relation to, among other things, (i) the 2022 Property Management Services Framework Agreement; (ii) the 2022 Healthcare Services Framework Agreement; and (iii) the 2022 Information Technology Services Framework Agreement; and (b) the 2022 Carpark Sales Agency Services Framework Agreement as set out in the Prospectus, the announcement of the Company dated 25 November 2022 and the circular of the Company dated 14 December 2022.

The 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement and the 2022 Information Technology Services Framework Agreement expired on 31 December 2023. Further, the 2022 Carpark Sales Agency Services Framework Agreement expired on 31 December 2024. Since the expiry of the respective agreements, the Group has continued to conduct the transactions under each of the aforementioned agreements with Redco Group, its joint ventures and associates on the same terms as those set out in respective aforementioned agreements for the reasons set forth in the section headed “EARLY TRANSACTIONS” in this announcement.

On 16 January 2026, the Company entered into: (a) the New Property Management Services Framework Agreement; (b) the New Healthcare Services Framework Agreement; (c) the New Information Technology Services Framework Agreement; and (d) the New Carpark Sales Agency Services Framework Agreement with Redco Properties for a term commencing from 1 January 2025 to 31 December 2027 (both days inclusive).

(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT

The 2022 Carpark Sales Agency Services Framework Agreement expired on 31 December 2024. According to the terms of the Supplemental Carpark Sales Agency Services Framework Agreement, the Refundable Deposits shall be refunded to the Company in full. However, for the reasons set out under the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT — Reasons for and benefits of the Debts Settlement Framework Agreement” of this announcement, on 16 January 2026 (after trading hours), the Company (on behalf of members of the Group) and Redco Properties (on behalf of members of Redco Group) entered into the Debts Settlement Framework Agreement, pursuant to which it was conditionally agreed that instead of cash refund, Redco Group shall use the Assets to fully offset the outstanding Refundable Deposits in the amount of approximately RMB68.0 million and outstanding services fees receivables, up to the aggregate amount of RMB159,123,000.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Redco Properties is a controlling shareholder of the Company and therefore a connected person of the Company under the Listing Rules. Accordingly, (i) the transactions contemplated under the New Agreements will constitute continuing connected transactions of the Company; and (ii) the transactions contemplated under the Debts Settlement Framework Agreement will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

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

The Group continued to conduct the Early Transactions upon the respective expiry of the 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement, the 2022 Information Technology Services Framework Agreement and the 2022 Carpark Sales Agency Services Framework Agreement.

As the Company had not complied with the applicable requirements prior to conducting the Early Transactions, this constituted a breach of Chapter 14A of the Listing Rules. For details, please refer to the section headed “EARLY TRANSACTIONS” in this announcement. The Board wishes to emphasize that such breach was unintentional, and the Board reiterates its belief that continuing compliance with the Listing Rules and other applicable regulatory requirements is of utmost importance.

(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT

As the highest applicable percentage ratios in respect of the acquisition of the Assets as contemplated under the Debts Settlement Framework Agreement exceeds 100%, the transactions contemplated under the Debts Settlement Framework Agreement constitute a very substantial acquisition and connected transaction of the Company, and is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders’ approval requirements under Chapters 14 and 14A of the Listing Rules.

GENERAL

The Company will convene and hold the EGM for the purpose of, among other things, considering, and, if thought fit, approving each of the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder and rectifying the Early Transactions conducted under the New Agreements.

A circular (the “**Circular**”) containing, among others, (i) further details of the terms of each of the New Agreements and the transactions contemplated thereunder; (ii) further details of the terms of the Debts Settlement Framework Agreement; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) the recommendations from the Independent Board Committee to the Independent Shareholders; and (v) a notice of the EGM will be published in accordance with the Listing Rules on or before 27 February 2026 as additional time is required to finalize the information to be included in the Circular.

(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

References are made to (a) the Prospectus in relation to, among other things, (i) the 2022 Property Management Services Framework Agreement; (ii) the 2022 Healthcare Services Framework Agreement; and (iii) the 2022 Information Technology Services Framework Agreement; and (b) the 2022 Carpark Sales Agency Services Framework Agreement as set out in the Prospectus and the announcement of the Company dated 25 November 2022 and the circular of the Company dated 14 December 2022 in relation to, among other things, the Supplemental Carpark Sales Agency Services Framework Agreement.

The 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement and the 2022 Information Technology Services Framework Agreement expired on 31 December 2023. Further, the 2022 Carpark Sales Agency Services Framework Agreement expired on 31 December 2024. Since the expiry of the respective agreements, the Group has continued to conduct the transactions under each of the aforementioned agreements with Redco Group, its joint ventures and associates on the same terms as those set out in respective aforementioned agreements for the reasons set forth in the section headed “EARLY TRANSACTIONS” in this announcement.

On 16 January 2026, the Company entered into: (a) the New Property Management Services Framework Agreement; (b) the New Healthcare Services Framework Agreement; (c) the New Information Technology Services Framework Agreement; and (d) the New Carpark Sales Agency Services Framework Agreement, with Redco Properties for a term commencing from 1 January 2025 to 31 December 2027 (both days inclusive).

The principal terms of each of the New Agreements are set out below:

(a) New Property Management Services Framework Agreement

Date

16 January 2026

Parties

- (a) The Company; and
- (b) Redco Properties

Subject matter

The Group agreed to provide various property management and related services to Redco Group, its joint ventures and associates, including (i) preliminary planning

and design consulting services; (ii) sales offices and display units management services; (iii) pre-delivery quality inspection and cleaning services; (iv) property management services for unsold and vacant properties of Redco Group, its joint ventures and associates; and (v) repairs and maintenance services for properties used or owned by Redco Group, its joint ventures and associates, including but not limited to properties delivered by Redco Group, its joint ventures and associates during the warranty period of properties (the “**Property Management and Related Services**”).

The relevant parties will enter into separate agreements which will set out the specific terms and conditions according to the principal terms provided in the New Property Management Services Framework Agreement.

Term

From 1 January 2025 to 31 December 2027 (both days inclusive), which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations.

Pricing policy

The service fees to be charged for the Property Management and Related Services shall be determined with reference to a number of factors, including (i) prevailing market prices (taking into account the location and condition of the relevant properties); (ii) the scope of services; (iii) the anticipated operational costs including but not limited to labour costs, administrative costs and costs of materials; and (iv) historical transaction amounts with reference to the measures set out in the section headed “INTERNAL CONTROL MEASURES” of this announcement.

Payment terms

Details of the payment mechanism for all service fees payable by Redco Group, its joint ventures and associates to the Group pursuant to the transactions contemplated under the New Property Management Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties. Specifically, for continuous services, payment will be made in the following month after the monthly settlement amount is mutually agreed between parties. For one-time services, such as pre-delivery inspections, cleaning, preliminary planning and design consulting services, etc., payment will be made in the following month after the completion of specific tasks and verified and confirmed by Redco Group. Redco Group shall verify and confirm within one week upon receiving the acceptance notice issued by the Group.

If a project company of Redco Group fails to pay the outstanding service fees in accordance with the credit term (i.e. 30 days) of the individual agreement for

continuing connected transactions, the Company will issue a final payment reminder to the project company of Redco Group on the date following the default of payment and the project company is granted to an one-off gracing period and is allowed to settle the payment within 7 days after the issuance of the final payment notice by the Company. The Company will exercise its rights to terminate this agreement with that project company of Redco Group if no full settlement is made within 7 days after the issuance of final payment notice.

Historical transaction amounts

The existing annual caps for the two years ended 31 December 2023 are RMB92.2 million and RMB101.7 million, respectively.

The actual transaction amounts for the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025 were approximately RMB78.1 million, RMB44.9 million, RMB39.8 million and RMB14.2 million, respectively.

Proposed annual caps

The proposed annual caps under the New Property Management Services Framework Agreement for the three years ending 31 December 2027 are RMB24.1 million, RMB27.8 million and RMB27.5 million, respectively. The proposed annual caps under the New Property Management Services Framework Agreement covered the Early Property Management Services Transactions conducted for the year ended 31 December 2025.

In arriving at the above proposed annual caps, the Directors have considered factors including: (i) the historical transaction amounts with Redco Group, its joint ventures and associates in relation to the Property Management and Related Services conducted during the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025; (ii) the projected transaction amounts pursuant to the existing contracts with Redco Group, its joint ventures and associates for which the Group is engaged to provide the Property Management and Related Services; (iii) the expected revenue to be generated by the Group from the provision of preliminary planning and design consulting services, pre-delivery quality inspection and cleaning services, property management services as well as the repair and maintenance services to Redco Group, its joint ventures and associate upon

completion and delivery of their property projects, which have been estimated based on the 89 projects of Redco Group, its joint ventures and associates with an aggregate GFA of approximately 10,629,086 sq.m. as at 31 December 2024; (iv) the expected number of sales offices and display units for which the Group anticipates it will be engaged to provide sales offices and display units management services for which was estimated based on the land bank of Redco Group, its joint ventures and associates and the expected development schedules of Redco Group, its joint ventures and associates for the three years ending 31 December 2027; and (v) the expected fee rate to be charged for the Property Management and Related Services for the three years ending 31 December 2027.

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

The Group has been engaged by Redco Group, its joint ventures and its associates to provide the Property Management and Related Services since 2008 earning services income at normal commercial terms. It is expected that the Group will continue to do so in its ordinary and usual course of business.

