THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Excellence Commercial Property & Facilities Management Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Excellence

EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED
卓越商企服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6989)

DISCLOSEABLE AND CONNECTED TRANSACTION – DISPOSAL OF THE ENTIRE EQUITY INTERESTS IN THE TARGET COMPANY AND NOTICE OF EXTRAORDINARY GENERAL MEETING

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

Gram Capital Limited
嘉林資本有限公司

Unless the context otherwise requires, capitalized terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 4 to 13 of this circular and a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 14 to 15 of this circular. A letter from Gram Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 16 to 25 of this circular.

A notice convening the EGM of the Company to be held at Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, GuangDong Province, PRC on Thursday, 30 December 2021 at 10 a.m. is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting (i.e. not later than 10 a.m. on Tuesday, 28 December 2021) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

ARRANGEMENTS FOR THE EGM IN LIGHT OF COVID-19

To safeguard the health and safety of the Shareholders, the Company will implement the following precautionary measures at the EGM to prevent the spreading of the COVID-19:

(1) Compulsory body temperature checks will be conducted for every attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the EGM venue and be requested to leave the EGM venue;

(2) Every attendee will be required to wear surgical facial mask throughout the EGM and maintain a safe distance between seats. Please note that no masks will be provided at the EGM venue and attendees should wear their own masks; and

(3) The Company will not provide refreshments and will not distribute corporate gifts.

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. In light of the continuing risks posed by the COVID-19, the Company encourages the Shareholders to consider appointing the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

10 December 2021

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

"associate(s)"	shall have the same meaning as ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	Excellence Commercial Property & Facilities Management Group Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (Stock code: 6989)
"connected person(s)"	shall have the same meaning as ascribed to it under the Listing Rules
"Consideration"	the total consideration of the Disposal, being RMB305,095,000
"controlling shareholder(s)"	shall have the same meaning as ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Sale Interest by Excellence Property Management to the Purchaser pursuant to the terms and condition of the Share Transfer Agreement
"EGM"	the extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held at Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, GuangDong Province, PRC on Thursday, 30 December 2021 at 10 a.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages EGM-1 to EGM-2 of this circular
"Excellence Property Management"	Shenzhen Excellence Property Management Co., Ltd. (深圳市卓越物業管理有限責任公司), a company established in the PRC with limited liability on 27 October 1999 and an indirect wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent board committee comprising all the independent non-executive Directors namely, Mr. Huang Mingxiang, Mr. Kam Chi Sing and Ms. Liu Xiaolan, to advise the Independent Shareholders in respect of the Share Transfer Agreement and the transactions contemplated thereunder
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Share Transfer Agreement and the transactions contemplated thereunder
"Independent Shareholders"	the Shareholders who are not required to abstain from voting at the EGM for the relevant resolutions with respect to the Share Transfer 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
"Independent Valuer" or "JLL"	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, the independent valuer engaged by the Company for the valuation of the Sale Interest
"Latest Practicable Date"	6 December 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules

"PRC"	the People's Republic of China
"Prospectus"	the prospectus of the Company dated 7 October 2020
"Purchaser"	深圳市卓越創業投資有限責任公司 (Shenzhen Zhuoyue Venture Capital Co., Ltd*), a company established in the PRC with limited liability on 16 March 2011
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Interest"	the entire equity interests of the Target Company
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary shares with nominal value of HK$0.01 each in the share capital of the Company
"Share Transfer Agreement"	the share transfer agreement dated 3 November 2021 entered into between Excellence Property Management and the Purchaser for the transfer of the Sale Interest
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Zhuotou Framework Agreement"	the framework agreement entered into between Excellence Property Management and the Purchaser on 15 May 2020 pursuant to which the Group conditionally agreed to transfer 100% equity interests in the Target Company to the Purchaser after 3 May 2021
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Shenzhen Zhuotou Micro-Lending Co., Ltd. (深圳市卓投小額貸款有限責任公司), a company established in the PRC with limited liability on 3 May 2018 and an indirect wholly-owned subsidiary of the Company

* *For identification purpose only.*

EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED
卓越商企服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6989)

Executive Directors:	*Registered Office:*
Mr. Li Xiaoping (*Chairman*)	Cricket Square
Ms. Guo Ying	Hutchins Drive
	PO Box 2681
Non-executive Directors:	Grand Cayman
Mr. Wang Dou	KY1-1111
Mr. Wang Yinhu	Cayman Islands
Independent Non-executive Directors:	*Principal Place of Business in Hong Kong:*
Mr. Huang Mingxiang	40th Floor, Dah Sing Financial Centre
Mr. Kam Chi Sing	248 Queen's Road East
Ms. Liu Xiaolan	Wanchai
	Hong Kong

10 December 2021

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION – DISPOSAL OF THE ENTIRE EQUITY INTERESTS IN THE TARGET COMPANY AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 3 November 2021 in relation to, among others, the Share Transfer Agreement and the transactions contemplated thereunder.

The purposes of this circular are to provide the Shareholders with, among other things, (i) further information on the Share Transfer Agreement and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM to consider and, if thought fit, to approve the Share Transfer Agreement and the transactions contemplated thereunder.

SHARE TRANSFER AGREEMENT

Reference is made to the Prospectus in relation to, among other things, the Shenzhen Zhuotou Framework Agreement entered into between Excellence Property Management (an indirect wholly-owned subsidiary of the Company) and the Purchaser on 15 May 2020, pursuant to which the Group has conditionally agreed to transfer the entire equity interests in the Target Company to the Purchaser after 3 May 2021.

As disclosed in the Prospectus, pursuant to the applicable laws and regulations, equity interests of the primary founding shareholder, meaning the founding shareholder with the largest shareholding percentage of no less than 30% of the registered capital upon the inception, in a micro-lending company cannot be transferred within three years after its incorporation (the "**Transfer Restrictive Period**"). After the Transfer Restrictive Period, the equity interests of a primary founding shareholder may be transferred to a transferee which satisfies the qualifications to be a transferee of a micro-lending company pursuant to the relevant laws and regulations and the transferee cannot transfer its equity interests within three years since the registration of such share transfer.

The Target Company was established in May 2018 to provide finance services to customers of our property management service business who had financing needs. However, as the Group continued to expand its property management business, the Group realized that the synergies between its finance services and property management services were not as significant as expected. For further details, please refer to the paragraph headed "REASONS FOR AND THE BENEFITS OF THE DISPOSAL" below.

On 15 May 2020, Excellence Property Management (an indirect wholly-owned subsidiary of the Company) entered into the Shenzhen Zhuotou Framework Agreement with the Purchaser pursuant to which, the Group has conditionally agreed to transfer the entire equity interests in the Target Company to the Purchaser after 3 May 2021, when the Transfer Restrictive Period expires.

Pursuant to the Shenzhen Zhuotou Framework Agreement, immediately after the Transfer Restrictive Period expires, the parties thereto will engage an independent professional valuer to provide a valuation of the Sale Interest in order to determine the total consideration of the transfer. The parties thereto shall enter into a formal equity transfer agreement within 10 days after the issuance of the valuation report which is expected to be issued in the third quarter of

2021. The transfer of the equity interests in the Target Company will be subject to the approval of the competent authorities for the transfer and fulfillment of procedural requirements, including the qualification requirements on the transferee, in accordance with the relevant laws and regulations.

Jones Lang LaSalle Corporate Appraisal and Advisory Limited has been appointed as the Independent Valuer to issue the valuation report in respect of the Sale Interest as set out in Appendix I to this circular.

