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

If you have sold or transferred all your securities in **Continental Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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**CONTINENTAL
HOLDINGS LIMITED**
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

**VERY SUBSTANTIAL DISPOSAL
IN RELATION TO DISPOSAL OF THE
ENTIRE EQUITY INTEREST IN A SUBSIDIARY
AND
NOTICE OF GENERAL MEETING**

A letter from the Board is set out on pages 6 to 35 of this circular. The notice convening the General Meeting to be held at Whampoa 01 & 02, 1/F, Harbour Grand Kowloon, 20 Tak Fung Street, Whampoa Garden, Hunghom, Kowloon, Hong Kong, on Monday, 16 November 2026 at 11:30 a.m. (or as soon as the annual general meeting of Continental Holdings Limited to be held at the same place and on the same date at 11:00 a.m. shall be concluded or adjourned) is set out on pages GM-1 to GM-3 of this circular.

You are advised to read the notice of the General Meeting and if you are not able to attend the General Meeting or its adjournment thereof (as the case may be) in person but wish to exercise your right as a Shareholder, please complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof (as the case may be).

Completion and return of the form of proxy will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof (as the case may be) should you so wish and in such event, the form of proxy shall be deemed to be revoked.

30 October 2026

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DEFINITIONS

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

“Aggregate Consideration”	the total consideration for the sale and purchase of the Sale Share and the transfer and assignment of the Sale Debt, together with such apportionments, adjustments and credits as may be made in accordance with the SPA
“Announcement”	The announcement of the Company dated 19 August 2026 in relation to the Disposal
“associates”	has the meaning ascribed thereto under the Listing Rules
“Base Land Premium”	HK\$100 million
“BBTO”	the binding basic terms offer issued by the Lands Department in respect of the proposed lease modification of the Property
“Board”	the board of Directors
“Business Day(s)”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“Company”	Continental Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 513)
“Completion”	completion of the Disposal
“Completion Accounts”	the completion accounts of the Target Company for the period from the beginning of its current financial year to the Completion Date audited by practising certified public accountants and certified by an existing director of the Target Company

DEFINITIONS

“Completion Date”	the date on which Completion takes place in accordance with the terms of the SPA, being a date on or before the date immediately preceding the deadline for payment of the Land Premium Balance, or such other date as may be agreed in writing between the Parties
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the proposed disposal of the Sale Share by the Vendor and the assignment of the Sale Debt by the Company to the Purchaser pursuant to the SPA
“Existing Encumbrances”	the encumbrances and security interests granted in connection with the Existing Financing Facilities
“Existing Financing Facilities”	the existing credit facilities provided by Hang Seng Bank Limited to the Target Company
“Final Sale Debt Consideration”	the consideration for the Sale Debt finally determined by reference to the Completion Accounts
“General Meeting”	the general meeting of the Company to be convened for the Shareholders for the purpose of considering, and, if thought fit, to approve, among other matters, the SPA and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, are independent of and not connected with the Company and its connected persons or any of their respective associates

DEFINITIONS

“Independent Valuer”	Knight Frank Asset Appraisal Limited, an independent professional valuer appointed by the Company for the valuation of the Property
“Initial Consideration”	the initial aggregate consideration of HK\$85.0 million payable by the Purchaser for the Sale Share and the Sale Debt
“Initial Sale Debt Consideration”	HK\$84,999,999, being the initial consideration payable by the Purchaser for the assignment of the Sale Debt
“Lands Department”	the Lands Department of the Government of Hong Kong
“Land Premium”	The land premium payable to the Government of Hong Kong in connection with the lease modification of the Property pursuant to the Revised Land Premium Offer
“Land Premium Balance”	90% of the Land Premium
“Land Premium Deposit”	10% of the Land Premium specified in the demand note following the issuance of the Revised Land Premium Offer
“Land Premium Increment”	The difference between the Land Premium in the Revised Land Premium Offer and the Base Land Premium
“Land Premium Increment Deposit”	10% deposit of the Land Premium Increment
“Latest Practicable Date”	26 October 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	120 calendar days from the date of the SPA, or any other date as may be mutually agreed by the Vendor and the Purchaser in writing
“PRC”	the People’s Republic of China

DEFINITIONS

“Proforma Completion Accounts”	the proforma unaudited accounts of the Target Company, comprising a proforma unaudited profit and loss account and proforma balance sheet of the Target Company for the period from 30 June 2025 up to the Completion Date
“Proforma Final Sale Debt Consideration”	the Initial Sale Debt Consideration as adjusted on a pro forma basis
“Property”	the property located at Nos. 164 and 164A Boundary Street, Kowloon, Hong Kong and owned by the Target Company
“Purchaser”	Cheer Stay (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability
“Remaining Group”	the Group immediately upon Completion
“Revised Land Premium Offer”	the revised BBTO issued by the Lands Department in respect of the proposed lease modification of the Property following the premium appeal
“SPA”	the sale and purchase agreement dated 18 August 2026 entered into between the Vendor, the Purchaser, and the Company in relation to the Disposal
“Sale Debt”	HK\$184.8 million due and payable by the Target Company to the Company as at the date of the SPA, which will be assigned by the Company to the Purchaser pursuant to the SPA
“Sale Share”	one (1) fully paid-up ordinary share, representing the issued and allotted share capital of the Target Company
“Sale Share Consideration”	HK\$1.00, being the consideration payable by the Purchaser for the Sale Share
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tamar Investments”	Tamar Investments Group Limited, the controlling shareholder of the Company, is owned as to 70% by Ms. Cheng Siu Yin, Shirley, 16% by Mr. Chan Wai Lap, Victor and 7% each by Ms. Chan Wai Kei, Vicki and Ms. Chan Mei Kei, Alice
“Target Company”	Wise Capital Holdings Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Valuation Report”	The valuation report dated 26 October 2026 issued by the Independent Valuer in relation to the valuation of the Property
“Vendor”	Continental Properties Limited, a direct wholly-owned subsidiary of the Company
“Vendor Base Land Premium Deposit”	HK\$10.0 million, being 10% of the Base Land Premium
“Vendor Deposit”	HK\$8.5 million, being 10% of the Initial Consideration
“%”	per cent.



CONTINENTAL
HOLDINGS LIMITED
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

Executive Directors:

Mr. Chan Wai Lap, Victor
Ms. Cheng Siu Yin, Shirley
Ms. Chan Wai Kei, Vicki
Ms. Chan Mei Kei, Alice
Mr. Wong Edward Gwon-hing

Registered office:

Flats M and N, 1/F
Kaiser Estate, Phase III
11 Hok Yuen Street
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. Yu Shiu Tin, Paul, *BBS, MBE, JP*
Mr. Chan Ping Kuen, Derek
Mr. Sze Irons, *GBS, BBS, JP*
Mr. Cheung Chi Fai, Frank
Mr. Yam Tat Wing

30 October 2026

To the Shareholders

Dear Sir/ Madam,

**VERY SUBSTANTIAL DISPOSAL
IN RELATION TO DISPOSAL OF THE
ENTIRE EQUITY INTEREST IN A SUBSIDIARY
AND
NOTICE OF GENERAL MEETING**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 19 August 2026 in relation to the Disposal.

LETTER FROM THE BOARD

On 18 August 2026 (after trading hours), the Vendor, being a direct wholly-owned subsidiary of the Company, the Purchaser and the Company (as the Vendor's guarantor) entered into the SPA, pursuant to which the Vendor has conditionally agreed to sell the Sale Share and procure the assignment of the Sale Debt to the Purchaser, and the Purchaser has conditionally agreed to acquire the Sale Share and the Sale Debt, for an aggregate consideration of HK\$85.0 million, subject to adjustments in accordance with the SPA.

The Target Company is principally engaged in property holding and its principal asset is the Property. The Disposal forms part of the Group's ongoing review and rationalisation of its asset portfolio. The Board considers that the Property is a non-core asset of the Group which is not currently revenue-generating and that, having regard to the capital commitment, funding burden, uncertainties and risks associated with retaining the Property for lease modification and redevelopment, it is commercially prudent for the Group to realise its investment in the Target Company at this stage, redeploy its financial and management resources to its principal jewellery business and other funding needs, and reduce the Group's overall indebtedness.

Upon Completion, the Group will no longer hold any interest in the Target Company and the Target Company will cease to be an indirect wholly-owned subsidiary of the Company, and the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

The purpose of this Circular is to provide you with, among other things, (i) further details of the SPA and the Disposal; (ii) the financial information of the Target Company; (iii) the proforma financial information of the Remaining Group; (iv) the Valuation Report issued by the Independent Valuer; (v) other information as required under the Listing Rules; and (vi) a notice of the General Meeting to approve the Disposal.

2. THE SPA

The principal terms of the SPA are as follows:

Date

18 August 2026 (after trading hours)

Parties

- (1) The Vendor;
- (2) The Purchaser; and
- (3) The Company, as the Vendor's guarantor.

LETTER FROM THE BOARD

The Company was joined as a party to the SPA to guarantee the due performance by the Vendor of its obligations under the SPA. The Company is also the current holder of the Sale Debt and will assign the Sale Debt to the Purchaser at Completion pursuant to the deed of assignment to be entered into at Completion.

Asset to be disposed of

Pursuant to the SPA, the Vendor has conditionally agreed to sell and to procure the assignment of, and the Purchaser has conditionally agreed to acquire:

- (i) the Sale Share, being the entire issued share capital of the Target Company; and
- (ii) the Sale Debt, being approximately HK\$184.8 million due and payable by the Target Company to the Company as at the date of the SPA, which will be assigned to the Purchaser at Completion pursuant to the deed of assignment to be entered into at Completion.

The Target Company is the sole legal and beneficial owner of the Property, which is its principal asset. Further details of the Target Company are set out in the section headed “Information on the Target Company and the Property” below.

Consideration

The Aggregate Consideration for the Disposal shall be the aggregate of:

- (a) the Initial Consideration of HK\$85 million, comprising:
 - (i) the Sale Share Consideration of HK\$1.00; and
 - (ii) the Initial Sale Debt Consideration of HK\$84,999,999;
- (b) such adjustments to the Initial Sale Debt Consideration as may be made in accordance with the SPA, details of which are set out in the paragraph headed “Adjustments to the Initial Sale Debt Consideration” below; and

LETTER FROM THE BOARD

- (c) if the Land Premium specified in the Revised Land Premium Offer is less than the Base Land Premium, an amount payable by the Purchaser to the Vendor on Completion under the SPA equal to such shortfall.

For the avoidance of doubt, the Land Premium payable to the Government of Hong Kong in connection with the lease modification of the Property does not, of itself, form part of the Aggregate Consideration. Only the amount, if any, payable by the Purchaser to the Vendor on Completion under the SPA pursuant to paragraph (c) above shall form part of the Aggregate Consideration. Further details are set out in the paragraph headed “Land Premium Mechanism” below.

Adjustments to the Initial Sale Debt Consideration

At Completion, the Initial Sale Debt Consideration will be adjusted on a provisional basis by reference to the financial position of the Target Company as at the Completion Date, as shown in the Proforma Completion Accounts. The amount determined after such provisional adjustments shall be the Proforma Final Sale Debt Consideration.

Pursuant to the SPA, the Initial Sale Debt Consideration will be provisionally adjusted at Completion as follows:

- (a) reduced by the aggregate amount of certain liabilities of the Target Company as at the Completion Date, including tax liabilities, other payables and accruals, and outstanding outgoings, but excluding the Existing Financing Facilities and the Sale Debt; and
- (b) increased by the aggregate amount of certain current tangible assets of the Target Company as at the Completion Date, as shown in the Proforma Completion Accounts, including:
 - (i) cash and cash equivalents, subject to a cap of HK\$4,400,000; and
 - (ii) deposits and prepayments in respect of the Property, if any, covering the period up to but excluding the Completion Date, subject to a cap of HK\$200,000, and excluding any deposit, prepayment or amount paid by or on behalf of the Purchaser under the SPA.

LETTER FROM THE BOARD

The above adjustment mechanism applies only to the Initial Sale Debt Consideration, as the Sale Share Consideration is a fixed nominal amount of HK\$1 representing the nominal value of the issued share capital of the Target Company, whereas substantially all of the economic value under the Initial Consideration is reflected in the Sale Debt. The Initial Sale Debt Consideration was fixed by reference to the outstanding amount of the shareholder funding advanced by the Company to the Target Company and did not itself reflect the assets and liabilities of the Target Company. Accordingly, the parties agreed that the amount payable for the Sale Debt should be adjusted at Completion by reference to the aggregate amounts of such assets and liabilities as at the Completion Date, so that the consideration for the Sale Debt would reflect the actual financial position of the Target Company at Completion.

As at 30 June 2026, the Target Company had cash and cash equivalents of approximately HK\$4,347,000 and deposits and prepayments of approximately HK\$102,000. The caps on such assets were agreed between the Vendor and the Purchaser to provide the Purchaser with certainty as to its funding requirement at Completion and to facilitate its completion funding and cash flow planning. The Board considers the caps to be fair and reasonable as they were determined on an arm's length basis and are broadly in line with the unaudited balances of such assets as at 30 June 2026. Based on the information currently available to the Board, it is expected that the balances of the Target Company's cash and cash equivalents and deposits and prepayments as at Completion will not exceed the respective caps.

The Proforma Final Sale Debt Consideration will be used to determine the amount payable at Completion in respect of the Sale Debt. To the best of the knowledge, information and belief of the Board, and based on the unaudited financial information of the Target Company as at 30 June 2026, the adjustment to the Initial Sale Debt Consideration is currently estimated to result in an upward adjustment of approximately HK\$4,335,000. Such estimate is derived by adding (i) cash and cash equivalents of approximately HK\$4,347,000 and (ii) deposits and prepayments of approximately HK\$102,000, and deducting (iii) other payables and accruals of approximately HK\$114,000. However, as the relevant balances may change prior to Completion, the exact amount of the adjustments can only be determined at Completion.

Under the SPA, the Vendor is required to deliver to the Purchaser, not less than 20 Business Days before the Completion Date, the Proforma Completion Accounts and a pro forma closing statement setting out the Proforma Final Sale Debt Consideration for the Purchaser's approval. The Proforma Completion Accounts approved by the Purchaser will be binding on the parties for the purpose of determining the amount payable at Completion.

LETTER FROM THE BOARD

Following Completion, the Vendor shall deliver to the Purchaser, within 60 days after the Completion Date, the Completion Accounts together with a closing statement setting out the Final Sale Debt Consideration. If the Final Sale Debt Consideration exceeds the Proforma Final Sale Debt Consideration used at Completion, the Purchaser shall pay the excess to the Vendor. If the Final Sale Debt Consideration is less than the Proforma Final Sale Debt Consideration used at Completion, the Vendor shall pay the shortfall to the Purchaser.

Land Premium Mechanism

At the time of acquisition, the Group intended to redevelop the Property into a multi-storey private residential development with car parking spaces in order to realise its development potential. However, the existing government lease in respect of the Property contains restrictive user and development terms which do not permit the proposed redevelopment without proper lease modification. Accordingly, an application for lease modification was required in order to implement the Group's intended redevelopment plan.

If the Group were not to proceed with redevelopment, no lease modification would be required and the Land Premium would not become payable. Accordingly, the Land Premium does not represent a mandatory cash outflow of the Target Company, as it would arise only if redevelopment proceeds and the relevant lease modification is undertaken. However, the Board considered that the value of the Property to a purchaser is closely linked to its redevelopment potential, and that a purchaser seeking to maximize the value of the Property would likely undertake the lease modification and bear the Land Premium and the related funding burden.

In light of the potential impact of the final Land Premium on the overall economics of the transaction, the SPA contains therefore a specific mechanism to deal with any difference between the final Land Premium specified in the Revised Land Premium Offer and the Base Land Premium. This is intended to provide certainty to both parties without requiring separate negotiations or ad hoc funding arrangements immediately prior to Completion.

LETTER FROM THE BOARD

Under this mechanism, the Purchaser is responsible for the Base Land Premium of HK\$100.0 million, and the SPA governs how any excess over, or shortfall below, that amount is to be dealt with. In summary:

- (i) If the Land Premium specified in the Revised Land Premium Offer does not exceed the Base Land Premium, the Purchaser shall, subject to satisfaction or waiver of the other applicable conditions precedent, proceed to Completion and bear the Land Premium following Completion in accordance with the SPA.
- (ii) If the Land Premium specified in the Revised Land Premium Offer is less than the Base Land Premium, the Purchaser shall pay to the Vendor on Completion an amount equal to such shortfall, after deducting any unused portion of the Vendor Base Land Premium Deposit.
- (iii) If the Land Premium specified in the Revised Land Premium Offer exceeds the Base Land Premium:
 - a. the Purchaser may elect to waive the relevant condition precedent and proceed with the transaction by bearing the Land Premium Increment. In such case, the Purchaser shall also pay to the Vendor a deposit equal to 10% of the Land Premium Increment, being the Land Premium Increment Deposit, at least three (3) Business Days before the due date specified in the relevant demand note, to facilitate payment of the Land Premium Deposit to the Government of Hong Kong;
 - b. if the Purchaser does not elect to bear the Land Premium Increment, the Vendor may elect to bear it, in which case the Purchaser shall proceed to Completion, subject to satisfaction or waiver of the other applicable conditions precedent, and the Land Premium Increment will be deducted from the amount otherwise payable by the Purchaser at Completion and applied in accordance with the SPA. This provides a practical mechanism for timely payment of the Land Premium Increment without requiring a separate funding arrangement between the parties at Completion; and

LETTER FROM THE BOARD

- c. if neither party elects to bear the Land Premium Increment, the parties may consider submitting a premium appeal to the Lands Department. If no premium appeal is pursued, or if following such process neither party elects to bear the Land Premium Increment, the SPA may be terminated in accordance with its terms.

In June 2025, the Lands Department issued a BBTO in respect of the proposed lease modification. Following the Group's appeal against the land premium in August 2025, the Lands Department issued the Revised Land Premium Offer on 2 September 2026 specifying a land premium of HK\$95.0 million.

As the Land Premium specified in the Revised Land Premium Offer is HK\$95.0 million, being HK\$5.0 million less than the Base Land Premium of HK\$100.0 million, the Purchaser is obliged under the SPA to proceed to Completion, subject to satisfaction in full or waiver of the other applicable conditions precedent.

The Purchaser had already paid a Vendor Base Land Premium Deposit of HK\$10.0 million, representing 10% of the Base Land Premium. As the Land Premium specified in the Revised Land Premium Offer is HK\$95.0 million, the Land Premium Deposit payable to the Government of Hong Kong is HK\$9.5 million, leaving an unused balance of HK\$0.5 million from the Vendor Base Land Premium Deposit. Under the SPA, that unused HK\$0.5 million will be deducted from the HK\$5.0 million shortfall. As a result, the net amount payable by the Purchaser to the Vendor on Completion in respect of the Land Premium shortfall is expected to be HK\$4.5 million. The payment implications are summarised in the section headed "Payment Terms".

