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

If you have sold or transferred all your shares in Zhenro Services Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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zhenro 正榮服務
Zhenro Services Group Limited
正榮服務集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6958)

**MAJOR AND CONNECTED TRANSACTION
IN RELATION TO
THE 2024 LEASE AGREEMENTS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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



Capitalised terms on this cover page shall have the same meanings as those defined in "Definitions" in this circular.

A letter from the Board is set out on pages 7 to 22 of this circular.

A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 23 to 24 of this circular.

A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 25 to 45 of this circular.

A notice convening the EGM to be held at 2/F, Building 7, Hongqiao Zhenro Center, 666 Shenhong Road, Minhang District, Shanghai, PRC on Wednesday, 28 February 2024 at 3:00 p.m. is set out on pages 53 to 54 of this circular. Shareholders who intend to appoint a proxy to attend and vote at the EGM shall complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

All times and dates specified herein refers to Hong Kong local times and dates.

9 February 2024

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise.

“2024 Fuzhou Mabao Lease Agreement”	the lease management agreement dated 29 December 2023 entered into between Zhenro Minhou Investment and Zhenro Commercial Management (Fuzhou) in relation to the lease of the property known as “Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心)”
“2024 Fuzhou Mawei Lease Agreement”	the lease management agreement dated 29 December 2023 entered into between Zhenro Real Estate (Mawei) and Zhenro Commercial Management (Fuzhou Mawei) in relation to the lease of the property known as “Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心)”
“2024 Lease Agreements”	collectively, the 2024 Fuzhou Mabao Lease Agreement, the 2024 Fuzhou Mawei Lease Agreement, the 2024 Putian Fortune Centre Lease Agreement and the 2024 Putian Street Lease Agreement
“2024 Putian Fortune Centre Lease Agreement”	the lease management agreement dated 29 December 2023 entered into between Zhenro Real Estate (Fujian) and Zhenro Commercial Management (Putian) in relation to the lease of the property known as “Putian Fortune Centre* (莆田財富中心)”
“2024 Putian Street Lease Agreement”	the lease management agreement dated 29 December 2023 entered into between Zhenro Real Estate (Fujian) and Zhenro Commercial Management (Putian) in relation to the lease of the property known as “Putian Zhenro Street* (莆田正榮街)”
“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors

DEFINITIONS

“Company”	Zhenro Services Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 6958)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at 2/F, Building 7, Hongqiao Zhenro Center, 666 Shenhong Road, Minhang District, Shanghai, PRC on Wednesday, 28 February 2024 at 3:00 p.m. for the purpose of considering and, if thought fit, approving the 2024 Lease Agreements and the respective transactions contemplated thereunder
“Enlarged Group”	the Group after completion of the acquisition of Suzhou Xinqirui under the Suzhou Xinqirui Sale and Purchase Agreement
“Existing Lease Agreement (Fuzhou Mabao)”	the lease management agreement dated 16 December 2020 entered into between Zhenro Minhou Investment and Zhenro Commercial Management (Fuzhou) in relation to the lease of the property known as “Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心)”
“Existing Lease Agreement (Fuzhou Mawei)”	the lease management agreement dated 16 December 2020 entered into between Zhenro Real Estate (Mawei) and Zhenro Commercial Management (Fuzhou Mawei) in relation to the lease of the property known as “Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心)”
“Existing Lease Agreement (Putian)”	the lease management agreement dated 10 December 2020 entered into between Zhenro Real Estate (Fujian) and Zhenro Commercial Management (Putian) in relation to the lease of the property known as “Putian Fortune Centre* (莆田財富中心)” (including “Putian Zhenro Street* (莆田正榮街)”)
“Existing Lease Agreements”	collectively, the Existing Lease Agreement (Putian), Existing Lease Agreement (Fuzhou Mabao) and Existing Lease Agreement (Fuzhou Mawei)

DEFINITIONS

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee comprising all the independent non-executive Directors
“Independent Financial Adviser”	Fortune Financial Capital Limited, a corporation licensed to carry on type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the 2024 Lease Agreements and the respective transactions contemplated thereunder
“Independent Shareholders”	the Shareholders who are not required to abstain from voting at the EGM for the resolution in respect of the 2024 Lease Agreements and the respective transactions contemplated thereunder
“independent third party(ies)”	a person, or in the case of a company, the company or its ultimate beneficial owner(s), who is independent of and not connected with the Company and its subsidiaries, and their respective connected persons, ultimate beneficial owner(s) or associates
“Joint Announcement”	the announcement dated 29 December 2023 jointly published by Zhenro Properties and the Company
“Latest Practicable Date”	6 February 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Lessees”	collectively, Zhenro Commercial Management (Fuzhou), Zhenro Commercial Management (Fuzhou Mawei) and Zhenro Commercial Management (Putian)

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules
“Mr. Ou”	Mr. Ou Zongrong
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.002 each
“Shareholder(s)”	holder(s) of the Shares
“SOHO”	small office and home office
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning as ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Warm Shine”	Warm Shine Limited, a company incorporated in the British Virgin Islands with limited liability, which was wholly-owned by Mr. Ou Guowei as at the Latest Practicable Date
“WeiQiang”	WeiQiang Holdings Limited (偉強控股有限公司), a company incorporated in the British Virgin Islands with limited liability, which was wholly-owned by Mr. Ou Guoqiang as at the Latest Practicable Date
“Zero Origin”	Zero Origin Limited, a company incorporated in Hong Kong with limited liability

DEFINITIONS

“Zhenro Commercial Management”	Zhenro Commercial Management Co., Ltd.* (正榮商業管理有限公司), a company established in the PRC with limited liability and is owned as to 99% by the Company and 1% by Zero Origin
“Zhenro Commercial Management (Fuzhou)”	Fuzhou Zhenro Commercial Management Co., Ltd* (福州正榮商業管理有限公司), a company established in the PRC and an indirect non wholly-owned subsidiary of the Company
“Zhenro Commercial Management (Fuzhou Mawei)”	Fuzhou Mawei Zhenro Commercial Management Co., Ltd* (福州市馬尾區正榮商業管理有限公司), a company established in the PRC and an indirect non wholly-owned subsidiary of the Company
“Zhenro Commercial Management (Putian)”	Zhenro (Putian) Commercial Management Co., Ltd* (正榮(莆田)商業管理有限公司), a company established in the PRC and an indirect non wholly-owned subsidiary of the Company
“Zhenro Minhou Investment”	Zhenro (Minhou) Investment Development Co., Ltd* (正榮(閩侯)投資發展有限公司), a company established in the PRC and a wholly-owned subsidiary of Zhenro Properties
“Zhenro Properties”	Zhenro Properties Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 6158)
“Zhenro Properties EGM”	the extraordinary general meeting of Zhenro Properties (or any adjournment thereof) to be convened and held for the purpose of considering and, if thought fit, approving 2024 Lease Agreements and the respective transactions contemplated thereunder
“Zhenro Properties Group”	Zhenro Properties and its subsidiaries
“Zhenro Properties Independent Shareholders”	the shareholders of Zhenro Properties who are not required to abstain from voting at the Zhenro Properties EGM for the resolution in respect of the 2024 Lease Agreements and the respective transactions contemplated thereunder

DEFINITIONS

“Zhenro Property Services”	Zhenro Property Services Co., Ltd.* (正榮物業服務有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Suzhou Xinqirui”	Suzhou Xinqirui E-Commerce Co., Ltd.* (蘇州鑫琪瑞電子商務有限公司), a company established under the laws of the PRC with limited liability
“Suzhou Xinqirui Sale and Purchase Agreement”	the sale and purchase agreement dated 22 December 2023 by and among Zhenro Property Services, Ms. Lin Xia and Ms. Wu Na, with respect to the acquisition of the entire equity interest of Suzhou Xinqirui by Zhenro Property Services
“Zhenro Real Estate (Fujian)”	Zhenro Fortune (Fujian) Real Estate Co., Ltd* (正榮財富(福建)置業有限公司), a company established in the PRC and a wholly-owned subsidiary of Zhenro Properties
“Zhenro Real Estate (Mawei)”	Zhenro (Mawei) Real Estate Development Co., Ltd* (正榮(馬尾)置業發展有限公司), a company established in the PRC and a wholly-owned subsidiary of Zhenro Properties
“%”	per cent

* For identification purposes only

LETTER FROM THE BOARD

Zhenro 正榮服務
Zhenro Services Group Limited
正榮服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6958)

Executive Directors:

Mr. Deng Li (*Chief Executive Officer*)

Mr. Wang Wei

Non-Executive Director:

Mr. Liu Weiliang (*Chairman*)

Independent Non-executive Directors:

Mr. Ma Haiyue

Mr. Au Yeung Po Fung

Mr. Zhang Wei

Registered Office:

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

Principal Place of Business in

Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

9 February 2024

To the Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION
IN RELATION TO
THE 2024 LEASE AGREEMENTS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the Joint Announcement in relation to the 2024 Lease Agreements.