For projects which are already delivered and managed by our Group for all common areas and facilities, providing additional services like pre-delivery inspections, cleaning, and maintenance for vacant properties owned by Redco Group will not significantly increase the Group's operational costs or management fees and it is also not practicable and not in the interest of the Company and the Shareholders as a whole to terminate the provision of management services to the whole project and forsake the management fees receivable due to the existence of certain vacant properties still unsold and held by Redco Group. The Quality Operations Center of the Company is responsible for arranging specific business matters. When conducting the corresponding business activities, full-time employees of the Quality Operations Center and those dedicated to each project are in charge of executing the related work tasks. Some tasks, such as cleaning, are outsourced to third parties for execution; however, the scope of work covers the entire area of the project, not just the areas which have been delivered to the property owners. To illustrate, for each of the two years ended 31 December 2024 and the nine months ended 30 September 2025, the operational costs related to the provision of pre-delivery inspections, cleaning, and maintenance for vacant properties owned by Redco Group, as well as preliminary planning and design consulting services amounted to approximately RMB1,197,777, RMB200,902 and RMB85,990, respectively, which is attributable to the whole project and will be incurred by the Group regardless of whether the Group continues to provide the services to the vacant properties unsold and held by Redco Group. In relation to other services including preliminary planning and design consulting services and sales offices and display units management services to Redco Group, the costs associated with these services are primarily determined based on Redco Group's specific requirements for the number of personnel and standards

involved for the relevant services and the marketing venues. The Board considers that continuation of the provision of such services will enable the Group to secure property management rights for the relevant projects which will generate revenue for the Group. In particular, when the projects are handed over, the Group will be able to charge management fees directly from third party property owners. Regarding all Property Management and Related Services, for the two years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025, the operational costs associated for providing the services to Redco Group were approximately RMB25,871,490, RMB16,081,318, and RMB4,982,038, respectively.

In view of the above, the Directors (excluding the independent non-executive Directors, whose view will be set out in the Circular) are of the view that the terms of the New Property Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps therefor) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

(b) New Healthcare Services Framework Agreement

Date

16 January 2026

Parties

(a) The Company; and

(b) Redco Properties

Subject matter

The Group agreed to provide healthcare services to the owners, occupants or residents of certain residential properties developed by Redco Group, its joint ventures and associates, including but not limited to healthcare consultancy, nutrition, health assessment and health management services (“**Healthcare Services**”). Redco Group, its joint ventures and associates would purchase from the Group from time to time healthcare services cards at a fixed price of RMB3,000 or RMB4,000 (to be determined based on the pricing policy below) per household, which were gifted by Redco Group, its joint ventures and associates to its property purchase customers as a home purchase offer being part of the marketing activities of Redco Group, its joint ventures and associates. Each healthcare services card was non-transferable and entitled the household of the property purchase customer to use the Healthcare Services provided by the Group within a three-year period. The agreement for the provision of the Healthcare Services to the property purchase

customers of Redco Group, its joint ventures and associates was solely between Redco Group, its joint ventures and associates and the Group and there was no separate agreement between Redco Group, its joint ventures and associates and their property purchase customers in respect of the provision of the Healthcare Services. However, Redco Group, its joint ventures and associates would inform their property purchase customers verbally at the time of gifting the healthcare services cards as to the service period and other details.

The relevant parties will enter into separate agreements which will set out the specific terms and conditions according to the principal terms provided in the New Healthcare Services Framework Agreement.

Term

From 1 January 2025 to 31 December 2027 (both days inclusive), which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations.

Pricing policy

The healthcare services cards have two fixed prices of either RMB3,000 or RMB4,000 per household, which shall be determined and set out in the relevant specific agreements to be entered into between the parties based on the scope and frequency of services to be provided and the corresponding operational costs (including but not limited to labour cost and administrative costs) to be incurred. Such fixed prices of RMB3,000 or RMB4,000 are determined with reference to the prevailing market prices (taking into account the prices provided by three other independent third party health services providers for similar services).

Payment terms

Details of the payment mechanism for all service fees payable by Redco Group, its joint ventures and associates to the Group pursuant to the transactions contemplated under the New Healthcare Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties. Specifically, payment will be made in the following month after the relevant specific agreements are entered into between the parties.

Historical transaction amounts

The existing annual caps for the two years ended 31 December 2023 are RMB22.8 million and RMB27.4 million, respectively.

The actual transaction amounts for the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025 were approximately RMB14.3 million, RMB9.5 million, RMB1.7 million and RMB1.7 million, respectively.

Proposed annual caps

The proposed annual caps under the New Healthcare Services Framework Agreement for the three years ending 31 December 2027 are RMB2.9 million, RMB5.2 million and RMB5.9 million, respectively. The proposed annual caps under the New Healthcare Services Framework Agreement covered the Early Healthcare Services Transactions conducted for the year ended 31 December 2025.

In arriving at the above proposed annual caps, the Directors have considered factors including: (i) the historical transaction amounts with Redco Group, its joint ventures and associates in relation to the Healthcare Services for the year ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025; (ii) the existing contracts under which the Group is engaged to provide Healthcare Services to the households which have received home purchase offers from Redco Group, its joint ventures and associates; and (iii) the estimated number of households of the property projects to be developed by Redco Group, its joint ventures and associates for which the Group anticipates it will be engaged to provide the Healthcare Services in relation to the home purchase offers for the three years ending 31 December 2027 as advised by Redco Group, its joint ventures and associates.

Reasons for and benefits of entering into the New Healthcare Services Framework Agreement

The Group has been engaged by Redco Group, its joint ventures and associates to provide the Healthcare Services since 2020, earning services income at normal commercial terms. It is expected that the Group will continue to do so in its ordinary and usual course of business.

The Group has set up 15 Yearning Health Centers and an online health management platform, which do not only offer health management services to customers of Redco Group, but also to third-party clients. Therefore, the cost of provision of the Healthcare Services to Redco Group will actually be spread across a wider client base. Furthermore, the renewed Healthcare Services are mainly provided at Yearning Health Centers located near property projects to which management services are also

provided by the Group. Based on consumption records of the Group's Yearning Health Centers, for the year ended 31 December 2023, the Group's Yearning Health Centers served 10,471 customers, in which 3,312 customers were independent third parties; and for the year ended 31 December 2024, the Group's Yearning Health Centers served 20,404 customers, in which 11,380 customers were independent third parties. The increase in the number of total customers and the ratio of independent third parties customers indicate the Group's success in reducing reliance on Redco Group and the Company believes that the continuation of provision of the Healthcare Services at these centers will enable the Group to further strengthen its market presence in these regions.

The Healthcare Services carries significant strategic importance and enhances customer satisfaction for property owners and distinguished the Group from other property management service providers and making it an indispensable part of the Group's property management services due to the following reasons:

- (i) as the provision of Healthcare Services is one of the strategies under the new three-to-five year medium-to-long term strategic plan of the Company so as to position the Company as a leading "smart city lifestyle services provider" in China and provide customers with high quality comprehensive services by integrating property management, health care and technological services, the aging trend in the PRC is accelerating. As such, it is anticipated the demand for community healthcare services will continue to grow. This is in line with the Group's strategy and the China's long term care insurance;
- (ii) following the COVID-19 pandemic, health management and chronic disease care services have become key market focuses, with demand shifting from reactive health management, managing incidents after they occur, to proactive health management, which focuses on maintaining good health through prevention; and
- (iii) As China has been implementing programs to popularize long term care insurance, which is designed to share expenses incurred by people unable to perform basic daily activities such as eating, bathing or dressing due to aging, injury, illness or mental deterioration, it has become a key priority for the Group to provide the Healthcare Services in order to benefit from long-term insurance programs.

In view of the above, the Directors (excluding the independent non-executive Directors, whose view will be set out in the Circular) are of the view that the terms of the New Healthcare Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

(c) New Carpark Sales Agency Services Framework Agreement

Date

16 January 2026

Parties

- (a) The Company; and
- (b) Redco Properties

Subject matter

The Group agreed to provide carpark sales agency services to Redco Group, its joint ventures and associates, including but not limited to acting as sales and leasing agent for carparks of Redco Group, its joint ventures and associates (“**Carpark Sales Agency Services**”).

The Group and Redco Group, its joint ventures and associates shall enter into further individual contracts which shall set out the specific terms and conditions according to the principal terms provided in the New Carpark Sales Agency Services Framework Agreement.

Term

From 1 January 2025 to 31 December 2027 (both days inclusive), which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations.

Pricing Policy

The service fees to be charged for the Carpark Sales Agency Services shall be determined with reference to a number of factors, including (i) the historical transaction prices of comparable carparks and the transaction prices of comparable projects available from third parties in the surrounding markets of the carparks; (ii) the base values of the carparks which are agreed by both Parties; (iii) prevailing market rates; and (iv) the anticipated operational costs including but not limited to labour costs and administrative costs for providing such services in accordance with the measures set out in the section headed “INTERNAL CONTROL MEASURES” of this announcement.

Payment terms

For the carparks sold by the Group, the parties agreed that the total sales prices of the carparks shall be received by the Group from the buyer, and from which the Group shall be entitled to directly deduct the amount of the corresponding service fees for the Carpark Sales Agency Services. After such deduction, the Group shall return the remaining balance of the sales price to Redco Group, its joint ventures and associates within one month after the full payment was settled by the buyer. The detailed payment mechanism should be specified in the relevant specific agreement to be entered into by the parties.

Historical transaction amounts

(i) Carpark Sales Agency Services fees

The existing annual caps for the service fees in respect of the 2022 Carpark Sales Agency Services Framework Agreement for the three years ended 31 December 2024 are RMB12.4 million, RMB32 million and RMB46 million, respectively.

The actual transaction amounts for the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025 were approximately RMB9.9 million, RMB3.6 million, RMB2.1 million and RMB0.6 million, respectively.

(ii) Refundable Deposits

The annual caps for the Refundable Deposits for each of the three years ended 31 December 2024 are RMB73 million, RMB74 million and RMB74 million, respectively.