On 3 November 2021 (after trading hours), Excellence Property Management and the Purchaser entered into the Share Transfer Agreement pursuant to which Excellence Property Management has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the entire equity interests in the Target Company for a cash Consideration of RMB305,095,000. Summary of the principal terms of the Share Transfer Agreement is as follows:

Date

3 November 2021 (after trading hours)

Parties

(a) Excellence Property Management (an indirect wholly-owned subsidiary of the Company) as the vendor; and

(b) Shenzhen Zhuoyue Venture Capital Co., Ltd* (深圳市卓越創業投資有限責任公司), as the Purchaser.

Assets to be disposed of

The Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Interest. The Sale Interest represents the entire equity interests of the Target Company.

Consideration

The Consideration, being approximately RMB305,095,000, was determined after arm's length negotiations between Excellence Property Management and the Purchaser, with reference to the valuation of the Sale Interest as at 30 June 2021 of RMB305,095,000 as appraised by the Independent Valuer based on market value approach and the valuation report of which has been set out in Appendix I to this circular. In order to ensure that the Consideration is fair and reasonable and in the interests of the Company and its Shareholders as a whole, Excellence Property Management has also considered the unaudited net asset value of the Target Company as at 30 June 2021 of approximately RMB304.83 million.

On 19 May 2020, as prepayment of the Consideration, the Purchaser has already paid to Excellence Property Management a refundable deposit of RMB300 million. The remaining balance of the Consideration in the amount of RMB5,095,000 shall be settled by the Purchaser in full by cash within 10 days from the date of the Share Transfer Agreement (the "**Balance**"). On 11 November 2021, the Balance has already been settled by the Purchaser. Upon completion of the Disposal, the refundable deposit shall be applied in full to settle the Consideration on a dollar-to-dollar basis.

Conditions precedent

Completion of the Disposal shall be conditional upon the fulfilment of the following conditions (the "**Conditions**"):

(a) all necessary consents and approvals pursuant to applicable laws, rules and regulations (including the Listing Rules) having been obtained by both parties as well as the Company (including but not limited to the obtaining of Independent Shareholders' approval at the EGM by the Company pursuant to the Listing Rules);

(b) all necessary approvals in respect of the Share Transfer Agreement and the transactions contemplated thereunder having been obtained from the institution with supervisory functions in the microfinance industry in the PRC; and

(c) all necessary internal approvals and consents from third parties having been obtained.

As at the Latest Practicable Date, none of the above conditions had been fulfilled, and none of them shall be waivable by either party.

The registration procedures for the transfer of the Sale Interest to the Purchaser shall be completed after the Balance has been settled by the Purchaser and within 30 days of the fulfilment of all the Conditions. If any of the Conditions is not fulfilled, the parties may terminate the Share Transfer Agreement and Excellence Property Management shall refund, without interest, to the Purchaser any and all sums paid within 15 days from the date of such termination. Upon termination, the rights and obligations of the parties shall cease and determine save for any antecedent breaches of the terms of the Share Transfer Agreement and the disclosure restrictions thereunder.

REASONS FOR AND THE BENEFITS OF THE DISPOSAL

The Target Company was established in May 2018 to provide finance services to customers of the property management service business of the Group who had financing needs. It specialises in micro-lending business in Shenzhen, the PRC. There was no change in the business model of the Target Company since the listing of the Shares on the Main Board of the Stock Exchange on 19 October 2020. However, as the property management business of the Group continued to expand, the Group realized that the synergies between the finance services and property management services were not as significant as expected. Firstly, the customer base of the Target Company is diversified and according to the knowledge of the Directors, most of the customers of the Group's finance services were individuals working for enterprises in Shenzhen or operating their business in Shenzhen who have funding needs for their property transactions, rather than residents, tenants or their employees to which we provided property management services, as people tend to approach real estate agents for recommendation of financiers, instead of property management companies, for financing solutions in relation to property transactions. Also, the Group's return on asset relating to the finance services business segment of 4.5% and 6.2% in 2019 and 2020 respectively was much lower as compared to that of the property management business of 19.8% and 9.9% in 2019 and 2020 respectively. In addition, the finance services contributed to only an insignificant portion of the Group's revenue, however, it diverts the Group's operational resources and management attention.

The percentage of revenue and profit contribution of the Target Company to the Group are approximately as follows:

	For the financial year ended 31 December		**For the six months ended 30 June**
	2019	**2020**	**2021**
	RMB	*RMB*	*RMB*
Revenue of the Target Company (percentage of contribution to the Group)(Note 1)	43,870,926 (2.4%)	48,390,734 (1.9%)	16,425,548 (1.0%)
Net profit after tax of the Target Company (percentage of contribution to the Group)(Note 2)	20,772,946 (8.9%)	18,547,192 (5.2%)	2,336,393 (0.8%)

Notes:

1. The decrease in net profit for the financial year ended 31 December 2020 was due to the increase in impairment loss for loans receivables of RMB3.67 million.

2. The drop in revenue and profit for the six months ended 30 June 2021 was due to unfavourable market sentiment, leading to a reduction in the average interest rate charged, while the interest expense increased as a result of the increase in borrowing.

In view of the above, the Board believes that the Disposal will allow the Group to strategically focus on property management business as its core business. The Directors (including the independent non-executive Directors after considering the advice from Gram Capital) believe that the terms of the Disposal are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

Immediately after the completion of the Disposal, the Target Company will cease to be a subsidiary of the Company and the financial results of the Target Company will no longer be consolidated into the Company's financial statements.

It is estimated that the Group will record a gain on the Disposal in the amount of approximately RMB265,000, which is calculated based on the difference between the Consideration and the net asset value of the Target Company as at 30 June 2021. The actual gain or loss arising from the Disposal will be dependent on the combined net asset value of the Target Company attributable to the Company as of the completion date, and will be subject to the review and audit by the auditor of the Company and may be different from the expected amount as stated above.

The net proceeds from the Disposal are intended to be used by the Group as general working capital.

FINANCIAL INFORMATION ON THE TARGET COMPANY

Based on the consolidated financial statements of the Target Company, the financial information of the Target Company for the two years ended 31 December 2020 and the six months ended 30 June 2021 is set out below:

	For the financial year ended 31 December		**For the six months ended 30 June**
	2019	**2020**	**2021**
	(Audited)	*(Audited)*	*(Unaudited)*
	RMB	*RMB*	*RMB*
Net profit before tax	28,047,641	24,758,050	3,115,190
Net profit after tax	20,772,946	18,547,192	2,336,393

The audited net asset value of the Target Company as at 31 December 2020 was approximately RMB321.29 million and the unaudited net asset value of the Target Company as at 30 June 2021 was approximately RMB304.83 million. The decrease in net asset value was mainly attributable to the distribution of final dividend of RMB18.795 million for the financial year ended 31 December 2020.

INFORMATION ON THE PARTIES TO THE SHARE TRANSFER AGREEMENT

The Group is a leading commercial property management service provider in China. Founded in 1999, the Group has been focusing on providing commercial property management services for about 20 years, and have established our market reputation and a premium brand.

