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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **EDA Group Holdings Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**EDA GROUP HOLDINGS LIMITED**

**EDA集團控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2505)**

**MAJOR TRANSACTION  
IN RELATION TO THE LEASE AGREEMENT**

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

A letter from the Board is set out on pages 4 to 11 of this circular.

The transaction being the subject matter of this circular has been approved in writing by a closely allied group of Shareholders in lieu of holding of a general meeting pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only.

27 September 2024

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## DEFINITIONS

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

“Board” or “Director(s)”	the board of directors of the Company
“Commencement Date”	the date of commencement of the term of the Lease Agreement
“Company”	EDA Group Holdings Limited, an exempted company incorporated in the Cayman Islands on 17 September 2020 with limited liability
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Deed of Indemnity”	has the meaning ascribed to it in the Prospectus
“Deed of Non-competition”	has the meaning ascribed to it in the Prospectus
“Global Offering”	has the meaning ascribed to it in the Prospectus
“Group”	the Company and its subsidiaries from time to time and, where the context requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries, such subsidiaries of the Company at the relevant time
“Hong Kong Underwriting Agreement”	has the meaning ascribed to it in the Prospectus
“Independent Third Party(ies)”	person who is not a connected person of the Company and is a third party independent of and not connected with the Company or its connected persons
“Landlord”	400 Fairfield Road Owner, LLC, a company incorporated with liability in Delaware, the U.S.

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## DEFINITIONS

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“Latest Practicable Date”	20 September 2024, being the latest practicable date before the publication of this circular for ascertaining certain information to be included in this circular
“Lease Agreement”	the lease agreement dated 28 August 2024 (U.S. time) among the Tenant, the Company and the Landlord in respect of the lease of the Premises
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Liu Yong Trust”	has the meaning ascribed to it in the Prospectus
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Pre-IPO RSU Plan”	has the meaning ascribed to it in the Prospectus
“Pre-IPO Share Option Scheme”	has the meaning ascribed to it in the Prospectus
“Premises”	all of the building, all other improvements, equipment, fixtures, and surrounding property, if any, commonly known by the street address 400 Fairfield Road, Howell, NJ 07782, the U.S.
“Prospectus”	prospectus of the Company dated 20 May 2024
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	has the meaning ascribed to it in the Prospectus
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares with nominal value of HK\$0.01 each in the share capital of our Company
“Shareholder(s)”	registered holders of the Shares from time to time

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Tenant”	EDA International, Inc., a company incorporated with limited liability in California, the U.S.
“US\$”	U.S. dollar(s), the lawful currency of the U.S.
“U.S.”	The United States of America
“%”	per cent.

*Note: for illustrative purpose of this circular only, conversion of US\$ into RMB is made at the rate of US\$1.00 = RMB7.1216*

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## LETTER FROM THE BOARD

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### EDA GROUP HOLDINGS LIMITED

### EDA集團控股有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2505)

*Executive Directors:*

Mr. Liu Yong (*Chairman*)

Ms. Li Qin

Mr. Cheung Man Yu

*Non-executive Directors:*

Mr. Zuo Manlun

Mr. Luo Jianfeng

*Independent Non-executive Directors:*

Mr. Chan Kwok Cheung Kevin

Mr. Ng Cheuk Him

Mr. Wong Ping Yee Natalis

*Registered Office:*

Tricor Services (Cayman Islands) Limited

Third Floor, Century Yard, Cricket Square

P.O. Box 902

Grand Cayman, KY1-1103

Cayman Islands

*Principal Place of Business in Hong Kong:*

Unit 03, 12/F

Tower 2 South Seas Centre

75 Mody Road

Kowloon, Hong Kong

27 September 2024

*To the Shareholders*

Dear Sir or Madam,

### MAJOR TRANSACTION IN RELATION TO THE LEASE AGREEMENT

#### INTRODUCTION

Reference is made to the announcements of the Company dated 28 August 2024 and 9 September 2024 in relation to the Lease Agreement, whereby the Tenant, a wholly owned subsidiary of the Company, and the Company (as the lease guarantor) entered into the Lease Agreement with the Landlord in relation to the tenancy of the Premises located in New Jersey, U.S.

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## LETTER FROM THE BOARD

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The purposes of this circular are to provide the Shareholders with, among other things, further information of the Lease Agreement and the transaction contemplated thereunder and other information as required under the Listing Rules.