The actual maximum amount of the Refundable Deposits for the three years ended 31 December 2024 were approximately RMB73 million, RMB73 million and RMB70.4 million, respectively. For the period from 1 January 2025 to 30 September 2025, the actual maximum amount of the Refundable Deposits brought forward was approximately RMB68.4 million.

As at 30 September 2025, the Refundable Deposits in the amount of RMB68.0 million remains outstanding from Redco Group and constitutes the Early Carpark Deposits Transaction. Such outstanding Refundable Deposits shall be offset against the consideration for the Assets pursuant to the Debts Settlement Framework Agreement as detailed under the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT — Consideration, basis of determination of the consideration and payment terms” below in this announcement.

Proposed annual caps

The proposed annual caps under the New Carpark Sales Agency Services Framework Agreement in respect of the service fees for the Carpark Sales Agency Services for the three years ending 31 December 2027 are RMB1.9 million, RMB2.4 million and RMB2.3 million, respectively. The proposed annual caps under the New Carpark Sales Agency Services Framework Agreement covered the Early Carpark Sales Agency Services Transactions conducted for the year ended 31 December 2025.

In arriving at the abovementioned proposed annual caps, the Directors have taken into account, among others, (i) the historical transaction amounts during the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025; (ii) the expected number of car parking spaces to be sold or leased with reference to the existing signed contracts and potential new contracts with Redco Group for the Carpark Sales Agency Services and the estimation of the delivery schedule of Redco Group; (iii) the estimated sales price or rental fee of car parking spaces developed by Redco Group; and (iv) the estimated agency fee to be charged for each car parking space sold or leased with reference to the historical agency fee charged by the Group and the prevailing market rates.

Reasons for and benefits of entering into the New Carpark Sales Agency Services Framework Agreement

The 2022 Carpark Sales Agency Services Framework Agreement expired on 31 December 2024. According to the terms of the Supplemental Carpark Sales Agency Services Framework Agreement, the Refundable Deposits shall be refunded to the Company in full within 10 business days upon the expiry of the agreement. However, the Company was informed by Redco Group that it was unable to arrange cash refund according to the terms of the 2022 Carpark Sales Agency Services Framework Agreement due to its liquidity issue caused by the continuous downturn of the property market in the PRC. Instead of cash refund, Redco Group proposed to use its property units and carparking spaces to be generated from its long-term assets to fully offset the outstanding Refundable Deposits in the amount of approximately RMB68.0 million as at 30 September 2025. For details of the debt settlement arrangement, please refer to the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT” in this announcement.

The Company noted that during the term of the Supplemental Carpark Sales Agency Services Framework Agreement, the sales of the exclusive carpark under the Supplemental Carpark Sales Agency Services Framework Agreement were slower than anticipated, which was mainly attributable to the weak sentiment in the property market of the PRC. After assessing the marketability of the exclusive carpark, the Board considers that it would not be in the best interest of the Company and the Shareholders as a whole to renew the arrangement of acting as the exclusive sales agent for Redco Group in respect of its carparking spaces, and therefore requested Redco Group to fully setoff the outstanding Refundable Deposits pursuant to the Debts Settlement Framework Agreement.

For the Carpark Sales Agency Services, the Group has been engaged by Redco Group for more than eight years, earning services income at normal commercial terms. It is expected that the Group will continue to do so in its ordinary and usual course of business.

The Directors (excluding the independent non-executive Directors, whose view will be set out in the Circular) are of the view that the terms of the New Carpark Sales Agency Services Framework Agreement (including the payment terms where the total sales prices of the carpark shall be received by the Group from the buyer, and from which the Group shall be entitled to directly deduct the amount of the corresponding service fees to minimise the risks on the part of the Group) and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

(d) NEW INFORMATION TECHNOLOGY SERVICES FRAMEWORK AGREEMENT

Date

16 January 2026

Parties

- (a) The Company; and
- (b) Redco Properties

Subject matter

The Group agreed to provide information technology services to Redco Group, its joint ventures and associates, including but not limited to the design and development of smart software and hardware primarily applied in property development for different projects developed by Redco Group, its joint ventures and associates (“**Information Technology Services**”).

The relevant parties will enter into separate agreements which will set out the specific terms and conditions according to the principal terms provided in the New Information Technology Services Framework Agreement.

Term

From 1 January 2025 to 31 December 2027 (both days inclusive), which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations.

Pricing policy

The service fees to be charged for the Information Technology Services shall be determined with reference to a number of factors, including (i) the operation cost (including labour costs and hardware purchase cost) for the provision of the Information Technology Services; and (ii) prevailing market rate for similar information technology services having regard to the measures set out in the section headed “INTERNAL CONTROL MEASURES” of this announcement.

Payment terms

Details of the payment mechanism for all service fees payable by Redco Group, its joint ventures and associates to the Group pursuant to the transactions contemplated under the New Information Technology Services Framework Agreement should be specified in the relevant specific agreement to be entered into by the parties and consistent with the following:

Information Technology Services

Payment terms

Operations and maintenance
services

Payment of service fees shall be made within one month after the relevant specific agreements are entered into

Development services	Service fees shall be settled quarterly based on the number of orders received during the relevant quarter, followed by payment of the balance amount within one month after the completion of service acceptance and confirmation.
Intelligent engineering projects	The first installment of 70% of the service fees payable shall be settled within one month after the relevant specific agreements are entered into. Within 45 business days after the completion of service acceptance and confirmation, the second instalment of 27% of the service fees payment shall be made. The final balance of 3% of the service fees shall be settled upon the expiry of the two-year guarantee period if no quality issues arise.

Historical transaction amounts

The existing annual caps for the two years ended 31 December 2023 are RMB16 million and RMB19.3 million, respectively.

The actual transaction amounts of the Information Technology Services for the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025 were approximately RMB11.3 million, RMB15.1 million RMB14.5 million and RMB5.9 million, respectively.

Proposed annual caps

The proposed annual caps under the New Information Technology Services Framework Agreement for the three years ending 31 December 2027 are RMB12.0 million, RMB10.2 million and RMB9.6 million, respectively. The proposed annual caps under the New Information Technology Services Framework Agreement covered the Early Information Technology Services Transactions conducted for the year ended 31 December 2025.

In arriving at the above proposed annual caps, the Directors have considered factors including: (i) the historical transaction amounts with Redco Group, its joint ventures and associates in relation to the Information Technology Services for the three years ended 31 December 2024 and for the period from 1 January 2025 to 30 September 2025; (ii) the existing number of contracts under which the Group is engaged to provide the Information Technology Services to the projects developed by Redco Group, its joint ventures and associates; and (iii) the increase in requirements for the

smart software and hardware of the projects to be developed by Redco Group, its joint ventures and associates for which the Group anticipates it will be engaged to provide the Information Technology Services for the three years ending 31 December 2027.

Reasons for and benefits of entering into the New Information Technology Services Framework Agreement

The Group has been engaged by Redco Group, its joint ventures and associates to provide the Information Technology Services since 2021 earning revenue at normal commercial terms. It is expected that the Group will continue to do so in its ordinary and usual course of business.

The smart information platforms designed by the Group for Redco Group which no longer need significant extra investments, and only operational maintenance and port fees are expected to be mainly incurred. To illustrate, the relevant platform design and development costs incurred by the Group attributable to the provision of services to Redco Group amounted to approximately RMB70,000 for each of the two years ended 31 December 2024 and the nine months ended 30 September 2025; and the operational maintenance and port fees incurred by the Group attributable to the provision of services to Redco Group amounted to approximately RMB1,739,000, RMB1,083,000 and RMB465,000, respectively for each of the two years ended 31 December 2024 and for the nine months ended 30 September 2025. Whereas the revenue related to the smart information platforms designed by the Group for Redco Group amounted to approximately RMB11,688,000, RMB3,816,000 and RMB4,018,000, respectively, for each of the two years ended 31 December 2024 and the nine months ended 30 September 2025; with the cash collection ratios of approximately 35.7%, 47.9% and 48.1%, respectively, for each relevant financial period, which are sufficient to cover the associated design and development costs, as well as the operational maintenance and port fees for the provision of services to Redco Group. As an additional protection measure, the Group could also adjust or terminate these services based on Redco Group's contractual compliance.

In view of the above, the Directors (excluding the independent non-executive Directors, whose view will be set out in the Circular) are of the view that the terms of the New Information Technology Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable, on normal commercial terms and will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

Reasons for continuing to provide the services to Redco Group, its joint ventures and associates

Although the majority of the property management service fees remains unsettled, taking into account that (i) the Group has been engaged by Redco Group, its joint ventures and associates to provide the Property Management and Related Services, the Healthcare Services, the Carpark Sales Agency Services and the Information Technology Services for years and earning services income at normal commercial terms; (ii) the New Agreements could provide an additional opportunity for the Group to increase its future revenue base with terms no less favourable than those available from Independent Third Parties, which are beneficial to the Company and the Shareholders as a whole; and (iii) the aggregated actual transaction amounts of the Group's provision of the Property Management and Related Services, the Healthcare Services, the Carpark Sales Agency Services and the Information Technology Services to Redco Group, its joint ventures and associates amounted to approximately RMB113.7 million, RMB73.1 million and RMB58.0 million for the three years ended 31 December 2024, respectively, accounting for approximately 26.0%, 16.3% and 13.8% of the Group's total revenue for the three years ended 31 December 2024. As such, such provision of services to Redco Group is an important revenue source of the Group. Therefore, the Independent Board Committee, after taking into account the advice of the Independent Financial Adviser which will be set out in the Circular, considers that the entering into of the New Agreements is in the interests of the Company and its shareholders, and that the Company should continue providing the services to Redco Group, its joint ventures and associates.