The Purchaser is a limited liability company established in the PRC principally engaged in venture capital business and related agency and consultancy services. The Purchaser is ultimately beneficially owned as to 50%, 49.5% and 0.5% by Ms. Li Xiaohong, Mr. Wang Qing and Mr. Li Xiaoping, respectively.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal exceed 5% but all are less than 25%, the Disposal constitutes a discloseable transaction for the Company, and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, the Purchaser is approximately owned as to 50% by Ms. Li Xiaohong (the sister of Mr. Li Wa), 49.5% by Mr. Wang Qing (the cousin of Mr. Li Wa) and 0.5% by Mr. Li Xiaoping (the elder brother of Mr. Li Wa and an executive Director). Mr. Li Wa is a controlling shareholder of the Company. Hence, the Purchaser, being a majority-controlled company held indirectly by the family members of Mr. Li Wa, is an associate of Mr. Li Wa and a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal also constitutes a connected transaction for the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BOARD APPROVAL

As Mr. Li Xiaoping, an executive Director and the chairman of the Company, is also the general manager of the Purchaser and indirectly holds 0.5% equity interests in the Purchaser, he is considered as having a material interest in the transactions contemplated under the Share Transfer Agreement. Accordingly, Mr. Li Xiaoping has abstained from voting on the Board resolution approving the Share Transfer Agreement and the transactions contemplated thereunder. Save as disclosed, none of the Directors was required to abstain from voting on the relevant Board resolution.

EGM

Set out on pages EGM-1 to EGM-2 of this circular is a notice convening the EGM which will be held at Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, GuangDong Province, PRC on Thursday, 30 December 2021 at 10 a.m.. At the EGM, resolutions will be proposed to the Shareholders to consider and, if thought fit, to approve by ordinary resolution the Share Transfer Agreement and the transactions contemplated thereunder.

A form of proxy for use at the EGM is enclosed herewith. If you are not able to attend and/or vote at the EGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong

Kong as soon as possible and in any event not less than 48 hours before the time of the EGM (i.e. not later than 10 a.m. on Tuesday, 28 December 2021) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

As at the Latest Practicable Date, Mr. Li Wa is interested in 722,440,000 Shares, representing approximately 59.10% of the issued share capital of the Company, while Mr. Li Xiaoping is interested in 134,372,000 Shares, representing approximately 10.99% of the issued share capital of the Company. Accordingly, Mr. Li Wa, Mr. Li Xiaoping and their respective associates shall abstain from voting on the proposed resolutions approving the Share Transfer Agreement and the transactions contemplated thereunder.

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

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the EGM will be taken by way of poll.

An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The EGM will be held on Thursday, 30 December 2021. For the purpose of determining the identity of the Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 24 December 2021 to Thursday, 30 December 2021 both dates inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 23 December 2021.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on pages 14 to 15 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the proposed resolutions to approve the Share Transfer Agreement and the transactions contemplated thereunder; and (ii) the letter from Gram Capital as set out on pages 16 to 25 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the fairness and reasonableness of the Share Transfer Agreement and the transactions contemplated thereunder.

The Independent Board Committee, having taken into account, among other things, the advice of Gram Capital, is of the view that although the Disposal is not in the ordinary and usual course of business of the Group, the terms of the Share Transfer Agreement and the transactions contemplated thereunder are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM in respect of the approval of the Share Transfer Agreement and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors, after considering the advice from Gram Capital) are of the view that although the Disposal is not in the ordinary and usual course of business of the Group, the terms of the Share Transfer Agreement and the transactions contemplated thereunder are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole and therefore recommend you to vote in favour of the ordinary resolution to be proposed at the EGM.

ARRANGEMENTS FOR THE EGM IN LIGHT OF COVID-19

To safeguard the health and safety of the Shareholders, the Company will implement the following precautionary measures at the EGM to prevent the spreading of the COVID-19:

(1) Compulsory body temperature checks will be conducted for every attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the EGM venue and be requested to leave the EGM venue;

(2) Every attendee will be required to wear surgical facial mask throughout the EGM and maintain a safe distance between seats. Please note that no masks will be provided at the EGM venue and attendees should wear their own masks; and

(3) The Company will not provide refreshments and will not distribute corporate gifts.

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. In light of the continuing risks posed by the COVID-19, the Company encourages the Shareholders to consider appointing the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

GENERAL INFORMATION

Your attention is drawn to Appendix II headed "General Information" to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
By order of the Board
Excellence Commercial Property &
Facilities Management Group Limited
Li Xiaoping
Chairman

The following is the text of the letter of recommendation, prepared for the purpose of incorporation in this circular, from the Independent Board Committee to the Independent Shareholders in respect of approving the Share Transfer Agreement and the transactions contemplated thereunder.

Excellence

EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED
卓越商企服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6989)

10 December 2021

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION – DISPOSAL OF THE ENTIRE EQUITY INTERESTS IN THE TARGET COMPANY

We refer to the circular dated 10 December 2021 (the "**Circular**") issued by the Company to the Shareholders of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether, in our opinion, the terms of Share Transfer Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group and in the interests of the Group and the Shareholders as a whole, and how the Independent Shareholders should vote at the EGM, after taking into account the recommendation of the Gram Capital.

Gram Capital has been appointed by the Board as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders in connection with the Share Transfer Agreement and the transactions contemplated thereunder. Details of the advice from Gram Capital, together with the reasons for its opinion, the key assumptions made and the factors taken into consideration in forming its opinion, are set out in its letter on pages 16 to 25 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 4 to 13 of the Circular and the general information set out in Appendix II of the Circular.

Having considered the information as set out in the letter from the Board, the terms and conditions of the Share Transfer Agreement and the transactions contemplated thereunder, the factors and reasons considered by, and the opinion of Gram Capital as set out in its letter of advice, we are of the view that although the Disposal is not in the ordinary and usual course of business of the Group, the terms of the Share Transfer Agreement and the transactions contemplated thereunder are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to the approval of Share Transfer Agreement and the transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully
For and on behalf of the
the Independent Board Committee
Excellence Commercial Property & Facilities Management Group Limited

Huang Mingxiang	**Kam Chi Sing**	**Liu Xiaolan**
Independent Non-executive Director	*Independent Non-executive Director*	*Independent Non-executive Director*

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

Gram Capital Limited
嘉林資本有限公司

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

10 December 2021

To: The Independent Board Committee and the Independent Shareholders of Excellence Commercial Property & Facilities Management Group Limited

Dear Sir/Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF THE ENTIRE EQUITY INTERESTS IN THE TARGET COMPANY

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 10 December 2021 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 3 November 2021, Excellence Property Management and the Purchaser entered into the Share Transfer Agreement in relation to the Disposal, pursuant to which Excellence Property Management conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the entire equity interests in the Target Company.

With reference to the Board Letter, the Disposal constitutes a discloseable and connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under the Chapter 14 and Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Huang Mingxiang, Mr. Kam Chi Sing and Ms. Liu Xiaolan, being all of the independent non-executive Directors, has been formed to advise the Independent Shareholders on (i) whether the terms of the Disposal are on normal commercial terms and are fair and reasonable; (ii) whether the Disposal is in the interests of the Company and the Shareholders as a whole and is conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the Disposal at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of any relationships or interests between Gram Capital and the Company during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Disposal. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

We have not made any independent evaluation or appraisal of the assets and liabilities of the Target Company, and we have not been furnished with any such evaluation or appraisal, save as and except for the valuation report (the "**Valuation Report**") prepared by the Independent Valuer as set out in Appendix I to the Circular. Since we are not experts in the valuation of assets or business, we have relied solely upon the Valuation Report for the valuation for the entire equity interest of the Target Company as at 30 June 2021 (the "**Valuation**").

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

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

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

PRINCIPAL FACTORS AND REASONS CONSIDERED

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

Information on the Group

With reference to the Board Letter, the Group is a leading commercial property management service provider in the PRC. Founded in 1999, the Group has been focusing on providing commercial property management services for about 20 years, and have established market reputation and a premium brand.