The SPA further sets out the treatment of the Vendor Deposit, the Vendor Base Land Premium Deposit and the Land Premium Increment Deposit in different termination scenarios. In particular:

- (i) if the SPA is terminated because the parties decide not to submit a premium appeal or neither party elects to bear the Land Premium Increment, the Vendor Deposit shall be returned to the Purchaser and the Vendor shall repay to the Purchaser an amount equal to the Vendor Base Land Premium Deposit and the Land Premium Increment Deposit (if paid by the Purchaser) in accordance with the SPA;

LETTER FROM THE BOARD

- (ii) if, after the Land Premium Deposit has been paid to the Government of Hong Kong, and Completion does not take place by reason of the Purchaser's default, the Vendor shall be entitled to retain the Vendor Deposit as agreed liquidated damages in accordance with the SPA, and the Purchaser shall have no claim against the Vendor, the Target Company or the Company in respect of the Vendor Base Land Premium Deposit and the Land Premium Increment Deposit; and
- (iii) if, after the Land Premium Deposit has been paid to the Government of Hong Kong, and Completion does not take place for reasons other than the default of either the Vendor or the Purchaser, the Vendor shall return the Vendor Deposit to the Purchaser and repay to the Purchaser an amount equal to the Vendor Base Land Premium Deposit and the Land Premium Increment Deposit (if paid by the Purchaser) in accordance with the SPA.

Payment Terms

The amounts payable by the Purchaser under the SPA shall be settled in the following manner:

- (i) within five (5) Business Days after the signing of the SPA, the Purchaser shall pay a deposit of HK\$18.5 million, comprising:
 - (a) HK\$8.5 million, being the Vendor Deposit, representing 10% of the Initial Consideration; and
 - (b) HK\$10.0 million, being the Vendor Base Land Premium Deposit, representing 10% of the Base Land Premium, to facilitate payment of the Land Premium Deposit to the Government of Hong Kong under the Revised Land Premium Offer; and
- (ii) upon Completion, the Purchaser shall pay the balance of the Initial Consideration in the sum of HK\$76.5 million, subject to:
 - (a) adjustment to the Initial Sale Debt Consideration in accordance with the SPA; and
 - (b) deduction of such amount, if any, as may be retained by the Purchaser at Completion under the SPA for application toward payment of the Land Premium.

LETTER FROM THE BOARD

- (iii) upon Completion, if the Land Premium specified in the Revised Land Premium Offer is less than the Base Land Premium, the Purchaser shall pay to the Vendor an amount equal to such shortfall, after deducting any unused portion of the Vendor Base Land Premium Deposit.

The Purchaser paid the deposit of HK\$18.5 million on 21 August 2026 to the Vendor's solicitors as stakeholders, comprising (i) the Vendor Deposit and (ii) the Vendor Base Land Premium Deposit. In accordance with the SPA, the portion representing the Vendor Base Land Premium Deposit may, prior to Completion, be released by the Vendor's solicitors as stakeholders and applied toward payment of the Land Premium Deposit to the Government of Hong Kong.

As the Land Premium specified in the Revised Land Premium Offer does not exceed the Base Land Premium, no amount is expected to be deducted from the sum otherwise payable by the Purchaser at Completion under paragraph (ii)(b) above. Instead, upon Completion, the Purchaser will be required to make the payment contemplated by paragraph (iii) above. As explained in the paragraph headed "Land Premium Mechanism" above, the net amount payable by the Purchaser to the Vendor on Completion under paragraph (iii) above will be HK\$4.5 million.

Any stamp duty payable in respect of, or arising from, the transfer of the Sale Share and the assignment of the Sale Debt under the SPA shall be borne by the Purchaser.

Conditions precedent

Completion of the SPA is conditional upon the satisfaction or waiver (where applicable) of the conditions precedent set out in the SPA on or before the Long Stop Date, including, among others:

- (a) the Vendor having performed all covenants and agreements required to be performed by it under the SPA;
- (b) the Vendor's warranties remaining true, accurate and not misleading in all respects at the date of the SPA and immediately prior to Completion;
- (c) the Vendor having given and proved the Target Company's title to the Property in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong);

LETTER FROM THE BOARD

- (d) the Revised Land Premium Offer having been issued by the Lands Department;
- (e) the Land Premium not exceeding the Base Land Premium, subject to other related provisions of the SPA;
- (f) the passing by the Shareholders at a general meeting of the Company of the necessary ordinary resolution(s) approving the SPA and the transactions contemplated thereunder;
- (g) the Vendor having procured, upon execution of the SPA, a letter from Tamar Investments confirming that it will vote in favour of, and procure the passing of, all resolutions necessary to approve the SPA and the transactions contemplated thereunder;
- (h) the Existing Encumbrances having been released and, in the case of the mortgage over the Property, discharged, on or immediately prior to Completion, subject to repayment in full of the outstanding indebtedness under the Existing Financing Facilities;
- (i) all loans, advances, accounts payable, intercompany balances and other indebtedness owing by the Target Company to the Vendor, the Company or any of their affiliates or related corporations (other than the Sale Debt) having been irrevocably and unconditionally repaid, discharged, released, waived, written off or capitalised in full at or before Completion;
- (j) the Purchaser having performed all covenants and agreements required to be performed by it under the SPA;
- (k) the Purchaser's warranties remaining true, accurate and not misleading in all respects at the date of the SPA and immediately prior to Completion;
- (l) the Purchaser having completed its due diligence review on the business, financial, tax, legal and other aspects of the Target Company and the Property and being satisfied with the results thereof; and
- (m) the Purchaser having paid the Vendor Base Land Premium Deposit, and the Land Premium Increment Deposit if applicable, in accordance with the SPA.

LETTER FROM THE BOARD

The conditions precedent under the SPA are required to be satisfied or waived, as applicable, on or before the Long Stop Date. Pursuant to the SPA, each party shall use its best endeavours to procure the fulfilment of the conditions precedent for which it is responsible as soon as practicable on or before the Long Stop Date. If any such condition precedent is not satisfied by the Long Stop Date as a result of the failure of the party responsible for satisfying or procuring the satisfaction of that condition precedent, the other party may terminate the SPA in accordance with its terms.

As at 30 June 2026, there were no loans, advances, accounts payable, intercompany balances or other indebtedness owing by the Target Company to the Vendor, the Company or any of their respective affiliates or related corporations, other than the Sale Debt.

As at the Latest Practicable Date, conditions precedent (d), (e), (g), and (m) have been fulfilled. In particular, the Revised Land Premium Offer was issued by the Lands Department on 2 September 2026 and the Land Premium specified therein is HK\$95.0 million, which does not exceed the Base Land Premium of HK\$100 million. Condition precedent (g) was fulfilled on the date of the SPA upon the Vendor procuring the letter of undertaking from Tamar Investments. Condition precedent (m) was fulfilled on 21 August 2026, being the date on which the Vendor's solicitors received cleared funds from the Purchaser for payment of the Vendor Base Land Premium Deposit in accordance with the SPA. As at the Latest Practicable Date, save for conditions precedent (d), (e), (g) and (m), the remaining conditions precedent had not been fulfilled or waived.

Completion

Completion shall take place on or before the date immediately prior to the deadline for payment of the Land Premium Balance by the Target Company (which will then be wholly-owned by the Purchaser) to the Government of Hong Kong, as specified in the Revised Land Premium Offer, or a date to be agreed in writing between the parties. The deadline for payment of the Land Premium Balance shall be 28 days from the date of the modification letter to be issued by the Lands Department, which is tentatively expected to fall around mid-November 2026.

LETTER FROM THE BOARD

At Completion, the parties shall complete the transactions contemplated under the SPA, including, among other things, the transfer of the Sale Share, the execution and delivery of the deed of assignment in respect of the Sale Debt, the payment by the Purchaser of (i) the balance of the Initial Consideration, subject to adjustments in accordance with the SPA, and (ii) the additional amount of HK\$4.5 million payable to the Vendor on Completion pursuant to the Land Premium Mechanism under the SPA, and delivery of the Completion deliverables and vacant possession of the Property.

The sale proceeds received by the Vendor's solicitors will be applied in accordance with the SPA towards repayment of the outstanding indebtedness under the Existing Financing Facilities, the outstanding principal amount of which was approximately HK\$39 million as at 31 August 2026, based on the unaudited management accounts of the Target Company. The Company expects that the sale proceeds from the Disposal will be sufficient to fully repay the outstanding indebtedness under the Existing Financing Facilities, following which the existing mortgage over the Property and the other Existing Encumbrances will be released and discharged.

Upon Completion, the Group will no longer hold any interest in the Target Company and the Target Company will cease to be an indirect wholly-owned subsidiary of the Company. As such, the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

INFORMATION ON THE PARTIES

The Vendor

The Vendor is a company incorporated in the British Virgin Islands and is a direct wholly-owned subsidiary of the Company. The Vendor is principally engaged in investment holding.

The Purchaser

The Purchaser is a company incorporated in the British Virgin Islands with limited liability, and is principally engaged in investment holding.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, the ultimate beneficial owners of the Purchaser are Mr. Lo Lok Fung Kenneth and Mrs. Lo Choy Yuk Ching Yvonne. Each of the Purchaser and its ultimate beneficial owners is an Independent Third Party of the Company and its connected persons (as defined in the Listing Rules).

LETTER FROM THE BOARD

INFORMATION ON THE TARGET COMPANY AND THE PROPERTY

The Target Company

The Target Company is a company incorporated in Hong Kong with limited liability and is wholly-owned by the Vendor as at the Latest Practicable Date.

The Target Company is principally engaged in property holding and development. Its principal asset is the Property.

Based on the unaudited financial statements of the Target Company, the financial results of the Target Company for the two financial years ended 30 June 2025 and 30 June 2026 are as follows:-

	For the financial years ended	
	30 June 2026	30 June 2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	–	–
Loss before taxation	(123,791)	(482)
Loss after taxation	(123,791)	(482)

The unaudited net liabilities of the Target Company as at 30 June 2025 and 30 June 2026 amounted to approximately HK\$9,974,000 and HK\$133,765,000 respectively.

The Property

The Property is located at Nos. 164-164A Boundary Street, Kowloon City, Kowloon, Hong Kong and comprises a vacant redevelopment site with a site area of approximately 5,054 square feet. The Property is situated on the southern side of Boundary Street near its junction with La Salle Road, in Ho Man Tin/ Kowloon City, Kowloon. The immediate locality is an established urban residential area comprising mainly low- to medium-rise and medium- to high-rise residential developments, together with institutional and community facilities, including schools and hospitals.

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The Property was acquired by the Group on 1 September 2021 at an aggregate acquisition cost of approximately HK\$183.5 million and the acquisition was completed on 22 December 2021. The Target Company is the sole legal and beneficial owner of the Property.

As at the Latest Practicable Date, the Property was subject to a mortgage and an assignment of rental income and sale proceeds in favour of Hang Seng Bank Limited, and the Sale Share is subject to a share mortgage, in each case granted in connection with the Existing Financing Facilities. The Existing Financing Facilities were originally obtained for the acquisition of the Property.

Pursuant to the SPA, the Vendor shall procure repayment of the outstanding indebtedness under the Existing Financing Facilities and the release and discharge of the Existing Encumbrances at Completion. The Company expects that the sale proceeds from the Disposal will be sufficient to fully repay the outstanding indebtedness under the Existing Financing Facilities. Accordingly, upon Completion, the Sale Share and the Property are expected to be transferred free from such encumbrances.

As disclosed in the Announcement, the Property was valued at HK\$217 million as at 30 June 2025, being the latest available valuation of the Property at the time of signing of the SPA. The Independent Valuer applied the market approach in estimating the gross development value of the proposed development and then the residual approach to arrive at the market value of the Property in its existing state. Applying the same approach, the Property was valued at HK\$100 million as at 31 August 2026, representing a decrease of approximately 54% from the previous valuation. The decrease was mainly attributable to changes in the valuation assumptions adopted as at 31 August 2026 as compared with those adopted as at 30 June 2025, including revised development parameters, layout configuration and unit prices.

For the 2025 valuation, the proposed development scheme comprised a 20-storey residential development (including 2 basement floors) with 14 typical residential units averaging approximately 1,200 sq. ft. and a duplex residential unit with approximately 2,200 sq. ft., together with 20 private car parking spaces, 1 light goods vehicle parking space and a motorcycle parking space. For the 2026 valuation, the proposed development scheme was revised to a 19-storey residential development with 28 residential units averaging approximately 660 sq. ft., together with 20 private car parking spaces and 1 motorcycle parking space. The change in valuation assumptions reflected the Company's updated proposed development scheme for the Property as at 31 August 2026, under which the residential units were revised from a larger-unit layout to a more compact unit mix having regard to market appetite. The Board considers the update on the proposed development scheme to be necessary in order for the land premium to be calculated to reflect changes in market sentiment for residential units favouring smaller units.

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The Independent Valuer derived the relevant valuation metrics by reference to market evidence from comparable transactions of similar unit types in the surrounding locality. As a result of the revised unit mix, unit sizes and unit prices under the updated scheme, the gross development value of the proposed development were lower than those adopted in the 2025 valuation, which in turn resulted in a lower residual value and hence a lower appraised value of the Property. Further details are set out in the Valuation Report in Appendix V to this circular.

Based on the unaudited management accounts of the Target Company, the unaudited book value of the Property as at 30 June 2025 and 30 June 2026 were approximately HK\$206.6 million and HK\$85.9 million, respectively. Pursuant to HKAS 2, the Property, being recognised as inventory in the Group's consolidated financial statements, shall be measured at the lower of cost and net realisable value ("NRV"). NRV is defined as "the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale". Most reliable evidence available at the time the estimates are made. The estimation of NRV shall be based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

In addition, HKAS 10.9(b)(ii) indicates that the sale of inventories after the reporting period is an example that may give evidence about their NRV at the end of the reporting period. Although the Disposal is not completed subsequent to year ended 30 June 2026 at the date of approval of the Group's consolidated financial statements, it would be an objective evidence of an event occurring after the end of the period which may confirm conditions existing at the end of the year. In the absence of other fluctuations of price or cost directly relating to events occurring after the end of the year as described above, the subsequent disposal arrangement rather than the valuation is an entity-specific value that would represent one of the most reliable evidence to estimate the amount the Property is expected to realise.

Based on the above assessment, as at 30 June 2026, the estimated consideration and the estimated transaction costs directly attributed to the disposal arrangement is reasonable to be used as the estimated selling price and the estimated costs necessary to make the sale respectively. Consequently, the NRV of the Property of HK\$85.9 million as at 30 June 2026 is derived as cash consideration for the Disposal of HK\$85 million, additional cash for land premium shortfall of HK\$5 million and deducting estimated transaction costs directly attributable to the Disposal of HK\$4.1 million.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser currently intends to hold the Target Company and proceed with the proposed redevelopment of the Property into a multi-storey private residential development, subject to completion of the lease modification process, payment of the Land Premium and the Purchaser's own commercial assessment and planning.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE DISPOSAL

As part of the Group's ongoing review of its asset portfolio, business focus and allocation of financial and management resources, the Board has reassessed the role of the Property within the Group's overall business and capital priorities. The Property, which is held through the Target Company, is not part of the Group's principal jewellery business and is not currently income-generating. In this context, the Board reviewed the available options in respect of the Property, taking into account the prevailing market conditions, and the funding requirements and risks associated with redevelopment. Having considered the Purchaser's proposal and the factors set out below, the Board decided to proceed with the Disposal.

1. The Property has become a less attractive investment

When the Group acquired the Property in 2021, the Board considered that lease modification and redevelopment could provide a viable means of enhancing the value of the Property, having regard to the market conditions, financing environment and business outlook prevailing at that time.

Since the acquisition, however, the Board considers that the commercial attractiveness of the proposed redevelopment has diminished and its overall risk-return profile has become less favourable. In particular, the Board noted that Hong Kong property market conditions and sentiment have weakened and remained uncertain for a prolonged period. Compared with the position at the time of acquisition, the Board considered that the outlook for the sale and pricing of the completed units had become more uncertain in a weaker property market, such that the expected return from redevelopment was no longer as attractive or as certain as when the Property was acquired.

The Board also considered that, although the need for lease modification, payment of the Land Premium, financing and redevelopment expenditure was understood at the time of acquisition, those requirements were assessed against the market conditions and expected returns prevailing at that time. The subsequent weakening in market conditions and persistence of an uncertain property market outlook were not anticipated to the extent subsequently experienced. As a result, the assumptions underlying the Group's original redevelopment plan were no longer as compelling as when the Property was acquired.

LETTER FROM THE BOARD

In light of the above, the Board considered that any value to be realised from redevelopment would remain dependent on future market conditions at the time of sale of the completed units and would only be achievable after an extended period. The Board therefore considered that the expected return from the proposed redevelopment has become less attractive and less certain, and that redevelopment is no longer as commercially justifiable as when the Property was acquired.

2. Redevelopment would require substantial further funding and expose the Group to material risks

If the Group were to proceed with lease modification and redevelopment of the Property, it would be required to pay the Land Premium of approximately HK\$95 million and incur estimated construction costs and professional fees of approximately HK\$152 million, representing an aggregate further funding requirement of approximately HK\$247 million.

Based on current estimates, the Group expects that approximately HK\$160 million of such funding requirement would need to be financed by additional bank borrowings and the remaining approximately HK\$87 million would need to be funded by internal resources. The redevelopment period is currently expected to be approximately three years and, based on current estimates, the total interest payable in respect of the additional bank borrowings over such period would amount to approximately HK\$19.6 million, with full repayment of the relevant loan principal of approximately HK\$160 million thereafter.

The Board acknowledged that redevelopment funding and financing requirements were inherent in the original redevelopment plan. However, the Board considered that, in the light of the changed market circumstances described above and the less attractive expected return profile of the proposed redevelopment, it was no longer commercially justifiable for the Group to commit such substantial additional capital to the Property.

In reaching this view, the Board took into account that the Property is a non-core, non-income-generating asset and that the further capital required for redevelopment would need to be committed well before any return could be realised. The Board also considered that a substantial part of such funding would need to be supported by additional bank borrowings, which would give rise to further financing costs and repayment obligations. In the Board's view, deploying substantial internal resources to the Property and incurring significant additional bank borrowings and financing costs for a non-core project of the Group would not represent an efficient or commercially justifiable use of the Group's financial resources.

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In addition, the Board considered that the proposed redevelopment would expose the Group to material uncertainties and risks, including:

- (i) **funding burden**, as additional borrowings would be required and interest costs would reduce project returns;
- (ii) **execution risk**, as the proposed redevelopment would involve design, approval, tendering, construction, cost overrun and project management risks;
- (iii) **timing risk**, as any delay in lease modification, approvals, construction or sale of the completed units would defer cash inflow and may increase financing and holding costs; and
- (iv) **market risk**, as the profitability of the redevelopment would depend on future residential property market conditions, including sale prices, financing conditions, macroeconomic conditions and market sentiment at the time of launch and disposal.

Accordingly, the Board considered that, in light of the weakened and more uncertain expected return profile of the proposed redevelopment, it was no longer commercially justifiable for the Group to commit such substantial additional capital and incur the associated financing burden and risks.

3. Continued holding without redevelopment is not an attractive alternative

The Board had also considered the possibility of retaining the Property without proceeding with redevelopment at this stage. However, the Board did not consider that option to be attractive or commercially justifiable, having regard to the absence of income generation and the lack of a clear timetable for value realisation.