The purpose of this circular is to provide the Shareholders with, among other things, (i) further information on the 2024 Lease Agreements and the transactions contemplated thereunder; (ii) the recommendation of the Independent Board Committee; (iii) the advice from the Independent Financial Adviser; and (iv) a notice convening the EGM.

LETTER FROM THE BOARD

2. THE 2024 LEASE AGREEMENTS

Reference is also made to the joint announcement of the Company and Zhenro Properties dated 19 May 2021 in relation to, among others, the Existing Lease Agreements. As the Existing Lease Agreements were due to expire on 31 December 2023, on 29 December 2023, members of the Zhenro Properties Group (as lessors) and members of the Group (as lessees) entered into the 2024 Lease Agreements in respect of the lease of certain commercial properties for a term of two years ending 31 December 2025.

2.1 2024 Putian Fortune Centre Lease Agreement

Certain principal terms of the 2024 Putian Fortune Centre Lease Agreement are set out below:

Date	:	29 December 2023															
Parties	:	(a) Zhenro Real Estate (Fujian), as lessor (b) Zhenro Commercial Management (Putian), as lessee															
Particulars of the property	:	A property for residential, retail, SOHO and office uses with shopping mall at No. 1688, Liyuan East Road, Zhenhai Street, Licheng District, Putian City* (莆田市荔城區鎮海街道荔園東路1688號), which is known as “Putian Fortune Centre* (莆田財富中心)”															
Term of the lease	:	The two years ending to 31 December 2025															
Total site area	:	218,649.03 square meters															
Annual rent	:	<table><thead><tr><th></th><th colspan="2">For the year ending</th></tr><tr><th></th><th colspan="2">31 December</th></tr><tr><th></th><th>2024</th><th>2025</th></tr><tr><th></th><th colspan="2"><i>(RMB)</i></th></tr></thead><tbody><tr><td>Annual rent</td><td>39,357,439.91</td><td>40,538,163.11</td></tr></tbody></table>		For the year ending			31 December			2024	2025		<i>(RMB)</i>		Annual rent	39,357,439.91	40,538,163.11
	For the year ending																
	31 December																
	2024	2025															
	<i>(RMB)</i>																
Annual rent	39,357,439.91	40,538,163.11															

The annual rent under the 2024 Putian Fortune Centre Lease Agreement payable by the lessee to the lessor was determined after arm’s length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

LETTER FROM THE BOARD

After a professional urban market research on the prognosis of the commercial development of Putian, combined with the current rents under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Putian) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of “Putian Fortune Centre* (莆田财富中心)” is determined to be RMB39,357,439.91 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

Historical transaction amounts	:	For the year ended 31 December		
		2021	2022	2023
			<i>(RMB)</i>	
Annual rent		35,698,357	37,483,275	39,357,439

The historical amount for each year was the relevant portion of annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Putian) in respect of “Putian Fortune Centre* (莆田财富中心)”.

Payment terms : The rent payable under the 2024 Putian Fortune Centre Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Conditions precedent : The 2024 Putian Fortune Centre Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Fortune Centre Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and
- (b) the Company having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Fortune Centre Lease Agreement, including but not limited to obtaining approval from the Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

LETTER FROM THE BOARD

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Putian Fortune Centre Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Putian Fortune Centre Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

Further assurance : Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Putian Fortune Centre Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and the Company will be in compliance with the Listing Rules in respect of the 2024 Putian Fortune Centre Lease Agreement and the transactions contemplated thereunder.

2.2 2024 Putian Street Lease Agreement

Certain principal terms of the 2024 Putian Street Lease Agreement are set out below:

Date	:	29 December 2023															
Parties	:	(a) Zhenro Real Estate (Fujian), as lessor (b) Zhenro Commercial Management (Putian), as lessee															
Particulars of the property	:	A shopping street adjacent to “Putian Fortune Centre* (莆田財富中心)” at South Zone, No. 1688, Liyuan East Road, Zhenhai Street, Licheng District, Putian City* (莆田市荔城區鎮海街道荔園東路1688號南區), which is known as “Putian Zhenro Street* (莆田正榮街)”															
Term of the lease	:	The two years ending 31 December 2025															
Total site area	:	32,115.8 square meters															
Annual rent	:	<table><thead><tr><th></th><th colspan="2">For the year ending</th></tr><tr><th></th><th>31 December</th><th></th></tr><tr><th></th><th>2024</th><th>2025</th></tr><tr><th></th><th colspan="2"><i>(RMB)</i></th></tr></thead><tbody><tr><td>Annual rent</td><td>10,779,298.84</td><td>11,102,677.80</td></tr></tbody></table>		For the year ending			31 December			2024	2025		<i>(RMB)</i>		Annual rent	10,779,298.84	11,102,677.80
	For the year ending																
	31 December																
	2024	2025															
	<i>(RMB)</i>																
Annual rent	10,779,298.84	11,102,677.80															

LETTER FROM THE BOARD

The annual rent under the 2024 Putian Street Lease Agreement payable by the lessee to the lessor was determined after arm's length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

After a professional urban market research on the prognosis of the commercial development of Putian, combined with the current rents under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Putian) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of "Putian Zhenro Street* (莆田正榮街)" is determined to be RMB10,779,298.84 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

Historical transaction amounts	:	For the year ended 31 December			
		2021	2022	2023	
			<i>(RMB)</i>		
		Annual rent	9,777,143	10,266,000	10,779,300

The historical amount for each year was the relevant portion of annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Putian) in respect of "Putian Zhenro Street* (莆田正榮街)".

Payment terms : The rent payable under the 2024 Putian Street Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Conditions precedent : The 2024 Putian Street Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Street Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and

LETTER FROM THE BOARD

- (b) the Company having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Street Lease Agreement, including but not limited to obtaining approval from the Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Putian Street Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Putian Street Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

Further assurance : Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Putian Street Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and the Company will be in compliance with the Listing Rules in respect of the 2024 Putian Street Lease Agreement and the transactions contemplated thereunder.

2.3 2024 Fuzhou Mabao Lease Agreement

Certain principal terms of the 2024 Fuzhou Mabao Lease Agreement are set out below:

Date : 29 December 2023

Parties : (a) Zhenro Minhou Investment, as lessor
(b) Zhenro Commercial Management (Fuzhou), as lessee

Particulars of the property : No. 18, Xinbao Road, Mabao Village, Shangjie Town, Minhou County, Fuzhou City* (福州市閩侯縣上街鎮馬保村新保路18號), which is a property for residential, retail, SOHO and office uses with shopping mall known as “Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心)”

LETTER FROM THE BOARD

Term of the lease	:	The two years ending 31 December 2025		
Total site area	:	57,360.29 square meters		
Annual rent	:	For the year ending 31 December		
		2024	2025	
		<i>(RMB)</i>		
		Annual rent	18,499,950	19,054,949

The annual rent under the 2024 Fuzhou Mabao Lease Agreement was determined after arm's length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

After a professional urban market research on the prognosis of the commercial development of Fuzhou, combined with the current rents under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Fuzhou) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心) is determined to be RMB18,499,950 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

Historical transaction amounts	:	For the year ended 31 December		
		2021	2022	2023
		<i>(RMB)</i>		
		Annual rent	16,780,000	17,619,000
				18,499,950

The historical amount for each year was the annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Fuzhou Mabao).

LETTER FROM THE BOARD

Payment terms : The rent payable under the 2024 Fuzhou Mabao Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Conditions precedent : The 2024 Fuzhou Mabao Lease Agreement shall be conditional upon:

(a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mabao Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and

(b) the Company having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mabao Lease Agreement, including but not limited to obtaining approval from the Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Fuzhou Mabao Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Fuzhou Mabao Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

Further assurance : Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Fuzhou Mabao Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and the Company will be in compliance with the Listing Rules in respect of the 2024 Fuzhou Mabao Lease Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

2.4 2024 Fuzhou Mawei Lease Agreement

Certain principal terms of the 2024 Fuzhou Mawei Lease Agreement are set out below:

Date	:	29 December 2023															
Parties	:	(a) Zhenro Real Estate (Mawei), as lessor (b) Zhenro Commercial Management (Fuzhou Mawei), as lessee															
Particulars of the property	:	Zhenro Fortune Centre, No.168 Shangqi Road, Luoxing Street, Mawei District, Fuzhou* (福州市馬尾區羅星街道上岐路168號正榮財富中心), which is a property for residential and retail uses with shopping mall known as “Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心)”															
Term of the lease	:	The two years ending 31 December 2025															
Total site area	:	19,738.41 square meters															
Annual rent	:	<table><thead><tr><th></th><th colspan="2">For the year ending</th></tr><tr><th></th><th colspan="2">31 December</th></tr><tr><th></th><th>2024</th><th>2025</th></tr><tr><th></th><th colspan="2"><i>(RMB)</i></th></tr></thead><tbody><tr><td>Annual rent</td><td>1,212,750</td><td>1,249,132.5</td></tr></tbody></table>		For the year ending			31 December			2024	2025		<i>(RMB)</i>		Annual rent	1,212,750	1,249,132.5
	For the year ending																
	31 December																
	2024	2025															
	<i>(RMB)</i>																
Annual rent	1,212,750	1,249,132.5															

The annual rent under the 2024 Fuzhou Mawei Lease Agreement was determined after arm’s length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

After a professional urban market research on the prognosis of the commercial development of Fuzhou, combined with the current rents under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Fuzhou Mawei) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心) is determined to be RMB1,212,750 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

LETTER FROM THE BOARD

Historical transaction amounts	:	For the year ended 31 December		
		2021	2022	2023

(RMB)

Historical annual rent		1,100,000	1,155,000	1,212,750
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The historical amount for each year was the annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Fuzhou Mawei).