(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT

As mentioned under the section headed “(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS — (c) New Carpark Sales Agency Services Framework Agreement — Reasons for and benefits of entering into the New Carpark Sales Agency Services Framework Agreement” in this announcement, Redco Group is facing liquidity issue as a result of the continuous downturn of the property market in the PRC. In order to settle the payables due to the Group in a short period of time without putting further pressure on Redco Group's working capital, Redco Group has proposed to transfer the Assets (as defined below) in lieu of cash settlements in relation to certain payables due to the Group (including the outstanding Refundable Deposits and other services fees) by entering into the Debts Settlement Framework Agreement with the Company.

The principal terms of the Debts Settlement Framework Agreement are as follows:

Date

16 January 2026

Parties

- (a) The Company; and
- (b) Redco Properties

Subject matter

The Company has conditionally agreed to acquire, and Redco Group has conditionally agreed to sell, the following assets (collectively, the “**Assets**”) at an aggregate consideration of RMB159,123,000 (the “**Consideration**”). The Assets comprise parking spaces, residential units and retail units in the PRC, as detailed in the section headed “Information on the Assets” below.

As at the date of this announcement, all the Assets are in either saleable condition to the Company or ready for assignment of the right of use to the Company.

The acquisition of the Assets pursuant to the Debts Settlement Framework Agreement will be carried out by way of:

- (i) (with respect to the target parking spaces in respect of which the direct transfer of property ownership right is not available under the PRC laws and regulations) an assignment of the right of use, including the right to occupy, use, benefit from and dispose of the parking spaces; or
- (ii) (with respect to the target residential and retail units, and parking spaces in respect of which the direct transfer of property ownership right is available under the relevant PRC laws and regulations) a direct transfer of the property ownership right.

In the PRC, parking spaces are categorised into civil air defense parking spaces and non-civil air defense parking spaces. Non-civil air defense parking spaces with legally obtained property rights permit the transfer of ownership. Non-civil air defense parking spaces without legally obtained property rights and civil air defense parking spaces can be carried out by the assignment of right of use in the parking spaces where the direct transfer of property ownership right is not available under the PRC laws, regulations and local policies in most cities. If the direct transfer of the

property ownership right in the target parking spaces is allowed under the PRC laws and regulations in the future (for example, due to any relaxation of the existing PRC laws and regulations), Redco Group shall actively cooperate with the Group to carry out the transfer of property ownership right in such target parking spaces.

For parking spaces which the direct transfer of property ownership right is not available under the PRC laws and regulations and only right of use will be assigned, the Company has conducted the following due diligence and obtained legal opinion issued by an independent PRC counsel to ensure that there is a valid assignment of the right of use of the target parking spaces. In particular, the Company has obtained and reviewed the relevant ownership documents for the parking spaces, including but not limited to land certificates, pre-sale permits, completion acceptance documents, and property rights registration certificates. The PRC counsel has examined the policy regulations on the transfer of parking spaces issued by government departments in various localities, and provided the legal opinion on the ownership status of the relevant parking spaces and the feasibility of the ownership transfer plan.

To safeguard the interest of the Shareholders, where a court orders the attachment, seizure, freezing, or auction of the relevant parking spaces, unless the Company has already identified purchasers and such purchasers nevertheless agree to proceed with the transactions, the Company and Redco Group have agreed to unwind the relevant transactions and the Company may require Redco Group to provide other assets to substitute, which will be conducted in compliance with the Listing Rules. Such assets shall be determined by the Company and should not be subject to any encumbrances and the title or right of use of which should be freely transferrable by Redco Group, and could be subsequently transferred by the Group to any other third parties.

Therefore, the Independent Board Committee, after taking into account the advice of the Independent Financial Adviser which will be set out in the Circular, considers that the assignment of the right of uses of the parking spaces is in the interests of the Company and the Shareholders.

The Debts Settlement Framework Agreement is a framework agreement which contains the principles, mechanisms and terms and conditions upon which the parties thereto are to carry out the transactions respectively. Following the signing of the Debts Settlement Framework Agreement, (i) each vendor (being a relevant member of Redco Group) and the respective purchaser (being a member of the Group) shall separately enter into an asset transfer agreement or a right of use transfer agreement (as the case may be) and relevant ancillary documents (collectively, the “**Underlying Agreement(s)**”) for the purpose of (a) registration of transfer of property ownership right; or (b) effecting the assignment of the right of use, in the Assets; and (ii) the Company and Redco Properties shall procure its relevant subsidiary or associate to, enter into a settlement agreement (the “**Settlement Agreement(s)**”) in the form satisfactory to the Group, pursuant to which the consideration for the relevant acquisition payable by members of the Group shall be offset against (i) firstly, the outstanding Refundable Deposits as at 30 September 2025 in the amount of approximately RMB68.0 million in full; and (ii) the service fees receivables due from Redco Group to the Group (collectively, the “**Receivables**”) on a dollar-for-dollar basis, up to the aggregate amount of approximately RMB159,123,000. As at 30 September 2025, the total service fees receivables due from Redco Group to the Group amounted to approximately RMB181,712,507. After the arrangement to offset approximately RMB91,123,000 as contemplated under the Debts Settlement Framework Agreement, the total outstanding service fees receivables due from Redco Group to the Group will amount to approximately RMB90,589,507 (the “**Remaining Receivables**”). The Group is negotiating further debt settlement solutions with Redco Group. Subject to restrictions in connection with the relevant guidance and policies promulgated by the PRC government (such as policies relating to ensuring project deliveries), no concrete plans have been arrived at by the parties yet. Further announcement(s) will be published as and when appropriate when a holistic debt settlement arrangement is agreed between the parties regarding the Remaining Receivables.

The detailed breakdown of the Receivables are as follows:

Service type	Transaction period	Transaction amounts (RMB)	Aging analysis	Outstanding amount due from Redco Group (RMB)
	For the period from 1 January 2025 to 30 September 2025	14,157,000	Due between 1 January 2025 and 30 September 2025	8,246,903
	For the year ended 31 December 2024	39,779,000	Due between 1 January 2024 and 31 December 2024	47,489,204
Property Management Services	For the year ended 31 December 2023	44,879,000	Due between 1 January 2023 and 31 December 2023	44,300,424
	For the year ended 31 December 2022	78,109,000	Due before 31 December 2022	44,026,714
	Sub-total	176,924,000		144,063,245
	For the period from 1 January 2025 to 30 September 2025	1,710,000	Due between 1 January 2025 and 30 September 2025	Nil
	For the year ended 31 December 2024	1,692,000	Due between 1 January 2024 and 31 December 2024	Nil
Healthcare Services	For the year ended 31 December 2023	9,481,000	Due between 1 January 2023 and 31 December 2023	13,084,727
	For the year ended 31 December 2022	14,387,000	Due before 31 December 2022	5,842,701
	Sub-total	27,270,000		18,927,428

Service type	Transaction period	Transaction amounts (RMB)	Aging analysis	Outstanding amount due from Redco Group (RMB)
Information Technology Services	For the period from 1 January 2025 to 30 September 2025	5,870,000	Due between 1 January 2025 and 30 September 2025	2,540,483
	For the year ended 31 December 2024	14,478,000	Due between 1 January 2024 and 31 December 2024	3,900,247
	For the year ended 31 December 2023	15,156,000	Due between 1 January 2023 and 31 December 2023	4,664,198
	For the year ended 31 December 2022	11,310,000	Due before 31 December 2022	7,616,906
	Sub-total	46,814,000		18,721,834
Carpark Sales Agency Services	For the period from 1 January 2025 to 30 September 2025	642,000	Due between 1 January 2025 and 30 September 2025	Nil
	For the year ended 31 December 2024	2,091,000	Due between 1 January 2024 and 31 December 2024	Nil
	For the year ended 31 December 2023	3,612,000	Due between 1 January 2023 and 31 December 2023	Nil
	For the year ended 31 December 2022	9,927,000	Due before 31 December 2022	Nil
	Sub-total	16,272,000		Nil
	Total	267,280,000		181,712,507

The repayment history of Redco Group, its joint ventures and associates is detailed as follows:

	Cumulative actual transaction amount up to 30 September 2025 RMB	Paid RMB	Outstanding amount up to 30 September 2025 RMB
Property Management Services	411,274,542	267,211,297	144,063,245
Healthcare Services	42,134,998	23,207,570	18,927,428
Carpark Sales Agency Services	31,374,943	31,374,943	—
Information Technology Services	60,972,789	42,250,955	18,721,834
Total:	545,757,272	364,044,765	181,712,507

Further breakdown of the periods to which the cumulative actual transaction amount relate are detailed as follows:

	Cumulative actual transaction amount up to 30 September 2025 RMB	For the period ended 30 September 2025 RMB	For the year ended 31 December 2024 RMB	For the year ended 31 December 2023 RMB	For the year ended 31 December 2022 RMB	For the year ended 31 December 2021 RMB	On or before 31 December 2020 RMB
Property Management Services	411,274,542	14,157,336	39,779,206	44,879,000	78,109,000	83,550,000	150,800,000
Healthcare Services	42,134,998	1,709,611	1,692,387	9,481,000	14,387,000	14,865,000	—
Carpark Sales Agency Services	31,374,943	641,839	2,091,104	3,612,000	9,927,000	2,403,000	12,700,000
Information Technology Services	60,972,789	5,869,540	14,478,249	15,156,000	11,310,000	14,159,000	—
Total:	545,757,272	22,378,326	58,040,946	73,128,000	113,733,000	114,977,000	163,500,000

The selection criteria of the Receivables to be set off against the Consideration is as follows:

- (a) receivables due from wholly-owned subsidiaries of Redco Group (amounting to approximately RMB79.6 million) will be firstly be selected, as Redco Group could manage its internal debt restructuring more efficiently and facilitate a quicker debt settlement process; and
- (b) finally, the remaining balance of Consideration will be used to set off receivables due from the joint ventures and associates of Redco Group (amounting to approximately RMB11.5 million).