Set out below is a summary of the consolidated financial information of the Group for the two years ended 31 December 2020 as extracted from the Company's annual report for the year ended 31 December 2020 (the "**2020 Annual Report**") and for the six months ended 30 June 2021 (the "**1H2021**") as extracted from the Company's interim report for the six months ended 30 June 2021 (the "**2021 Interim Report**"):

	For the six months ended 30 June 2021	**For the year ended 31 December 2020**	**For the year ended 31 December 2019**	**Change from 2019 to 2020**
	RMB'000	*RMB'000*	*RMB'000*	*%*
	(unaudited)	*(audited)*	*(audited)*	
Revenue	1,652,847	2,525,087	1,836,019	37.53
– Property management services	*1,628,184*	*2,469,592*	*1,780,023*	*38.74*
– Finance services	*19,161*	*46,467*	*50,194*	*(7.43)*
– Others	*5,502*	*9,028*	*5,802*	*55.60*
Gross profit	488,877	663,812	433,446	53.15
Profit for the period/year	290,611	355,922	233,565	52.39

As illustrated in the above table, the Group's revenue for the year ended 31 December 2020 ("**FY2020**") increased by approximately 37.53% as compared to that for the year ended 31 December 2019 ("**FY2019**"). The Group's revenue from property management services accounted for approximately 96.95% and 97.80% of the Group's total revenue for FY2019 and FY2020 respectively. With reference to the 2020 Annual Report and as advised by the Directors, the aforesaid increase in revenue was mainly due to increase in revenue from property management services caused by increase in the Group's gross floor area under management. The Group's gross floor area under management increased from approximately 23.53 million square metres as at 31 December 2019 to approximately 32.02 million square metres as at 31 December 2020. With reference to the 2021 Interim Report, the Group's gross floor area under management further increased to approximately 35.20 million square metres as at 30 June 2021.

The Group's gross profit for FY2020 increased by approximately 53.15% as compared to that for FY2019. The Group's gross profit margin also increased by 2.68 percentage points from 23.61% for FY2019 to 26.29% for FY2020. With reference to the 2020 Annual Report, the increase in gross profit margin was mainly due to (i) integration of service teams within the Group to reduce costs and improve efficiency; and (ii) reduction or exemption of social insurance contribution under the regulatory support policy for the COVID-19 pandemic. The Group's profit for FY2020 increased by approximately 52.39% as compared to that for FY2019. As advised by the Directors, the aforesaid increase in the Group's profit was mainly due to increase in revenue and gross profit margin.

With reference to the 2020 Annual Report, in year 2021, the Company's management will continue to focus on achieving the Group's performance targets and building core competencies for the Group's sustainable development, taking into account the external market and internal development conditions. The Group plans to continue to leverage its strength in the high-end commercial property service sector, build deep relationship with its customers through providing excellent services, and enhance the brand influence of and customer satisfaction to the Group.

Information on the Target Company

The Target Company was established in May 2018 to provide finance services to customers of the Group's property management service business, who have financing needs. It specialises in micro-lending business in Shenzhen, the PRC.

Set out below is the financial information of the Target Company for the two years ended 31 December 2020 and the six months ended 30 June 2021:

	For the six months ended 30 June 2021 *RMB* *(unaudited)*	**For the year ended 31 December 2020** *RMB* *(audited)*	**For the year ended 31 December 2019** *RMB* *(audited)*
Revenue	16,425,548	48,390,734	43,870,926
Net profit before tax	3,115,190	24,758,050	28,047,641
Net profit after tax	2,336,393	18,547,192	20,772,946

The Target Company's unaudited net assets was approximately RMB304.83 million as at 30 June 2021.

Information on the Purchaser

With reference to the Board Letter, the Purchaser is a limited liability company established in the PRC principally engaged in venture capital business and related agency and consultancy services. The Purchaser is ultimately beneficially owned as to 50%, 49.5% and 0.5% by Ms. Li Xiaohong, Mr. Wang Qing and Mr. Li Xiaoping, respectively. The Purchaser is a connected person of the Company.

Reasons for and benefits of the Disposal

With reference to the Board Letter, the Target Company provides financial services to customers of property management service business of the Group who had financing needs. It specialises in micro-lending business in Shenzhen, the PRC. There was no change in the business model of the Target Company since the listing of the Shares on the Main Board of the Stock Exchange on 19 October 2020. Nevertheless, as the property management business of the Group continued to expand, the Group realized that the synergies between the finance services and property management services were not as significant as expected. Firstly, the customer base of the Target Company is diversified and according to the knowledge of the Directors, most of the customers of the Group's finance services were individuals working for enterprises in Shenzhen or operating their business in Shenzhen who have funding needs for their property transactions, rather than residents, tenants or their employees which the Group provided property management services, as people tend to approach real estate agents for recommendation of financiers, instead of property management companies, for financing solutions in relation to property transactions. Also, the Group's return on asset relating to the finance services business segment of 4.5% and 6.2% in FY2019 and FY2020 respectively was much lower as compared to that of the property management business of 19.8% and 9.9% in FY2019 and FY2020 respectively. In addition, the finance services contributed to only an insignificant portion of the Group's revenue, however, it diverts the Group's operational resources and management attention.

With reference to the Board Letter, on 15 May 2020, Excellence Property Management (an indirect wholly-owned subsidiary of the Company) entered into the Shenzhen Zhuotou Framework Agreement with the Purchaser pursuant to which, the Group has conditionally agreed to transfer the entire equity interests in the Target Company to the Purchaser after 3 May 2021, when the Transfer Restrictive Period expires. We noted that the terms of the Share Transfer Agreement are generally in line with the terms of the Shenzhen Zhuotou Framework Agreement.

As illustrated in the section headed "Information on the Target Company" above, the Target Company's revenue for FY2020 increased by approximately RMB4.52 million or 10.30% as compared to that for FY2019, while its net profit after tax for FY2020 decreased by RMB2.23 million or 10.71% as compared to that for FY2019. The Target Company's net profit margin decreased from approximately 47.35% for FY2019 to approximately 38.33% for FY2020, representing a decrease of 9.02 percentage points. Furthermore, the Target Company's operation substantially scaled down during 1H2021. The Target Company's revenue for 1H2021 only accounted for approximately 53.00% and 33.94% of the Target Company's revenue for the six months ended 30 June 2020 and FY2020 respectively while the Target Company's net profit margin substantially decreased to approximately 14.22% for 1H2021.

As also illustrated in the section headed "Information on the Group" above, the revenue from property management services contributed over 95% of the Group's revenue whereas the revenue from finance services contributed less than 5% of the Group's revenue for each of FY2019, FY2020 and 1H2021.

With reference to the National Bureau of Statistics of the PRC, the total floor area of property under development in the PRC increased from approximately 7,589.75 million square meters for 2016 to approximately 9,267.59 million square meters for 2020, representing a compound annual growth rate ("**CAGR**") of approximately 5.12%. The total amount invested for property development projects in the PRC increased from approximately RMB10,258 billion for 2016 to approximately RMB14,144 billion for 2020, representing a CAGR of 8.36%. Development of the PRC's property development industry may increase demand for property management services. It is reasonable for the Group to focus on its core business, namely, property management services.

In light of the above, we concur with the Directors that, although the Disposal is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole.

Principal terms of the Disposal

Summarised below are the principal terms of the Share Transfer Agreement, details of which are set out under the section headed "SHARE TRANSFER AGREEMENT" of the Board Letter.