In the absence of redevelopment, the Property would remain a non-income-generating asset and would not provide any near-term cash return to the Group. Continued holding would therefore leave the Group's capital tied up in a non-core asset for an uncertain period, without a clear timetable for value realisation, while the Group would continue to bear holding costs, financing costs and opportunity costs.

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The Board also considered that simply deferring redevelopment would not remove the underlying uncertainties associated with the Property. Rather, it would prolong the period during which the Group remains exposed to fluctuations and uncertainty in the Hong Kong property market, while leaving open the possibility that the Group may still need to commit substantial additional capital in the future if it later decides to proceed with redevelopment.

Accordingly, the Board was of the view that retaining the Property without immediate redevelopment would not represent an efficient use of the Group's resources and would not be in the best interests of the Company and the Shareholders as a whole.

4. The Revised Land Premium Offer enabled a more concrete comparison of the available options

The Board noted that the Group was not obliged to accept the Revised Land Premium Offer and that payment of the Land Premium would only arise if the Group decided to proceed with the proposed redevelopment. While the lease modification and the payment of the Land Premium had been contemplated at the time of acquisition, the amount of the Land Premium remained subject to the outcome of the appeal process until the Revised Land Premium Offer was issued. In that context, the Revised Land Premium Offer provided the Board with a more definite and current basis for assessing a material component of the cost of proceeding with redevelopment.

In those circumstances, the Revised Land Premium Offer enabled the Board to assess the redevelopment option on a more concrete basis and to compare it more meaningfully with the other realistic alternatives available to the Group, namely; (i) proceeding with lease modification and redevelopment; (ii) continuing to hold the Property without redevelopment for the time being; and (iii) realising the Group's investment through the Disposal.

The Board therefore considered that, although the Revised Land Premium Offer did not in itself oblige the Group to proceed with redevelopment, it reduced uncertainty as to a material component of the cost of redevelopment and provided a firmer basis for comparing redevelopment with the other realistic alternatives available to the Group, thereby supporting the Board's decision to proceed with the Disposal.

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5. The Disposal allows the Group to realise its investment and preserve financial flexibility

In assessing whether the Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole, the Board considered that the Disposal would:

- (i) enable the Group to realise its investment in the Property on defined contractual terms at this stage;
- (ii) avoid the need for the Group to commit substantial further capital to pay the Land Premium and fund redevelopment costs;
- (iii) avoid the need for the Group to incur substantial additional bank borrowings and financing costs in connection with the proposed redevelopment;
- (iv) reduce the Group's exposure to lease modification risk, redevelopment risk, timing risk and Hong Kong property market risk associated with pursuing the redevelopment itself;
- (v) release the Group from continued capital lock-up in a non-core, non-income-generating asset; and
- (vi) preserve the Group's financial flexibility and allow the Group to redeploy its financial and management resources to its principal business operations and other funding needs.

The Board acknowledges that the Initial Consideration is lower than the appraised market value of the Property and that the Disposal may result in a loss to the Group. However, the Board did not consider the appraised market value to be determinative. In particular, redevelopment would require substantial further capital, additional financing costs and the assumption of significant execution and market risks, with no assurance as to the timing or level of value ultimately to be realised. The Board also took into account that retaining the Property without redevelopment would leave capital tied up in a non-core and non-income-generating asset for an uncertain period. In light of these considerations, the Board considered the Disposal to be a more attractive and practical option for the Group than either redevelopment or continued holding without redevelopment.

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Having weighed the foregoing factors, the Board considers that the Disposal represents a more certain and commercially prudent course of action for the Group in the prevailing circumstances. Accordingly, the Directors (including the independent non-executive Directors) are of the view that the terms of the SPA are on normal commercial terms, fair and reasonable, and that the Disposal is in the interests of the Company and the Shareholders as a whole.

BASIS OF CONSIDERATION

The Initial Consideration of HK\$85 million comprises (i) HK\$1 for the Sale Share, being the par value of the entire issued share capital of the Target Company, and (ii) HK\$84,999,999 for the Sale Debt, being the shareholder funding advanced by the Company to the Target Company, which was used principally for the acquisition, holding and preliminary project-related costs of the Property.

The Initial Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser following the Group's marketing of the Property and exploration of potential disposal opportunities since 2025. Although the Disposal is structured as a sale of the Sale Share and the Sale Debt, the Property is the principal asset of the Target Company and therefore the principal commercial reference point for assessing the transaction. The Board also considered that the Sale Debt was directly connected with the Property, as it represented shareholder funding advanced for the acquisition, holding and preliminary project-related costs of the Property.

In assessing the fairness and reasonableness of the Initial Consideration, the Board did not consider the appraised market value of the Property in isolation. The Board also took into account the actual market feedback obtained during the marketing process, prevailing property market conditions and sentiment as reflected in that process, and the specific terms on which market participants were prepared to transact. The principal factors considered by the Board in assessing the fairness and reasonableness of the Initial Consideration are set out below.

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(i) Market feedback and indicative offers

The Property had been marketed since 2025 through property agents and direct approaches to potential purchasers. In the course of that process, seven potential purchasers, comprising property developers, investors and real estate funds, were approached. The indicative proposals received included:

- four indicative offers at HK\$150 million, HK\$160 million, HK\$160 million and HK\$175 million, respectively, each on a basis inclusive of the Land Premium;
- one indicative offer at HK\$185 million, on a basis inclusive of the Land Premium and subject to the Land Premium not exceeding HK\$100 million, which was subsequently withdrawn and did not proceed to a concluded transaction;
- one indicative offer at HK\$83 million, on a basis that no further lease modification application would be pursued; and
- the Purchaser's offer of HK\$85 million, on a basis exclusive of the Land Premium, with the Purchaser separately responsible for payment of the Land Premium, subject to a cap of not exceeding HK\$100 million.

The Board considered that the proposals received during the marketing process provided direct evidence of the level of consideration and terms that market participants were actually prepared to transact at the relevant time. The Board did not, however, assess the proposals solely by reference to headline price. In evaluating their relative merits, the Board focused on the economic outcome to the Group after taking into account the basis on which each proposal was made, including the allocation of the Land Premium.

In particular, the Board noted that the higher indicative offers ranging from HK\$150 million to HK\$185 million were expressed on a basis inclusive of the Land Premium, whereas the Purchaser's offer of HK\$85 million was made on a basis under which the Purchaser would separately bear the Land Premium, subject to a cap of HK\$100 million. Using the Base Land Premium of HK\$100 million adopted as the reference amount under the SPA, the residual value of those higher indicative offers, after taking into account the Land Premium, would range from approximately HK\$50 million to HK\$85 million, which is at or below the

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Purchaser's offer of HK\$85 million. The Board therefore considered that a comparison based solely on headline price would not accurately reflect the relative commercial outcomes to the Group and would overstate the commercial attractiveness of the higher indicative offers.

The Board also attached significant weight to execution certainty. In particular, the highest indicative offer of HK\$185 million was expressly conditional on the Land Premium not exceeding HK\$100 million and was subsequently withdrawn. The Board considered that this showed that a higher headline figure did not necessarily represent a transaction that could in fact be concluded on terms available to the Group. More generally, the Board considered it important to distinguish between indicative expressions of interest and proposals capable of being converted into a binding and completable agreement.

The Board further noted that the indicative offer of HK\$83 million was made on the basis that no further lease modification application would be pursued. The Board considered that this reflected a materially different set of assumptions as to how value would be realised from the Property, and did not preserve the redevelopment potential which the Board considered relevant to value. Accordingly, the Board did not regard that proposal as a directly comparable alternative to proposals based on taking the project forward through lease modification and redevelopment.

By contrast, the Purchaser's proposal of HK\$85 million provided a clear allocation of the Land Premium risk to the Purchaser, subject to the agreed cap of HK\$100 million, and was capable of being documented and completed within a defined timeframe. The Board considered this to be important because the Group's objective was not merely to obtain a higher indicative figure, but to secure a transaction that could actually be concluded on defined terms and completed.

Having considered the headline price of each proposal, the commercial value to the Group after allowing for the Base Land Premium, the allocation of risk, the degree of conditionality and the demonstrated willingness of each prospective purchaser to proceed to a binding agreement, the Board concluded that the Purchaser's proposal was the most favourable proposal then available to the Group on terms capable of being concluded and completed.

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(ii) Appraised market value of the Property

At the time of entering into the SPA, the latest available valuation of the Property was approximately HK\$217 million as at 30 June 2025. The Property was subsequently valued at approximately HK\$100 million as at 31 August 2026, as set out in the Valuation Report in Appendix V to this circular.

The Board regarded the appraised market value of the Property as an important reference point in assessing the Initial Consideration, as it provided an objective indication of the underlying value of the Property as an asset. However, the Board did not consider that the appraised market value to be determinative of the price a purchaser would be prepared to pay in a transaction of this nature. In the Board's view, the valuation represents an assessment of the Property as a standalone asset, whereas the price a purchaser would be prepared to pay would depend on the overall commercial terms of the transaction and the risks and obligations to be assumed by the purchaser.

The Board therefore considered the appraised market value together with the market feedback obtained during the marketing process. The Board noted that, notwithstanding the valuation of approximately HK\$217 million as at 30 June 2025, the indicative offers received actually ranged from HK\$83 million to HK\$185 million. The Board considered this disparity to be significant. In particular, most of the indicative offers were materially below the appraised market value, and the highest indicative offer of HK\$185 million was subject to the Land Premium not exceeding HK\$100 million and was subsequently withdrawn. The Board considered that this indicated that the appraised market value did not necessarily reflect the level of consideration that could realistically be achieved in the market at the relevant time.

In addition, the Board considered that the divergence between the appraised market value and the proposals received reflected the prevailing market conditions and the relatively cautious market sentiment towards the Property at the relevant time. In the Board's view, prospective purchasers were not assessing the Property solely by reference to its appraised value as an asset, but also by reference to the practical economics of taking the project forward, including the Land Premium, further capital commitment, redevelopment costs, the time required to realise value from the Property, and the risks and uncertainties associated with lease modification and redevelopment. The Board considered that these factors contributed to weaker market appetite, more conservative return expectations and greater sensitivity to risk, and were reflected in the level, structure and conditionality of the proposals received.

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The Board also noted that the valuation of the Property as at 31 August 2026 of approximately HK\$100 million was materially closer to the level of the proposals received than the valuation of approximately HK\$217 million as at 30 June 2025. Although the later valuation was not available when the Board entered into the SPA, and therefore did not form part of the basis for its decision, it provided a subsequent reference point that was broadly consistent with the market feedback obtained during the marketing process. In the Board's view, this reinforced the appropriateness of placing greater weight on market feedback than on earlier valuation alone.

(iii) Factors considered under the paragraph headed “Reasons for and Benefits of the Disposal” above

The Board also took into account the factors described in the section headed “Reasons for and Benefits of the Disposal”, including the further capital commitment, financing burden, execution risk, timing risk and market risk associated with retaining the Property and pursuing the proposed redevelopment. The Board considered these matters to be relevant to its assessment of the Initial Consideration as they reflected the costs, risks and uncertainties that a prospective purchaser would also need to consider in acquiring the Property and pursuing the proposed redevelopment, and therefore the level of consideration that could realistically be achieved in the market. In the Board's view, those factors also reinforced the importance of securing a disposal on terms that would enable the Group to realise its investment without assuming further redevelopment risk or additional capital commitment.

Having taken into account the factors set out above, the Board considered that the Initial Consideration and the terms of the SPA were fair and reasonable and on normal commercial terms, and that the Disposal was in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

FINANCIAL IMPACT OF THE DISPOSAL

Earnings

Based on the audited financial statements of the Target Company as at 30 June 2026, the Target Company had net liabilities of approximately HK\$133.8 million.

Upon Completion, the Group is expected to recognise no gain or loss on the Disposal. Such estimated is calculated with reference to, among other things, (i) the Initial Consideration of HK\$85.0 million (subject to adjustment in accordance with the SPA), (ii) the carrying amount of the Group's interest in the Target Company, (iii) the carrying amount of the Sale Debt, and (iv) the estimated transaction costs and expenses in connection with the Disposal.

The actual amount of gain or loss to be recorded by the Group will depend on, among other things, the Final Sale Debt Consideration, the carrying amounts of the Target Company and the Sale Debt as at the Completion Date, and the actual transaction costs and expenses incurred, and therefore may differ from the above estimate.

Assets and liabilities

Upon Completion, the Target Company will cease to be a subsidiary of the Company and the financial results, assets and liabilities of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

General

Shareholders should note that the financial impact set out above is for illustrative purposes only and will have to be ascertained at the time of preparation of the consolidated financial statements of the Company, and is subject to audit.

USE OF PROCEEDS

Based on the Initial Consideration of HK\$85.0 million and the additional HK\$5.0 million payable by the Purchaser to the Vendor on Completion as set out in paragraph (c) of the section headed "Consideration", the gross cash proceeds receivable by the Group from the Disposal are expected to be approximately HK\$90.0 million, subject to adjustments in accordance with the SPA.

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Out of such proceeds, part of the amount received at Completion is expected to be applied toward repayment in full of the outstanding indebtedness under the Existing Financing Facilities and the release and discharge of the Existing Encumbrances. Based on the unaudited management accounts of the Target Company, the outstanding principal amount under the Existing Financing Facilities was approximately HK\$39 million as at 31 August 2026.

After deducting (i) the amount required to repay the outstanding indebtedness under the Existing Financing Facilities in full, and (ii) the estimated fees, professional expenses and other expenses payable by the Group in connection with the Disposal, the net proceeds from the Disposal are estimated to be approximately HK\$48 million.

The Company intends to apply the net cash proceeds from the Disposal as follows: (i) approximately HK\$30 million for repayment and/or reduction of other indebtedness of the Group; and (ii) the remaining balance for general working capital and general corporate purposes of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 75%, the Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Tamar Investments, the controlling shareholder of the Company, has irrevocably undertaken to vote in favour of the resolution(s) to be proposed at the General Meeting to approve the SPA and the transactions contemplated thereunder. As at the Latest Practicable Date, Tamar Investments held 506,339,522 Shares, representing approximately 74.12% of the issued share capital of the Company. Tamar Investments is owned as to 70% by Ms. Cheng Siu Yin, Shirley, 16% by Mr. Chan Wai Lap, Victor, and 7% each by Ms. Chan Wai Kei, Vicki and Ms. Chan Mei Kei, Alice, all of whom are directors of Tamar Investments.

LETTER FROM THE BOARD

GENERAL MEETING

The General Meeting will be held on Monday, 16 November 2026 at 11:30 a.m. (or as soon as the annual general meeting of Continental Holdings Limited to be held at the same place and on the same date at 11:00 a.m. shall be concluded or adjourned) for the Shareholders to approve the SPA and the transactions contemplated thereunder. A notice convening the General Meeting is set out on pages GM-1 to GM-3 of this circular.

The record date for the purpose of determining the shareholders who are entitled to attend and vote at the General Meeting shall be 16 November 2026. The register of members of the Company will be closed from 11 November 2026 to 16 November 2026 (both dates inclusive), during which period no transfer of Shares will be registered, for the purpose of determining the identities of Shareholders entitled to attend and vote at the General Meeting. In order to be entitled to attend and vote at the General Meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, WanChai, Hong Kong, not later than 4:30 p.m. on 10 November 2026 for registration.

A form of proxy for use at the General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th 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 appointed for holding the General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof should you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders on the resolution at the General Meeting shall be taken by poll.

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To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and accordingly, no Shareholder is required to abstain from voting on the resolution(s) to be proposed at the General Meeting to approve the SPA and the transactions contemplated thereunder.

RECOMMENDATION

The Board (including the independent non-executive Directors) is of the view that the terms and conditions of the SPA are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the General Meeting to approve the SPA and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

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

By Order of the Board
Continental Holdings Limited
Chan Wai Lap, Victor
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the three years ended 30 June 2024, 2025 and 2026 are disclosed in the annual reports of the Company for the financial years ended 30 June 2024 (pages 84 to 266), 30 June 2025 (pages 80 to 270) and 30 June 2026 (pages 84 to 274) respectively.

The said annual reports of the Company are available on the Company's website at www.continental.com.hk and the Stock Exchange's website at www.hkexnews.hk through the link below:

- **Annual report 2024:**

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/1028/2024102800325.pdf>

- **Annual report 2025:**

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1030/2025103000559.pdf>

- **Annual report 2026:**

<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/1022/2026102200331.pdf>

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 August 2026, i.e. the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had total outstanding indebtedness of approximately HK\$898.3 million, comprising secured interest-bearing bank loans of approximately HK\$692.3 million, unsecured interest-bearing bank loans of approximately HK\$5.0 million, unsecured interest-free loans and interest-bearing loans of approximately HK\$4.7 million and HK\$57.1 million respectively from a controlling shareholder, unsecured interest-free loans from non-controlling shareholders of approximately HK\$113.7 million, unsecured interest-free amounts due to related companies of approximately HK\$11.9 million, unsecured interest-free amounts due to joint ventures of approximately HK\$1.0 million and lease liabilities of approximately HK\$12.6 million. The aforesaid interest-bearing bank loans were secured by the Group's certain property, plant and equipment, investment properties, certain right-of-use assets, properties under development and properties for sales, pledged by ordinary shares of certain subsidiaries of the Company and guaranteed by corporate guarantees executed by the Company and personal guarantee executed by a controlling shareholder.

As at the close of business on 31 August 2026, the Company has provided guarantees amounting to HK\$1,110.3 million with respect to bank loans to its subsidiaries. Under the guarantees, the Company would be liable to pay the banks if the banks are unable to recover the loans. As at the Latest Practicable Date, no provision for the Company's obligation under the guarantee contract had been made as the Directors considered that it was not probable that the repayment of the loans would be in default.

Save as aforesaid and apart from intra-group liabilities, the Group did not, at the close of the business on 31 August 2026, have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, charges or debentures, mortgages, loans or other similar indebtedness, lease liabilities or hire purchase commitment, liabilities under acceptance (other than normal trade bills and payables), acceptance credits, or any guarantees or other material contingent liabilities.

For the purpose of the above indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the applicable rates of exchange prevailing at the close of business on 31 August 2026.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position of the Group since 30 June 2026 (being the date to which the latest published audited consolidated financial statements of the Group have been made up).

4. WORKING CAPITAL STATEMENT

As at 31 August 2026, the aggregate outstanding indebtedness of the Group amounting to approximately HK\$898.3 million, of which approximately HK\$151.2 million will be due for repayment within one year, and cash and cash equivalents balances of approximately HK\$76.0 million. In order to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the Directors have adopted several plans and measures as follow:

- (i) in June 2026, the controlling shareholder of the Company extended a loan facility of HK\$60,000,000 to the Group to support its working capital requirements through to 30 September 2027. Having regard to the historical pattern of extension of this facility in last financial year, the directors have assumed in the cash flow forecast that the facility will continue to be available, and will be further extended upon maturity should the need arise;
- (ii) the bank loans could be repaid as scheduled or renewed upon expiry on the basis of the Group's past records in compliance with the terms of the relevant bank loans, including timely settlement of bank loans and/or the availability of sufficient assets as collaterals;
- (iii) the related parties of the Company have agreed not to demand repayment of loans, until all other third-party liabilities of the Group have been settled;
- (iv) the Disposal will be completed in the last quarter of 2026 and the payment of the Consideration will be settled in accordance with the SPA; and
- (v) the Group will continue its effort to enhance its operations and implement measures to tighten cost controls over various operating expenses to improve its cash flows from operations to strengthen the working capital of the Group.