Consideration, basis of determination of the consideration and payment terms

The aggregate Consideration for the acquisition of the Assets is RMB159,123,000. As agreed by the Company and Redco Properties under the Debts Settlement Framework Agreement, the Consideration for the acquisition of the Assets payable by the Group shall be offset against the outstanding Receivables in the aggregate amount of approximately RMB159,123,000 on a dollar-for-dollar basis, and thus no separate cash payment will be made by the Group to Redco Group.

The Consideration was determined after arm's length negotiations between the Company and Redco Properties with reference to, among others:

- (i) the valuation of the Assets as at 30 September 2025 in the aggregate amount of RMB182,930,000 conducted by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, using the market approach;
- (ii) the prevailing market prices for the property projects of which the Assets form part;
- (iii) the prevailing market prices for the comparable assets in the proximity;
- (iv) the prevailing property market conditions; and
- (v) the reasons and benefits as more particularized in the paragraph headed "Reasons for and Benefits of the Debts Settlement Framework Agreement" below.

Details of the Valuation

The Valuation of the Assets was carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

The Valuer has valued the property interests in respect of the Assets by the market approach assuming sale of the property interests in their existing states with the benefit of immediate vacant possession and by making reference to comparable market transactions as available in the relevant market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

As advised by the Valuer, other commonly adopted valuation methodologies include cost approach and income approach. As explained by the Valuer, cost approach is usually adopted for property with specific nature and lack of sales transactions of properties of the same characteristics in the vicinity. As such, cost approach was considered not suitable for the purpose of the valuation of the Assets as sale transactions of similar properties are available in the market. Income approach is also considered to be not suitable for the purpose of the valuation of the Assets as it provides an indication of value by converting future cash flow to a single current value. However, as the parking spaces, residential units and retail units of the Assets were held for sale by Redco Group and the Company will gradually sell the Assets, the income approach is therefore not considered as an appropriate methodology. While according to the valuation standard, market approach should be applied the subject asset or substantially similar assets are actively publicly traded, and/or there are frequent and/or recent observable transactions in substantially similar assets. As such, market approach is adopted for the valuation of the property interests in respect of the Assets.

The Assets primarily consist of carparking spaces (or right-of-use of carparking spaces), residential units, and retail units for sale. There are existing transactions of similar assets in the market. According to the Valuer, these sales evidences have similar characteristics as the Assets in terms of location and usage, and can be used as comparable properties which could reflect the current market supply and demand relationship and price trends. When arriving at the market value of the Assets, the Valuer has made appropriate adjustments and its analysis has also taken into account the differences between the comparable properties and the Assets including location, accessibility and building age. Using the market approach, the Valuer has based the valuation on the assumption that the Assets are fully exposed to the open market, rather than relying on Redco Group's own sales performance. Redco Group's failure to sell the Assets may stem from internal factors (such as liquidity pressure, insufficient marketing investment, and timing of sales) and does not necessarily indicate a lack of marketability in the assets themselves. Furthermore, the PRC legal advisor provided legal opinion regarding the transferability of the Assets' ownership/right-of use. Therefore, the Valuer considers the adoption of the market approach is appropriate, fair and reasonable.

Conditions Precedent

The offsetting of the Receivables from Redco Group with the Assets is subject to the fulfilment of the following conditions:

- (i) completion of due diligence on the Assets by the Group with the results thereof being satisfactory to the Group;
- (ii) all representations, warranties and undertakings made by Redco Group to the Group under the Debts Settlement Framework Agreement, the Underlying Agreements and the Settlement Agreements being true, accurate and complete;
- (iii) all necessary authorisations and approvals in relation to the Debts Settlement Framework Agreement and the transactions contemplated thereunder, including any internal authorisations and approvals, governmental and regulatory approvals (if necessary) and approval by independent shareholders under the Listing Rules (if necessary) having been obtained by each of the Group and Redco Group; and
- (iv) the Underlying Agreements and the Settlement Agreements having been signed by the relevant parties and taken effect and remaining in full force.

All the above conditions precedent are not waivable.

Delivery and completion

The relevant vendors shall cooperate with the relevant purchasers to complete the signing of the Underlying Agreements and Settlement Agreement within 30 days upon the fulfilment of above conditions precedent, and apply for the change of registration for the Assets and complete the transfer of the relevant Assets within 120 days upon the fulfilment of above conditions precedent. Should there be adverse change to any of the Assets before offsetting the relevant Receivables, the Company will have the discretion to require an alternative asset (the “**Alternative Asset**”) owned by Redco Group with equivalent value or refuse to offset the equivalent debts. The Alternative Asset will be selected based on the criteria below: (i) value of the Alternative Asset as valued by the independent qualified valuer is equivalent or higher as compared with value of the relevant Asset; (ii) the Alternative Asset is located at the same project or in proximity to the Asset; and (iii) there is no encumbrances on the ownership or right of use of the Alternative Asset. Should an Alternative Asset is used, the Company will assess the Listing Rules implications regarding the Alternative Asset on a standalone basis and/or an aggregated basis (if required) for the purpose of complying with the relevant requirements under Chapters 14 and 14A of the Listing Rules. It will comply with the relevant Listing Rules before completion of such offsetting arrangement for each Alternative Asset.

Information on the Assets

The Assets comprise the following:

No.	Project	Assets (transfer of ownership)	Valuation (RMB)	Assets (transfer of right-of-use)	Valuation (RMB)	Sub-total (RMB)
1.	Project Jinan Redco Visionary (濟南力高未來城) located in the Shandong Province	767 non-civil defence carparking spaces	26,900,000	310 civil defence carparking spaces	9,800,000	36,700,000
2.	Project YONG Lake County (雍湖郡) located in the Shandong Province	36 non-civil defence carparking spaces	1,400,000	41 civil defence carparking spaces	1,100,000	2,500,000
3.	Project Spring Villa (雍泉府) located in the Shandong Province	2 residential units	2,930,000	—	—	2,930,000
4.	Project Yantai Sunshine Coast (煙臺陽光海岸) located in the Shandong Province	—	—	427 civil defence carparking spaces	16,100,000	16,100,000
5.	Project Qianxihui Square (莆田仟喜匯廣場) located in the Fujian Province	A residential unit and 566 non-civil defence carparking spaces	33,710,000	—	—	33,710,000
6.	Project Huizhou Sky Palace (惠州雲築) located in the Guangdong Province	8 retail units, 73 residential units and 376 non-civil defence carparking spaces	61,700,000	—	—	61,700,000
7.	Project Zhanjiang Blissful Bay (湛江悅璟灣) located in the Guangdong Province	A residential unit	950,000	—	—	950,000

No.	Project	Assets (transfer of ownership)	Valuation (RMB)	Assets (transfer of right-of-use)	Valuation (RMB)	Sub-total (RMB)
8.	Project YONG Lake Scenic Centre (雍湖景畔) located in the Jiangxi Province	—	—	64 non-civil defence carparking spaces and 32 civil defence carparking spaces	6,000,000	6,000,000
9.	Project Royal River Mansion (贛州禦江府) located in the Jiangxi Province	—	—	7 non-civil defence carparking spaces	340,000	340,000
10.	Project Changsha Hangao Academy Mansion (長沙漢高學士府) located in the Hunan Province	4 civil defence carparking spaces	200,000	—	—	200,000
11.	Project Tianjin Sunshine Coast (天津陽光海岸) located in Tianjin	—	—	545 non-civil defence carparking spaces	21,800,000	21,800,000
Total					182,930,000	

The property rights of and/or rights to use the Assets, as the case may be, are held by Redco Group.

The Assets selected under the Debts Settlement Framework Agreement were (i) assets of Redco Group which are not subject to any encumbrances and the title or right of use of which are freely transferrable by Redco Group as at the date of this Announcement; and (ii) in the proximity of property projects managed by the Group.

The Assets above have been retained as inventories since the completion of its development by Redco Group, and have not been leased out, therefore, there was no rental income or profit generated from the relevant Assets. As at 31 December 2024, the carrying value of the Assets was approximately RMB309,390,000, which was the total development cost paid by Redco Group. To the best knowledge of the Board upon reasonable enquiries, the Board understands from Redco Group that the Assets have not derived any income or profit for the years ended 31 December 2022, 2023 and 2024.

Financial effect of the acquisition of the Assets

Currently, the Board intends to transfer the Assets to downstream suppliers to settle outstanding payable accounts due by the Group, or selling the Assets to individual buyers, in compliance with the Listing Rules. As a result, it is expected that upon the completion of the acquisition of the Assets, the Assets will be classified as inventories of the Group, so that the inventories of the Group will be increased by approximately RMB159,123,000, being the Consideration.

Should there be any change in business plan in relation to the Assets, the Company will record the Assets in accordance with the relevant accounting standards and make appropriate disclosure in its financial report.

Meanwhile, as the Consideration payable by the Group for the acquisition of the Assets will be offset against the Receivables in the aggregate amount of approximately RMB159,123,000 on a dollar-for-dollar basis, the Group's gross amount due from related parties (before provision made) will be reduced by approximately RMB68.0 million and the gross accounts receivables (before provision made) will be reduced by approximately RMB91,123,000. It was expected that there will not be any change in the net assets (before provision made on the amount due from related parties and accounts receivables) of the Group as a result of the Debts Settlement Framework Agreement. It is expected that the subsequent resale of the Assets will lead to an increase in the Group's revenue and cash inflow.