Date

3 November 2021 (after trading hours)

Parties

(a) Excellence Property Management (an indirect wholly-owned subsidiary of the Company) as the vendor; and

(b) Shenzhen Zhuoyue Venture Capital Co., Ltd* (深圳市卓越創業投資有限責任公司), as the Purchaser.

Assets to be disposed of

Excellence Property Management conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Sale Interest. The Sale Interest represents the entire equity interests of the Target Company.

Consideration

The Consideration of RMB305,095,000 shall be settled by the Purchaser by cash.

As prepayment of the Consideration, the Purchaser paid to Excellence Property Management a refundable deposit of RMB300 million. The remaining balance of the Consideration in the amount of RMB5,095,000 shall be settled by the Purchaser in full by cash within 10 days from the date of the Share Transfer Agreement. Upon completion of the Disposal, the refundable deposit shall be applied in full to settle the Consideration.

With reference to the Board Letter, the Consideration was determined after arm's length negotiations between Excellence Property Management and the Purchaser, with reference to (i) the unaudited net asset value of the Target Company as at 30 June 2021 of approximately RMB304.83 million; (ii) the Valuation of RMB305,095,000 as appraised by the Independent Valuer based on market approach; and (iii) the historical financial performance of the Target Company.

With reference to the Board Letter, completion of the Disposal shall be conditional upon the fulfilment of the Conditions.

Valuation of the Target Company

To assess the fairness and reasonableness of the Consideration, we noted from the Valuation Report that the Valuation was RMB305,095,000 as at 30 June 2021.

For our due diligence purpose, we reviewed and enquired into (i) the terms of engagement of the Independent Valuer with the Company; (ii) the Independent Valuer's qualification in relation to the preparation of the Valuation Report; and (iii) the steps and due diligence measures taken by the Independent Valuer for conducting the Valuation Report. As confirmed by the Independent Valuer, (i) it is registered as a firm regulated by Royal Institution of Chartered Surveyors ("**RICS**"); and (ii) the signatory of the Valuation Report, namely, Mr. Simon M.K. Chan, is a chartered valuer and appraiser, and a fellow member of Hong Kong Institute of Certified Public Accountants, CPA Australia as well as the RICS. He has extensive experience in valuation and corporate advisory business, providing a wide range of valuation and advisory services to numerous listed and private companies in different industries in Asia Pacific region for over 20 years. From the mandate letter and other relevant information provided by the Independent Valuer and based on our interview with them, we were satisfied with the terms of engagement of the Independent Valuer as well as their qualification for preparation of the Valuation Report. The Independent Valuer also confirmed that they are independent to the Group and the Purchaser.

The Valuation Report was prepared by the Independent Valuer by adopting market approach. As confirmed by the Independent Valuer, the Independent Valuer considered three generally accepted business enterprise appraisal approaches to value, namely, income approach, market approach and cost approach. Upon our further enquiry with the Independent Valuer, we understood that:

(i) Income approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the project than an amount equal to the present worth of anticipated future benefits (income) from the same or a substantially similar project with a similar risk profile. This approach relies on numerous assumptions over a long-time horizon and the result may be very sensitive to certain inputs. Since the Target Company's operations and net profit margin for 1H2021 has substantially scaled down as compared to that for FY2019 and FY2020, the assumptions to be applied under income approach may not accurately reflect the profitability of Target Company, thus the future cash flows may not be accurately forecasted.

(ii) Market approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparative. Assets for which there is an established secondary market may be valued by this approach. Since financial information of comparable companies are widely available through public sources, market approach is applicable to the Valuation.

(iii) Cost approach considers the cost to reproduce or replace in new condition of the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation or obsolescence present, whether arising from physical, functional or economic causes. Since majority of the Target Company's assets as at 30 June 2021 are cash and bank balances and loan receivables, the use of cost approach may not accurately reflect the underlying value of the Target Company.

We further reviewed and enquired into the Independent Valuer on the methodology adopted and the basis and assumptions adopted in the Valuation in order for us to understand the Valuation Report.

With reference to the Valuation Report, under the guideline public companies method of the market approach, the Independent Valuer identified certain comparable companies based on the following selection criteria: (i) the comparable companies mainly operate in the PRC and listed on the Stock Exchange; (ii) the comparable companies derive their sales mainly from the same industry of the Target Company; and (iii) sufficient data, including the price to book ratio, on the comparable companies are available on Bloomberg. Based on the selection criteria above, we consider the selected comparable companies to be fair and representative.

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

Having considered that, among the three commonly adopted valuation approaches (i.e. income approach, market approach and cost approach), there are limitations in income approach and cost approach as mentioned above, we did not cross-check the Valuation with other valuation approaches.

Having considered our independent work performed on the Valuation Report and that the Consideration of RMB305,095,000 equals to the Valuation of RMB305,095,000 as at 30 June 2021, we are of the view that the Consideration is fair and reasonable.

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

Possible financial effects of the Disposal

With reference to the Board Letter, upon completion of the Disposal, the Group will cease to own any interest in the Target Company, and the Target Company will cease to be a subsidiary of the Company and the financial results of the Target Company will no longer be consolidated with the Group's results. In addition, it is estimated that the Company will recognize a gain (excluding transaction cost) of approximately RMB0.3 million as a result of the Disposal, which is calculated based on the difference between the Consideration and the net asset value of the Target Company as at 30 June 2021.

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

RECOMMENDATION

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

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

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.

* *for identification purposes only*

仲量聯行

28 October 2021

The Board of Directors
Shenzhen Excellence Property Management Co., Ltd.
Tower 4, forth Floor, Excellence Century Center,
Excellence Century Center, No. 3 Fuhua Road,
Futian District, Shenzhen, Guangdong Province, PRC

Dear Sirs,

In accordance with the instructions received from Shenzhen Excellence Property Management Co., Ltd. ("**Excellence**" or the "**Company**"), we have undertaken a valuation exercise which requires us to express an independent opinion on the market value of 100 percent equity interest in Shenzhen Zhuotou Micro-lending Co., Ltd. ("**Shenzhen Zhuotou**" or the "**Target**") as at 30 June 2021 (the "**Valuation Date**"). The report which follows is dated 28 October 2021 (the "**Report Date**").

The purpose of this valuation is for internal reference by the Company and inclusion in its public disclosure.

Our valuation was carried out on a market value basis. Market value is defined as "*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*".

INTRODUCTION

Shenzhen Zhuotou is principally engaged in provision of loan services for small and micro companies and individuals in Shenzhen. Shenzhen Zhuotou's revenue was RMB43,871,000, RMB48,391,000 and RMB16,426,000 for the year ended 31 December 2019 and 31 December 2020 and the period ended 30 June 2021 respectively. The net assets of Shenzhen Zhuotou was RMB302,742,000, RMB321,289,000 and RMB304,830,000 on 31 December 2019, 31 December 2020 and 30 June 2021 respectively.

The summary of the financial information of Shenzhen Zhuotou for the year ended 31 December 2019 and 31 December 2020 and 30 June 2021 are set out below:

	For the year ended 31 December 2019 *RMB (rounded)*	**For the year ended 31 December 2020** *RMB (rounded)*	**For the period ended 30 June 2021** *RMB (rounded)*
Revenue	43,871,000	48,391,000	16,426,000
Net profits before taxation	28,048,000	24,758,000	3,115,000
Net profits after taxation	20,773,000	18,547,000	2,336,000
Total assets	499,472,000	380,867,000	412,473,000
Net assets	302,742,000	321,289,000	304,830,000

APPROACH AND METHODOLOGY

In arriving the market value of 100 percent equity interest in the Target, we have considered three generally accepted approaches, namely market approach, cost approach and income approach.