Should the Group fail to achieve the above-mentioned plans and measures, the Group might not have sufficient working capital for its requirements within the next 12 months from the date of this circular.

Considering the financial resources available to the Group based on the successful implementation of the plans and measures described above, the Directors, after due and careful consideration, are of the opinion that the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of publication of this circular, in the absence of unforeseeable circumstances. The Company has obtained the working capital sufficiency confirmation letter as required under Rule 14.66(12) of the Listing Rules.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Looking ahead, the Board anticipates continued challenges stemming from elevated gold prices, inflationary pressures, and geopolitical uncertainties. While these factors may temper market demand, the Board remains optimistic about its long-term prospects. The Group's strong customer relationships and commitment to delivering value added service and quality products working hand in hand to provide support for the growth of their retail business. The Group's long-standing consistency and relationship continue to act as a solid foundation for its resilience and growth. To address on going headwinds, the Group is leveraging a broader range offerings to better meet evolving customer expectations, while actively exploring and expanding its customer base in different regions. By maintaining a strategic emphasis on adaptability, operational efficiency, and market responsiveness, the Group is confident in its ability to navigate challenges and deliver sustainable value to its stakeholders.

As for the Hong Kong property market, while certain segments of the residential market have shown signs of stabilisation, the Board considers that any recovery is likely to be gradual, uneven and subject to various uncertainties, including interest rate expectations, financing conditions, macroeconomic developments and broader market sentiment. The commercial property segment continues to face challenges, including subdued leasing activity and rental pressure. Although Hong Kong's position as an international financial centre and its appeal to regional talent and investment may lend support to the property market over the longer term, the timing and extent of any broader recovery remain uncertain. Accordingly, the Group will continue to adopt a prudent approach in assessing property-related opportunities.

Set out below is the unaudited financial information of the Target Company which comprises the unaudited statements of financial position of the Target Company as at 30 June 2024, 2025 and 2026 and the unaudited statements of profit or loss and other comprehensive income, unaudited statements of cash flows and unaudited statements of changes in equity for the years ended 30 June 2024, 2025 and 2026 and certain explanatory notes (altogether referred to as “**Unaudited Financial Information**”).

The Unaudited Financial Information has been prepared in accordance with paragraph 14.68(2)(a)(i) of the Listing Rules and the basis of preparation as set out in note 2 to the Unaudited Financial Information.

The Unaudited Financial Information is prepared by the Directors solely for the purpose of inclusion in this circular in connection with the Disposal. The Company’s auditor, BDO Limited, has reviewed the Unaudited Financial Information of the Target Group in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” and with reference to Practice Note 750 “Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal” issued by the Hong Kong Institute of Certified Public Accountants.

A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable the Company’s auditor to obtain assurance that the Company’s auditor would become aware of all significant matters that might be identified in an audit. Accordingly, the Company’s auditor does not express an audit opinion. The Company’s auditor has issued an unmodified review report.

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME OF THE TARGET COMPANY

	For the year ended 30 June		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	–	–	–
Cost of sales:			
– write down of land for sales	–	–	(123,210)
Gross loss	–	–	(123,210)
Other income and losses, net	15	98	37
Administrative expenses	(1,211)	(580)	(618)
Loss before income tax	(1,196)	(482)	(123,791)
Income tax expense	–	–	–
Loss for the year and total comprehensive income	(1,196)	(482)	(123,791)

UNAUDITED STATEMENTS OF FINANCIAL POSITION OF THE TARGET COMPANY

	As at 30 June		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)
ASSETS AND LIABILITIES			
Current assets			
Properties under development/			
Land for sales	202,330	206,631	85,900
Deposits	–	102	102
Cash and cash equivalents	2,095	3,256	4,347
	<u>204,425</u>	<u>209,989</u>	<u>90,349</u>
Current liabilities			
Other payables and accruals	(606)	(873)	(114)
Due to intragroup companies	(147,153)	(163,879)	(184,252)
Bank loan	(66,158)	(55,211)	(39,748)
	<u>(213,917)</u>	<u>(219,963)</u>	<u>(224,114)</u>
Net current liabilities	<u>(9,492)</u>	<u>(9,974)</u>	<u>(133,765)</u>
Net liabilities	<u>(9,492)</u>	<u>(9,974)</u>	<u>(133,765)</u>
EQUITY			
Share capital	–*	–*	–*
Accumulated losses	(9,492)	(9,974)	(133,765)
Capital deficiencies	<u>(9,492)</u>	<u>(9,974)</u>	<u>(133,765)</u>

* the amounts are less than HK\$1,000.

UNAUDITED STATEMENTS OF CHANGES IN EQUITY OF THE TARGET COMPANY

	Share capital HK\$'000 (Unaudited)	Accumulated losses HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Balance at 1 July 2023	—*	(8,296)	(8,296)
Loss for the year and total comprehensive income	<u>—</u>	<u>(1,196)</u>	<u>(1,196)</u>
Balance at 30 June 2024 and 1 July 2024	—*	(9,492)	(9,492)
Loss for the year and total comprehensive income	<u>—</u>	<u>(482)</u>	<u>(482)</u>
Balance at 30 June 2025 and 1 July 2025	—*	(9,974)	(9,974)
Loss for the year and total comprehensive income	<u>—</u>	<u>(123,791)</u>	<u>(123,791)</u>
Balance at 30 June 2026	<u><u>—*</u></u>	<u><u>(133,765)</u></u>	<u><u>(133,765)</u></u>

* the amounts are less than HK\$1,000.

UNAUDITED STATEMENTS OF CASH FLOWS OF THE TARGET COMPANY

	For the year ended 30 June		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Cash flows from operating activities			
Loss before income tax	(1,196)	(482)	(123,791)
Adjustment for:			
Interest income	(15)	(98)	(37)
Write down of land for sales	—	—	123,210
Operating loss before working capital changes	(1,211)	(580)	(618)
Decrease/(increase) in properties under development/land for sales	45,491	(1,286)	(228)
Increase in deposits	—	(102)	—
Increase/(decrease) in other payables and accruals	348	267	(759)
Increase in amount due to intragroup companies	738	499	261
Net cash generated from/(used in) operations	45,366	(1,202)	(1,344)
Interest received	15	98	37
Interest paid	(4,107)	(3,015)	(2,251)
Net cash generated from/(used in) operating activities	41,274	(4,119)	(3,558)
Cash flows from financing activities			
Repayment of bank loan	(2,750)	(10,947)	(15,463)
(Decrease)/Increase in amount due to intragroup company	(38,627)	16,227	20,112
Net cash (used in)/generated from financing activities	(41,377)	5,280	4,649

	For the year ended 30 June		
	2024	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Net (decrease)/increase in cash and cash equivalents	(103)	1,161	1,091
Cash and cash equivalents at beginning of year	<u>2,198</u>	<u>2,095</u>	<u>3,256</u>
Cash and cash equivalents at end of year	<u><u>2,095</u></u>	<u><u>3,256</u></u>	<u><u>4,347</u></u>

NOTES TO THE UNAUDITED FINANCIAL INFORMATION

1. General Information

Wise Capital Holdings Limited (the “**Target Company**”) is a limited liability company incorporated and domiciled in Hong Kong. The address of the Company’s registered office and its principal place of business is Flats M & N, 1st Floor, Kaiser Estate, Phase III, 11 Hok Yuen Street, Hung Hom, Kowloon, Hong Kong. The principal activity of the Company consisted of property development.

The Target Company is a wholly-owned subsidiary of Continental Properties Limited, a company incorporated in the British Virgin Islands (“**BVI**”), which is a wholly-owned subsidiary of Continental Holdings Limited (“**CHL**”), a company incorporated in Hong Kong with its shares listed on The Stock Exchange of Hong Kong Limited.

On 18 August 2026, Continental Properties Limited (“**the Vendor**”), and an independent third party (the “**Purchaser**”) entered into a sale and purchase agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the Sale Shares, representing the entire issued shares of Target Company and the Sale Debt, representing the payable by the Target Company to CHL as at the date of the sale and purchase agreement, at the consideration of HK\$85,000,000, upon and subject to the terms and conditions of the sale and purchase agreement. Upon completion, the Target Company will cease to be subsidiary of the Group, and its financial result will no longer be consolidated into the consolidated financial statements of the Group.

2. Basis of Preparation of the Unaudited Financial Information

The Unaudited Financial Information of the Target Company has been prepared in accordance with paragraph 14.68(2)(a)(i) of the Listing Rules, and solely for the purposes of inclusion in this circular issued by the Company in connection with the Disposal.

The Unaudited Financial Information has been prepared in accordance with the same accounting policies as adopted by the Company in preparation of the financial statements of the Group for those respective years, which conform with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and accounting principles generally accepted in Hong Kong. The Unaudited Financial Information has been prepared under the historical cost basis. The Unaudited Financial Information is presented in HK\$ and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

The Unaudited Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in HKAS 1 (Revised) “Presentation of Financial Statements” nor a set of condensed financial statements as defined in HKAS 34 “Interim Financial Reporting” issued by the HKICPA, and should be read in connection with the relevant published annual financial statements of the Company.

As at 30 June 2026, the Target Company had net current liabilities of approximately HK\$133,765,000 and during the year ended 30 June 2026, the Target Company incurred a net loss of HK\$123,791,000. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on Target Company’s ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

In preparing the Unaudited Financial Information of Target Company, the directors of the Company have given consideration to the future liquidity of Target Company and considered the Target Company will have sufficient financial resources to satisfy its future working capital and other financing requirements if the Disposal is not completed, and to the Completion Date if the Disposal is completed, after taking into consideration of the followings:

- (i) The intragroup company of the Target Company have agreed not to demand repayment of the debts due to it, until all other third-party liabilities of the Target Company have been settled;
- (ii) The Company has confirmed to provide sufficient financial support to the Target Company so as to enable the Target Company to meet their liabilities and obligations as and when they fall due and to enable the Target Company to continue its business for twelve months after 30 June 2026.

As a result, the Unaudited Financial Information of the Target Company has been prepared on a going concern basis.

Should Target Company be unable to continue its business as a going concern, adjustments would have to be made in the Unaudited Financial Information of Target Company to restate the value of asset to its recoverable amount, to reclassify non-current asset as current asset and to provide for any further liabilities which might arise. The effect of these potential adjustments has not been reflected in the Unaudited Financial Information of Target Company.

Introduction

The unaudited pro forma financial information of Continental Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) excluding Wise Capital Holdings Limited (the “**Target Company**”) (the “**Remaining Group**”) (the “**Unaudited Pro Forma Financial Information**”) presented below is prepared to illustrate (a) the financial position of the Remaining Group as if the Disposal had been completed on 30 June 2026 and (b) the financial performance and cash flows of the Remaining Group for the year ended 30 June 2026 as if the Disposal had been completed on 1 July 2025. This Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, and because of its hypothetical nature, it may not purport to present the true picture of (i) the financial position of the Remaining Group as at 30 June 2026 or at any future date had the Disposal been completed on 30 June 2026; or (ii) the financial performance and cash flows of the Remaining Group for the year ended 30 June 2026 or for any future period had the Disposal been completed on 1 July 2025.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated statement of financial position of the Group as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the year ended 30 June 2026 as set out in the published annual report of the Company for the year ended 30 June 2026, after giving effect to the pro forma adjustments described in the notes to the Unaudited Pro Forma Financial Information that are directly attributable to the Disposal and factually supportable. The Unaudited Pro Forma Financial Information is prepared in accordance with Rules 4.29 and 14.68(2)(a)(ii) of the Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants.

DISCLOSURE UNDER SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE

The consolidated statement of financial position of the Group as at 30 June 2026 and the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Group for the year ended 30 June 2026 included in the Unaudited Pro Forma Financial Information does not constitute the Company’s statutory annual financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company will deliver the financial statements for the year ended 30 June 2026 to the Registrar of Companies as required by section 622 and Part 3 of Schedule 6 to the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor had reported on these financial statements of the Company for the year ended 30 June 2026. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under either sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

(A) Unaudited Pro Forma Consolidated Statement of Financial Position of the Remaining Group

	Audited consolidated statement of financial position of the Group as at 30 June 2026	Pro forma adjustments		Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2026
	HK\$'000 (Note 1)	HK\$'000 (Note 2(a))	HK\$'000 (Note 3)	HK\$'000
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	9,453	–	–	9,453
Right-of-use assets	12,455	–	–	12,455
Investment properties	1,548,100	–	–	1,548,100
Intangible assets	6,527	–	–	6,527
Interests in Joint ventures	1,035	–	–	1,035
Financial assets at fair value through other comprehensive income	13,791	–	–	13,791
Deferred tax assets	840	–	–	840
	1,592,201	–	–	1,592,201

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

	Audited consolidated statement of financial position of the Group as at 30 June 2026 <i>HK\$'000</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>(Note 2(a))</i>		Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2026 <i>HK\$'000</i>
		<i>HK\$'000</i> <i>(Note 2(a))</i>	<i>HK\$'000</i> <i>(Note 3)</i>	
Current assets				
Properties under development and properties/land for sales	143,640	(85,900)	–	57,740
Inventories	131,290	–	–	131,290
Trade receivables	73,330	–	–	73,330
Prepayments, deposits and other receivables	15,930	(102)	–	15,828
Financial assets at fair value through profit or loss	52	–	–	52
Cash and cash equivalents	72,753	(4,347)	54,587	122,993
	<u>436,995</u>	<u>(90,349)</u>	<u>54,587</u>	<u>401,233</u>
Current liabilities				
Trade payables	(51,457)	–	–	(51,457)
Other payables and accruals	(37,716)	114	(4,100)	(41,702)
Contract liabilities	(1,686)	–	–	(1,686)
Bank loans	(705,064)	39,748	–	(665,316)
Lease liabilities	(5,014)	–	–	(5,014)
Due to related companies	(6,874)	–	–	(6,874)
Due to joint ventures	(1,036)	–	–	(1,036)
Provision for tax	(1,709)	–	–	(1,709)
	<u>(810,556)</u>	<u>39,862</u>	<u>(4,100)</u>	<u>(774,794)</u>

APPENDIX III
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	Audited consolidated statement of financial position of the Group as at 30 June 2026 <i>HK\$'000</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>(Note 2(a))</i> <i>HK\$'000</i> <i>(Note 3)</i>		Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2026 <i>HK\$'000</i>
Net current liabilities	<u>(373,561)</u>	<u>(50,487)</u>	<u>50,487</u>	<u>(373,561)</u>
Total assets less current liabilities	<u>1,218,640</u>	<u>(50,487)</u>	<u>50,487</u>	<u>1,218,640</u>
Non-current liabilities				
Lease liabilities	(7,461)	–	–	(7,461)
Due to non-controlling interests	(111,508)	–	–	(111,508)
Due to related companies	(5,116)	–	–	(5,116)
Loan from a controlling shareholder	(61,281)	–	–	(61,281)
Deferred tax liabilities	<u>(13,168)</u>	<u>–</u>	<u>–</u>	<u>(13,168)</u>
	<u>(198,534)</u>	<u>–</u>	<u>–</u>	<u>(198,534)</u>
Net assets	<u>1,020,106</u>	<u>(50,487)</u>	<u>50,487</u>	<u>1,020,106</u>

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

	Audited consolidated statement of financial position of the Group as at 30 June 2026 <i>HK\$'000</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>(Note 2(a))</i>		Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2026 <i>HK\$'000</i>
		<i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i> <i>(Note 3)</i>	
EQUITY				
Share capital	560,673	–	–	560,673
Reserves	410,454	(50,487)	50,487	410,454
Equity attributable to the owners of the Company	971,127	(50,487)	50,487	971,127
Non-controlling interests	48,979	–	–	48,979
Total equity	1,020,106	(50,487)	50,487	1,020,106

(B) Unaudited Pro Forma Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Remaining Group

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 June 2026	Pro forma adjustments		Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 30 June 2026
	HK\$'000 (Note 1)	HK\$'000 (Note 2(b))	HK\$'000 (Note 4)	HK\$'000
Continuing operations				
Revenue	419,536	–	–	419,536
Cost of sales	<u>(418,173)</u>	<u>123,210</u>	<u>–</u>	<u>(294,963)</u>
Gross profit	1,363	123,210	–	124,573
Selling and distribution costs	(14,849)	–	–	(14,849)
Administrative expenses	(93,188)	618	(4,100)	(96,670)
Other income, other gains and losses, net	12,180	(37)	–	12,143
Impairment loss on trade receivables and other receivables, net	(1,560)	–	–	(1,560)
Change in fair value of investment properties	(166,300)	–	–	(166,300)
Loss on disposal of a subsidiary	–	–	(116,631)	(116,631)
Finance costs	(30,249)	–	–	(30,249)
Share of results of joint ventures	(2)	–	–	(2)

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 June 2026 <i>HK\$'000</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>(Note 2(b))</i>		Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 30 June 2026 <i>HK\$'000</i>
Loss before income tax	(292,605)	123,791	(120,731)	(289,545)
Income tax expenses	(2,996)	–	–	(2,996)
Loss for the year from continuing operations	<u>(295,601)</u>	<u>123,791</u>	<u>(120,731)</u>	<u>(292,541)</u>
Discontinued operations				
Loss for the year from discontinued operations	<u>(367,705)</u>	–	–	(367,705)
Loss for the year	<u>(663,306)</u>	<u>123,791</u>	<u>(120,731)</u>	<u>(660,246)</u>

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 June 2026 HK\$'000 (Note 1)	Pro forma adjustments HK\$'000 (Note 2(b))		Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 30 June 2026 HK\$'000
Other comprehensive income, net of tax				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Exchange differences reclassified to profit or loss upon disposal of subsidiaries	27,261	–	–	27,261
Exchange differences on translation of foreign operations	7,366	–	–	7,366
<i>Items that will not be subsequently reclassified to profit or loss:</i>				
Change in fair value of equity instruments at fair value through other comprehensive income	(77)	–	–	(77)
Other comprehensive income for the year, net of tax	34,550	–	–	34,550
Total comprehensive income for the year	(628,756)	123,791	(120,731)	(625,696)

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 June 2026 <i>HK\$'000</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>(Note 2(b))</i>		Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 30 June 2026 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company:				
From continuing operations	(258,172)	123,791	(120,731)	(255,112)
From discontinued operations	(367,705)	–	–	(367,705)
	<u>(625,877)</u>	<u>123,791</u>	<u>(120,731)</u>	<u>(622,817)</u>
Loss for the year attributable to non-controlling interests:				
From continuing operations	(37,429)	–	–	(37,429)
From discontinued operations	–	–	–	–
	<u>(37,429)</u>	<u>–</u>	<u>–</u>	<u>(37,429)</u>