### LEASE AGREEMENT

- Date: 28 August 2024 (U.S. time)
- Landlord: 400 Fairfield Road Owner, LLC
- Tenant: EDA International, Inc.
- Premises: All of the land, building, all other improvements, equipment, fixtures, and surrounding property, if any, commonly known by the street address 400 Fairfield Road, Howell, NJ 07782, the U.S.
- Gross floor area: 368,050 square feet
- Usage: Warehouse storage and distribution uses, together with office uses and such other uses ancillary to the foregoing uses
- Lease term: 15 years from the Commencement Date, or such earlier termination as provided in the Lease Agreement
- Rent: The rent payable shall consist of the fixed rent and the additional rent
- The aggregate amount of the fixed rent covering the whole lease term under the Lease Agreement (exclusive of tax) is approximately US\$95.8 million (equivalent to approximately RMB682.5 million), being the aggregate of:
- (i) US\$429,391.67 per month (equivalent to approximately RMB3,057,956) for the first (1<sup>st</sup>) lease year;
  - (ii) US\$442,273.42 per month (equivalent to approximately RMB3,149,694) for the second (2<sup>nd</sup>) lease year;

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## LETTER FROM THE BOARD

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- (iii) US\$455,541.62 per month (equivalent to approximately RMB3,244,185) for the third (3<sup>rd</sup>) lease year;
- (iv) US\$469,207.87 per month (equivalent to approximately RMB3,341,511) for the fourth (4<sup>th</sup>) lease year;
- (v) US\$483,284.10 per month (equivalent to approximately RMB3,441,756) for the fifth (5<sup>th</sup>) lease year;
- (vi) US\$497,782.63 per month (equivalent to approximately RMB3,545,009) for the sixth (6<sup>th</sup>) lease year;
- (vii) US\$512,716.11 per month (equivalent to approximately RMB3,651,359) for the seventh (7<sup>th</sup>) lease year;
- (viii) US\$528,097.59 per month (equivalent to approximately RMB3,760,900) for the eighth (8<sup>th</sup>) lease year;
- (ix) US\$543,940.52 per month (equivalent to approximately RMB3,873,727) for the ninth (9<sup>th</sup>) lease year;
- (x) US\$560,258.73 per month (equivalent to approximately RMB3,989,939) for the tenth (10<sup>th</sup>) lease year;
- (xi) US\$577,066.49 per month (equivalent to approximately RMB4,109,637) for the eleventh (11<sup>th</sup>) lease year;
- (xii) US\$594,378.49 per month (equivalent to approximately RMB4,232,926) for the twelfth (12<sup>th</sup>) lease year;
- (xiii) US\$612,209.84 per month (equivalent to approximately RMB4,359,914) for the thirteenth (13<sup>th</sup>) lease year;
- (xiv) US\$630,576.14 per month (equivalent to approximately RMB4,490,711) for the fourteenth (14<sup>th</sup>) lease year; and
- (xv) US\$649,493.42 per month (equivalent to approximately RMB4,625,432) for the fifteenth (15<sup>th</sup>) lease year.



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## LETTER FROM THE BOARD

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The additional rent is all sums, other than fixed rent, which may become payable by Tenant to Landlord under the Lease Agreement for any reason, including but not limited to (i) taxes to be borne by the Tenant; (ii) Landlord's cost of insurance; (iii) late charges and fees; (iv) any amount of damages, costs or other expenses, which the Landlord may incur as a result of Tenant's failure to perform any of its obligations under the Lease Agreement; (v) any amount for which Landlord is entitled to receive indemnity from Tenant under the Lease Agreement; and (vi) any fees, costs or expenses of the Landlord's property manager in relation to the Premises, if any

The fixed rent shall be payable on a monthly basis in accordance with the aforementioned monthly portion of the fixed rent no more than one week (pursuant to the Company's common practice) in advance of the corresponding month and the additional rent (if any) shall be payable with the next monthly installment of the fixed rent. The fixed rent and the additional rent shall be payable by wire transfer to a bank account designated by the Landlord

The rent payable under the Lease Agreement has been determined after arm's length negotiations between the Landlord and the Tenant, after taking into consideration the prevailing market price for comparable premises in the vicinity of the Premises. The rent payable will be satisfied by proceeds from the Global Offering and the Group's internal resources

Security Deposit: Approximately US\$1.3 million (equivalent to approximately RMB9.2 million), as required to be delivered by Tenant to Landlord in cash or in the form of a letter of credit