Reasons for and benefits of the Debts Settlement Framework Agreement

The Group has been providing Redco Group with different services, such as the Property Management and Related Services, the Healthcare Services, the Information Technology Services and the Carpark Sales Agency Services and acting as an exclusive agent to sell certain exclusive carparks for Redco Group. Similar to other PRC property developers, Redco Group has suffered from the property market downturn and credit and liquidity crunch, and therefore was unable to refund the Refundable Deposits in accordance with the terms of the Supplemental Carpark Sales Agency Services Framework Agreement and settle the outstanding services fees due to the Group in accordance with the relevant agreements.

Despite the Company had been taking active measures to collect the outstanding services fees receivables and the Refundable Deposits after the relevant amounts fell due, including but not limited to (i) sending demand letters requesting the repayment; (ii) arranging on-site collection staff attending offices of default members of Redco Group to urge the refund; and (iii) filing lawsuit against specific subsidiaries of Redco Group on the outstanding debts, Redco Group was still unable to settle these balances.

For the reasons set out under the section headed “(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS — (c) New Carpark Sales Agency Services Framework Agreement — Reasons for and benefits of entering into the New Carpark Sales Agency Services Framework Agreement” in this announcement, the Company has decided to discontinue the exclusive carpark arrangement. Therefore, the full amount of the outstanding Refundable Deposits due to the Group from Redco Group will be offset with part of the Assets. Further, Redco Group has been slow in settling the amounts due to the Group arising from the provision of services as a result of its tight cashflow. Having considered that Redco Group has an abundant of assets available for settlement, the Group therefore entered into the Debts Settlement Framework Agreement enabling it to acquire the Assets for future sale.

The Company considers that it is in the interest of the Company and the Shareholders as a whole to set off the Consideration firstly against the outstanding Refundable Deposits as at 30 September 2025 in the amount of approximately RMB68.0 million in full due to (i) the significance of the amount of the outstanding Refundable Deposits; and (ii) the relatively easier execution of debt settlement arrangement with regard to the Refundable Deposits as only one subsidiary of the Company and three subsidiaries of Redco Group, as opposed to other service fees which involve receivables due from over 50 subsidiaries, joint ventures and associates of Redco Group.

Other than the Debts Settlement Framework Agreement, the Company has also considered other options in dealing with the outstanding receivables including but not limited to: (i) continuously working with Redco Group to see how and when Redco Group could repay such receivables along with Redco Group’s other indebtedness; and (ii) taking legal actions against Redco Group. However, given Redco Group has a substantial level of debts that need to be repaid and it is still undergoing debt restructuring and negotiation with its creditors, the process of which may last for a long period before any agreement could be reached with the relevant creditors, the Group is uncertain when Redco Group is able to settle the unsecured outstanding payables due to the Group. In terms of priority with regard to repayment, as all the amounts receivables (including the Refundable Deposits) due from Redco Group to the Group are unsecured, other secured creditors of Redco Group will have higher priority to Redco Group’s assets in legal claims, or if the Group joins the debt restructuring proposal with other creditors. Further, taking legal actions and litigation against Redco Group would require a considerable amount of time and cost. To the best knowledge of the Board, the Board understands that it will take at least 6 months before a litigation case becomes final and conclusive. Even if any judgment is made in favour of the Company, the principal assets of the default members of Redco Group available for enforcement are still carparks or property units. In some situations, given Redco Group may have other creditors who are also suing the relevant members of Redco Group, there may not be sufficient assets left for the Company to enforce such judgement. As such, the Board considers that this is not

beneficial to the Group to pursue this option. While the Company has also considered the option of requesting Redco Group to repay the Group in cash with the proceeds from disposal of the Assets by Redco Group, from January, 2024 and up to the date of the Debts Settlement Framework Agreement, Redco Group has not been able to successfully identify any purchasers for the Assets. Having considered the possible options as mentioned above, and balancing the risks of the Company not being able to recover any assets if it does not secure any ownership or title to the Assets under the Debts Settlement Framework Agreement, the Board considers that using the Debts Settlement Framework Agreement is the best solution to the Group, is conducive to resolving the Group's receivables risk and is in the interest of the Company and the Shareholders as a whole.

The entering into of the Debts Settlement Framework Agreement would be an effective and efficient way regarding the transfer to the Assets to the Group. The debt settlement is structured in a way where the Group and Redco Group enter into a framework agreement, and then each respective member of Redco Group enters into a separate asset transfer agreement or right of use transfer agreement with each relevant member of the Group having considered the numerous number of entities involved and differences in applicable local policies across different cities of the PRC.

The terms of the separate transfer agreements shall be consistent with the Debts Settlement Framework Agreement and the differences primarily lie on:

- (a) the signing parties, being the relevant member of Redco Group and the Group, respectively, for each separate transfer agreement;
- (b) the detailed description of the Assets, as the Debts Settlement Framework Agreement only provides an umbrella list but the separate transfer agreement will each contain details of the subject property for sale; and
- (c) each separate transfer agreement must determine the specific transfer plan and procedures in accordance with the local policies applicable to the location of the assets.

After months of negotiation with Redco Group and with tremendous efforts, the Group had finally reached an agreement with Redco Group to enter into the Debts Settlement Framework Agreement for the relevant debt offset and settlement arrangement. Upon completion of the Debts Settlement Framework Agreement, the Group will gradually sell the Assets to third-party purchasers in the market for cash. The Group intends to dispose of the Assets either to the owners or tenants of the Group's properties under management or by identifying suitable third parties in the open market.

The Board intends to sell the Assets or use the Assets to set off certain accounts payables due by the Group to other suppliers who are independent third parties. The Group understands from Redco Group that Redco Group has taken various actions to sell the Assets including (i) displaying the relevant Assets at the sales centers of each project with a specialized sales team; (ii) partnering with local marketing agencies to identify potential customers and cooperating with them in launching sales promotion activities; and (iii) formulating tailored marketing and sales strategies in line with market conditions, such as offering discounted properties and collaborating with interior decoration partners to provide move-in-ready services. However, the Group was informed by Redco Group that despite such sales efforts, the failure to sell the Assets was primarily attributable to (i) the relevant projects have entered the mid-to-late stages of sales, and therefore the overall sales pace, especially for parking spaces, has slowed down; and (ii) the insufficient investment in sales personnel for the projects of Redco Group. The Group also considers that while the market has reservations on the business operations of real estate companies, it has relatively more confidence in the business operations of property management companies based on market research conducted among property owner clients. Upon the completion of acquisition of the Assets, the Group will formulate feasible and effective sales strategies and sales plans, including the following:

- (i) the “all-staff marketing strategy” will be adopted whereby all staffs of the Group are encouraged to engage in the sale of the Assets with commission from a percentage of the sales proceeds as reward, and carry out the sales of the Assets through the asset management centre of the Group to generate cash proceeds. As at the date of this announcement, the Group has a sales agency team consisting of more than 30 employees national-wide covering the full spectrum of marketing, agency and sales. Five of them have more than 10 years’ experience in property brokerage. As at 30 September 2025, the sales agency team of the Group has successfully completed sales of over 1,000 parking spaces;
- (ii) the “online promotion + offline owner communication” model will be adopted. Measures such as full payment discounts, discount property management fees, and discount parking fees will be introduced, and a referral reward for old owners will be launched, and at the same time, “lease-with-sale” program will be introduced. In cooperation with banks, measures such as “fixed-price listings”, “instalment down payments” or “0 down first payment” will also be offered;
- (iii) Assets which are not sold in the short term will be operated through rental methods, with priority given to owners within the projects. For parking spaces, the rental option offers greater flexibility compared to buying, making it appealing to rental residents and owners sensitive to the total cost of purchase. This approach, as a supplement to sales, is quite common in the market. For the retail units, where investment market is currently soft, leasing is more in line

with market demand, particularly for mainland franchise brand such as convenient stores, cafes, and restaurants, which tend to prefer renting to purchasing units. For the residential units, sales remains the primary model, yet among individual investors planning to enter the real estate market, assets with established rental income are more attractive. Efforts will be made to attract corporate clients around the business district, with priority given to chain brands, and online internet platforms are used for diverse attraction;

- (iv) the Group will cooperate with external regional intermediary agencies as a supplementary means to package and transfer scattered assets, achieving rapid capital reflux; and
- (v) continuous communication with downstream suppliers will be maintained in order to seek agreement terms for asset transfer instead of cash payments during preliminary cooperation.

The overall sales plan of the Group is to sell 20% of the Assets annually, with all units sold within five years.

As a property management services company, it possesses the advantage of having access to a large number of property owners and business community customers and understand their needs. The Company believes that leveraging such advantage, the Group's existing real estate brokerage agency business unit, together with the expertise of the sales agency team, will be able to design strategies for sale or lease of the unsold Assets.

Historically, Redco Group, as a property developer, has primarily concentrated on asset sales rather than rental. In contrast, the Company inherently suits the ongoing rental business model as a property management services company. Additionally, the sales agency team also have significant experience in asset leasing.

In view of the above, the Board considers that the settlement of the outstanding Refundable Deposits and the Receivables through the Assets are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Despite the recent downturn in the property market, it is important to note that most of the Assets are located within the major economic zones in the PRC, which offer better prospects for property appreciation and high occupancy rates. According to the "Fourteenth Five-Year" plan, the PRC government aims to incorporate the intercity and suburban railways of the Beijing-Tianjin-Hebei, Yangtze River Delta, and Guangdong-Hong Kong-Macao Greater Bay Area as key projects. This infrastructure development is set to boost construction and urbanisation of the three regions, thereby potentially drawing more residents and businesses to these regions. Further, with the rising number of automobile ownership volume in the PRC while relatively

low ratio of parking spaces to cars, there is a development potential in the parking space market in the PRC, and the launching of measures such as the adjustment by various local governments in the PRC of the restriction policy on sales and loans in the property market, the demand for housing improvement and home purchase will also rise gradually, which is expected to bring favourable factors to the sales of parking spaces and residential properties. For office and retail properties, with the continuous growth of China's economy, the increasing level of consumer spending and disposable income of residents, it is expected that the demand for office and retail units will rise, which will bring favourable factors to the sales of office and retail properties.