Market Approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparative. Assets for which there is an established secondary market may be valued by this approach.

Benefits of using this approach include its simplicity, clarity, speed and the need for few or no assumptions. It also introduces objectivity in application as publicly available inputs are used.

However, one has to be wary of the hidden assumptions in those inputs as there are inherent assumptions on the value of those comparable assets. It is also difficult to find comparable assets. Furthermore, this approach relies exclusively on the efficient market hypothesis.

Cost Approach considers the cost to reproduce or replace in new condition of the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation or obsolescence present, whether arising from physical, functional or economic causes. The cost approach generally furnishes the most reliable indication of value for assets without a known secondary market.

Despite the simplicity and transparency of this approach, it does not directly incorporate information about the economic benefits contributed by the subject assets.

Income Approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the project than an amount equal to the present worth of anticipated future benefits (income) from the same or a substantially similar project with a similar risk profile.

This approach allows for the prospective valuation of future profits and there are numerous empirical and theoretical justifications for the present value of expected future cash flows. However, this approach relies on numerous assumptions over a long-time horizon and the result may be very sensitive to certain inputs. It also presents a single scenario only.

Selection of Valuation Approach and Methodology

To select the most appropriate approach, we have considered the purpose of the valuation engagement and the resulting basis of value as well as the availability and reliability of information provided to us to form perform an analysis. We have also considered the relative advantages and disadvantages of each approach to the nature and circumstances of the Target. In our opinion, the cost approach is inappropriate for valuing Shenzhen Zhuotou, as it does not directly incorporate information about the economic benefits contributed by Shenzhen Zhuotou. The income approach is inappropriate as this approach require detailed operational information and long-term financial projection with objective supporting documents but such information is not available to us. We have therefore relied solely on the market approach in determining our opinion of value.

There are two common methods under market approach, namely, guideline public companies method and guideline transaction method. Guideline public companies method requires identifying suitable guideline public companies and selection of appropriate trading multiples, while guideline transaction method takes reference to recent mergers and acquisitions transaction between unrelated parties and ratio of transaction price to Target's financial metrics.

In this exercise, the market value of equity interest in Shenzhen Zhuotou was developed through the guideline public company method. The guideline transaction method is not adopted due to lack of sufficient recent market transactions with similar nature as Shenzhen Zhuotou. The guideline public company method requires the research of comparable companies' benchmark multiples and selection of an appropriate multiple. In this Valuation, we have adopted the P/B ratio, which is a commonly used multiple for measuring the value of an asset intensive company, as the multiple to estimate the market value of the equity interest in the target.

BASIS OF OPINION

We have conducted our valuation in accordance with international valuation standards issued by International Valuation Standards Council ("**IVSC**"). The valuation procedures employed include a review of legal status and economic condition of Shenzhen Zhuotou and an assessment of key assumptions, estimates, and representations made by the proprietor. All matters essential to the proper understanding of the valuation are disclosed in this valuation report.

The following factors form an integral part of our basis of opinion:

- The economic outlook in general;
- The nature of business and history of the operation concerned;
- The financial condition of the Target;
- Market-driven investment returns of companies engaged in similar lines of business;
- Financial and business risk of the business including continuity of income and the projected future results;
- Consideration and analysis on the micro and macro economy affecting the subject asset;
- Analysis on tactical planning, management standard and synergy of the subject asset; and
- Assessment of the leverage and liquidity of the subject asset.

We planned and performed our valuation so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence to express our opinion on the financial assets.

ASSUMPTIONS

In this exercise, we have applied the following assumptions as at the Valuation Date in deriving the market value of the 100 percent equity interest in the Target.

- There will be no material change in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the Target;
- The operational and contractual terms stipulated in the relevant contracts and agreements will be honored;

- The facilities and systems proposed are sufficient for future expansion in order to realize the growth potential of the business and maintain a competitive edge; and

- We have assumed that there are no hidden or unexpected conditions associated with Shenzhen Zhuotou that might adversely affect the reported values. Further, we assume no responsibility for changes in market conditions after the Valuation Date.

MARKET MULTIPLE

Under guideline public company method, in determining the financial multiple, a list of comparable companies was identified. The selection criteria include the followings:

1. The comparable companies mainly operate in mainland China and listed on the Stock Exchange of Hong Kong Limited;

2. The comparable companies derive their sales mainly from the same industry of Shenzhen Zhuotou, i.e., provision of loan services for small and micro companies and individuals; and

3. Sufficient data, including the P/B ratio, on the comparable companies are available in Bloomberg.

The comparable companies satisfying the criteria are listed exhaustively as below:

Bloomberg Ticker	Company Name	P/B Ratio
1290 HK Equity	CHINA HUIRONG FINANCIAL HOLD	0.58
1915 HK Equity	YANGZHOU GUANGLING DISTRIC-H	0.94
1577 HK Equity	QUANZHOU HUIXIN MICRO-CRED-H	0.62
6866 HK Equity	ZUOLI KECHUANG MICRO-FINAN-H	0.22
8239 HK Equity	CAPITAL FINANCE HOLDINGS LTD	2.76

(Data source: Bloomberg)

ADDITIONAL CONSIDERATION

Discount for Lack of Marketability (DLOM)

The concept of marketability deals with the liquidity of an ownership interest that is how quickly and easily it can be converted to cash the owner chooses to sell. The lack of marketability discount reflects the fact that there is no ready market for shares in privately held companies which are typically not readily marketable compared to similar interest in public companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly held company. In this Valuation, we have adopted a DLOM of 15.8% with reference to the 2020 edition of the Stout Restricted Stock Study.

Control Premiums and Discount for Lack of Control (DLOC)

Control Premiums and Discounts for Lack of Control (DLOC) are applied to reflect differences between the comparables and the subject asset with regard to the ability to make decisions. The Lack of Control Discount is the reduction applied to the valuation of a minority equity position in a company due to the absence of control. Minority shareholders usually do not have the ability to dictate the future strategic direction of the company, the election of directors, the nature, quantum and timing of their return on investment, or even the sale of their own shares. This absence of control reduces the value of the minority equity position against the total enterprise value of the company. As the Purchaser intended to acquire 100 percent equity interest in the Target, which reflects a controlling interest, a control premium is adopted to calculate the market value of the Target. In this Valuation, we have adopted a control premium of 16.12% which is the average of announced premium of all transactions in the past five years in the "Financial" sectors, and the data of those transactions are available in Bloomberg.

CALCULATION OF VALUATION RESULT

Under the guideline public company method, the market value depends on the market multiples of the comparable companies derived from Bloomberg as at the Valuation Date. We have also taken into account the DLOM and DLOC.

The calculation of the market value of 100 per cent equity interest of Shenzhen Zhuotou as at the Valuation Date is as follows:

Amounts in RMB unless otherwise stated

Parameter	**Input**
Average P/B ratio of the Comparable Companies (times)	1.02
Net asset as at the Valuation Date	304,830,374
Equity Value of Shenzhen Zhuotou as at the Valuation Date	312,053,015
DLOM (%)	15.80
DLOC (%)	16.12
Equity Value of Shenzhen Zhuotou after DLOM and DLOC (rounded)	305,095,000

VALUATION COMMENTS

The conclusion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. Further, while the assumptions and other relevant factors are considered by us to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Target Company, the Company and Jones Lang LaSalle Corporate Appraisal and Advisory Limited. We do not intend to express any opinion on matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers. Our conclusions assume continuation of prudent management of the Target Company over whatever period of time that is reasonable and necessary to maintain the character and integrity of the assets valued. This report is issued subject to our Limiting Conditions as attached.