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 June 2026 <i>HK\$'000</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>(Note 2(b))</i> <i>HK\$'000</i> <i>(Note 4)</i>		Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 30 June 2026 <i>HK\$'000</i>
Total comprehensive income for the year attributable to owners of the Company:				
From continuing operations	(232,808)	123,791	(120,731)	(229,748)
From discontinued operations	(358,519)	–	–	(358,519)
	<u>(591,327)</u>	<u>123,791</u>	<u>(120,731)</u>	<u>(588,267)</u>
Total comprehensive income for the year attributable to non-controlling interests:				
From continuing operations	(37,429)	–	–	(37,429)
From discontinued operations	–	–	–	–
	<u>(37,429)</u>	<u>–</u>	<u>–</u>	<u>(37,429)</u>

(C) Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group

	Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 30 June 2026				
	Audited consolidated statement of cash flows of the Group for the year ended 30 June 2026	Pro forma adjustments			30 June 2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Note 1)	(Note 2(b))	(Note 4)	(Note 5)	
Cash flows from operating activities					
Loss before income tax from continuing operations	(292,605)	123,791	(120,731)	–	(289,545)
Loss before income tax from discontinued operations	(367,705)	–	–	–	(367,705)
Adjustments for:					
Finance costs	30,249	–	–	–	30,249
Share of results of joint ventures	2	–	–	–	2
Depreciation of property, plant and equipment	2,726	–	–	–	2,726
Depreciation of right-of-use assets	6,030	–	–	–	6,030
Loss on disposal of subsidiaries	365,345	–	116,631	–	481,976
Provision for inventories	1,016	–	–	–	1,016
Impairment loss on trade receivables and other receivables, net	1,560	–	–	–	1,560
Write down of properties under development and properties/land for sales	131,822	(123,210)	–	–	8,612
Loss on disposal of property, plant and equipment	37	–	–	–	37
Change in fair value of investment properties	166,300	–	–	–	166,300
Fair value gain on financial assets at fair value through profit or loss	(263)	–	–	–	(263)
Unrealised foreign exchange gain	(2,061)	–	–	–	(2,061)

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

	Audited consolidated statement of cash flows of the Group for the year ended 30 June 2026	Pro forma adjustments				Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 30 June 2026
	HK\$'000 (Note 1)	HK\$'000 (Note 2(b))	HK\$'000 (Note 4)	HK\$'000 (Note 5)	HK\$'000	
Operating profit before working capital changes	42,453	581	(4,100)	–	38,934	
Decrease in properties under development and properties/land for sale	6,379	228	–	–	6,607	
Decrease in inventories	15,293	–	–	–	15,293	
Decrease in trade receivables	9,335	–	–	–	9,335	
Decrease in prepayments, deposits and other receivables	9,464	–	–	–	9,464	
Decrease in trade and other payables and accruals	(24,379)	759	4,100	–	(19,520)	
Increase in contract liabilities	1,443	–	–	–	1,443	
Decrease in amount due from intragroup companies	–	(261)	–	261	–	
Cash generated from operations	59,988	1,307	–	261	61,556	
Interest paid	(31,575)	2,251	–	–	(29,324)	
Income tax paid	(82)	–	–	–	(82)	
Net cash generated from operating activities	28,331	3,558	–	261	32,150	
Cash flows from investing activities						
Additions to property, plant and equipment	(1,994)	–	–	–	(1,994)	
Net cash inflows from the disposal of subsidiaries	43,210	–	–	37,274	80,484	
Net cash generated from investing activities	41,216	–	–	37,274	78,490	

APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP

	Audited consolidated statement of cash flows of the Group for the year ended 30 June 2026	Pro forma adjustments				Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 30 June 2026
	HK\$'000 (Note 1)	HK\$'000 (Note 2(b))	HK\$'000 (Note 4)	HK\$'000 (Note 5)	HK\$'000	HK\$'000
Cash flows from financing activities						
Advance from non-controlling interests	17,833	–	–	–		17,833
Advances from intragroup companies	–	(20,112)	–	20,112		–
Advance from a controlling shareholder	46,000	–	–	–		46,000
Repayment of principal and interest amount of lease liabilities	(5,844)	–	–	–		(5,844)
New bank loans	44,700	–	–	–		44,700
Repayment of bank loans	(135,717)	15,463	–	–		(120,254)
Repayment to a related party	(173)	–	–	–		(173)
<i>Net cash used in financing activities</i>	<u>(33,201)</u>	<u>(4,649)</u>	<u>–</u>	<u>20,112</u>		<u>(17,738)</u>
 Net increase/(decrease) in cash and cash equivalents	36,346	(1,091)	–	57,647		92,902
 Cash and cash equivalents at beginning of year	36,358	–	–	–		36,358
 Effect of foreign exchange rate changes, net	<u>49</u>	<u>–</u>	<u>–</u>	<u>–</u>		<u>49</u>
 Cash and cash equivalents at end of year	<u>72,753</u>	<u>(1,091)</u>	<u>–</u>	<u>57,647</u>		<u>129,309</u>

(D) Notes to the Unaudited Pro Forma Financial Information of the Remaining Group

- 1) The amounts are extracted from the audited consolidated statement of financial position of the Group as at 30 June 2026, audited consolidated statement of profit or loss and other comprehensive income and audited consolidated statement of cash flows of the Group for the year ended 30 June 2026 as set out in the published annual report of the Company for the year ended 30 June 2026.
- 2)
 - (a) The adjustment represents the exclusion of the assets and liabilities of the Target Company as at 30 June 2026, as if the Disposal and the assignment of the benefit of the entire loan owing by Wise Capital Holdings Limited had been completed on 30 June 2026. The assets and liabilities of Target Company are extracted from Appendix II to this circular except for amounts due to intragroup companies as the amount due to intragroup companies have been eliminated in the consolidation whilst these amounts would be assigned to the Purchaser upon completion of the Disposal.
 - (b) The adjustment represents the exclusion of the financial performance and cash flows of Target Company for the year ended 30 June 2026, as if the Disposal and the assignment of the benefit of the entire loan owing by Wise Capital Holdings Limited had been completed on 1 July 2025 which are extracted from Appendix II to this circular.

The adjustments of HK\$261,000 and HK\$20,112,000 reflect the financial performance and cash flows of the Target Company for the year ended 30 June 2026 are excluded as if the Disposal had been completed on 1 July 2025. This gives rise to the adjustments of HK\$261,000 and HK\$20,112,000 in respect of the change in the intercompany balance.

Under Note 5, the corresponding intercompany movements from the Remaining Group's perspective is reinstated, because once the Target Company is assumed to have been disposed of at the beginning of the year, the movement becomes an external cash flow of the Remaining Group and are therefore required to be reflected in the unaudited pro forma consolidated statement of cash flows.

The net effect on the pro forma consolidated statement of cash flows is nil, which is appropriate given that the intercompany balance is eliminated on consolidation in the audited figures.

- 3) The adjustment represents the pro forma gain/(loss) on the Disposal as if the Disposal had been completed on 30 June 2026, which is calculated as follows:

	<i>Notes</i>	HK\$'000
Cash consideration for the Disposal	(a)	85,000
Add: Addition cash consideration for the shortfall between Base Land Premium over the Revised Land Premium	(b)	5,000
Add: Deposits and prepayments of Target Company as at 30 June 2026 adjusted to the consideration	(c)	102
Add: Cash and cash equivalents of Target Company as at 30 June 2026 adjusted to the consideration	(c)	4,347
Less: Other payables and accruals of Target Company as at 30 June 2026 adjusted to the consideration	(c)	<u>(114)</u>
Total cash consideration		<u>94,335</u>
Add: Share of net liabilities of Target Company as at 30 June 2026	(d)	133,765
Less: Assignment of the Sale Debt	(e)	(184,252)
Less: Repayment of bank loan	(f)	<u>(39,748)</u>
Estimated pro forma gain on Disposal		4,100
Less: Estimated transaction costs directly attributable to the Disposal	(g)	<u>(4,100)</u>
Estimated pro forma result on Disposal after the transaction costs	(h)	<u><u>—</u></u>

- (a) In accordance with the Sale and Purchase Agreement, the Group agreed to dispose of its entire equity interest of the Target Company together with the shareholder's loan owing by the Target Company to Cheer Stay (BVI) Limited (the "**Purchaser**"), which is an independent third party at a consideration amounts to HK\$85,000,000 in the following manner:
1. within five (5) Business Days after the signing of the Sale and Purchase Agreement, the Purchaser shall pay an aggregate sum of HK\$8,500,000; and
 2. upon Completion, the Purchaser shall pay the balance of the consideration in the sum of HK\$76,500,000.
- (b) In accordance with the Sale and Purchase Agreement, if the land premium specified in the Revised Land Premium Offer is less than the Base Land Premium on Completion Date, the Purchaser shall pay to the Group an amount equal to such shortfall. This amount represents the shortfall of HK\$5,000,000, being the difference between the Base Land Premium of HK\$100,000,000 and land premium of HK\$95,000,000 specified in the Revised Land Premium Offer received on 2 September 2026.
- (c) Upon Completion, the consideration will be adjusted on a provisional basis by reference to pro forma completion accounts of the Target Company prepared as at the Completion Date.

Pursuant to the Sale and Purchase Agreement, the consideration will be reduced by certain liabilities of the Target Company as at the Completion Date, including other payables and accruals, and outstanding outgoings (excluding the bank loan and the amount due to intragroup companies), and increased by certain current tangible assets of the Target Company as at the Completion Date, including cash and cash equivalents and certain deposits and prepayments relating to the land, in each case subject to the agreed adjustments under the Sale and Purchase Agreement.

The amounts are extracted from the unaudited statement of financial position of the Target Company set out in Appendix II to this circular.

- (d) This amount represents the net assets of the Target Company as at 30 June 2026 as extracted from the unaudited statement of financial position of the Target Company set out in Appendix II to this circular.
- (e) The amount represents the loan owing by the Target Company to the Group of HK\$184,252,000 as at 30 June 2026. Pursuant to the terms of the Sale and Purchase Agreement, the Company would assign this loan to the Purchaser.
- (f) This amount represents the mortgage loan provided to the Target Company related to the land. Pursuant to the terms of the Sale and Purchase Agreement, the Purchaser does not assume the bank loan, and therefore this amount will be fully repaid and discharged at completion.
- (g) The amount represents estimated transaction fees in relation to the Disposal, such as agency fee amounting to approximately HK\$2,500,000, and legal and professional fee and valuation service fee amounting to approximately HK\$1,600,000 and assumed to be fully settled by cash within one year after the date of Completion.
- (h) The final gain or loss on the Disposal may be different from the pro forma amount described above as the net assets of the Target Company on the actual date of Disposal will differ from its net assets as at 30 June 2026. It is also subject to change as the actual agency fee, legal and professional fee and related expenses will differ from the assumed amounts of HK\$4,100,000 used in the preparation of the unaudited pro forma consolidated statement of financial position.
- (i) The net cash movement of HK\$54,587,000 is arrived from the total cash consideration of HK\$94,335,000 after deducting the repayment of the bank loan of HK\$39,748,000 to be settled at the completion.

- 4) The adjustment represents the pro forma loss on the Disposal as if the Disposal had been completed on 1 July 2025, which is calculated as follows:

	<i>Notes</i>	HK\$'000
Cash consideration for the Disposal	(a)	85,000
Add: Addition cash consideration for the shortfall between Base Land Premium over the Revised Land Premium	(b)	5,000
Add: Deposits and prepayments of Target Company as at 1 July 2025 adjusted to the consideration	(c)	102
Add: Cash and cash equivalents of Target Company as at 1 July 2025 adjusted to the consideration	(c)	3,256
Less: Other payables and accruals of Target Company as at 1 July 2025 adjusted to the consideration	(c)	<u>(873)</u>
Total cash consideration		<u>92,485</u>
Add: Share of net liabilities of Target Company as at 1 July 2025	(d)	9,974
Less: Assignment of the Sale Debt	(e)	(163,879)
Less: Repayment of bank loan	(f)	<u>(55,211)</u>
Estimated pro forma loss on Disposal		(116,631)
Less: Estimated transaction costs directly attributable to the Disposal	(g)	<u>(4,100)</u>
Estimated pro forma loss on Disposal after the transaction costs	(h)	<u><u>(120,731)</u></u>

- (a) In accordance with the Sale and Purchase Agreement, the Group agreed to dispose of its entire equity interest of the Target Company together with the shareholder's loan owing by the Target Company to Cheer Stay (BVI) Limited (the "**Purchaser**"), which is an independent third party at a consideration amounts to HK\$85,000,000 in the following manner:
1. within five (5) Business Days after the signing of the Sale and Purchase Agreement, the Purchaser shall pay an aggregate sum of HK\$8,500,000; and
 2. upon Completion, the Purchaser shall pay the balance of the consideration in the sum of HK\$76,500,000.
- (b) In accordance with the Sale and Purchase Agreement, if the land premium specified in the Revised Land Premium Offer is less than the Base Land Premium on Completion Date, the Purchaser shall pay to the Group an amount equal to such shortfall. This amount represents the shortfall of HK\$5,000,000, being the difference between the Base Land Premium of HK\$100,000,000 and land premium of HK\$95,000,000 specified in the Revised Land Premium Offer received on 2 September 2026.
- (c) Upon Completion, the consideration will be adjusted on a provisional basis by reference to pro forma completion accounts of the Target Company prepared as at the Completion Date.

Pursuant to the Sale and Purchase Agreement, the consideration will be reduced by certain liabilities of the Target Company as at the Completion Date, including other payables and accruals, and outstanding outgoings (excluding the bank loan and the amount due to intragroup companies), and increased by certain current tangible assets of the Target Company as at the Completion Date, including cash and cash equivalents and certain deposits and prepayments relating to the land, in each case subject to the agreed adjustments under the Sale and Purchase Agreement.

The amounts are extracted from the unaudited statement of financial position of the Target Company set out in Appendix II to this circular.

- (d) This amount represents the net assets of the Target Company as at 1 July 2025 as extracted from the unaudited statement of financial position of the Target Company set out in Appendix II to this circular.
- (e) The amount represents the loan owing by the Target Company to the Group of HK\$163,879,000 as at 1 July 2025. Pursuant to the terms of the Sale and Purchase Agreement, the Company would assign this loan to the Purchaser.
- (f) This amount represents the mortgage loan provided to the Target Company related to the land. Pursuant to the terms of the Sale and Purchase Agreement, the Purchaser does not assume the bank loan, and therefore this amount will be fully repaid and discharged at completion.
- (g) The amount represents estimated transaction fees in relation to the Disposal, such as agency fee amounting to approximately HK\$2,500,000, and legal and professional fee and valuation service fee amounting to approximately HK\$1,600,000 and assumed to be fully settled by cash within one year after the date of Completion.
- (h) The final gain or loss on the Disposal may be different from the pro forma amount described above as the net assets of the Target Company on the actual date of Disposal will differ from its net assets as at 1 July 2025. It is also subject to change as the actual commission fee, legal and professional fee and related expenses will differ from the assumed amounts of HK\$4,100,000 used in the preparation of the unaudited pro forma consolidated statement of financial position.
- (i) The net cash movement of HK\$37,274,000 is arrived from the total cash consideration of HK\$92,485,000 after deducting the repayment of the bank loan of HK\$55,211,000 to be settled at the completion.

- 5) These adjustments including (a) cash inflows from the Disposal approximately of HK\$85,000,000 (note 4(a)), cash received for the shortfall between Base Land Premium over the Revised Land Premium approximately of HK\$5,000,000 (note 4(b)), deposits and prepayments of Target Company as at 1 July 2025 adjusted to the consideration approximately of HK\$102,000 (note 4(c)), cash and cash equivalents of Target Company as at 1 July 2025 adjusted to the consideration approximately of HK\$3,256,000 (note 4(c)), other payables and accruals of Target Company as at 1 July 2025 adjusted to the consideration approximately of HK\$873,000 (note 4(c)) and repayment of bank loan approximately of HK\$55,211,000 (note 4(f)); and (b) the exclusion of the advances to the Target Company of approximately HK\$20,373,000 made by the Remaining Group during the year ended 30 June 2026, as if the Disposal had been completed on 1 July 2025.

The amount of HK\$20,373,000 represents the net advances from the Remaining Group to the Target Company for the year ended 30 June 2026. This net amount is derived from: (i) an increase in the amount due to intragroup companies under operating activities of HK\$261,000, and (ii) an increase in the amount due to an intragroup company under financing activities of HK\$20,112,000, both of which are extracted from Appendix II to this circular.

Pursuant to Note 2(b), the cash flows of the Target Company (including the corresponding intercompany movements) are excluded as if the Disposal had been completed on 1 July 2025. Given that the Target Company is assumed to have been disposed of at the beginning of the year, such net advances are reinstated from the perspective of the Remaining Group, as these balances consequently constitute external cash flows of the Remaining Group.

- 6) The above adjustments are not expected to have a continuing effect on the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group.

(1) ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP

The following is the text of a report reviewed from BDO Limited, Certified Public Accountants, for the purpose of incorporation in this circular.



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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT
ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION
TO THE DIRECTORS OF CONTINENTAL HOLDINGS LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Continental Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 30 June 2026, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 30 June 2026 and related notes as set out on pages 2 to 21 of Appendix III of the circular dated 30 October 2026 (the “**Circular**”) in connection to the disposal of the entire equity interest in Wise Capital Holdings Limited (the “**Target Company**”) and the entire loan owing by the Target Company to the Company (the “**Disposal**”). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on pages 2 to 21 of Appendix III of the Circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Disposal on the Group's financial position as at 30 June 2026 and the Group's financial performance and cash flows for the year ended 30 June 2026 as if the Disposal had taken place at 30 June 2026 and 1 July 2025, respectively. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the directors of the Company from the audited consolidated financial statements, on which an auditor's report has been published.

**DIRECTORS' RESPONSIBILITY FOR THE UNAUDITED PRO FORMA FINANCIAL
INFORMATION**

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirement of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Disposal as at 30 June 2026 or 1 July 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the entity, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

BDO Limited

Certified Public Accountants

Hong Kong

30 October 2026

Set out below is the management discussion and analysis of the Remaining Group for each of the three years ended 30 June 2024, 2025 and 2026. The financial data in respect of the Remaining Group for the purpose of this circular is derived from the consolidated financial statements of the Company for the relevant reporting periods.

Upon Completion, the Company will no longer hold any interest in the Target Company and the Target Company will cease to be a subsidiary of the Group. For the purpose of this circular and for illustrative purposes only, the management discussion and analysis below has been prepared on the basis that the Target Company had been excluded from the Group throughout the relevant reporting periods.

Following Completion, the Remaining Group will continue principally to engage in the property business and the jewellery business.

I. FOR THE YEAR ENDED 30 JUNE 2026

	Continuing Operations			Discontinued Operations	
	Jewellery Business	Property investment and development	Investment	Mining operations	Consolidated
	2026	2026	2026	2026	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:					
Sales to/revenue from external parties	376,015	43,014	507	–	419,536
Segment results	22,795	(177,176)	723	(4,760)	(158,418)

Business review and segment results

During the financial year ended 30 June 2026, the Remaining Group recorded revenue of approximately HK\$419.5 million, representing a decrease of approximately HK\$166.3 million, or 28.4%, from approximately HK\$585.8 million for the financial year ended 30 June 2025. The decrease in revenue was mainly attributable to lower revenue recognised from sales of properties, following the substantial recognition of revenue from the sale of residential units of Amber Place during the previous financial year.