Lease Guaranty: The Company, (as the lease guarantor), unconditionally and absolutely guarantees to Landlord the due and punctual performance of the Tenant's obligations under or related to the Lease Agreement, including the timely payment of all sums due therein

The aggregate value (unaudited) of the right-of-use assets to be recognised by the Company under the Lease Agreement is approximately US\$53.3 million (equivalent to approximately RMB379.9 million) which is the present value of lease payments throughout the lease term under the Lease Agreement, discounted using the increment borrowing rate and adjustment to fair value

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## LETTER FROM THE BOARD

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at initial recognition of refundable rental deposit and provision for reinstatement costs in accordance with HKFRS 16 incremental borrowing rate of the lease liability is determined with reference to the prevailing interest rate of the Group's external borrowings.

### INFORMATION ABOUT THE PARTIES

#### Information about the Company

The Company is a company incorporated with limited liability in the Cayman Islands and is principally engaged in the provision of one-stop end-to-end supply chain solutions for e-commerce vendors, empowering the fast-growing B2C export e-commerce industry in the PRC.

#### Information about the Tenant

The Tenant is a wholly owned subsidiary of the Company and a company incorporated with limited liability in California, U.S. The Tenant is principally engaged in the provision of warehousing services in North America.

#### Information about the Landlord

To the best knowledge of the Directors, the Landlord is a company incorporated with limited liability in Delaware, U.S. and is principally engaged in property investment. The Landlord is directly wholly owned by 400 Fairfield Road Holdings, LLC, which is in turn owned as to approximately 96.7% by 400 Fairfield Road Blocker, LLC and approximately 3.3% by MCB 2024 Fairfield Road Investor LLC. The ultimate beneficial owner of the entire shareholding of 400 Fairfield Road Block, LLC is Mr. Wang Xilong.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Landlord and its respective ultimate beneficial owners are independent third parties.

### FINANCIAL EFFECT OF THE ACQUISITION OF RIGHT-OF-USE ASSETS

It is expected that upon the completion of the transaction contemplated under the Lease Agreement, there will be an increase in total assets of approximately US\$53.3 million (equivalent to approximately RMB379.9 million), comprising an increase in right-of-use assets of approximately US\$53.3 million (equivalent to approximately RMB379.9 million). There will be an increase in total liabilities of approximately US\$53.3 million (equivalent to approximately RMB379.9 million), comprising an increase in lease liabilities of approximately US\$53.3 million (equivalent to approximately RMB379.9 million).

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## LETTER FROM THE BOARD

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The Group expects the transaction contemplated under the Lease Agreement will increase the annual depreciation charges of right-of-use assets by approximately US\$1.2 million (equivalent to approximately RMB8.4 million) and finance costs by approximately US\$1.4 million (equivalent to approximately RMB10.1 million) in the first year of the Lease Agreement.

### REASONS AND BENEFITS FOR THE ENTERING INTO LEASE AGREEMENT

The Board is of the view that entering into the Lease Agreement is an opportunity for the Group to enhance its global logistics network and footprint, and is in line with the overall business development direction of the Group to capture more market share of the B2C export e-commerce supply chain solutions industry. The Premises under the Lease Agreement will be used as a self-operated warehouse by the Company in the U.S.

The terms and conditions of the Lease Agreement, including the fixed rent and additional rent, were arrived at after arm's length negotiation with reference to (i) the existing tenancies of other warehouse lease agreements that the Group has entered into; and (ii) the attributes of the Premises such as geographical location, size and lease term. The Directors consider that the terms and conditions of the Lease Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 "Leases", the Group will recognise right-of-use assets in the consolidated financial statements of the Group in connection with the tenancy of the Premises. Accordingly, the lease transactions under the Lease Agreement will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the aggregated value of the right-of-use assets in connection with the tenancy of the Premises under the Lease Agreement exceed 25% but all are less than 100%, the transaction contemplated thereunder constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. The actual amount of the aggregated value of the right-of-use assets to be recognised by the Group will be subject to review and final audit by the auditors of the Company.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Lease Agreement and the transaction contemplated thereunder, and no Shareholder is required to abstain from voting on the resolution(s) for approving the Lease Agreement and the transaction contemplated thereunder if the Company was required to convene a general meeting for the approval of the Lease Agreement and

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## LETTER FROM THE BOARD

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the transaction contemplated thereunder. The Company has obtained a written approval from EDA Shine International Limited (“**EDA Shine**”), LS DiDi Network Technology Co., Ltd. (“**LS DiDi**”), and Samanea China Holdings Limited (“**Samanea**”), being the closely allied group of Shareholders who together hold 285,456,000 shares of the Company, representing approximately 64.9% of the issued share capital of the Company as at the date of this circular, for the Lease Agreement and the transaction contemplated thereunder in lieu of holding a general meeting of the Company under Rule 14.44 of the Listing Rules. Accordingly, no general meeting of the Company shall be convened to approve the Lease Agreement and the transaction contemplated thereunder.