Payment terms : The rent payable under the 2024 Fuzhou Mawei Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Condition precedent : The 2024 Fuzhou Mawei Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mawei Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and
- (b) the Company having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mawei Lease Agreement, including but not limited to obtaining approval from the Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Fuzhou Mawei Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Fuzhou Mawei Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

LETTER FROM THE BOARD

Further assurance : Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Fuzhou Mawei Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and the Company will be in compliance with the Listing Rules in respect of the 2024 Fuzhou Mawei Lease Agreement and the transactions contemplated thereunder.

In light of the requirements under Rule 14A.36 of the Listing Rules, prior to entering into any renewal of the 2024 Lease Agreements or other potential transactions between the Group and any connected person(s) of the Company, the finance department of the Company and relevant personnel of the Company will assess the relevant Listing Rules implications and seek professional advice as appropriate, with a view to ensuring that the connected transactions of the Company will only take effect after shareholders' approval (where required under Chapter 14A of the Listing Rules) has been obtained.

3. FINANCIAL EFFECTS OF ENTERING INTO THE 2024 LEASE AGREEMENTS

Subject to fulfillment of the conditions precedent to the 2024 Lease Agreements, the unaudited value of the right-of-use asset to be recognised in accordance with HKFRS 16 by the Group under the 2024 Lease Agreements amounted to approximately RMB134 million, which is calculated with reference to the present value of the aggregate rents payable under the 2024 Lease Agreements discounted using incremental borrowing rate of approximately 4.8%.

The unaudited right-of-use asset to be recognised under each of the 2024 Lease Agreements is as follows:

	<i>RMB (million)</i>
2024 Putian Fortune Centre Lease Agreement	75
2024 Putian Street Lease Agreement	21
2024 Fuzhou Mabao Lease Agreement	36
2024 Fuzhou Mawei Lease Agreement	2
Total	134

Subject to fulfillment of the conditions precedent to the 2024 Lease Agreements, based on the 2024 Lease Agreements, the consolidated total assets of the Group will increase by approximately RMB134 million, and a corresponding amount of lease liabilities of approximately RMB134 million will be recognised at the same time in the consolidated statement of financial position.

Based on the 2024 Lease Agreements, the right-of-use assets will be depreciated on a straight line basis over the lease term with the annual depreciation charge amounting to approximately RMB67 million which will be charged to the consolidated statement of profit or loss and other comprehensive income. Interest expenses on the lease liabilities will be recognised at the rate of approximately 4.8% per annum on the carrying amount of the lease liabilities.

LETTER FROM THE BOARD

4. REASONS FOR AND BENEFITS OF THE 2024 LEASE AGREEMENTS

The three projects for which the Group intends to continue upon the expiry of the Existing Lease Agreements are Putian Fortune Center* (莆田財富中心) (including Putian Zhenro Street* (莆田正榮街)), Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心) and Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心). Since the Group's acquisition of Zhenro Commercial Management in 2021, it has engaged in the provision of commercial operational management services to tenants and customers, including without limitation, sublease services in respect of the said properties. The revenue generated by the Group from the sublease services in respect of the said properties for the three years ended 31 December 2023 was able to cover the rent paid by the Group to Zhenro Properties under the Existing Lease Agreements for the relevant period. The entering into of the 2024 Lease Agreements will enable the Company to continue to provide sublease services in its ordinary course of business without disruption to the existing sub-lease arrangements, which will expand the revenue base of the Group.

The Board (including the independent non-executive Directors after taking into consideration the advice of the Independent Financial Adviser) is of the view that the terms of the 2024 Lease Agreements and the respective transactions contemplated thereunder (including the annual rent) are fair and reasonable, in the ordinary and usual course of business of the Group, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

Mr. Liu Weiliang is a non-executive Directors of the Company and an executive director of Zhenro Properties. As a good corporate governance practice, Mr. Liu Weiliang had abstained from voting on the relevant resolutions of the Board approving the 2024 Lease Agreements.

Save for the aforesaid, none of the other Directors had or may be regarded as having a material interest in the 2024 Lease Agreements and the respective transactions contemplated thereunder, and therefore none of the other Directors had abstained from voting on the relevant resolutions of the Board.

5. INFORMATION ON THE PARTIES

5.1 The Group

The Company is an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the provision of property management services, value-added services to non-property owners, community value-added services and commercial property management services. Mr. Ou Guoqiang and Mr. Ou Guowei, each being a son of Mr. Ou, through their respective investment companies, owned an aggregate of approximately 44.43% of the issued shares of the Company as at the Latest Practicable Date.

LETTER FROM THE BOARD

Each of the Lessees is a company established in the PRC with limited liability and wholly-owned by Zhenro Commercial Management, which is in turn owned as to 99% by the Company and 1% by Zero Origin Limited. To the best of the knowledge, information and belief of the Board, and having made all reasonable enquiries, (i) Zero Origin is principally engaged in investment holding and is ultimately beneficially owned by Mr. Liu Pingshan, Mr. Wang Zhiming and other individuals or entities (each holding not more than 10% equity interests in Zero Origin); (ii) Mr. Liu Pingshan and Mr. Wang Zhiming are controlling shareholders of Shan Tian Investment Company Limited, which in turn owned approximately 24.4% of the issued share capital of the Company as at the Latest Practicable Date; and (iii) Zero Origin and its ultimate beneficial owners are independent third parties of Zhenro Properties.

Each of the Lessees is principally engaged in commercial operational management and property consultancy services in the PRC.

5.2 Zhenro Properties Group

Zhenro Properties is an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange. Zhenro Properties is an investing holding company. Zhenro Properties Group is principally engaged in property development and property leasing. The ultimate controlling shareholder of Zhenro Properties is Mr. Ou.

Each of Zhenro Real Estate (Fujian), Zhenro Real Estate (Mawei) and Zhenro Minhou Investment is a company established in the PRC with limited liability and a wholly-owned subsidiary of Zhenro Properties, and is principally engaged in real estate development and sales.

LETTER FROM THE BOARD

6. LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, subject to fulfillment of the conditions precedent to the 2024 Lease Agreements, entering into the 2024 Lease Agreements as a lessee will require the Group to recognise the right-of-use of the properties under the 2024 Lease Agreements as the right-of-use assets of an estimated aggregate value of approximately RMB134 million on its consolidated statement of financial position. Accordingly, entering into the 2024 Lease Agreements and the transactions contemplated thereunder will be regarded as an acquisition of assets by the Group under the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the acquisition of right-of-use assets to be recognized by the Group under the 2024 Lease Agreements exceeds 25% but is less than 100%, the 2024 Lease Agreements and the transactions contemplated thereunder constitute a major transaction for the Company and is subject to the reporting, announcement, circular, and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Zhenro Properties and the Company were indirectly owned as to approximately 45.73% by Mr. Ou and approximately 44.43% by Mr. Ou's family members. Members of Zhenro Properties Group are therefore connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2024 Lease Agreements constitute connected transactions for the Company under Chapter 14A of the Listing Rules, which are subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

7. GENERAL

The Company has established the Independent Board Committee comprising all three independent non-executive Directors to advise the Independent Shareholders as to whether the terms of each of the 2024 Lease Agreements and the transactions contemplated thereunder are fair and reasonable, and whether the respective transactions contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole, and to advise the Independent Shareholders on how to vote at the EGM, after taking into account the recommendations of the Independent Financial Adviser.

Fortune Financial Capital Limited has been appointed as the Independent Financial Adviser by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

LETTER FROM THE BOARD

8. EGM

The Company will convene and hold the EGM for the Independent Shareholders to consider and, if thought fit, to approve the 2024 Lease Agreements and the transactions contemplated thereunder. A notice of the EGM is set out on pages 53 to 54 of this circular. In accordance with the requirements of the Listing Rules, all votes to be taken at the EGM will be by way of poll. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the EGM is enclosed herewith. Shareholders who intend appoint a proxy to attend and vote the EGM shall complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meeting thereof should the Shareholders so wish and in such event, the form of proxy shall be deemed to be revoked.