The operating environment remained challenging during the year under review with moderate global economic growth, persistent geopolitical tensions, relatively tight monetary conditions and subdued consumer sentiment. Such factors continued to affect the operating environment of the Remaining Group's jewellery and property businesses.

Revenue from the jewellery business amounted to approximately HK\$376.0 million for the year ended 30 June 2026, representing an increase of approximately HK\$35.9 million or 10.6%, as compared with approximately HK\$340.1 million for the financial year ended 30 June 2025. The jewellery segment recorded a profit of approximately HK\$22.8 million, as compared with a segment profit of approximately HK\$19.9 million for the previous year. The increase was mainly attributable to the improvement in revenue and the Group's continued efforts in managing product mix, costs and operating efficiency.

Revenue from the property investment and development segment amounted to approximately HK\$43.0 million for the year ended 30 June 2026, comprising revenue from sales of properties of approximately HK\$23.3 million and rental income of approximately HK\$19.7 million, as compared with approximately HK\$244.4 million for the financial year ended 30 June 2025. The decrease was mainly attributable to lower revenue recognised from the sale of residential units of Amber Place during the year ended 30 June 2026, as the majority of the revenue from contracted sales had been recognised in the previous financial year. Rental income was primarily attributable to One Continental (恒匯中心). The Remaining Group also held investment properties in Yuen Long and Tsim Sha Tsui, Kowloon, which generated stable rental income during the year.

Revenue from the investment segment amounted to approximately HK\$0.5 million for the year ended 30 June 2026, and the segment recorded a profit of approximately HK\$0.7 million.

Reference is made to the Company's announcements dated 23 September 2025, 15 October 2025, and 12 December 2025, the circular dated 31 December 2025, and the poll results announcement dated 22 January 2026 in relation to the disposal of the Group's interests in the Hongzhuang Gold Mine. All conditions precedent under the sale and purchase agreement have been fulfilled, and completion of the disposal took place on 27 January 2026. Since the completion, the companies comprising the mining group ceased to be subsidiaries of the Company, and their financial results are no longer consolidated into the Group's financial statements.

The loss arising from the disposal of approximately HK\$365.3 million has been determined and disclosed in the annual results for the year ending 30 June 2026. The net proceeds of approximately HK\$38.7 million from the disposal has been used to partially repay bank borrowings, support the Group's daily operations and strengthen the Group's focus on its core businesses.

Liquidity, financial resources and gearing

As at 30 June 2026, the Remaining Group had cash and cash equivalents of approximately HK\$68,406,000, which were mainly denominated in Hong Kong Dollar, United States Dollar, Renminbi and British Pound.

The Remaining Group financed its operations principally through internally generated funds, proceeds from disposals and property sales, and bank and other borrowings. As at 30 June 2026, bank borrowings of the Remaining Group amounted to approximately HK\$665,316,000 and other borrowings amounted to approximately HK\$198,290,000.

As at 30 June 2026, the gearing ratio of the Remaining Group was 0.4506, which was calculated on the basis of net debt divided by total equity plus net debt. Net debt was calculated as the sum of bank and other borrowings less cash and cash equivalents. As at 30 June 2026, cash and cash equivalents amounted to approximately HK\$68,406,000 which were mainly denominated in Hong Kong Dollar, US Dollar, Renminbi and British Pound. Other borrowings, comprising amounts due to joint ventures, amounts due to related companies, a loan from a controlling shareholder, amounts due to non-controlling interests and lease liabilities, amounted to approximately of HK\$198,290,000. Bank loans denominated in HK\$ amounted to approximately HK\$665,316,000.

The Directors considered that the Remaining Group had sufficient working capital to meet its present requirements.

Capital structure

All borrowings of the Remaining Group were denominated in Hong Kong Dollar, United States Dollar and Renminbi. Interest on borrowings was determined by reference to Hong Kong Interbank Offered Rate or Prime Rate for Hong Kong Dollar borrowings and Secured Overnight Financing Rate for United States Dollar borrowings.

The Remaining Group adopted a prudent approach in treasury and funding management, with a focus on maintaining an appropriate level of liquidity and minimising financial risks. There was no material change in the capital structure of the Remaining Group during the year ended 30 June 2026.

Charges on assets

As at 30 June 2026, bank loans denominated in Hong Kong Dollar of approximately HK\$665,316,000 were secured by certain property, plant and equipment, investment properties, certain right-of-use assets, properties under development and properties held for sale of the Remaining Group, together with pledges of ordinary shares of certain subsidiaries of the Company and corporate guarantees executed by the Company.

Exposure to fluctuations in exchange rates and related hedges

The Remaining Group utilised prudent strategies in managing its foreign exchange exposure. Save for certain overseas subsidiaries, the transactions and borrowings of the Remaining Group were primarily denominated in United States Dollar, Hong Kong Dollar and Renminbi.

During the year, the Remaining Group entered into certain foreign exchange forward contracts in order to minimise exchange rate risk arising from fluctuations in British Pound. Management will continue to monitor the foreign exchange exposure in British Pound and Renminbi and will take appropriate actions when necessary.

Contingent liabilities

As at 30 June 2026, the Company had provided guarantees to the extent of HK\$513,692,000 in respect of bank loans to its subsidiaries. Under such guarantees, the Company would be liable to pay the banks if the banks were unable to recover the loans. At the reporting date, no provision for the Company's obligation under the guarantee contracts had been made as the Directors considered that it was unlikely that repayment of the loans would be in default. Save as disclosed above, the Remaining Group had no material contingent liabilities as at 30 June 2026.

Employees, remuneration policies and share option scheme

As at 30 June 2026, the Remaining Group employed approximately 391 employees, with the majority located in the PRC. The Remaining Group's remuneration to its employees was largely based on industry practice, individual performance, qualifications and experience. The Company adopted the 2020 Share Option Scheme on 22 December 2020. No share option had been granted under the 2020 Share Option Scheme since its adoption.

Significant investments, material acquisitions and disposals, and future plans for material investments or capital assets

During the financial year ended 30 June 2026, completion of the disposal of the Remaining Group's interests in the Hongzhuang Gold Mine took place on 27 January 2026. Upon completion, the companies comprising the mining group ceased to be subsidiaries of the Company and their financial results ceased to be consolidated into the Remaining Group's financial statements. A loss on disposal of approximately HK\$365.3million was recognised. The net proceeds from the disposal of approximately HK\$38.7 million were applied towards partial repayment of bank borrowings, general working capital and supporting the Remaining Group's continued focus on its core businesses.

Save for the investment properties held in the ordinary and usual course of business of the Remaining Group, the Remaining Group did not hold any significant investments in securities or investee companies requiring separate disclosure under paragraph 32(4A) of Appendix D2 as at 30 June 2026.

As at 30 June 2026, save for the Remaining Group's existing property projects and asset management initiatives in respect of its property portfolio, the Remaining Group did not have any concrete plan for material investments or acquisition of capital assets.

Recent developments and future prospects

As at the Latest Practicable Date, all residential units of Amber Place had been sold, with total contracted sales of approximately HK\$259.8 million. Approximately HK\$221.3 million and HK\$23.3 million were recognised as revenue during the years ended 30 June 2025 and 2026, while approximately HK\$15.2 million was recognised in July 2026 upon handover of the completed units to buyers.

Looking ahead, the operating environment of the Remaining Group is expected to remain challenging amid geopolitical tensions, fluctuations in commodity prices, cautious consumer sentiment, uncertainties in the property market and financing environment, and changing customer preferences. The Remaining Group will continue to adopt a prudent and flexible operating strategy.

In relation to the jewellery business, the Remaining Group will continue to focus on broadening its product range, improving product design and production efficiency, strengthening cost control and responding more rapidly to changes in customer demand.

In relation to the property business, the Remaining Group will continue to focus on enhancing the value of its existing property portfolio, securing quality tenants, maintaining stable rental income and progressing its development and asset management initiatives in a prudent and disciplined manner. Following the disposal of the mining business, the Remaining Group is better positioned to focus its resources on its core jewellery and property operations and to manage its financial position carefully with a view to balancing risk and return and creating sustainable value for shareholders.

II. FOR THE YEAR ENDED 30 JUNE 2025

	Jewellery Business	Property investment and development	Mining operations	Investment	Consolidated
	2025	2025	2025	2025	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:					
Sales to/revenue from external parties	340,100	244,405	–	1,330	585,835
Segment results	19,857	(312,666)	(40,211)	1,832	(331,188)

Business review and segment results

During the financial year ended 30 June 2025, the Remaining Group recorded revenue of approximately HK\$585.8 million. Revenue was derived principally from the jewellery business, property investment and development business and investment business, which contributed approximately HK\$340.1 million, HK\$244.4 million and HK\$1.3 million, respectively. Notwithstanding the foregoing, the Remaining Group recorded total segment loss of approximately HK\$331.2 million during the year.

During the year, the Remaining Group continued to face a challenging business environment amid geopolitical uncertainties, inflationary pressures and fluctuations in commodity prices. Such factors affected consumer sentiment and market conditions in certain of the Remaining Group's key markets, particularly the United States, the United Kingdom and Europe. Despite these challenges, the Remaining Group sought to maintain stable performance through product quality, customer service, operational efficiency and prudent cost control.

Revenue from the jewellery business increased by approximately HK\$6.2 million, or 1.9%, from approximately HK\$333.9 million for the year ended 30 June 2024 to approximately HK\$340.1 million for the year ended 30 June 2025. The jewellery segment recorded a profit of approximately HK\$19.9 million for the year, as compared to a segment loss of approximately HK\$23.7 million for the previous year. The turnaround in segment results was mainly attributable to streamlined operations and cost control measures implemented across the manufacturing and administrative functions of the Remaining Group.

Revenue from the property investment and development segment amounted to approximately HK\$244.4 million for the year ended 30 June 2025, representing an increase of approximately HK\$222.1 million from approximately HK\$22.3 million for the year ended 30 June 2024. Such revenue comprised revenue from sales of properties of approximately HK\$221.3 million and rental income of approximately HK\$23.1 million. The property investment and development segment recorded a loss of approximately HK\$312.7 million during the year.

The increase in revenue from the property investment and development segment was mainly attributable to the sale of residential units of Amber Place (恒珀), the Remaining Group's residential development project located at No. 1 Cheung Wah Street, Cheung Sha Wan, Kowloon, in which the Remaining Group held a 90% interest. Amber Place obtained its occupation permit in July 2023, and sales of the residential units commenced in July 2024. During the year, Amber Place achieved total contracted sales of approximately HK\$235.8 million, of which approximately HK\$221.3 million was recognised as revenue during the year, while approximately HK\$14.5 million was expected to be recognised upon handover of the completed units to buyers. As at the date of the 2025 annual results announcement of the Remaining Group, 39 out of a total of 42 residential units had entered into contracted sales.

Rental income amounted to approximately HK\$23.1 million for the year ended 30 June 2025, representing an increase of approximately HK\$0.8 million from approximately HK\$22.3 million for the year ended 30 June 2024. The increase was primarily attributable to improved leasing performance at One Continental (恒匯中心), where more units were successfully leased out during the year. The Remaining Group also held investment properties in Yuen Long and Tsim Sha Tsui, Kowloon, which generated stable rental income during the year. The Remaining Group's property portfolio also included the Property, which was intended to be redeveloped into a residential development.

Revenue from the investment segment amounted to approximately HK\$1.3 million for the year ended 30 June 2025, while the segment recorded a profit of approximately HK\$1.8 million.

The Hongzhuang Gold Mine has remained in trial production since its acquisition in 2011, with minimal operational activity and no significant revenue contribution since 2015. Despite continued efforts, a minimal level of operations was maintained at the Hongzhuang Gold Mine since 2015. As a result, the Group has entered into an agreement to dispose of the Hongzhuang Gold Mine for a consideration of RMB33.4 million (equivalent to approximately HK\$36.5 million). Upon completion, this disposal provides an immediate cash inflow, eliminates the need for further capital injections into the mining business, and alleviates potential future liabilities. This strategic move allows the Group to concentrate capital and management resources on its core businesses of fine jewellery, diamonds, and property investment and development.

Liquidity, financial resources and gearing

As at 30 June 2025, the Remaining Group had cash and cash equivalents of approximately HK\$33.1 million, which were mainly denominated in Hong Kong Dollar, United States Dollar, Renminbi and British Pound.

Other borrowings, comprising amounts due to joint ventures, amounts due to related companies, a loan from a controlling shareholder, amounts due to non-controlling interests and lease liabilities, amounted to approximately HK\$161.7 million. Bank loans denominated in Hong Kong Dollar and United States Dollar amounted to approximately HK\$740.9 million.

As at 30 June 2025, the gearing ratio of the Remaining Group was 0.3691, which was calculated on the basis of net debt divided by total equity plus net debt. Net debt was calculated as the sum of bank and other borrowings less cash and cash equivalents.

The decrease in the Remaining Group's cash and cash equivalents as at 30 June 2025 was mainly due to payment of finance costs and partial repayment of bank loans. The Directors considered that the Remaining Group had sufficient working capital to meet its ongoing operational requirements.

Capital structure

All borrowings of the Remaining Group were denominated in Hong Kong Dollar, United States Dollar and Renminbi. Interest on borrowings was determined by reference to Hong Kong Interbank Offered Rate or Prime Rate for Hong Kong Dollar borrowings, Secured Overnight Financing Rate for United States Dollar borrowings and the benchmark lending rate of the People's Bank of China for Renminbi borrowings. The Remaining Group also made use of foreign exchange forward contracts in order to minimise exchange rate risk arising from fluctuations in British Pound. There was no change in the capital structure of the Remaining Group during the year ended 30 June 2025.

Charges on assets

As at 30 June 2025, bank loans denominated in Hong Kong Dollar of approximately HK\$722.5 million were secured by certain property, plant and equipment, investment properties, certain right-of-use assets, properties under development and properties held for sale of the Remaining Group, together with pledges of ordinary shares of certain subsidiaries of the Company and corporate guarantees executed by the Company. Bank loans denominated in United States Dollar in the equivalent amount of approximately HK\$18.4 million were guaranteed by corporate guarantees executed by the Company.

Exposure to fluctuations in exchange rates and related hedges

The Remaining Group adopted a prudent approach to financial risk management and sought to keep market risk exposure at a minimum. Save for the UK subsidiaries, the transactions and borrowings of the Remaining Group were primarily denominated in United States Dollar, Hong Kong Dollar and Renminbi. During the year, the Remaining Group entered into certain foreign exchange forward contracts in order to minimise exchange rate risk arising from fluctuations in British Pound. Management would continue to monitor the foreign exchange exposure in British Pound and Renminbi and take appropriate actions when necessary.

Contingent liabilities

As at 30 June 2025, the Company had provided guarantees to the extent of HK\$575.7 million in respect of bank loans to its subsidiaries. Under such guarantees, the Company would be liable to pay the banks if the banks were unable to recover the loans. At the reporting date, no provision for the Company's obligation under the guarantee contracts had been made as the Directors considered that it was unlikely that repayment of the loans would be in default.

Employees, remuneration policies and share option scheme

As at 30 June 2025, the Remaining Group employed approximately 443 employees, with the majority located in the PRC. The Remaining Group's remuneration to its employees was largely based on industry practice. The Company adopted the 2020 Share Option Scheme on 22 December 2020. No share option had been granted under the 2020 Share Option Scheme since its adoption.

Significant investments, material acquisitions and disposals, and future plans for material investments or capital assets

Save for the investment properties held in the ordinary and usual course of business of the Remaining Group, the Remaining Group did not hold any significant investments in securities or investee companies requiring separate disclosure under paragraph 32(4A) of Appendix D2 as at 30 June 2025.

During the year ended 30 June 2025, the Remaining Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

As at 30 June 2025, save for its existing property projects and asset management initiatives, including Amber Place and the Property, the Remaining Group did not have any concrete plan for material investments or acquisition of capital assets.

Prospects

In relation to the jewellery business, the Remaining Group would continue to explore business opportunities and respond prudently to changes in market conditions. In relation to the property business, the Remaining Group would continue to focus on disposal of the remaining units of Amber Place, enhancement of the leasing performance of its investment properties and prudent capital management.

III. FOR THE YEAR ENDED 30 JUNE 2024

	Jewellery Business 2024 HK\$'000	Property investment and development 2024 HK\$'000	Mining operations 2024 HK\$'000	Investment 2024 HK\$'000	Consolidated 2024 HK\$'000
Segment revenue:					
Sales to/revenue from external parties	333,897	22,320	–	4,185	360,402
Segment results	(23,692)	(273,917)	(1,919)	2,518	(297,010)

Business review and segment results

During the financial year ended 30 June 2024, the Remaining Group recorded revenue of approximately HK\$360.4 million and a segment loss of approximately HK\$297 million.

During the year, the jewellery segment experienced a decline in revenue amid a challenging macroeconomic environment, including high inflation, elevated interest rates, weak consumer confidence and geopolitical tensions affecting consumer demand and supply chains. Retailers were generally cautious and focused on reducing existing inventory rather than placing new orders.

As a result, revenue from the jewellery segment decreased by approximately HK\$101.0 million, or 23.2%, from approximately HK\$434.9 million for the financial year ended 30 June 2023 to approximately HK\$333.9 million for the financial year ended 30 June 2024. The jewellery segment recorded a loss of approximately HK\$23.7 million for the year ended 30 June 2024, as compared with a profit of approximately HK\$2.7 million for the previous year. Such loss was mainly attributable to the decrease in revenue, unavoidable fixed operating expenses and impairment losses in respect of goodwill, intangible assets and right-of-use assets of approximately HK\$9.8 million.

Revenue from the property investment and development segment amounted to approximately HK\$22.3 million for the year ended 30 June 2024, comprising rental income generated from the Remaining Group's investment properties, representing an increase of approximately HK\$6.6 million from approximately HK\$15.7 million for the corresponding year of 2023. The increase was mainly due to improved leasing performance at One Continental (恒匯中心), where more units were leased out during the year.

The Hong Kong property market faced a challenging environment during the year, characterised by high interest rates and oversupply of new developments. These factors adversely affected both the commercial and residential property sectors. In response to such market conditions, the Remaining Group adopted a cautious approach in managing its property portfolio and sales strategy.

The Remaining Group's principal property assets and projects included One Continental, the Property and Amber Place.

Amber Place, in which the Remaining Group held a 90% interest, is a 25-storey residential development with a 2-storey retail podium/high-rise composite building located at No. 1 Cheung Wah Street, Cheung Sha Wan, Kowloon, with a gross floor area of approximately 29,147 sq.ft. The occupation permit for Amber Place was obtained in July 2023. Subsequent to 30 June 2024, sales of the residential units commenced in July 2024 and, as at the date of the 2024 annual results announcement of the Remaining Group, 29 residential units had entered into provisional sale and purchase agreements.