Commentary on the Impact of Novel Coronavirus COVID-19 on Valuation

We are instructed to provide our opinion of value as per the valuation date only. It is based on economic, market and other conditions as they exist on, and information made available to us as of, the valuation date and we assume no obligation to update or otherwise revise these materials for events in the time since then. In particular, it has come to our attention that the outbreak of Novel Coronavirus disease (COVID-19) has caused significant disruption to economic activities around the world. This disruption has increased the risk towards the achievability of the financial projections/assumptions. It may also have a negative impact towards investment sentiment, and hence any form of required rate of return as well as liquidity of any asset. As of the Report Date, it is uncertain how long the disruption will last and to what extent it will affect the economy. As a result, it has caused volatility and uncertainty that values may change significantly and unexpectedly even over short periods. The period required to negotiate a transaction may also extend considerably beyond the normally expected period, which would also reflect the nature and size of the asset. Readers are reminded that we do not intend to provide an opinion of value as of any date after the Valuation Date in this Report.

OPINION OF VALUE

Based on the results of our investigations and analyses outlined in this report, we are of the opinion that the market value of 100 percent equity interest in Shenzhen Zhuotou as at the Valuation Date is reasonably stated as the amount of RMB305,095,000.

LIMITING CONDITIONS

This report and opinion of value are subject to our Limiting Conditions as attached.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited

Simon M.K. Chan
Executive Director

Note: Simon M.K. Chan is a Chartered Valuer and Appraiser, and a fellow member of Hong Kong Institute of Certified Public Accountants (HKICPA), CPA Australia as well as the Royal Institution of Chartered Surveyors (RICS). Simon has extensive experience in valuation and corporate advisory business, providing a wide range of valuation and advisory services to numerous listed and private companies in different industries in Asia Pacific region for over 20 years.

LIMITING CONDITIONS

1. In the preparation of our reports, we relied on the accuracy, completeness and reasonableness of the financial information, forecast, assumptions and other data provided to us by the Company/engagement parties and/or its representatives. We did not carry out any work in the nature of an audit and neither are we required to express an audit or viability opinion. We take no responsibility for the accuracy of such information. Our reports were used as part of the Company's/engagement parties' analysis in reaching their conclusion of value and due to the above reasons, the ultimate responsibility of the derived value of the subject property rests solely with the Company/engagement parties.

2. We have explained as part of our service engagement procedure that it is the director's responsibility to ensure proper books of accounts are maintained, and the financial information and forecast give a true and fair view and have been prepared in accordance with the relevant standards and companies ordinance.

3. Public information and industry and statistical information have been obtained from sources we deem to be reputable; however we make no representation as to the accuracy or completeness of such information, and have accepted the information without any verification.

4. The management and the Board of the Company/engagement parties have reviewed and agreed on the report and confirmed that the basis, assumptions, calculations and results are appropriate and reasonable.

5. Jones Lang LaSalle Corporate Appraisal and Advisory Limited shall not be required to give testimony or attendance in court or to any government agency by reason of this exercise, with reference to the project described herein. Should there be any kind of subsequent services required, the corresponding expenses and time costs will be reimbursed from you. Such kind of additional work may incur without prior notification to you.

6. No opinion is intended to be expressed for matters which require legal or other specialised expertise, which is out of valuers' capacity.

7. The use of and/or the validity of the report is subject to the terms of engagement letter/proposal and the full settlement of the fees and all the expenses.

8. Our conclusions assume continuation of prudent and effective management policies over whatever period of time that is considered to be necessary in order to maintain the character and integrity of the assets valued.

9. We assume that there are no hidden or unexpected conditions associated with the subject matter under review that might adversely affect the reported review result. Further, we assume no responsibility for changes in market conditions, government policy or other conditions after the Valuation/Reference Date. We cannot provide assurance on the achievability of the results forecasted by the Company/engagement parties because events and circumstances frequently do not occur as expected; difference between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans and assumptions of management.

10. This report has been prepared solely for internal use purpose. The report should not be otherwise referred to, in whole or in part, or quoted in any document, circular or statement in any manner, or distributed in whole or in part or copied to any their party without our prior written consent. Even with our prior written consent for such, we are not liable to any third party except for our client for this report. Our client should remind of any third party who will receive this report and the client will need to undertake any consequences resulted from the use of this report by the third party. We shall not under any circumstances whatsoever be liable to any third party.

11. This report is confidential to the client and the calculation of values expressed herein is valid only for the purpose stated in the engagement letter/or proposal as of the Valuation/Reference Date. In accordance with our standard practice, we must state that this report and exercise is for the use only by the party to whom it is addressed to and no responsibility is accepted with respect to any third party for the whole or any part of its contents.

12. Where a distinct and definite representation has been made to us by party/parties interested in the assets valued, we are entitled to rely on that representation without further investigation into the veracity of the representation.

13. You agree to indemnify and hold us and our personnel harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorney's fees, to which we may become subjects in connection with this engagement. Our maximum liability relating to services rendered under this engagement (regardless of form of action, whether in contract, negligence or otherwise) shall be limited to the fee paid to us for the portion of its services or work products giving rise to liability. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, lost profits, opportunity costs, etc.), even if it has been advised of their possible existence.

14. We are not environmental, structural or engineering consultants or auditors, and we take no responsibility for any related actual or potential liabilities exist, and the effect on the value of the asset is encouraged to obtain a professional assessment. We do not conduct or provide such kind of assessments and have not considered the potential impact to the subject property.

15. This exercise is premised in part on the historical financial information and future forecast provided by the management of the Company/engagement parties and/or its representatives. We have assumed the accuracy and reasonableness of the information provided and relied to a considerable extent on such information in our calculation of value. Since projections relate to the future, there will usually be differences between projections and actual results and in some cases, those variances may be material. Accordingly, to the extent any of the above mentioned information requires adjustments, the resulting value may differ significantly.

16. This report and the conclusion of values arrived at herein are for the exclusive use of our client for the sole and specific purposes as noted herein. Furthermore, the report and conclusion of values are not intended by the author, and should not be construed by the reader, to be investment advice or as financing or transaction reference in any manner whatsoever. The conclusion of values represents the consideration based on the information furnished by the Company/engagement parties and other sources. Actual transactions involving the subject assets/business might be concluded at a higher or lower value, depending upon the circumstances of the transaction and the business, and the knowledge and motivation of the buyers and sellers at that time.

17. The management or staff of the Company/engagement parties and/or its representatives have confirmed to us that the transaction or themselves or the parties involved in the pertained assets or transaction are independent to our firm and Jones Lang LaSalle Corporate Appraisal and Advisory Limited in this valuation or calculation exercise. Should there be any conflict of interest or potential independence issue that may affect our independency in our work, the Company/engagement parties and/or its representatives should inform us immediately and we may need to discontinue our work and we may charge our fee to the extent of our work performed or our manpower withheld or engaged.

VALUERS' PROFESSIONAL DECLARATION

The following valuers certify, to the best of their knowledge and belief, that:

- Information has been obtained from sources that are believed to be reliable. All facts which have a bearing on the value concluded have been considered by the valuers and no important facts have been intentionally disregarded.

- The reported analyses, opinions, and conclusions are subject to the assumptions as stated in the report and based on the valuers' personal, unbiased professional analyses, opinions, and conclusions. The valuation exercise is also bounded by the limiting conditions.