To the best of the knowledge, information and belief of the Board, and having made all reasonable enquiries, Mr. Ou's family members and their respective associates (including WeiQiang and Warm Shine, who in aggregate held 460,919,832 Shares, representing approximately 44.43% of the issued share capital of the Company, as at the Latest Practicable Date) will be required to abstain from voting on the resolution approving each of the 2024 Lease Agreements and the transactions contemplated thereunder at the EGM. Save as disclosed above, to the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, as at the Latest Practicable Date, no other Shareholders had a material interest in the 2024 Lease Agreements and therefore no other Shareholder will be required to abstain from voting on the resolution(s) approving the 2024 Lease Agreements and the transactions contemplated thereunder at the EGM.

9. RECOMMENDATION

The Board (including the independent non-executive Directors after taking into consideration the advice of the Independent Financial Adviser) is of the view that, the terms of the 2024 Lease Agreements and the respective transactions contemplated thereunder (including the annual rent) are fair and reasonable, in the ordinary and usual course of business of the Group, on normal commercial terms and in the interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to each of the 2024 Lease Agreements and the respective transactions contemplated thereunder at the EGM.

LETTER FROM THE BOARD

10. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 23 to 24 of this circular, the letter from the Independent Financial Adviser as set out on pages 25 to 52 of this circular, and the additional information set out in the appendices to this circular.

Yours faithfully,
By order of the Board
Zhenro Services Group Limited
Mr. Liu Weiliang
Chairman of the Board

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendation from the Independent Board Committee, prepared for the purpose of inclusion in this circular from the Independent Board Committee to the Independent Shareholders regarding the 2024 Lease Agreements.

ZHENRO 正榮服務
Zhenro Services Group Limited
正榮服務集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6958)

9 February 2024

To the Independent Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION
IN RELATION TO
THE 2024 LEASE AGREEMENTS**

We refer to the circular dated 9 February 2024 (the “**Circular**”) issued by the Company to the Shareholders of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the Circular.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to whether the terms of each of the 2024 Lease Agreements and the transactions contemplated thereunder are fair and reasonable, and whether the respective transactions contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote at the EGM, after taking into account the recommendations of the Independent Financial Adviser.

Fortune Financial Capital Limited has been appointed by the Board as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the 2024 Lease Agreements and the transactions contemplated thereunder. Details of the advice from the Independent Financial Adviser, together with the reasons for its opinion, the key assumptions made and the principal factors taken into consideration in arriving at such advice, are set out in its letter on pages 25 to 45 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 7 to 22 of the Circular and the additional information set out in the appendices to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the information as set out in the letter from the Board, the terms of the 2024 Lease Agreements and the respective transactions contemplated thereunder, the factors and reasons considered by, and the opinion of the Independent Financial Adviser as set out in its letter of advice, we are of the view that the terms of each of the 2024 Lease Agreements and the transactions contemplated thereunder are fair and reasonable, and the respective transactions contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to each of the 2024 Lease Agreements and the respective transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully

For and on behalf of the Independent Board Committee of

Zhenro Services Group Limited

Mr. Ma Haiyue

Independent non-executive

Director

Mr. Au Yeung Po Fung

Independent non-executive

Director

Mr. Zhang Wei

Independent non-executive

Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter received from Fortune Financial Capital Limited, the Independent Financial Adviser, for the purpose of inclusion in this circular, to the Independent Board Committee and the Independent Shareholders prepared regarding the 2024 Lease Agreements.

4102-06, 41/F, COSCO Tower
183 Queen's Road Central
Hong Kong



9 February 2024

To the Independent Board Committee and the Independent Shareholders

Zhenro Services Group Limited
40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

Dear Sir/Madam,

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE 2024 LEASE AGREEMENTS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2024 Lease Agreements and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter From the Board**”) contained in the circular of the Company to the Shareholders dated 9 February 2024 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless otherwise defined or the context requires otherwise.

On 29 December 2023, members of the Zhenro Properties Group (as lessors) and members of the Group (as lessees) entered into the 2024 Lease Agreements in respect of the lease of certain commercial properties for a term of two years ending 31 December 2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, subject to fulfillment of the conditions precedent to the 2024 Lease Agreements, entering into the 2024 Lease Agreements as a lessee will require the Group to recognise the right-of-use of the properties under the 2024 Lease Agreements (the “**Properties**”) as the right-of-use assets of an estimated aggregate value of approximately RMB134 million on its consolidated statement of financial position. Accordingly, entering into the 2024 Lease Agreements and the transactions contemplated thereunder will be regarded as acquisition of assets by the Group under the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the acquisition of right-of-use assets to be recognized by the Group under the 2024 Lease Agreements exceeds 25% but is less than 100%, the 2024 Lease Agreements and the transactions contemplated thereunder constitute a major transaction for the Company and is subject to the reporting, announcement, circular, and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Zhenro Properties and the Company were indirectly owned as to approximately 45.73% by Mr. Ou and approximately 44.43% by Mr. Ou’s family members. Members of Zhenro Properties Group are therefore connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2024 Lease Agreements constitute connected transactions for the Company under Chapter 14A of the Listing Rules and are subject to the reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising Mr. Ma Haiyue, Mr. Au Yeung Po Fung and Mr. Zhang Wei, being all of the independent non-executive Directors, has been formed to advise the Independent Shareholders on (i) whether the terms of each of the 2024 Lease Agreements are on normal commercial terms and are fair and reasonable; (ii) whether the respective transactions contemplated thereunder are in the ordinary and usual course of the business of the Group and in the interests of the Company and its Shareholders as a whole; and (iii) how the Independent Shareholders should vote at the EGM, after taking into account our recommendations.

We, Fortune Financial Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect. Our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in the same respect has been approved by the Independent Board Committee pursuant to the Rule 13.84 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

OUR INDEPENDENCE

We were engaged by the Company as the independent financial adviser for the Renewal of Continuing Connected Transactions, the circular of which was published on 30 December 2022 (the “**Previous Engagement**”). Save for the Previous Engagement, we have not acted in the capacity as financial adviser or as an independent financial adviser or in any other capacity to the Company during the two years immediately prior to this letter. As at the Latest Practicable Date, we do not have any relationship with, or interest in, the Group, the Zhenro Properties Group or other parties that could reasonably be regarded as relevant to our independence. Apart from the normal independent financial advisory fee paid or payable to us in connection with this appointment as the Independent Financial Adviser, no other arrangements exist whereby we had received or will receive any fees or benefits from the Group, the Zhenro Properties Group or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider ourselves independent pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

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

- (i) the 2024 Lease Agreements;
- (ii) the fair rent opinion on the properties under the 2024 Lease Agreements (the “**Opinion Letter**”), prepared by China Faith Appraisers Co., Ltd. (the “**Valuer**”);
- (iii) the Company’s annual report for FY2022;
- (iv) the Company’s interim report for the six months ended 30 June 2023; and
- (v) other information as set out in the Circular.

We have relied on the statements, information, opinions, beliefs and representations contained in the Circular and the information and representations provided to us by the Group, the Directors and/or the management of the Group (the “**Management**”). We have reviewed, inter alia, the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Company and the Directors. We have assumed that (i) all statements, information and representations provided by the Directors and the management of the Group; and (ii) the information referred to in the Circular, for which they are solely responsible, were true and accurate at the time when they were provided and continued to be so as at the Latest Practicable Date and the Shareholders will be notified of any material changes to such information and representations before the EGM. We have also assumed that all statements of belief, opinion, intention and expectation made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the representation and opinions expressed by the Company, its advisers and/or the Directors. We have also sought and received confirmation from the Company that no material facts have been omitted from the information provided and the opinions expressed to us or there is undisclosed private agreement/arrangement or implied understanding with anyone concerning the Major and Connected Transactions. We consider that we have been provided with sufficient information and taken sufficient and necessary steps to reach an informed view and to provide a reasonable basis for our opinion in compliance with Rule 13.80 of the Listing Rules. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the management of the Group nor have we conducted any form of in-depth investigation into the business and affairs or the prospects of the Group, the Zhenro Properties Group, or their respective subsidiaries or associates (if applicable). We have also not considered the taxation implication on the Group or the Shareholders as a result of the Major and Connected Transactions.

We have not made any independent evaluation or appraisal of the Properties, and we have not been furnished with any such evaluation or appraisal, save as and except for the Opinion Letter. Since we are not experts in the valuation of land and property, we have relied upon the Opinion Letter for the market rent of the Properties.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection for their consideration of the terms of the 2024 Lease Agreements and the Major and Connected Transactions, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the 2024 Lease Agreements and the Major and Connected Transaction, we have taken into consideration the following principal factors and reasons:

1. Background information of the Group

As disclosed in the Letter from the Board, the Group is an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the provision of property management services, value-added services to non-property owners, community value-added services and commercial property management services. Mr. Ou Guoqiang and Mr. Ou Guowei, each being a son of Mr. Ou, through their respective investment companies, own an aggregate of approximately 44.43% of the issued shares of Zhenro Services as at the Latest Practicable Date.