The Remaining Group also held certain investment properties comprising 12 floors of commercial properties located at No. 65 Castle Peak Road, Yuen Long, and two shops with several office units located at No. 19–23 Hart Avenue, Tsim Sha Tsui, Kowloon. These investment properties were more than 80% leased out and generated stable rental income during the year.

Revenue from the investment segment amounted to approximately HK\$4.2 million for the year ended 30 June 2024, while the segment recorded a profit of approximately HK\$2.5 million.

In the mining segment, operation at Hongzhuang Gold Mine was minimised. The Company focused on the exploration at the northeastern of Yuanling. Meanwhile, we will continue developing new shaft and re-visiting the old shaft in the Yuanling mine site. No revenue was recorded for the period under review as these mines did not carry out any production activities. Apart from the minimal operations on both mines, no large-scale capital investment was carried out during the year under review.

Liquidity, financial resources and gearing

As at 30 June 2024, the Remaining Group had cash and cash equivalents and time deposits with original maturities over three months of approximately HK\$47.1 million, which were mainly denominated in Hong Kong Dollar, United States Dollar, Renminbi and British Pound.

Other borrowings, comprising amounts due to joint ventures, amounts due to related companies, a loan from a controlling shareholder, amounts due to non-controlling interests and lease liabilities, amounted to approximately HK\$136.2 million. Bank loans denominated in Hong Kong Dollar and United States Dollar amounted to approximately HK\$970.1 million.

As at 30 June 2024, the gearing ratio of the Remaining Group was 0.3660, which was calculated on the basis of net debt divided by total equity plus net debt. Net debt was calculated as the sum of bank and other borrowings less cash and cash equivalents and time deposits with original maturities over three months.

Capital structure

All borrowings of the Remaining Group were denominated in Hong Kong Dollar, United States Dollar and Renminbi. Interest on borrowings was determined by reference to Hong Kong Interbank Offered Rate or Prime Rate for Hong Kong Dollar borrowings, US Prime Rate for United States Dollar borrowings and the benchmark lending rate of the People's Bank of China for Renminbi borrowings.

The Remaining Group also made use of foreign exchange forward contracts in order to minimise exchange rate risk arising from fluctuations in British Pound. There was no change in the capital structure of the Remaining Group during the year ended 30 June 2024.

Charges on assets

As at 30 June 2024, bank loans denominated in Hong Kong Dollar of approximately HK\$958.3 million were secured by certain property, plant and equipment, investment properties, certain right-of-use assets, properties under development and properties held for sale of the Remaining Group, together with pledges of ordinary shares of certain subsidiaries of the Company and corporate guarantees executed by the Company. Bank loans denominated in United States Dollar in the equivalent amount of approximately HK\$11.8 million were guaranteed by corporate guarantees executed by the Company and/or secured by all assets of a subsidiary of the Company.

Exposure to fluctuations in exchange rates and related hedges

The Remaining Group adopted a prudent approach to financial risk management and sought to keep market risk exposure at a minimum. Save for the UK subsidiaries, the transactions and borrowings of the Remaining Group were primarily denominated in United States Dollar, Hong Kong Dollar and Renminbi. During the year, the Remaining Group entered into certain foreign exchange forward contracts in order to minimise exchange rate risk arising from fluctuations in British Pound. Management would continue to monitor the foreign exchange exposure in British Pound and Renminbi and take appropriate actions when necessary.

Contingent liabilities

As at 30 June 2024, the Company had provided guarantees to the extent of HK\$777.5 million in respect of bank loans to its subsidiaries. Under such guarantees, the Company would be liable to pay the banks if the banks were unable to recover the loans. At the reporting date, no provision for the Company's obligation under the guarantee contracts had been made as the Directors considered that it was unlikely that repayment of the loans would be in default.

Employees, remuneration policies and share option scheme

As at 30 June 2024, the Remaining Group employed approximately 465 employees, with the majority located in the PRC. The Remaining Group's remuneration to its employees was largely based on industry practice. The 2010 Share Option Scheme had expired on 12 July 2020, and the Company adopted the 2020 Share Option Scheme thereafter. No share option had been granted under the 2020 Share Option Scheme since its adoption.

Significant investments, material acquisitions and disposals, and future plans for material investments or capital assets

Save for the investment properties held in the ordinary and usual course of business of the Remaining Group, the Remaining Group did not hold any significant investments in securities or investee companies requiring separate disclosure under paragraph 32(4A) of Appendix D2 as at 30 June 2024.

During the year ended 30 June 2024, the Remaining Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

As at 30 June 2024, save for its existing property projects and asset management initiatives, including Amber Place and the Property, the Remaining Group did not have any concrete plan for material investments or acquisition of capital assets.

Prospects

The Remaining Group expected market conditions to remain challenging in the near term and would continue to adopt prudent business and investment strategies. In relation to the jewellery business, the Remaining Group would continue to focus on maintaining competitiveness and responding cautiously to market demand. In relation to the property business, the Remaining Group would continue to enhance leasing performance and advance its existing projects in a disciplined manner.

The following is the text of a report prepared for the purpose of incorporation in this circular received from Knight Frank Asset Appraisal Limited, an independent valuer, in connection with its valuation as at 31 August 2026 of the market value of the Property.



Knight Frank Petty Limited
4/F, Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong

The Board of Directors
Continental Holdings Limited
Unit M, 1st Floor, Kaiser Estate Phase 3
No. 11 Hok Yuen Street
Hung Hom, Kowloon

26 October 2026

Dear Sirs,

Valuation of Nos. 164-164A Boundary Street, Kowloon, Hong Kong (the “Property”)

Instructions

In accordance with the instructions to us from Continental Holdings Limited (hereinafter referred to as the “**Company**”, together with its subsidiaries, hereinafter together referred to as the “**Group**”) to value the Property, we confirm that we have made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property on redevelopment basis as at 31 August 2026 (the “**Valuation Date**”) for the purpose of public disclosure in relation to disposal.

We confirm that we do not have any material connection or involvement giving rise to a conflict of interest and are providing an objective and unbiased valuation. Our valuation is based on 100% of the leasehold interest of the Property.

Basis of Valuation

In arriving at our opinion of market value, we followed the current edition of “The HKIS Valuation Standards” issued by The Hong Kong Institute of Surveyors (“HKIS”) and “The RICS Valuation – Global Standards” issued by The Royal Institution of Chartered Surveyors (“RICS”), which incorporate the International Valuation Standards (the “IVS”). Under the said standards, market value is defined as:-

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value is also understood as the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Our valuation complies with the requirements set out in the current edition of “The HKIS Valuation Standards” issued by HKIS and “RICS Valuation – Global Standards” issued by RICS.

Valuation Methodology

Our valuation has been undertaken by using appropriate valuation methodology and our professional judgement.

As the Property is vacant site and is proposed to be developed into a residential development, we have adopted the Market Approach for assessing the Gross Development Value (the “GDV”) of the proposed development and the Residual Approach for assessing the Market Value of the Property on redevelopment basis.

Market Approach

In undertaking our estimation of sales proceeds of the completed proposed development, ie the GDV, we have adopted Market Approach by making reference to the recent market sales evidence which is available in the market. Appropriate adjustments have been made in our valuation to reflect the differences in the characteristics between the proposed development of the Property and the comparable properties such as market condition, location, size, floor level, headroom, view, age and other material factors in arriving at our opinion of the GDV.

Residual Approach

We have adopted the Residual Approach to arrive at the market value of the Property on redevelopment basis. The assessed site value of the Property is the net or residual value that remains on the Property from the sales proceeds of the completed Proposed Development after deducting all the costs of the development, namely the cost of construction, cost of finance, professional fees, marketing costs and an allowance of the profit required for the development which is assumed to have been completed on the site as at the Valuation Date. Development costs already expended (if any) are also taken into account in our analysis.

Expertise

Our valuation is undertaken by the qualified valuer with relevant experiences as an independent valuer. Parts of this valuation have been undertaken by additional valuers as listed in our file. We confirm that the valuers meet the requirements of HKIS Valuation Standards and the RICS Valuation – Global Standards, having sufficient current knowledge of the particular market and the skills and understanding to undertake the valuation competently.

Our valuation is prepared in unbiased and professional manner.

Valuation Assumptions and Conditions

Our valuation is subject to the following assumptions and conditions.

Title Documents and Encumbrances

We have taken reasonable care to investigate the title of the Property by obtaining land search records from the Land Registry. We have not, however, searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. We however do not accept a liability for any interpretation which we have placed on such information that is more properly the sphere of your legal advisers. We have also assumed in our valuation that the Property was free from encumbrances, restrictions, title defects and outgoings of an onerous nature that could affect its value, unless stated otherwise as at the Valuation Date.

Disposal Costs and Liabilities

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale.

Source of Information

We have relied to a very considerable extent on information given by the Company. We have accepted advice given to us on such matters as the proposed development scheme, and a letter dated 26 June 2025 from Lands Department regarding the proposed lease modification and land premium offer and all other relevant matters. We have not verified the correctness of any information, including their translation supplied to us concerning the Property, whether in writing or verbally by the Company, the Company's representatives or by their legal or professional advisers or by any (or any apparent) occupier of the Property or contained on the register of title. We assume that this information is complete and correct.

Inspection

We have carried out inspection of the Property on 24 August 2026 by Brian Ng MRICS RICS Registered Valuer. As inspected, the Property was a vacant site.

Identity of the Property to be valued

We have exercised reasonable care and skill (but will not have an absolute obligation to you) to ensure that the Property, identified by the property address in your instructions, is the property inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the property to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our report.

Property Insurance

We have valued the Property on the assumption that, in all respects, it is insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

Areas and Age

As instructed, we have relied upon areas as available from a quoted source. The floor areas quoted throughout the report are based on the information provided by the Company. Otherwise, dimensions and areas would be measured from plans and calculated in accordance with, where appropriate, the current HKIS Code of Measuring Practice and area quoted to a reasonable approximation, with reference to their source. We have also assumed that the site areas, floor areas, measurements and dimensions shown on the documents handed to us are correct and in approximations only. Where the age of the building is estimated, this is for guidance only.

Structural and Services Condition

We have carried out visual inspection only without any structural investigation or building survey. During our limited inspection, we did not inspect any inaccessible areas. We are unable to confirm whether the Property is free from urgent or significant defects or items of disrepair or any deleterious materials have been used in the construction of the Property. Our valuation has therefore been undertaken on the basis that the Property was in satisfactory repair and condition, contains no deleterious materials and it is sound order and free from structural faults, rot, infestation or other defects, and that the services are in a satisfactory condition.

Ground Condition

We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the site of the Property is sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

Environmental Issues

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation is prepared on the assumption that the Property is unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

Compliance with Relevant Ordinances and Regulations

We have assumed the building is in line with all planning and building regulations and guidelines. In our valuation, we have disregarded the Notices currently registered against the Property, if any, and the effects of the defects on the value and safety of the Property. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, consents, approvals and authorization have been obtained, except only where otherwise stated.

Limitation on Liability

Knight Frank Petty Limited's total liability for any direct loss or damage (whether caused by negligence or breach of contract or otherwise) arising out of or in connection with this Valuation is limited in accordance with the terms of the Agreement. Knight Frank accepts no liability for any indirect or consequential loss or for loss of profits.

We confirm that we hold adequate and appropriate Professional Indemnity Insurance cover for this instruction.

No claim arising out of or in connection with this valuation report may be brought against any member, employee, partner, director or consultant of Knight Frank. Those individuals will not have a personal duty of care to any party and any claim for losses must be brought against Knight Frank.

In accordance with our standard practice, we must state that this report and valuation is for the use of the party to whom it is addressed, and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this report.

Knight Frank has prepared the valuation based on the information and data available to us as at the Valuation Date. While the current market is influenced by various policies and regulations, increased global conflicts could add further fluctuations in real estate market. It must be recognised that enactment of emergency measures, changes in mortgage requirements or international tensions could be immediate and have sweeping impact on the real estate market apart from typical market variations. It should therefore be noted that any market violation, policy, geopolitical and social changes or other unexpected incidents after the Valuation Date may affect the value of the Property.

Currency

Unless otherwise stated, all money amounts stated in this report are in Hong Kong Dollars (HK\$).

Yours faithfully
For and on behalf of

Knight Frank Petty Limited

Michelle Man
MRICS MHKIS RICS
Registered Valuer
Senior Director
Valuation & Advisory

Cyrus Fong
FHKIS FRICS MCIREA RICS
Registered Valuer RPS (GP)
Executive Director
Head of Valuation & Advisory, Greater China

Note: Ms. Michelle Man is a qualified valuer who has over 15 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong.

Mr. Cyrus Fong is a qualified valuer who has over 20 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in the PRC, Hong Kong, Asia Pacific region for various valuation purposes.

VALUATION REPORT

	Property for sale to be disposed of	Description and Tenure	Particulars of Occupancy	Market Value as at 31 August 2026
1.	Nos. 164-164A Boundary Street, Kowloon (the “ Property ”). The Remaining Portion of Section H and Sub-Section 5 of Section H of Kowloon Inland Lot No. 2097. (the “ Lots ”).	Nos. 164-164A Boundary Street is situated on the southern side of Boundary Street, close to its junction with La Salle Road in Kowloon. It is a parcel of land with a site area of approximately 5,054 sq ft (469.5 sq m). As per the proposed development scheme, the Property is proposed to be redeveloped into a 19-storey residential building (excluding a transfer plate) comprising a total of 28 residential units with a maximum permitted gross floor area of approximately 25,268 sq ft (or 2,347.5 sq m). The Lots are held under Government Lease for a term of 75 years renewable for 75 years commencing from 6 February 1928 at an annual Government Rent at HK\$36,144.	As per our inspection, the Property was a redevelopment site.	HK\$100,000,000 (Hong Kong Dollars One Hundred Million) on redevelopment basis.

Notes:

- (1) The Gross Development Value of the proposed development of the Property, on an immediate vacant possession basis and assuming it was completed in accordance with the proposed building plans subject to lease modification and payment of land premium as at the Valuation Date, was in the sum of HK\$511,000,000 (Hong Kong Dollars Five Hundred and Eleven Million).
- (2) As per the Letter from Lands Department dated 26 June 2025 provided by the Client, the land premium was HK\$112,320,000 as at the Valuation Date.
- (3) The estimated total construction costs including professional fees are approximately HK\$152,100,000.
- (4) The assessed site value of the Property is the net or residual value that remains on the Property from the sales proceeds of the completed Proposed Development after deducting all the costs of the development, namely the cost of construction, cost of finance, professional fees, marketing costs and an allowance of the profit required for the development which is assumed to have been completed on the site as at the Valuation Date as illustrated below:

Item	Basis	Adopted Figure
Sales proceeds of the completed Proposed Development		
Adopted Average Unit Rate	Based on market evidence (Refer to Appendix – Market Transactions)	Residential: HK\$25,400 per sq ft on saleable area Private Parking Space: HK\$2,000,000 per space Motorcycle Parking Space: HK\$100,000 per space
Saleable Area	Provided by the Client	18,525 sq ft
Car Parking Spaces	Provided by the Client and based on requirements of Letter from Lands Department	20 Private Parking Spaces 1 Motorcycle Parking Space
Deduct: Costs of development		
Land Premium	Letter from Lands Department dated 26 June 2025 provided by the Client	HK\$112,320,000
Cost of Construction	Building Cost Data for private sector developments 1st Quarter 2026 from Rider Levett Bucknall	HK\$143,500,000 (including contingencies)
Cost of Finance	With reference to best lending rate.	5.25% (discount rate of present value)
Professional Fees		0.5% on Land Premium 6% on Construction Costs
Marketing Costs	Based on our in-house research and database	3%
Developer's Profit		20%
Construction Period		3 years
Market Value on redevelopment basis	Residual value that remains on the Property from the sales proceeds of the completed Proposed Development after deducting costs of development	HK\$100,000,000

(5) Based on the parameters, the computation is set out below:

Item	Basis	Figure
Sales proceeds of the completed Proposed Development		
Residential	Unit Rate x Saleable Area (HK\$25,400 x 18,525 sq ft)	HK\$470,535,000
Car Parking Spaces	Unit Rate x No. of spaces (HK\$2,000,000 per space x 20 car parking spaces) (HK\$100,000 per space x 1 Motorcycle parking space)	HK\$40,100,000
Gross Development Value (GDV)	Rounded Sum of GDV of residential and car parking spaces (HK\$470,535,000 + HK\$40,100,000)	HK\$510,635,000
GDV less Marketing Cost	Based on our in-house research and database (HK\$510,635,000 x (1-3%))	HK\$495,315,950
Present Value (PV) of GDV less Marketing Cost	With reference to best lending rate. (HK\$495,315,950 x (1/(1+5.25%)^3 years))	HK\$424,830,804
Deduct: Costs of development		
Land Premium	Letter from Lands Department dated 26 June 2025 provided by the Client	HK\$112,320,000
<i>Professional Fees for Land Premium</i>	<i>Based on our in-house research and database (Land Premium x (1+Professional Fees)) (HK\$112,320,000 x (1+0.5%))</i>	<i>HK\$112,881,600</i>
<i>Developer's Profit on Land Premium (including professional fees)</i>	<i>Based on our in-house research and database (HK\$112,881,600 x (1+20%))</i>	<i>HK\$135,457,920</i>
Construction Cost	Building Cost Data for private sector developments 1st Quarter 2026 from Rider Levett Bucknall	HK\$143,500,000 (including contingencies)
<i>Professional Fees for Construction Cost</i>	<i>Based on our in-house research and database (HK\$143,500,000 x (1+6%))</i>	<i>HK\$152,110,000</i>
<i>Developer's Profit on Construction Cost</i>	<i>Based on our in-house research and database (HK\$152,110,000 x (1+20%))</i>	<i>HK\$182,532,000</i>
<i>Present Value for Construction Cost</i>	<i>With reference to best lending rate. (HK\$182,532,000 x (1/(1+5.25%)^1.5 years))</i>	<i>HK\$169,046,372</i>

Item	Basis	Figure
Site Value including Developer's Profit on Land	(PV of GDV less Marketing Cost – Land Premium including Professional Fees and Developer's Profit – PV of Construction Cost)	HK\$120,326,512
Market Value on redevelopment basis	Based on our in-house research and database (Site Value including Developer's Profit) / (1+ Developer's Profit on Land) (HK\$120,326,512 / (1+20%))	Approximately HK\$100,000,000
(6) According to the land register records obtained from the Land Registry, the registered owner of the Property was Wise Capital Holdings Limited as at the Valuation Date.		
(7) The Property was situated within an area zoned as "Residential (Group B)" under the Draft Ho Man Tin Outline Zoning Plan No. S/K7/25 as at the Valuation Date.		
(8) The Property was subject to the following encumbrances: -		
(i)	Mortgage dated 22 December 2021 in favour of Hang Seng Bank Limited to secure all moneys in respect of general banking facilities vide memorial no 22011102310077.	
(ii)	Assignment of Rental Income and Sale Proceeds dated 22 December 2021 in favour of Hang Seng Bank Limited vide memorial no 22011202050030.	