As at the date of this circular, each of EDA Shine, LS DiDi, and Samanea held 152,295,000, 27,660,000 and 105,501,000 shares of the Company, representing approximately 34.6%, 6.3%, and 24.0% of the issued share capital of the Company respectively and approximately 64.9% in total. The Directors consider that EDA Shine, LS DiDi, and Samanea to be a closely allied group of Shareholders for the purposes of Rules 14.44 and 14.45 of the Listing Rules based on the following considerations:

- (i) EDA Shine is a company ultimately controlled by Mr. Liu Yong, the founder of the Company, its executive Director and controlling shareholder (as defined in the Listing Rules). Samanea and LS DiDi, being indirect subsidiaries of China Lesso Group Holdings Limited (“**China Lesso**”) (stock code: 2128), have been close business associates of Mr. Liu Yong since February 2020, as demonstrated by their initial investment in the Group in the same month as well as subsequent investments;
- (ii) a number of the Company’s Directors hold key management positions in China Lesso, Samanea and LS DiDi; and
- (iii) EDA Shine, LS DiDi, and Samanea were together shareholders of the Group since February 2020, and have since voted unanimously on all shareholders’ resolutions other than routine resolutions.

### RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the transaction contemplated under the Lease Agreement is fair and reasonable and is in the interests of the Company and its Shareholders as a whole.

### GENERAL INFORMATION

Your attention is drawn to Appendix I headed “Financial Information” and Appendix II headed “General Information” to this circular.

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**LETTER FROM THE BOARD**

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**MISCELLANEOUS**

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

Yours faithfully  
By order of the Board  
**EDA Group Holdings Limited**  
**Mr. Liu Yong**  
*Executive Director and Chairman of the Board*

## 1. FINANCIAL INFORMATION OF THE COMPANY

The Group's financial information for the year ended 31 December 2021, 2022 and 2023, and the six months ended 30 June 2024 is disclosed in the following document which has been published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.edayun.com/](http://www.edayun.com/)):

Prospectus of the Company dated 20 May 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0519/2024051900033.pdf>

Interim results of the Company for the six months ended 30 June 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0823/2024082302086.pdf>

## 2. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, the Directors were not aware of any circumstances or events that could result in a material adverse change in the financial or trading position of the Group since 31 December 2023, the date of the latest audited consolidated financial statements.

## 3. INDEBTEDNESS

As of the close of business on 31 August 2024, the latest practicable date for determining this indebtedness statement, the Group had total outstanding indebtedness of approximately RMB298.3 million, comprising the following:

### **Bank and other borrowings**

The Group had unsecured and secured, guaranteed interest-bearing bank borrowings of approximately RMB95.4 million.

### **Lease liabilities**

The Group assesses lease liabilities at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. As of the close of business on 31 August 2024, the Group's total lease liabilities amounted to RMB202.9 million.

**Disclaimer**

As of the close of business on 31 August 2024, the Group had no issued and outstanding debt securities, nor any other borrowings or indebtedness, including bank overdrafts, liabilities under acceptances (other than normal trade payables), acceptance credits, hire purchase commitments, borrowings subject to mortgages or charges, or any other material contingent liabilities or guarantees.

**4. WORKING CAPITAL**

Considering the financial impact of the transaction under the Lease Agreement and the Group's current internal financial resources, including cash, bank balances, and available loan and banking facilities, the Directors opine that the Group has sufficient working capital for its requirements for at least 12 months from the Latest Practicable Date. The Company has secured the necessary confirmation in accordance with Rule 14.66(12) of the Listing Rules.

**5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

Although the majority of countries have recovered from the pandemic and resumed normal business activities, headwinds such as interest rate hikes, sustained inflation, political tensions, etc., are still creating uncertainties for the macro economy. The Group will therefore continue with prudent expansion of its warehousing network.

As the global economy is in the process of recovering from the pandemic and economic downturns, the Group is positive that disposable income and spending power in the U.S. will increase, thus leading to a greater need for cross-border logistics and warehousing services. Coupled with the relatively lowered rent as compared to pre-pandemic times, the Group will continue to expand its logistics network, in order to seize the opportunities and bring sustainable returns to its Shareholders.