Should the disposal of the Assets constitute notifiable transactions to the Group under the Listing Rules in the future, the Company will comply with the relevant requirements under the Listing Rules.

In view of the above, the Directors (excluding the independent non-executive Directors whose view will be expressed after considering the advice from the Independent Financial Adviser) consider that, despite the Debts Settlement Framework Agreement is not entered into during the ordinary and usual course of business of the Group, the terms of the Debts Settlement Framework Agreement are on normal commercial terms and are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

To ensure all continuing connected transactions contemplated under each of the New Agreements are conducted in accordance with the requirements under Chapter 14A of the Listing Rules, the Group has adopted the following general internal control measures:

Before entering into any individual agreement under the New Property Management Services Framework Agreement or the New Information Technology Services Framework Agreement, the operations department of the Group will collect the following information:

- (i) with respect to the service fee for the services provided by the Group, at least two other contemporaneous transactions of the Group of similar services (in terms of nature, size and location of the properties, the scope of services and the anticipated operational costs) quoted to Independent Third Parties; and
- (ii) prices charged by at least two other independent property management companies in the PRC (if available) of comparable transactions.

After collecting the relevant information, the operations department of the Group would determine a price to be offered to Redco Group which will not be less than the prices offered by the Group to Independent Third Parties.

In respect of the New Carparks Sales Agency Services Framework Agreement, the determination of services fees should make reference to factors including (a) prevailing market rates for comparable transactions; (b) the anticipated operational costs including but not limited to labour costs and administrative costs for providing such services; and (c) the expected difficulty of selling/ leasing the relevant carparks. For this purpose, at least three comparable transactions shall be obtained in the determination of the service fees. The asset management centre of the Group will conduct regular reviews to keep abreast of the prevailing fee level in the market and the market conditions for the purpose of considering if the service fees charged for a specific transaction is fair and reasonable and is in accordance with the aforesaid pricing policy.

In addition, for continuing connected transactions with the joint ventures and associates of Redco Properties, to ensure the relevant transactions will be conducted in compliance with the terms and conditions of the relevant framework agreements, the Group has adopted the following internal control measures:

- (i) senior management of the Group and Redco Group will hold quarterly meetings to review and discuss the continuing connected transactions conducted in the preceding quarter to ensure that the relevant terms and conditions (including annual caps) of the framework agreements were complied with; and
- (ii) Redco Properties shall procure its joint ventures and associates to enter into specific agreements with the Group, setting out specific terms and conditions in accordance with the principal terms provided in the relevant framework agreement. In case of refusal, the Group will not provide services to the relevant joint venture or associate.

In respect of all of its continuing connected transactions, the finance department of the Group will monitor the transactions contemplated under each relevant framework agreement and submit quarterly reports to the Board overseeing finance-related matters to ensure that the annual caps for the transactions contemplated thereunder will not be exceeded.

The audit committee of the Company and the independent non-executive Directors will review all the continuing connected transactions of the Company annually to ensure that they have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and have been carried out pursuant to the terms of the relevant framework agreements, and that the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The external auditor of the Company will also conduct annual review on the continuing connected transactions of the Company to ensure they are in compliance with the Listing Rules.

ENHANCED INTERNAL CONTROL MEASURES

In view of the liquidity issue of Redco Group, the Group has also adopted enhanced internal control measures including, before entering into an individual service agreement with a member of Redco Group pursuant to the relevant continuing connected framework agreement, the Company will conduct financial due diligence to ascertain the payment ability of such member and will only provide services to those who has a sound financial status or can accept upfront payment arrangement.

The Finance Management Center of the Group will monitor the transactions contemplated under each New Agreements on a quarterly basis, including (a) the total accounts receivable and cash repayment ratios for the members of the Redco Group associated with each individual service agreement; and (b) the most recent financial status of the members of the Redco Group associated with each individual service agreement, encompassing public information searches and joint sessions with Redco Group's management.

Furthermore, the Finance Management Center of the Group will submit quarterly reports to the senior management and the responsible executive Director on the relevant company which fails to meet the Group's specified requirements regarding its financial status and contractual performance. The senior management and the responsible executive Director will make the decision on whether continuing the relevant individual agreement or not.

If member of Redco Group and its joint ventures and associates fails to fulfill the payment obligations in accordance with the individual service agreements, the Group may:

- (i) suspend the services under the relevant agreement until the overdue payments and default compensation (if any) have been settled;
- (ii) negotiate with Redco Group, its joint ventures and associates on a new payment schedule in respect of the overdue payments, provided that the extended final payment date shall not be later than 12 months from the original payment date;
- (iii) charge interests at a reasonable rate to be determined between the parties as default compensation; and/or
- (iv) terminate the individual service agreement.

EARLY TRANSACTIONS

The (a) 2022 Property Management Services Framework Agreement; (b) 2022 Healthcare Services Framework Agreement; and (c) 2022 Information Technology Services Framework Agreement have expired on 31 December 2023; and (d) the 2022 Carpark Sales Agency Services Framework Agreement has also expired on 31 December 2024.

As disclosed in the section headed “(1) RENEWAL OF CONTINUING CONNECTED TRANSACTION”, the Group has continued the transactions contemplated under the 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement, the 2022 Information Technology Services Framework Agreement and the 2022 Carpark Sales Agency Services Framework Agreement with Redco Group, its joint ventures and/or associates (as the case may be) since their expiry and up to the date of this announcement, which constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The historical amounts of (a) the Early Property Management Services Transactions; (b) the Early Healthcare Services Transactions; (c) the Early Information Technology Services Transactions (i.e. collectively, the Early Transactions) are set out under the respective sections headed “Historical transaction amount” under each of the sub-sections headed “(a) New Property Management Services Framework Agreement”, “(b) New Healthcare Services Framework Agreement” and “(d) New Information Technology Services Framework Agreement”, respectively, all under the section headed “(1) RENEWAL OF CONTINUING CONNECTED TRANSACTION” in this announcement.

As the highest applicable percentage ratio in respect of the transaction amount for each of the Early Transactions is more than 5%, each of (a) the Early Property Management Services Transactions; (b) the Early Healthcare Services Transactions; (c) the Early Information Technology Services Transactions; and (d) the Early Carpark Deposits Transaction (i.e. the Early Transactions) should be subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules. As the Company had not complied with such applicable requirements prior to conducting the Early Transactions, this constituted a breach of Chapter 14A of the Listing Rules.

As a result of the audit issues identified by the Company’s former auditor, the Company had been unable to publish various financial results by the time limit prescribed under the Listing Rules, which had led to a prolonged suspension of the Company’s shares until October 2024. In order to address and fulfil the resumption guidance and achieve resumption in trading of the Shares within the time limit

imposed by the Stock Exchange, failing which will lead to delisting of the Shares from the Stock Exchange, the Company had deployed all its available resources to assist with resolving the audit issues and publication of all outstanding financial results. The staff turnover during this period was also relatively high. Given the heavy workload as mentioned above and the high staff turnover rate during this period, the relevant staff overlooked the expiry of (a) the 2022 Property Management Services Framework Agreement; (b) the 2022 Healthcare Services Framework Agreement; (c) the 2022 Information Technology Services Framework Agreement; and (d) the 2022 Carpark Sales Agency Services Framework Agreement. Subsequent to the resumption in the trading of the Shares in October 2024, the Group had been in negotiation with Redco Group on the settlement plans regarding the long outstanding service fees and the Refundable Deposits due to the Group by Redco Group. It was only until such time when the relevant responsible staffs realised that the 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement and the 2022 Information Technology Services Framework Agreement had an earlier expiry date of 31 December 2023, as opposed to their initial perception that the agreements were to expire on the same date as the 2022 Carpark Sales Agency Services Framework Agreement (i.e. 31 December 2024). Since then, the Company has been in active negotiation with Redco Group regarding the renewal of the relevant agreements, but it was only until August 2025 when the terms of the New Agreements could be finalised for the purpose of compliance with the Listing Rules.

Notwithstanding the lack of any framework agreements in place, the Company had continued to conduct the Early Transactions in accordance with the terms under the respective expired framework agreements and follow the relevant internal control procedures to ensure all the connected transactions were conducted on normal commercial terms.

The Board admits that the Company had not timely renewed the 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement, the 2022 Information Technology Services Framework Agreement and the 2022 Carpark Sales Agency Services Framework Agreement upon their expiry, which is in breach of the Listing Rules. The Board wishes to emphasize that such breach was unintentional. The Board reiterates its belief that continuing compliance with the Listing Rules and other applicable regulatory requirements is of utmost importance. In order to prevent the reoccurrence of similar events in the future, the Company will also engage a compliance adviser to assist the Company in monitoring the compliance of the requirements in relation to connected transactions and continuing connected transactions of the Company.

The auditor of the Company has performed agreed-upon procedures in relation to the Early Property Management Services Transactions, the Early Healthcare Services Transactions and the Early Information Technology Services Transactions for the period from 1 January 2024 to 31 December 2024 (the “**2024 Early Transactions**”) entered into between the Group and Redco Group. Based on the agreed-upon procedures, the auditors confirm that: (i) the 2024 Early Transactions have been approved by the Board; (ii) the 2024 Early Transactions on which the auditor has performed the agreed-upon procedures were in accordance with the pricing policies of the Group if the transactions involved the provision of goods or services by the Group; and (iii) the 2024 Early Transactions on which the auditor has performed the agreed-upon procedures were entered into in accordance with the terms of the relevant agreements governing the transactions (i.e. the respective terms (save for the terms in relation to the annual caps in respect of the year ended 31 December 2024) and pricing policies are with reference to the 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement and the 2022 Information Technology Services Framework Agreement). The above statement is solely for purposes of the auditor’s performance of the agreed-upon procedures and may not be suitable for any other purpose.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Redco Properties is a controlling shareholder of the Company and therefore a connected person of the Company under the Listing Rules. Accordingly, (i) the transactions contemplated under the New Agreements will constitute continuing connected transactions of the Company; and (ii) the transactions contemplated under the Debts Settlement Framework Agreement will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

(1) Renewal of continuing connected transactions

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

The Group continued to conduct the Early Transactions upon the respective expiry of the 2022 Property Management Services Framework Agreement, the 2022 Healthcare Services Framework Agreement, the 2022 Information Technology Services Framework Agreement and the 2022 Carpark Sales Agency Services Framework Agreement.