Appendix Salient Conditions of letter from Lands Department

Item	Restrictions
User:	Private residential purposes
Total GFA:	Not less than 1,409 m ² and not exceeding 2,347.5m ²
Minimum size of Residential units:	Saleable area of each residential units not less than 26m ²
Parking Provisions:	(i) Residential Parking Spaces: For a block or blocks of residential units:

Size of each residential unit	No. of the residential parking spaces to be provided
Less than 40m ²	One space for every 8.0 residential units or part thereof
Not less than 40m ² but less than 70m ²	One space for every 3.3 residential units or part thereof
Not less than 70m ² but less than 100m ²	One space for every 1.6 residential units or part thereof
Not less than 100m ² but less than 130m ²	One space for every 0.9 residential units or part thereof
Not less than 130m ² but less than 160m ²	One space for every 0.7 residential unit or part thereof
Not less than 160m ²	One space for every 0.5 residential unit or part thereof

Item**Restrictions**

(ii) Visitors' Parking Spaces:

Additional parking spaces at a rate to be calculated by reference to the number of residential units provided in any block of residential units as set out in the table below subject to a minimum of two such spaces within the Lots:

Number of residential units per block	Number of visitors' parking spaces per block
30 or below	1
31 to 45	2
46-60	3
61-75	4
Above 75	5

(iii) Parking Spaces for Disabled Persons

Out of the Residential Parking Spaces and the Visitors' Parking Spaces, the Lessees and their Assigns shall reserve and designate such number of spaces for the parking of motor vehicles by disabled persons as the Building Authority may require and approve.

(iv) Motor Cycle Parking Spaces

One space for every 100 residential units or part thereof.

(v) Loading and Unloading Requirements

One space for every 800 residential units or part thereof subject to a minimum of one L/UL space for each block of residential units.

Flexibility in parking, loading and unloading provisions:

- (i) Residential Parking Spaces, Visitors' Parking Spaces, Motor Cycle Parking Spaces and Loading/Unloading Spaces may be increased or reduced by not more than 5% or 50 in number, whichever is the lesser;
- (ii) In addition, the Residential Parking Spaces and Motor Cycle Parking Spaces may be increased or reduced by not more than 5%

Appendix Market Transactions

In our valuation, we have made reference to the market transactions. The following transactions show a range of unit rates. The unit rates shown are before adjustments to show the discrepancies between the Property and the comparables. They should not be applied directly before any appropriate adjustments. The general basis of adjustment is that if the comparables are superior to that of the property, a downward adjustment is made (represented with “-ve”). Alternatively, if the comparables are inferior or less desirable to that of the property, an upward adjustment is made (represented with “+ve”).

- (i) For adjustment on time, appropriate adjustment was made between Valuation Date and transaction date of comparables with reference to the price indices of Class B private domestic property issued by Rating and Valuation Department as at the time we performed.
- (ii) For adjustment on location, it refers to the difference in the overall comprehensiveness of local amenities, neighborhood environment, and accessibility between the location of the property and that of the comparables.
- (iii) For adjustment on size, in general, the unit rate of a property with a relatively smaller area would achieve higher unit rate than of a property with a relatively larger area and vice versa.
- (iv) For adjustment on floor level, in general, the unit rate of a property on higher floor would achieve higher unit rate than of a property on lower floor and vice versa.
- (v) For adjustment on headroom, it refers to the difference in floor-to-floor height between the property and the comparables. In general, the taller the headroom, the higher the unit rate.
- (vi) For adjustment on view, it refers to the difference in view between the property and the comparables. In general, the open view is more sought after than building view, hence achieving a higher unit rate.
- (vii) For adjustment on building age: It refers to the difference in building age between the property and the comparables. In general, the younger the building age, the higher the unit rate.

The selection criteria of sales comparables for the property are residential transactions within eight months from the Valuation Date, i.e. the transactions within the period from 1 January 2026 to 31 August 2026 of residential properties in Ho Man Tin with similar size of which saleable area between 550 sq ft to 700 sq ft, of similar development type and scale and typical unit type exclusive of car parking spaces which building age are completed within five years. Appropriate adjustments and analysis are considered to the differences in time, location, size, floor level, headroom, view, building age and other characters between the comparables and the Property.

Details of the comparable information and the adjustment logic are set out below. The list of the comparables is exhaustive based on the above selection criteria as at the time we performed.

	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7	Comparable 8
Unit	E	F	F	F	A	F	F	A
Floor	16	18	20	19	15	8	9	11
Development	Garden Crescent	128 Waterloo	128 Waterloo	128 Waterloo	Garden Crescent	One Princeton	One Princeton	Garden Crescent
Address	No. 93 Waterloo Road	No. 128 Waterloo Road	No. 128 Waterloo Road	No. 128 Waterloo Road	No. 93 Waterloo Road	No. 266 Prince Edward Road West	No. 266 Prince Edward Road West	No. 93 Waterloo Road
Date of Transaction	1 Jun 2026	15 May 2026	15 May 2026	14 May 2026	8 Apr 2026	4 Feb 2026	20 Jan 2026	9 Jan 2026
Year Built	2022	2021	2021	2021	2022	2024	2024	2022
Consideration (HK\$)	\$15,500,000	\$14,800,000	\$14,800,000	\$14,800,000	\$17,650,000	\$14,802,000	\$15,246,000	\$16,337,000
Saleable Area (SA) (sq ft)	641	551	551	551	698	671	671	698
Unit Rate on SA (approx.) (HK\$ per sq ft)	\$24,181	\$26,860	\$26,860	\$26,860	\$25,287	\$22,060	\$22,721	\$23,405
Adjustments								
Time	–	–	–	–	+ve	+ve	+ve	+ve
Location	–	–ve	–ve	–ve	–	–	–	–
Size	+ve	–ve	–ve	–ve	+ve	+ve	+ve	+ve
Floor Level	–ve	–ve	–ve	–ve	–ve	+ve	+ve	–
Floor-to-Floor Height	–ve	–ve	–ve	–ve	–ve	–ve	–ve	–ve
View	+ve	–	–	–	–	+ve	+ve	–
Building Age	+ve	+ve	+ve	+ve	+ve	+ve	+ve	+ve
Total Adjustments	2.9%	–3.3%	–4.3%	–3.8%	2.5%	10.7%	12.3%	8.7%
Adjusted Unit Rate on SA (approx.) (HK\$ per sq ft)	\$24,882	\$25,974	\$25,705	\$25,839	\$25,919	\$24,420	\$25,516	\$25,441

The unit rate of these comparables after adjustments ranges from HK\$24,420 per sq ft to HK\$25,974 per sq ft on saleable area basis. In our valuation, we have adopted average unit rate of approximately HK\$25,400 per sq ft on saleable area basis to derive residential portion of the gross development value of the property.

The selection criteria of sales comparables for the property are car parking spaces transactions within one year from the Valuation Date, i.e. the transactions within the period from 1 September 2025 to 31 August 2026 of residential properties in Ho Man Tin of similar development type and scale which were completed in 2014 or after. Appropriate adjustments and analysis are considered to the differences in time, location, vertical circulation and other characters between the comparables and the Property.

Details of the comparable information and the adjustment logic are set out below. The list of the comparables is exhaustive based on the above selection criteria as at the time we performed.

	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Car Parking Space	No. C18	No. 19	No. P24	No. R16	No. C09
Floor	Basement 1/F	Basement 1 Floor	Ground Floor	Basement Floor	Basement 2/F
Development	Garden Crescent	Paxton	8 LaSalle	One Princeton	Garden Crescent
Address	No. 93 Waterloo Road	No. 313 Prince Edward Road West	No. 8 La Salle Road	No. 266 Prince Edward Road West	No. 93 Waterloo Road
Date of Transaction	20 May 2026	7 May 2026	15 Oct 2025	17 Sept 2025	15 Sept 2025
Year Built	2022	2014	2014	2024	2022
Consideration (HK\$)	\$2,800,000	\$2,500,000	\$3,000,000	\$3,380,000	\$2,800,000
Adjustments					
Time	-	-	+ve	+ve	+ve
Location	-	-	-	-	-
Vertical Circulation	-ve	-ve	-ve	-ve	-ve
Total Adjustments	-30%	-30%	-23%	-23%	-23%
Adopted Unit Rate	\$1,960,000	\$1,750,000	\$2,316,000	\$2,612,740	\$2,164,400

The unit rate of these comparables after adjustments ranges from HK\$1,750,000 per space to HK\$2,612,740 per space. In our valuation, we have adopted average unit rate of approximately HK\$2,000,000 per space to derive residential private parking portion of the gross development value of the property.

The selection criteria of sales comparables for the property are motorcycle parking spaces transactions within one year from the Valuation Date, i.e. the transactions within the period from 1 September 2025 to 31 August 2026 of residential properties in Ho Man Tin/ Kowloon City of similar development type and scale which were completed in 2018 or after. Appropriate adjustments and analysis are considered to the differences in time, location, vertical circulation and other characters between the comparables and the Property.

Details of the comparable information and the adjustment logic are set out below. The list of the comparables is exhaustive based on the above selection criteria as at the time we performed.

	Comparable 1	Comparable 2	Comparable 3
Parking Space	No. M1	No. MP2	No. MP1
Floor	Basement Floor	Basement Floor	Basement Floor
Development	La Salle Residence	Allegro	Allegro
Address	No. 6 La Salle Road	No. 138 Carpenter Road	No. 138 Carpenter Road
Date of Transaction	11 Mar 2026	15 Dec 2025	15 Dec 2025
Year Built	2018	2022	2022
Consideration (HK\$)	\$95,000	\$100,000	\$100,000
Adjustments			
Time	+ve	+ve	+ve
Location	–	–	–
Vertical Circulation	–	+ve	+ve
Total Adjustments	1.3%	9.1%	9.1%
Adopted Unit Rate	\$96,235	\$109,100	\$109,100

The unit rate of these comparables after adjustments ranges from HK\$96,235 per space to HK\$109,100 per space. In our valuation, we have adopted average unit rate of approximately HK\$100,000 per space to derive residential motorcycle parking portion of the gross development value of the property.

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 Group. 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 DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) 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 (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) to be notified to the Company and the Stock Exchange, were as follows:

(A) Interests in shares of the Company

Name of Directors	Number of ordinary shares of the Company				Approximate percentage of all the issued shares of the Company
	Personal interest	Corporate interest	Underlying interest	Total	
Chan Wai Lap, Victor	270,000	–	1,000,000 (Note 2)	1,270,000	0.19%
Cheng Siu Yin, Shirley	–	506,339,522 (Note 1)	–	506,339,522	74.12%
Chan Wai Kei, Vicki	–	–	1,000,000 (Note 2)	1,000,000	0.15%
Chan Ping Kuen, Derek	20,000	–	–	20,000	0.003%
Yam Tat Wing	240,000	–	1,000,000 (Note 2)	1,240,000	0.18%
Wong Edward Gwon-hing	–	–	1,000,000 (Note 2)	1,000,000	0.15%

Notes:

- Such interests are held by Tamar Investments, which is a company owned as to 70% by Cheng Siu Yin, Shirley. Cheng Siu Yin, Shirley and Chan Wai Lap, Victor are directors of Tamar Investments.
- These interests represented the interests in underlying shares of the Company in respect of share options granted to the Directors.

(B) Interests in shares of associated corporation of the Company

Name of associated corporation	Name of Directors	Nature of interest	Number of shares	Percentage of all the issued shares of the associated corporation
Tamar	Chan Wai Lap, Victor	Personal	16	16%
Investments	Cheng Siu Yin, Shirley	Personal	70	70%
	Chan Wai Kei, Vicki	Personal	7	7%
	Chan Mei Kei, Alice	Personal	7	7%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered into the register referred to therein; or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, save for Ms. Cheng Siu Yin, Shirley, an executive Director, who held interest in companies engaged in the same businesses of property investments in Hong Kong, none of the Directors nor any of their respective close associates had any interest in a business apart from the business of the Group, which competed or was likely to compete, either directly or indirectly, with that of the Group.

4. DIRECTORS' SERVICE CONTRACTS

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

5. DIRECTORS' OTHER INTEREST

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been, since 30 June 2026, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors and their respective associates was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group as a whole.

6. LITIGATION

So far as the Directors were aware, as at the Latest Practicable Date, no member of the Group was involved in any litigation or claim of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the Latest Practicable Date which is or may be material:

- (a) the SPA;
- (b) a sale and purchase agreement dated 23 September 2025, a supplemental agreement dated 15 October 2025 entered into between the Company as the vendor's guarantor, Continental Mining Holdings Limited (an indirect wholly-owned subsidiary of the Company) as the vendor, and Cubic Stone Holdings Limited as the purchaser, in respect of the sale and purchase of the entire issued share capital of Big Bonus Limited (a direct wholly-owned subsidiary of Continental Mining Holdings Limited), and the loan owing by Big Bonus Limited to Continental Mining Holdings Limited;

- (c) a loan facility agreement dated 16 June 2025 entered into between the Company as borrower with Ms. Cheng Siu Yin, Shirley, an executive Director and controlling shareholder of the Company, as lender, in respect of a loan up to HK\$60,000,000 to the Company. The loan is unsecured, interest-bearing at HIBOR+1.2% per annum and repayable on 30 September 2026, subject to the extension as may be agreed by the parties; and
- (d) a share transfer agreement dated 23 October 2024 entered into between Yett Holdings Limited, a wholly-owned subsidiary of the Group, as buyer, and Laurence James Blunt, as seller in relation to the acquisition of 330 B ordinary shares of GBP1 each in the capital of C.J. (UK) Limited (“CJUK”) (a non-wholly owned subsidiary of the Company), representing approximately 24.81% of the issued shares in the capital of CJUK at a consideration of GBP576,313 (approximately HK\$5,829,000). Since the seller is a director of CJUK, the acquisition constitutes a connected transaction for the Company under the Listing Rules. After completion, all the issued shares in the capital of CJUK are owned by the Group and CJUK has become a wholly-owned subsidiary of the Company.

8. EXPERTS AND CONSENTS

The qualifications of the experts who have given their opinions in this circular are as follows:

Name	Qualifications
BDO Limited	Certified Public Accountants
Knight Frank Asset Appraisal Limited	Independent professional property valuer

The letter and/or report from the above experts are given on 30 October 2026 and 26 October 2026 respectively for incorporation in this circular. Each of the experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or report and/or references to its name, in the form and context in which it appears.

As at the Latest Practicable Date, the above experts had no 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 had no direct or indirect interest in any assets which have been, since 30 June 2026, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

9. GENERAL

- (a) The secretary of the Company is Mr. Hui Chun Lam. Mr. Hui is a member of CPA Australia, a member of the Hong Kong Institute of Certified Public Accountants and a member of both The Chartered Governance Institute and The Hong Kong Chartered Governance Institute.
- (b) The registered office of the Company is situated at Flats M and N, 1/F., Kaiser Estate, Phase III, 11 Hok Yuen Street, Hung Hom, Kowloon, Hong Kong.
- (c) The share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The circular is prepared in both English and Chinese. In the event of inconsistency, English text shall prevail over its Chinese text unless otherwise specified.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.continental.com.hk) for a period of 14 days from the date of this circular (inclusive):

- (a) the articles of association of the Company;
- (b) the review report from BDO Limited on unaudited financial information of the Target Company as set out in Appendix II to this circular;
- (c) the report in respect of the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix III to this circular;

- (d) the Valuation Report, the text of which is set out in Appendix V to this circular;
- (e) a copy of each of the material contracts referred to in the paragraph headed “7. MATERIAL CONTRACTS” in this Appendix;
- (f) the written consent referred to in the paragraph headed “8. EXPERTS AND CONSENTS” in this Appendix;
- (g) the annual reports of the Company for the three years ended 30 June 2024, 2025 and 2026; and
- (h) this circular.

NOTICE OF GENERAL MEETING



CONTINENTAL HOLDINGS LIMITED 恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that the general meeting (the “**General Meeting**”) of Continental Holdings Limited (the “**Company**”) will be held at Whampoa 01 & 02, 1/F, Harbour Grand Kowloon, 20 Tak Fung Street, Whampoa Garden, Hung Hom, Kowloon, Hong Kong on Monday, 16 November 2026 at 11:30 a.m. (or as soon as the annual general meeting of Continental Holdings Limited to be held at the same place and on the same date at 11:00 a.m. shall be concluded or adjourned) for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION

“THAT

- (a) the conditional sale and purchase agreement dated 18 August 2026 (the “**SPA**”) and entered into between Continental Properties Limited (“**Vendor**”) as vendor, Cheer Stay (BVI) Limited as purchaser and the Company as Vendor’s guarantor (copy of the SPA has been produced to the General Meeting marked “A” and initialed by the chairman of the General Meeting for the purpose of identification) in relation to the sale and purchase of the Sale Share and the Sale Debt (both as defined in the circular of the Company dated 30 October 2026 (“**Circular**”)) for the Aggregate Consideration (as defined in the Circular) and the transactions contemplated respectively thereunder be and are hereby approved, ratified and confirmed; and

NOTICE OF GENERAL MEETING

- (b) any one or (if execution under the common seal of the Company (the “**Common Seal**”) is required) any two directors of the Company be and is hereby authorised for and on behalf of the Company to sign and execute, under hand or under the Common Seal (as appropriate), all such agreements, instruments, documents and deeds, and do all other acts and things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in and completion of the SPA, and take such action as he/she may in his/her opinion consider to be necessary, desirable or expedient to implement and give effect to the SPA, and any other transactions contemplated under the SPA, and to agree to such variation, amendment or waiver or matter relating thereto (including any variation, amendment or waiver of such documents or any terms thereof) as is/are in his/her opinion in the interest of the Company and its shareholders as a whole.”

By Order of the Board
Continental Holdings Limited
Chan Wai Lap, Victor
Chairman

Hong Kong, 30 October 2026

Registered office:

Flats M and N, 1/F.

Kaiser Estate, Phase III

11 Hok Yuen Street

Hunghom, Kowloon

Hong Kong

Notes:

- (1) Any member of the Company entitled to attend and vote at the General Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) Where there are joint registered holders of any share of the Company, any one of such persons may vote at the General Meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto; but if more than one of such joint holders be present at the General Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

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- (3) Completion and return of the form of proxy will not preclude a member from attending and voting at the General Meeting or any adjournment thereof if he so wishes. In that event, his form of proxy will be deemed to have been revoked.
- (4) In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be delivered to the Company' share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof.
- (5) For determining the entitlement to attend and vote at the General Meeting, the register of members of the Company will be closed from Wednesday, 11 November 2026 to Monday, 16 November 2026, both dates inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the General Meeting, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712- 1716, 17th Floor, Hopewell Centre, 183 Queen' s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 10 November 2026.

As at the date of this notice, Mr. Chan Wai Lap, Victor, Ms. Cheng Siu Yin, Shirley, Ms. Chan Wai Kei, Vicki, Ms. Chan Mei Kei, Alice and Mr. Wong Edward Gwon-hing are executive Directors of the Company; and Mr. Yu Shiu Tin, Paul, BBS, MBE, JP, Mr. Chan Ping Kuen, Derek, Mr. Sze Irons, GBS, BBS, JP, Mr. Cheung Chi Fai, Frank and Mr. Yam Tat Wing are independent non-executive Directors of the Company.