Each of the Lessees is a company established in the PRC with limited liability and wholly owned by Zhenro Commercial Management, which is in turn owned as to 99% by Zhenro Services and 1% by Zero Origin Limited. To the best of the knowledge, information and belief of the Board, and having made all reasonable enquiries, (i) Zero Origin is principally engaged in investment holding and is ultimately beneficially owned by Mr. Liu Pingshan, Mr. Wang Zhiming and other individuals or entities (each holding not more than 10% equity interests in Zero Origin); (ii) Mr. Liu Pingshan and Mr. Wang Zhiming are controlling shareholders of Shan Tian Investment Company Limited, which in turn owns 24.4% of the issued share capital of Zhenro Services; and (iii) Zero Origin and its ultimate beneficial owners are independent third parties of Zhenro Properties.

Each of the Lessees is principally engaged in commercial operational management and property consultancy services in the PRC.

2. Background information of Zhenro Properties Group

As disclosed in the Letter from the Board, Zhenro Properties is an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange. Zhenro Properties is an investing holding company. Zhenro Properties Group is principally engaged in property development and property leasing. The ultimate controlling shareholder of Zhenro Properties is Mr. Ou.

Each of Zhenro Real Estate (Fujian), Zhenro Real Estate (Mawei) and Zhenro Minhou Investment is a company established in the PRC with limited liability and a wholly-owned subsidiary of Zhenro Properties, and is principally engaged in real estate development and sales.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Reasons for and benefits of entering into the 2024 Lease Agreements

As stated in the Letter from the Board, the three projects for which the Group intends to continue upon the expiry of the Existing Lease Agreements are Putian Fortune Center* (莆田財富中心) (including Putian Zhenro Street* (莆田正榮街)), Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心) and Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心). Since the Group's acquisition of Zhenro Commercial Management in 2021, it has engaged in the provision of commercial operational management services to tenants and customers, including without limitation, sublease services in respect of the said properties. The revenue generated by the Group from the sublease services in respect of the said properties for the three years ended 31 December 2023 was able to cover the rent paid by the Group to Zhenro Properties under the Existing Lease Agreements for the relevant period. The entering into of the 2024 Lease Agreements will enable Zhenro Services to continue to provide sublease services in its ordinary course of business without disruption to the existing sub-lease arrangements, which will expand the revenue base of the Group.

The Board (including the independent non-executive directors of Zhenro Services who will express their opinion after taking into consideration the advice of the Independent Financial Adviser) is of the view that the terms of the 2024 Lease Agreements and the transactions contemplated thereunder (including the annual rent) are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Mr. Liu Weiliang is an executive director of Zhenro Properties and a non-executive director of Zhenro Services. As a good corporate governance practice, Mr. Liu Weiliang had abstained from voting on the relevant resolutions of the Board approving the 2024 Lease Agreements.

Save for the aforesaid, none of the other Directors had or may be regarded as having a material interest in the 2024 Lease Agreements and the respective transactions contemplated thereunder, and therefore none of the other Directors had abstained from voting on the relevant resolutions of the Board.

Having considered that (i) the Group is principally engaged in provision of property management service; (ii) the existing transactions will be recurring in nature and similar transactions contemplated thereunder have been taking place in the past years in the ordinary and usual course of business of the Group; and (iii) the 2024 Lease Agreements can generate stable rental income for the Group and continuation of the lease agreements will maintain the Group's sublease business, we are of the view that the entering into of the 2024 Lease Agreements is in the ordinary and usual course of the business of the Group and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

4. Principal terms of the 2024 Lease Agreements

Summarised below are the principal terms for the 2024 Lease Agreements, details of which are set out in the Letter from the Board:

(i) 2024 Putian Fortune Centre Lease Agreements

Date	29 December 2023		
Parties	(a) Zhenro Real Estate (Fujian), as lessor		
	(b) Zhenro Commercial Management (Putian), as lessee		
Particulars of the property	A property for residential, retail, SOHO and office uses with shopping mall at No. 1688, Liyuan East Road, Zhenhai Street, Licheng District, Putian City* (莆田市荔城區鎮海街道荔園東路1688號), which is known as “Putian Fortune Centre* (莆田財富中心)”		
Term of the lease	The two years ending 31 December 2025		
Total site area	218,649.03 square meters		
Annual rent	For the year ending 31 December		
	2024	2025	
	<i>RMB</i>	<i>RMB</i>	
Annual rent	39,357,439.91	40,538,163.11	

The annual rent under the 2024 Putian Fortune Centre Lease Agreement payable by the lessee to the lessor was determined after arm’s length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

After a professional urban market research on the prognosis of the commercial development of Putian, combined with the current rent under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Putian) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of “Putian Fortune Centre* (莆田財富中心)” is determined to be RMB39,357,439.91 for 2024. The annual rent for the years ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Historical transaction amounts	For the year ended 31 December		
	2021	2022	2023

(RMB)

Annual rent	35,698,357	37,483,275	39,357,439
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The historical amount for each year was the relevant portion of annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Putian) in respect of “Putian Fortune Centre* (莆田财富中心)”.

Payment terms

The rent payable under the 2024 Putian Fortune Centre Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Conditions precedent

The 2024 Putian Fortune Centre Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Fortune Centre Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and
- (b) Zhenro Services having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Fortune Centre Lease Agreement, including but not limited to obtaining approval from the Zhenro Services Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Putian Fortune Centre Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Putian Fortune Centre Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Further assurance Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Putian Fortune Centre Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and Zhenro Services will be in compliance with the Listing Rules in respect of the 2024 Putian Fortune Centre Lease Agreement and the transactions contemplated thereunder.

(ii) 2024 Putian Street Lease Agreement

Date 29 December 2023

Parties (a) Zhenro Real Estate (Fujian), as lessor
(b) Zhenro Commercial Management (Putian), as lessee

Particulars of the property A shopping street adjacent to “Putian Fortune Centre* (莆田財富中心)” at South Zone, No. 1688, Liyuan East Road, Zhenhai Street, Licheng District, Putian City* (莆田市荔城區鎮海街道荔園東路1688號南區), which is known as “Putian Zhenro Street* (莆田正榮街)”

Term of the lease The two years ending 31 December 2025

Total site area 32,115.8 square meters

Annual rent	For the year ending 31 December	
	2024	2025
	<i>(RMB)</i>	
Annual rent	10,779,298.84	11,102,677.80

The annual rent under the 2024 Putian Street Lease Agreement payable by the lessee to the lessor was determined after arm’s length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

After a professional urban market research on the prognosis of the commercial development of Putian, combined with the current rent under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by the Zhenro Commercial Management (Putian) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of “Putian Zhenro Street* (莆田正榮街)” is determined to be RMB10,779,298.84 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

Historical transaction amounts	For the year ended 31 December		
	2021	2022	2023
			(RMB)
Annual rent	9,777,143	10,266,000	10,779,300

The historical amount for each year was the relevant portion of annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Putian) in respect of “Putian Zhenro Street* (莆田正榮街)”.

Payment terms The rent payable under the 2024 Putian Street Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Conditions precedent The 2024 Putian Street Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Street Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and
- (b) Zhenro Services having fulfilled its obligations under the Listing Rules in respect of the 2024 Putian Street Lease Agreement, including but not limited to obtaining approval from the Zhenro Services Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Putian Street Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Putian Street Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

Further assurance

Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Putian Street Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and Zhenro Services will be in compliance with the Listing Rules in respect of the 2024 Putian Street Lease Agreement and the transactions contemplated thereunder.

(iii) 2024 Fuzhou Mabao Lease Agreement

Date	29 December 2023
Parties	(a) Zhenro Minhou Investment, as lessor (b) Zhenro Commercial Management (Fuzhou), as lessee
Particulars of the property	No. 18, Xinbao Road, Mabao Village, Shangjie Town, Minhou County, Fuzhou City* (福州市閩侯縣上街鎮馬保村新保路18號), which is a property for residential, retail, SOHO and office uses with shopping mall known as “Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心)”
Term of the lease	The two years ending 31 December 2025
Total site area	57,360.29 square meters

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Annual rent	For the year ending 31 December	
	2024	2025
	<i>(RMB)</i>	

Annual rent	18,499,950	19,054,949
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The annual rent under the 2024 Fuzhou Mabao Lease Agreement was determined after arm's length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

After a professional urban market research on the prognosis of the commercial development of Fuzhou, combined with the current rent under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Fuzhou) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of Fuzhou Mabao Zhenro Fortune Centre* (福州馬保正榮財富中心) is determined to be RMB18,499,950 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

Historical transaction amounts	For the year ended 31 December		
	2021	2022	2023
	<i>(RMB)</i>		

Annual rent	16,780,000	17,619,000	18,499,950
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The historical amount for each year was the annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Fuzhou Mabao).