As the Company had not complied with the applicable requirements prior to conducting the Early Transactions, this constituted a breach of Chapter 14A of the Listing Rules. For details, please refer to the section headed “EARLY TRANSACTIONS” in this announcement. The Board wishes to emphasize that such breach was unintentional, and the Board reiterates its belief that continuing compliance with the Listing Rules and other applicable regulatory requirements is of utmost importance.

(2) Debts Settlement Framework Agreement

As the highest applicable percentage ratios in respect of the acquisition of the Assets as contemplated under the Debts Settlement Framework Agreement exceeds 100%, the transactions contemplated under the Debts Settlement Framework Agreement constitute a very substantial acquisition and connected transaction of the Company, and is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders’ approval requirements under Chapters 14 and 14A of the Listing Rules.

BOARD APPROVAL

As Mr. Huang Ruoqing (a non-executive Director and a controlling shareholder of the Company) and Mr. Tang Chengyong (an executive Director) are also directors of Redco Properties, they are considered as having a material interest in the transactions contemplated under each of the New Agreements and the Debts Settlement Framework Agreement. Furthermore, Ms. Wong Yin Man and Ms. Huang Yanqi (both being executive Directors) have family relationships with Mr. Huang Ruoqing (being his niece and daughter, respectively), as a good corporate governance practice, they have abstained from voting on the relevant Board resolution. As such, each of Mr. Huang Ruoqing, Mr. Tang Chengyong, Ms. Wong Yin Man and Ms. Huang Yanqi has abstained from voting on the Board resolution for approving the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors was required to abstain from voting on the relevant Board resolution.

INFORMATION ON THE PARTIES TO THE AGREEMENT

The Company is an investment holding company. The Group is principally engaged in the provision of property management services, value-added services to non-property owners, community value-added services, development and maintenance services to the information technology systems, healthcare management services and property agency services in the PRC.

Redco Group is principally engaged in property development, property management services, property investment services, project management services and healthcare services in the PRC. Redco Properties is an investment holding company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1622).

GENERAL INFORMATION

The Company will convene and hold the EGM for the purpose of, among other things, considering and if thought fit, approving the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder and rectifying the Early Transactions conducted under the New Agreements.

Voting at the EGM will be conducted by way of poll. Mr. Huang Ruoqing and Redco Properties and their respective associates shall abstain from voting on the proposed resolutions approving the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder, at the EGM.

The Independent Board Committee (comprising all the independent non-executive Directors) has been established to advise the Independent Shareholders on the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated respectively thereunder. Rainbow Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Circular containing, among others, (i) further details of the terms of each of the New Agreements and the transactions contemplated thereunder; (ii) further details of the terms of the Debts Settlement Framework Agreement; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) the recommendations from the Independent Board Committee to the Independent Shareholders; and (v) a notice of the EGM will be published in accordance with the Listing Rules on or before 27 February 2026 as additional time is required to finalize the information to be included in the Circular.

DEFINITIONS

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

“2022 Carpark Sales Agency Services Framework Agreement”	the carpark sales agency services framework agreement entered into between the Company and Redco Properties dated 14 March 2022 (as amended and supplemented by the Supplemental Carpark Sales Agency Services Framework Agreement)
“2022 Healthcare Services Framework Agreement”	the healthcare services framework agreement entered into between the Company and Redco Properties dated 14 March 2022
“2022 Information Technology Services Framework Agreement”	the information technology services framework agreement entered into between the Company and Redco Properties dated 14 March 2022
“2022 Property Management Services Framework Agreement”	the property management services framework agreement entered into between the Company and Redco Properties dated 14 March 2022
“Assets”	the assets of Redco Group to be acquired by the Group under the Debts Settlement Framework Agreement as detailed under the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT — Subject matter” in this announcement
“Board”	the board of Directors
“Carpark Sales Agency Services”	has the meaning ascribed to it under the section headed “RENEWAL OF CONTINUING CONNECTED TRANSACTION — (c) New Carpark Sales Agency Services Framework Agreement — Subject matter” in this announcement
“Company”	Redco Healthy Living Company Limited (力高健康生活有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2370)

“connected person(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Debts Settlement Framework Agreement”	the debts settlement framework agreement dated 16 January 2026 entered into between the Company and Redco Properties
“Director(s)”	the director(s) of the Company
“Early Carpark Deposits Transaction”	the provision of the Refundable Deposits by the Group to Redco Group from 1 January 2025 up to the date of this announcement
“Early Carpark Sales Agency Transaction”	the provision of the Carpark Sales Agency Services by the Group to Redco Group from 1 January 2025 up to the date of this announcement
“Early Healthcare Services Transactions”	the provision of the Healthcare Services by the Group to Redco Group from 1 January 2024 up to the date of this announcement
“Early Information Technology Services Transactions”	the provision of the Information Technology Services by the Group to Redco Group from 1 January 2024 up to the date of this announcement
“Early Property Management Services Transactions”	the provision of the Property Management and Related Services by the Group to Redco Group from 1 January 2024 up to the date of this announcement
“Early Transactions”	the Early Healthcare Services Transactions, Early Information Technology Services Transactions, Early Property Management Services Transactions and Early Carpark Deposits Transaction and the Early Carpark Sales Agency Transaction, collectively
“EGM”	the extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held for the purpose of considering and, if thought fit, approving, the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps)

“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Healthcare Services”	has the meaning ascribed to it under the section headed “RENEWAL OF CONTINUING CONNECTED TRANSACTION — (b) New Healthcare Services Framework Agreement — Subject matter” in this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee established by the Board, comprising all the independent non-executive Directors, namely, Mr. Lau Yu Leung, Mr. Sze Irons and Mr. Chow Ming Sang, to advise the Independent Shareholders in respect of the New Agreements and the transactions contemplated thereunder (including the proposed annual caps)
“Independent Financial Adviser” or “Rainbow Capital”	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“Independent Shareholders”	the Shareholders who are not required to abstain from voting at the EGM for the relevant resolutions with respect to the New Agreements, the Debts Settlement Framework Agreement and the transactions contemplated thereunder

“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Information Technology Services”	has the meaning ascribed to it under the section headed “(1) RENEWAL OF CONTINUING CONNECTED TRANSACTION — (d) New Information Technology Services Framework Agreement — Subject matter” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Agreements”	the New Property Management Services Framework Agreement, the New Healthcare Services Framework Agreement, the New Information Technology Services Framework Agreement and the New Carpark Sales Agency Services Framework Agreement, collectively
“New Carpark Sales Agency Services Framework Agreement”	the carpark sales agency services framework agreement entered into between the Company and Redco Properties dated 16 January 2026
“New Healthcare Services Framework Agreement”	the healthcare services framework agreement entered into between the Company and Redco Properties dated 16 January 2026
“New Information Technology Services Framework Agreement”	the information technology services framework agreement entered into between the Company and Redco Properties dated 16 January 2026
“New Property Management Services Framework Agreement”	the property management services framework agreement entered into between the Company and Redco Properties dated 16 January 2026
“PRC”	the People’s Republic of China

“Property Management and Related Services”	has the meaning ascribed to it under the section headed “(1) RENEWAL OF CONTINUING CONNECTED TRANSACTION — (a) New Property Management Services Framework Agreement — Subject matter” in this announcement
“Prospectus”	the prospectus of the Company dated 22 March 2022
“Receivables”	has the meaning ascribed to it under the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT — subject matter” in this announcement
“Redco Group”	Redco Properties and its subsidiaries, but excluding the Group
“Redco Properties”	Redco Properties Group Limited (力高地產集團有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1622)
“Refundable Deposits”	the refundable deposits paid by the Group to Redco Group in consideration of Redco Group engaging the Group to provide carpark sales agency services on an exclusive basis in respect of certain carparks owned by Redco Group as contemplated under the 2022 Carpark Sales Agency Services Framework Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Settlement Agreement(s)”	has the meaning ascribed to it under the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT — Subject matter” in this announcement
“Share(s)”	ordinary shares with nominal value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplemental Carpark Sales Agency Services Framework Agreement”	the supplemental carpark sales agency services framework agreement entered into between the Company and Redco Properties dated 25 November 2022, which amended and supplemented the 2022 Carpark Sales Agency Services Framework Agreement
“Underlying Agreement(s)”	has the meaning ascribed to it under the section headed “(2) DEBTS SETTLEMENT FRAMEWORK AGREEMENT — Subject matter” in this announcement
“Valuation Date”	30 September 2025, being the valuation date of the valuation of the Assets conducted by the Valuer
“Valuer”	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer

By order of the Board
Redco Healthy Living Company Limited
Huang Ruoqing
Chairman

Hong Kong, 16 January 2026

As at the date of this announcement, the executive Directors are Mr. Tang Chengyong, Ms. Wong Yin Man and Ms. Huang Yanqi, the non-executive Director is Mr. Huang Ruoqing, and the independent non-executive Directors are Mr. Lau Yu Leung, Mr. Sze Irons BBS, JP, and Mr. Chow Ming Sang.