- The reported analyses, opinions, and conclusions are independent and objective.

– The valuers have no present or prospective interest in the asset that is the subject of this report, and have no personal interest or bias with respect to the parties involved.

– The valuers' compensation is not contingent upon the quantum of the value assessed, the attainment of a stipulated result, the occurrence of a subsequent event, or the reporting of a predetermined value or direction in value that favours the cause of the client.

– The analyses, opinions, and conclusions were developed, and this report has been prepared, in accordance with the International Valuation Standards published by the International Valuation Standards Council.

– The under mentioned persons provided professional assistance in the compilation of this report.

Simon M.K. Chan
Executive Director

Hunter Z.W. He
Senior Director

Kevin H.K. Yang
Assistant Analyst

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short position of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules were as follows:

(a) Interests of Directors and chief executives

Interests in the Shares

Name of Director	**Capacity/Nature of interests**	**Number of Shares held**	**Approximate percentage of interests in the Company**	**Long/short position**
Mr. Li Xiaoping ("**Mr. Li**")	Interest of spouse	117,900,000[(1)]	9.64%	Long position
	Beneficial owner	16,472,000[(2)]	1.35%	Long position
Ms. Guo Ying ("**Ms. Guo**")	Beneficial owner	1,275,000[(3)]	0.10%	Long position

Notes:

(1) Mr. Li is the spouse of Ms. Xiao Xingping ("**Ms. Xiao**"). By virtue of the SFO, Mr. Li is deemed to be interested in the same number of Shares in which Ms. Xiao is interested.

(2) 16,200,000 Shares are in the form of share options of our Company which have been granted but have not yet been exercised as at the Latest Practicable Date.

(3) 1,200,000 Shares are in the form of share options of our Company which have been granted but have not yet been exercised as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors, the following persons, other than the Directors or chief executive of the Company, had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Interests in the Shares

Name of Shareholder	Capacity/Nature of interests	Number of Shares held	Approximate percentage of interests in the Company	Long/short position
Mr. Li Wa	Interest in a controlled corporation	722,440,000(1)	59.10%	Long position
Oriental Rich Holdings Group Limited ("**Oriental Rich**")	Interest in a controlled corporation	722,440,000(1)	59.10%	Long position
Urban Hero Investments Limited ("**Urban Hero**")	Beneficial owner	722,440,000(1)	59.10%	Long position
Ms. Xiao Xingping	Interest in a controlled corporation	117,900,000(2)	9.64%	Long position

Name of Shareholder	Capacity/Nature of interests	Number of Shares held	Approximate percentage of interests in the Company	Long/short position
Ever Rainbow Holdings Limited ("**Ever Rainbow**")	Beneficial owner	117,900,000(2)	9.64%	Long position
Mr. Li Yuan	Interest in a controlled corporation	63,000,000(3)	5.15%	Long position
Autumn Riches Limited ("**Autumn Riches**")	Beneficial owner	63,000,000(3)	5.15%	Long position

Notes:

(1) Urban Hero is wholly-owned by Oriental Rich, which is in turn wholly-owned by Mr. Li Wa. By virtue of the SFO, each of Oriental Rich and Mr. Li Wa is deemed to be interested in the same number of Shares in which Urban Hero is interested.

(2) Ever Rainbow is wholly-owned by Ms. Xiao. By virtue of the SFO, Ms. Xiao is deemed to be interested in the same number of Shares in which Ever Rainbow is interested.

(3) Autumn Riches is wholly-owned by Mr. Li Yuan. By virtue of the SFO, Mr. Li Yuan is deemed to be interested in the same number of Shares in which Autumn Riches is interested.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (who were not Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

3. DIRECTOR'S INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder.

4. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by, or leased to, any member of the Group or were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which is not expiring or determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

6. DIRECTOR'S INTERESTS IN CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the business of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited financial statements of the Group were made.

8. EXPERT AND CONSENT

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

Name	Qualification
JLL	professional valuer
Gram Capital	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, each of JLL and Gram Capital:

(a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or report and references to its name, in the form and context in which it appears;

(b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

(c) did not have any direct or indirect interest in any assets which had been since 31 December 2020 (the date to which the latest published audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to any member of the Group or were proposed to be acquired or disposed of by, or leased to any member of the Group.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.excepm.com) from the date of this circular up to and including the date of the EGM:

(a) Shenzhen Zhuotou Framework Agreement;

(b) the Share Transfer Agreement;

(c) the valuation report from JLL as set out in Appendix I of this circular;

(d) the written consent of Gram Capital as referred to in the section headed "Expert and Consent" in this Appendix II;

(e) the written consent of JLL as referred to in the section headed "Expert and Consent" in this Appendix II; and

(f) this circular.

10. MISCELLANEOUS

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

EXCELLENCE COMMERCIAL PROPERTY & FACILITIES MANAGEMENT GROUP LIMITED
卓越商企服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6989)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Excellence Commercial Property & Facilities Management Group Limited (the "**Company**") will be convened and held at Greater Bay Area Room, 38A Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, GuangDong Province, PRC on Thursday, 30 December 2021 at 10 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution of the Company:

ORDINARY RESOLUTION

"**THAT** the share transfer agreement dated 3 November 2021 and entered into between Shenzhen Excellence Property Management Co., Ltd. and 深圳市卓越創業投資有限責任公司 (Shenzhen Zhuoyue Venture Capital Co., Ltd*) (the "**Share Transfer Agreement**") and the transactions contemplated be and are hereby confirmed and approved and the directors of the Company be and are hereby authorised to do all such acts, deeds and things and to sign, execute and deliver all such documents as they may, in their absolute discretion, consider necessary, desirable or expedient to give effect, determine, revise, supplement or complete any matters relating to or in connection with the Share Transfer Agreement and the transactions contemplated thereunder."

By order of the Board
Excellence Commercial Property &
Facilities Management Group Limited
Li Xiaoping
Chairman

Hong Kong, 10 December 2021

* *For identification purpose only*

Notes:

1. For the purpose of determining the identity of the shareholders of the Company entitled to attend and vote at the meeting, the register of members of the Company will be closed from Friday, 24 December 2021 to Thursday, 30 December 2021 both dates inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 23 December 2021.

2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.

3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.

4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the Meeting (i.e. not later than 10 a.m. on Tuesday, 28 December 2021).

5. Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in this notice will be taken by poll at the above meeting.

6. If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning is in force at or after 8 a.m. on the date of the meeting, the meeting will be postponed or adjourned to such date, time and place as the Board may decide and announce by issuing further announcement.

7. To safeguard the health and safety of the shareholders of the Company, the Company will implement the following precautionary measures at the EGM to prevent the spreading of the COVID-19:

   (1) Compulsory body temperature checks will be conducted for every attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the EGM venue and be requested to leave the EGM venue;

   (2) Every attendee will be required to wear surgical facial mask throughout the EGM and maintain a safe distance between seats. Please note that no masks will be provided at the EGM venue and attendee should wear their own masks; and

   (3) The Company will not provide refreshments and will not distribute corporate gifts.

   Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. In light of the continuing risks posed by the COVID-19, the Company encourages the shareholders of the Company to consider appointing the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

As at the date of this circular, the executive Directors are Mr. Li Xiaoping and Ms. Guo Ying, the non-executive Directors are Mr. Wang Dou and Mr. Wang Yinhu; and the independent non-executive Directors are Mr. Huang Mingxiang, Mr. Kam Chi Sing and Ms. Liu Xiaolan.