Payment terms	
	The rent payable under the 2024 Fuzhou Mabao Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Conditions precedent The 2024 Fuzhou Mabao Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mabao Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and
- (b) Zhenro Services having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mabao Lease Agreement, including but not limited to obtaining approval from the Zhenro Services Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Fuzhou Mabao Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Fuzhou Mabao Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

Further assurance Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Fuzhou Mabao Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and Zhenro Services will be in compliance with the Listing Rules in respect of the 2024 Fuzhou Mabao Lease Agreement and the transactions contemplated thereunder.

(iv) 2024 Fuzhou Mawei Lease Agreement

Date 29 December 2023

Parties

- (a) Zhenro Real Estate (Mawei), as lessor
- (b) Zhenro Commercial Management (Fuzhou Mawei), as lessee

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Particulars of the property Zhenro Fortune Centre, No. 168 Shangqi Road, Luoxing Street, Mawei District, Fuzhou* (福州市馬尾區羅星街道上岐路168號正榮財富中心), which is a property for residential and retail uses with shopping mall known as “Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心)”

Term of the lease The two years ending 31 December 2025

Total site area 19,738.41 square meters

Annual rent **For the year ending 31 December**
2024 **2025**
(RMB)

Annual rent 1,212,750 1,249,132.5

The annual rent under the 2024 Fuzhou Mawei Lease Agreement was determined after arm’s length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the property.

After a professional urban market research on the prognosis of the commercial development of Fuzhou, combined with the current rent under the lease contracts of all tenants of the property and the cost incurred in commercial operational management, a sublease model is adopted by Zhenro Commercial Management (Fuzhou Mawei) for the commercial operational management of the property developed by Zhenro Properties, and the rental cost of Fuzhou Mawei Zhenro Fortune Centre* (福州馬尾正榮財富中心) is determined to be RMB1,212,750 for 2024. The annual rent for the year ending 31 December 2025 represents an increment of 3% from the annual rent of the year ending 31 December 2024.

Historical transaction amounts **For the year ended 31 December**
2021 **2022** **2023**
(RMB)

Annual rent 1,100,000 1,155,000 1,212,750

The historical amount for each year was the annual rent paid by the lessee to the lessor under the Existing Lease Agreement (Fuzhou Mawei).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Payment terms The rent payable under the 2024 Fuzhou Mawei Lease Agreement shall be payable by the lessee to the lessor in equal sum, representing 50% of the annual rent, in arrears on a bi-annual basis. The first rental payment will be made on or before 31 July 2024.

Conditions precedent The 2024 Fuzhou Mawei Lease Agreement shall be conditional upon:

- (a) Zhenro Properties having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mawei Lease Agreement, including but not limited to obtaining approval from the Zhenro Properties Independent Shareholders; and
- (b) Zhenro Services having fulfilled its obligations under the Listing Rules in respect of the 2024 Fuzhou Mawei Lease Agreement, including but not limited to obtaining approval from the Zhenro Services Independent Shareholders.

Each of the parties shall use its best endeavours to procure the fulfilment of the conditions above. None of the conditions above may be waived by the parties.

In the event that any of the conditions above are not fulfilled by 31 March 2024 (or such later date as the parties may agree in writing), all rights, obligations and liabilities of the parties to the 2024 Fuzhou Mawei Lease Agreement shall cease and terminate and neither party shall have any claim against the other in respect of the 2024 Fuzhou Mawei Lease Agreement save for any antecedent breach and/or any rights or obligations which may have accrued thereunder prior to such termination.

Further assurance Each party shall from time to time upon the request of the other party execute any additional documents and do any other acts or things (including without limitation, making amendments to and/or suspending the term of the 2024 Fuzhou Mawei Lease Agreement) which may reasonably be required to ensure that each of Zhenro Properties and Zhenro Services will be in compliance with the Listing Rules in respect of the 2024 Fuzhou Mawei Lease Agreement and the transactions contemplated thereunder.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In light of the requirements under Rule 14A.36 of the Listing Rules, prior to entering into any renewal of the 2024 Lease Agreements or other potential transactions between the Group and any connected person(s) of the Company, the finance department of the Company and relevant personnel of the Company will assess the relevant Listing Rules implications and seek professional advice as appropriate, with a view to ensuring that the connected transactions of the Company will only take effect after shareholders' approval (where required under Chapter 14A of the Listing Rules) has been obtained.

(v) *Our due diligence*

Assessment of the Valuer's view

To assess the fairness and reasonableness of the annual rent of the Properties, we obtained the Opinion Letter which was prepared by the Valuer and noted that the Valuer is of the opinion that the total annual rent under the Lease Agreements is fair and reasonable.

As set out in the Opinion Letter, after taking into account the terms of the 2024 Lease Agreements, it is of the view that (i) the total annual rent under the Lease Agreements is fair and reasonable; and (ii) the increment of 3% of the annual rent is consistent with the prevailing market practice.

As part of our due diligence, we have reviewed the engagement letter of the Valuer and the Opinion Letter and interviewed the Valuer with particular attention to (i) the terms of engagement of the Valuer with the Company in relation to the assessment of the fairness and reasonableness of the annual rent of the Properties under the 2024 Lease Agreements; (ii) the qualifications and experience of the Valuer; and (iii) the methodologies, bases and assumptions adopted by the Valuer and the steps and measures taken by the Valuer in arriving their opinion on the fairness and reasonableness of the annual rent of the Properties under the 2024 Lease Agreement.

According to the engagement letter of the Valuer, the Valuer has been engaged to provide analysis and opinion on the fairness and reasonableness of the annual rent of the Properties under the 2024 Lease Agreements.

The Valuer was established in 1997, with over 25 years of experience in asset valuation and is providing professional services. The Valuer is a qualified asset appraisal company in the PRC to perform the assessment of the fairness and reasonableness of the annual rent of the Properties. The Valuer had extensive experience in undertaking appraisals and has completed over 30 rental valuation projects in the past three years. The valuation project is led by Mr. Hongyan Xia ("Mr. Xia"), who is a Certified Public Valuer of China. Mr. Xia has, among other things, over 15 years of experience in the professional service industry, with a focus on valuation and advisory services, and is experienced in valuations for state-owned enterprises, private and listed companies across various industries. The Valuer confirmed that it is independent from the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

According to the Opinion Letter, the Valuer has adopted the comparison approach with reference to comparable market rent in the assessment of the fairness and reasonableness of the annual rent of the Properties under the 2024 Lease Agreements. This approach rests on the wide acceptance of the market rent comparables as the best indicator and pre-supposes that evidence of relevant rent comparables in the market place can be extrapolated to similar properties, subject to allowances for variable factors. The Valuer selected comparable properties which are comparable to the subject properties. Appropriate adjustments, which are determined based on the Valuer's professional experience after taking into the relevant factors, mainly the difference between the subject properties and the comparable properties, in (i) the location and age, (ii) the floor level and (iii) leasable size. The general basis of adjustment is that if the Properties are better than the comparable properties, an upward adjustment is made. Alternatively, if the Properties are inferior to or less desirable than the comparable properties, a downward adjustment is made. The valuation was carried out in accordance with the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors and the International Valuation Standards published by the International Valuation Standards Council. The Valuer mainly relied on public information obtained through its own research as well as the information provided by the Company.

We understood from the Valuer that the annual fair rent calculated after applying the abovementioned adjustments is approximately RMB72.3 million. We noted that the annual rent of 2024 (i.e. RMB69.8 million) is lower than the annual fair rent (i.e. RMB72.3 million) and the variance is approximately 3.3% which is less than 5.0%.

Based on (i) our review of the engagement letter between the Company and the Valuer, (ii) the interview with the Valuer, and (iii) other relevant information provided by the Valuer, we are satisfied that the terms and scope of work performed by the Valuer is appropriate to form the opinion on the fair rent of the Properties. We are not aware of any limitation on the scope of work which might have a negative impact on the degree of assurance given by the Valuer.

We have performed works as required under note (1)(d) to Rule 13.80 of the Listing Rules in relation to the Valuer and its work in regard to the 2024 Lease Agreements and are not aware of any matters that would cause us to question the Valuer's competence and independence and we consider that the Valuer has sufficient expertise to perform the valuation on the fairness and reasonableness of the annual rent of the Properties under the 2024 Lease Agreement.

In light of the above, we consider that the methodology, bases and assumptions adopted by the Valuer in assessing the total annual rent are fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To further justify fairness and reasonableness of the annual rent of the Properties, we attempted to do independent research from public sources and compare the prevailing annual rent being offered by the properties which are (i) located at the same city or at the vicinity of the Properties, and (ii) with similar usage (the “**Comparable Properties**”). Set out in table 1 below are the comparison between the annual rent of the Properties and the annual rent of the Comparable Properties:

Table 1: Comparison between the annual rent of the respective properties under the 2024 Lease Agreements and the annual rent of the Comparable Properties

		Annual rent of 2024 of the respective properties under the 2024 Lease Agreements (RMB) <i>(per leasable square meter)</i> <i>(approximate)</i>	Annual rent of the Comparable Properties (RMB) <i>(per leasable square meter)</i> <i>(approximate)</i>
(i)	Putian Fortune Centre	531	(i) 300, (ii) 444 and (iii) 680 ^{note 1}
(ii)	Putian Zhenro Street	419	(i) 336, (ii) 480 and (iii) 600 ^{note 2}
(iii)	Fuzhou Mabao Zhenro Fortune Centre	462	(i) 420, (ii) 504 and (iii) 600 ^{note 3}
(iv)	Fuzhou Mawei Zhenro Fortune Centre	98	(i) 180, (ii) 240 and (iii) 360 ^{note 4}

Based on our independent research, we found that the annual rent of 2024 of the respective properties under the 2024 Putian Fortune Centre Lease Agreement, 2024 Putian Street Lease Agreement and 2024 Fuzhou Mabao Lease Agreement are within the range of the annual rent of the Comparable Properties and the annual rent of the properties under the 2024 Fuzhou Mawei Lease Agreement is lower than the annual rent of the Comparable Properties identified by us independently. As such, we consider the annual rent of the respective properties under the 2024 Lease Agreements are fair and reasonable and are on normal commercial terms.

Having considered (i) the qualifications and experience of the Valuer; (ii) annual rent of 2024 is lower than the annual fair rent, with a variance less than 5%, which is not less favourable to the lessee, (iii) our independent research on the market rent of the Comparable Properties, we did not identify any major factor which caused us to doubt the fair rent and the relevant adjustments adopted by the Valuer as stated in the Opinion Letter.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. Comparable Properties include (i) Xinri International, Lihanzhong Avenue, Licheng District, Putian City* (莆田市荔城區荔涵中大道新日國際), (ii) Bukang Building, Gongchen Street, Licheng District, Putian City* (莆田市荔城區拱辰街道步康大廈), and (iii) shop along the street near the Stadium in Licheng District, Putian City* (莆田市荔城區體育場附近臨街店鋪).
2. Comparable Properties include (i) shop on Kaitian Hongye Commercial Street, Licheng District, Putian City* (莆田市荔城區凱天鴻業商業街店鋪), (ii) street shop on Literature Pedestrian Street, Licheng District, Putian City* (莆田市荔城區文獻步行街臨街商鋪), and (iii) 1971 Culture Town in Licheng District, Putian City* (莆田市荔城區1971文創園).
3. Comparable Properties include (i) shop at Qiaotoubao on Wulongjiang Avenue, Minhou County, Fuzhou City* (福州市閩侯縣烏龍江大道橋頭堡商鋪), (ii) shop in Zhongtai Yunhai Science and Technology Park on Wulongjiang Avenue, Minhou County, Fuzhou City* (福州市閩侯縣烏龍江大道中泰雲海科技園商鋪), and (iii) shop in Tsinghua Ziguang Pushang Town on Wulongjiang Avenue, Minhou County, Fuzhou City* (福州市閩侯縣烏龍江大道清華紫光浦上商業小鎮商鋪).
4. Comparable Properties include (i) Shop at Junzhu Road, Fuxing Village, Mawei District, Fuzhou City* (福州市馬尾區福星新村君竹路商鋪), (ii) Binhai Center, Jiangbin East Avenue, Mawei District, Fuzhou City* (福州市馬尾區江濱東大道濱海中心), and (iii) Haixia High-tech Innovation and Entrepreneurship Industrial Park, Mawei District, Fuzhou City* (福州市馬尾區海峽高新雙創產業園).

Assessment of the payment term

To access whether the payment term under the 2024 Lease Agreement is on normal commercial terms or better, we have conducted market research on payment terms under property lease agreements of connected transactions entered into by issuers listed on the Stock Exchange of which the announcement dates were in year 2023. Based on our market research covering non-exhaustive samples of connected transactions in 2023, we identified not less than 10 samples of property lease related connected transactions and noted that the payment terms under these samples ranged from rent payable in advance in annual basis to payable in arrears in biannual basis (the “Market Payment Terms”). Given the payment term under the 2024 Lease Agreement are not less favorable than the Market Payment Terms, we consider the Payment Terms to be on normal commercial terms or better.

Having also considered (i) the total annual rent of the Properties under the 2024 Lease Agreements is fair and reasonable based on the opinion of Valuer as set out in the Opinion Letter; (ii) the annual increment of 3% of the annual rent is consistent with the prevailing market practice based on the opinion of Valuer as set out in the Opinion Letter; (iii) our independent work performed on the Opinion Letter, together with the independent research on the prevailing market rent of the Comparable Properties and the payment terms as disclosed above, and (iv) the principal terms of the 2024 Lease Agreements and our discussion with the Management, we consider that the terms of the transactions contemplated thereunder are fair and reasonable and are on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

5. Internal Control Measures

As discussed with the Directors, the Company has adopted the following internal control measures to govern the connected transactions conducted by the Group:

- (1) the finance department of the Company and relevant personnel of the Company shall ensure that the Major and Connected Transactions will strictly adhere to the terms and conditions set out in the 2024 Lease Agreements;
- (2) the finance department and relevant personnel of the Company shall monitor and ensure all transactions contemplated under the 2024 Lease Agreements are entered into on normal commercial terms, and are fair and reasonable, and shall be no less favourable to the Group than similar transactions conducted with independent third parties to the Group under the same conditions;
- (3) the independent non-executive Directors will review the Major and Connected Transactions entered/to be entered into pursuant to the 2024 Lease Agreements to ensure all such transactions are entered into on normal commercial terms or better, on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and are carried out in accordance with the terms of the 2024 Lease Agreements; and

We have discussed the above internal control measures with the Management and reviewed the “Connected Transactions Manual” provided by the Company (the “CT Manual”), and are satisfied that the internal control measures stated above, together with those set out in the CT Manual, are sufficient to ensure that the Major and Connected Transactions will be conducted on normal commercial terms and on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

6. Financial impact on the Group

Subject to fulfillment of the conditions precedent to the 2024 Lease Agreements, the unaudited value of the right-of-use asset to be recognised in accordance with HKFRS 16 by the Group under the 2024 Lease Agreements amounted to approximately RMB134 million, which is calculated with reference to the present value of the aggregate rents payable under the 2024 Lease Agreements discounted using incremental borrowing rate of approximately 4.8%.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The unaudited right-of-use asset to be recognised under each of the 2024 Lease Agreements is as follows:

	<i>RMB (million)</i>
2024 Putian Fortune Centre Lease Agreement	75
2024 Putian Street Lease Agreement	21
2024 Fuzhou Mabao Lease Agreement	36
2024 Fuzhou Mawei Lease Agreement	2
Total	134

Subject to fulfillment of the conditions precedent to the 2024 Lease Agreements, based on the 2024 Lease Agreements, the consolidated total assets of the Group will increase by approximately RMB134 million, and a corresponding amount of lease liabilities of approximately RMB134 million will be recognised at the same time in the consolidated statement of financial position.

Based on the 2024 Lease Agreements, the right-of-use assets will be depreciated on a straight line basis over the lease term with the annual depreciation charge amounting to approximately RMB67 million which will be charged to the consolidated statement of profit or loss and other comprehensive income. Interest expenses on the lease liabilities will be recognised at the rate of approximately 4.8% per annum on the carrying amount of the lease liabilities.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the 2024 Lease Agreements are on normal commercial terms and are fair and reasonable; and (ii) the transactions contemplated thereunder are conducted in the ordinary and usual course of the business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Transaction and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
Fortune Financial Capital Limited
Alfred Wu
Managing Director

Mr. Alfred Wu ("Mr. Wu") is a responsible officer of Fortune Financial Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO. Mr. Wu has over 15 years of experience in corporate finance advisory in Hong Kong.

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the three years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.zhenrowy.com):

- (a) the audited consolidated financial statements of the Group for the year ended 31 December 2020 as set out on pages 95 to 219 of the annual report of the Company for the year ended 31 December 2020 published on 22 April 2021:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0422/2021042200695.pdf>

- (b) the audited consolidated financial statements of the Group for the year ended 31 December 2021 as set out on pages 108 to 243 of the annual report of the Company for the year ended 31 December 2021 published on 25 April 2022:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0425/2022042500035.pdf>

- (c) the audited consolidated financial statements of the Group for the year ended 31 December 2022 as set out on pages 103 to 235 of the annual report of the Company for the year ended 31 December 2022 published on 26 April 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0426/2023042600017.pdf>

- (d) the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2023 as set out on pages 38 to 72 of the interim report of the Company for the six months ended 30 June 2023 published on 21 September 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0921/2023092100226.pdf>

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 29 December 2023, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the indebtedness of the Enlarged Group were as follows:

Borrowings

As at the close of business on 29 December 2023, the Group's borrowings amounted to RMB73.1 million, the bank borrowings of RMB15.1 million were secured by the pledge of 70% equity interest in a subsidiary, namely Jiangsu Sutie Property Management Co., Ltd., and the bank borrowings of RMB45.0 million were guaranteed by Zhenro Group Co., Ltd., a company controlled by the controlling shareholder.

Lease Liabilities

As at the close of business on 29 December 2023, the Group's total lease liabilities in relation to the remaining lease terms of the right-of-use assets were approximately RMB4.7 million, which were secured by rental deposits and were unguaranteed.

Performance Deposits

As at the close of business on 29 December 2023, the Group had made arrangements with two banks to provide two independent performance deposits of approximately RMB1.8 million to the counterparties, both of which were secured by bank deposits. Performance deposits are intended to provide assurance to counterparties that the Group will fulfill its obligations under the contracts and the requirements set out in licenses issued by regulatory authorities.

Contingent Liabilities

As at the close of business on 29 December 2023, the Group had no contingent liabilities.

Save as disclosed herein, and apart from any intra-group liabilities and normal trade payables in the ordinary course of the business of the Group, as at the close of business on 29 December 2023, the Enlarged Group did not have (i) debt securities issued and outstanding, and authorised or otherwise created but unissued, and term loans; (ii) other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments; (iii) mortgages and charges; and (iv) any material contingent liabilities or guarantees.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the effect of the transactions contemplated under the 2024 Lease Agreements, the Group's internal resources, cash flow from operations, facilities available to the Enlarged Group, the Enlarged Group has sufficient working capital for its requirements for at least the next 12 months from the date of this circular.

The Company has obtained the relevant letter from the Company's auditor as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that as at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the provision of property management services, value-added services to non-property owners, community value-added services and commercial property management services. The Group believes that its four business lines will continue to enable it to generate revenue, gain greater market shares and expand its business presence in China, and enhance its relationships with property developers and customers.

In the second half of 2023, the Chinese government released a number of positive signals related to macro policies and the capital market, which were conducive to strengthening market confidence, boosting domestic consumption in China, and promoting the overall stabilization and recovery of the market. The property management and commercial management industry will also usher in a new round of opportunities, which requires the industry to focus on quality itself and prioritize good products + good services.

Facing the new market opportunities and challenges, in the financial year ending 31 December 2024, the Group will continue to uphold the concept of high-quality development, constantly improve its service quality, strengthen the development of information technology, and enhance talent training. The Group will maintain its focus on advantageous fields, independently develop and actively explore innovative paths that align with industry development trends and consider opportunities to diversify the scope of the business of the Group as appropriate.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company or its associated corporations

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 and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were 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 which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Directors' service contracts

As at the Latest Practicable Date, none of the Directors had any existing and proposed service contract with any members of the Group other than contracts expiring or determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

(c) Directors' interest in contracts and assets of the Group and other interests

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2022, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries.

As at the Latest Practicable Date, save for service contracts of the Directors, none of the Directors was materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the date of this circular and which is significant in relation to the business of the Group.

(d) Directors' interests in competing business

As at the Latest Practicable Date, in so far as the Directors were aware of, none of the Directors and their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

3. QUALIFICATION AND CONSENT OF EXPERT

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

Name	Qualification
Fortune Financial Capital Limited	a corporation licensed to carry on type 6 (advising on corporate finance) regulated activities under the SFO

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the above expert did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any asset which had been acquired, disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, since 31 December 2022, being the date to which the latest audited financial statements of the Group was made up.

4. MATERIAL ACQUISITION

No member of the Group has acquired or agreed to acquire or is proposing to acquire a business or an interest in the share capital of a company whose profits or assets make or will make a material contribution to the figures in the Company's auditors' report or next published accounts.

5. MATERIAL LITIGATION

As at the Latest Practicable Date, to the best of the knowledge, information and belief of the Directors, neither the Company nor any member of the Group was engaged in any litigation or claims of material importance and there was no litigation or claims of material importance known to the Directors to be pending or threatened against any member of the Group.

6. MATERIAL CONTRACTS

The following contract (not being contract entered into in the ordinary course of business carried on or intended to be carried on by the Group) was entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date and which is, or may be, material to the Group:

- (a) the Suzhou Xinqirui Sale and Purchase Agreement, pursuant to which Zhenro Property Services agreed to acquire and Ms. Lin Xia and Ms. Wu Na agreed to sell the entire equity interest of Suzhou Xinqirui at the consideration of RMB1,100,000.

7. GENERAL

- (a) The registered office of the Company is located at Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.
- (b) The principal place of business and headquarters of the Company in China is situated at 1/F, Building 7, Hongqiao Zhenro Center, 666 Shenhong Road, Minhang District, Shanghai, PRC.
- (c) The principal place of business of the Company in Hong Kong is situated at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.
- (d) The Hong Kong share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (e) The joint company secretaries of the Company are Mr. Wang Yi and Ms. Lin Sio Ngo. Mr. Wang graduated from Nanjing Audit University in the PRC with a bachelor's degree in management in 2002. Ms. Lin holds a bachelor's degree in business administration and a master's degree in corporate governance. Ms. Lin is an associate member of The Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators).

8. DOCUMENTS ON DISPLAY

A copy of each of the following documents will be published on the website of the Stock Exchange at www.hkexnews.com and the website of the Company at www.zhenrowy.com for a period of 14 days from the date of this circular:

- (1) the 2024 Fuzhou Mabao Lease Agreement;
- (2) the 2024 Fuzhou Mawei Lease Agreement;
- (3) the 2024 Putian Fortune Centre Lease Agreement;
- (4) the 2024 Putian Street Lease Agreement;
- (5) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages 25 to 45 of this circular; and
- (6) the written consent of the expert referred to in the paragraph headed “3. Qualification and Consent of Expert” in this appendix.

9. MISCELLANEOUS

In the event of inconsistency, the English text of this circular and the accompanying form of proxy shall prevail over the Chinese text.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Zhenro 正榮服務
Zhenro Services Group Limited
正榮服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6958)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Zhenro Services Group Limited (the “**Company**”) will be held at 2/F, Building 7, Hongqiao Zhenro Center, 666 Shenhong Road, Minhang District, Shanghai, PRC on Wednesday, 28 February 2024 at 3:00 p.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** the 2024 Fuzhou Mabao Lease Agreement (as defined in the circular of the Company dated 9 February 2024 (the “**Circular**”)) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and the directors of the Company (the “**Directors**”) be and are hereby authorised to sign, execute, seal (where required) and deliver all such documents and take such action as they may deem necessary, desirable, expedient or appropriate in connection with or to implement or give effect to the 2024 Fuzhou Mabao Lease Agreement and the transactions contemplated thereunder.”
2. “**THAT** the 2024 Fuzhou Mawei Lease Agreement (as defined in the Circular) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and the Directors be and are hereby authorised to sign, execute, seal (where required) and deliver all such documents and take such action as they may deem necessary, desirable, expedient or appropriate in connection with or to implement or give effect to the 2024 Fuzhou Mawei Lease Agreement and the transactions contemplated thereunder.”
3. “**THAT** the 2024 Putian Fortune Centre Lease Agreement (as defined in the Circular) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and the Directors be and are hereby authorised to sign, execute, seal (where required) and deliver all such documents and take such action as they may deem necessary, desirable, expedient or appropriate in connection with or to implement or give effect to the 2024 Putian Fortune Centre Lease Agreement and the transactions contemplated thereunder.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

4. “**THAT** the 2024 Putian Street Lease Agreement (as defined in the Circular) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and the Directors be and are hereby authorised to sign, execute, seal (where required) and deliver all such documents and take such action as they may deem necessary, desirable, expedient or appropriate in connection with or to implement or give effect to the 2024 Putian Street Lease Agreement and the transactions contemplated thereunder.”

By order of the Board
Zhenro Services Group Limited
Mr. Liu Weiliang
Chairman of the Board

Hong Kong, 9 February 2024

Notes:

- (i) All resolutions set out in this notice will be put to vote by way of poll at the EGM pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Accordingly, each of the resolutions to be proposed at the EGM will be put to vote by way of poll, pursuant to Article 72 of the Articles of Association of the Company (the “**Articles of Association**”). Article 79 of the Articles of Association provides that on a poll, every shareholder present in person or by proxy shall have one vote for each share registered in his name in the register. An explanation of the detailed procedures of voting by poll will be provided to the shareholders at the EGM. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.zhenrowy.com).
- (ii) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or not less than 48 hours before the time appointed for the holding of any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 26 February 2024 to Wednesday, 28 February 2024, (both days inclusive), during which period no share transfers can be registered. In order to determine the identity of the members of the Company who are entitled to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificate(s) and transfer forms must be lodged with the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong before, no later than 4:30 p.m. (Hong Kong time) on Friday, 23 February 2024.

As at the date of this notice, the executive Directors are Mr. Deng Li and Mr. Wang Wei, the non-executive Director is Mr. Liu Weiliang; and the independent non-executive Directors are Mr. Ma Haiyue, Mr. Au Yeung Po Fung and Mr. Zhang Wei.