## 1. RESPONSIBILITY STATEMENT

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

## 2. DIRECTORS' SERVICE CONTRACTS

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

## 3. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by, or leased to, any member of our Group or were proposed to be acquired or disposed of by, or leased to, any member of our Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of our Group subsisting at the date of this circular and which is significant in relation to the businesses of our Group.

## 4. DOCUMENTS ON DISPLAY

Copy of the Lease Agreement will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.edayun.com](http://www.edayun.com)) from the date of this circular up to 14 days thereafter in accordance with the Listing Rules.

## 5. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short position of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such



provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (the “**Model Code**”) were as follows:

(a) **Interests of Directors and chief executives**

*Interests in the Shares*

Name of Director	Capacity/ Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(1)</sup>	Long/short position
Mr. Liu Yong	Founder of a discretionary trust <sup>(2)</sup>	152,295,000	34.6%	Long position
	Beneficial interest	15,414,000 <sup>(2)</sup>	3.5%	Long position
Mr. Zuo Manlun	Interest in a controlled corporation; interests held jointly with another person <sup>(3)(6)</sup>	180,974,000	41.2%	Long position
Mr. Luo Jianfeng	Interest in a controlled corporation; interests held jointly with another person <sup>(4)(6)</sup>	180,974,000	41.2%	Long position
Mr. Cheung Man Yu	Interest in a controlled corporation; interests held jointly with another person <sup>(5)(6)</sup>	177,660,000	40.4%	Long position
	Beneficial interest	3,314,000 <sup>(7)</sup>	0.8%	Long position
Ms. Li Qin	Beneficial interest	13,198,000 <sup>(8)</sup>	3.0%	Long position

*Notes:*

(1) The calculation is based on the total number of 439,940,000 Shares in issue as at the Latest Practicable Date.

- (2) EDA Shine International Limited is owned as to 1.0% by Edaurora Holdings Limited and as to 99.0% by Skyline Investment International Limited. Skyline Investment International Limited is wholly owned by Sovereign Fiduciaries (Hong Kong) Limited, which is the trustee of the Liu Yong Trust, of which the settlor is Mr. Liu Yong and the beneficiaries are Mr. Liu Yong and Edaurora Holdings Limited. Edaurora Holdings Limited is wholly owned by Mr. Liu Yong, an executive Director, the chairman of the Board and a Controlling Shareholder of the Company. Sovereign Fiduciaries (Hong Kong) Limited is a professional trust company and an Independent Third Party of the Group. By virtue of the SFO, each of Sovereign Fiduciaries (Hong Kong) Limited, Skyline Investment International, Edaurora Holdings Limited and Mr. Liu Yong is deemed to be interested in the Shares in which EDA Shine International Limited is interested.

Mr. Liu Yong is granted share options under the Pre-IPO Share Option Scheme to subscribe for 9,248,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 6,166,000 Shares. Please refer to the sections headed “Statutory and General Information — D. Pre-IPO Share Option Scheme” and “Statutory and General Information — F. Pre-IPO RSU Plan” in Appendix IV to the Prospectus for details.

- (3) Zhan Hua Limited is a company incorporated in the BVI and is wholly owned by Mr. Zuo Manlun, a non-executive Director of the Company. By virtue of the SFO, Mr. Zuo Manlun is deemed to be interested in the Shares in which Zhan Hua Limited is interested.
- (4) Dawnhill Group Limited is a company incorporated in the BVI and is wholly owned by Mr. Luo Jianfeng, a non-executive Director of the Company. By virtue of the SFO, Mr. Luo Jianfeng is deemed to be interested in the Shares in which Dawnhill Group Limited is interested.
- (5) LittleBear Investment Limited is a company incorporated in the BVI and is wholly owned by Mr. Cheung Man Yu, an executive Director of the Company. By virtue of the SFO, Mr. Cheung Man Yu is deemed to be interested in the Shares in which LittleBear Investment Limited is interested.
- (6) Each of Mr. Zuo Manlun, Mr. Luo Jianfeng and Mr. Cheung Man Yu (i) entered into an acting-in-concert agreement with Samanea in December 2021 in respect of their interests in the Company; and (ii) is deemed to be interested in the Shares that Samanea is interested in as a result of being a party acting-in-concert with Samanea.
- (7) Mr. Cheung Man Yu is granted share options under the Pre-IPO Share Option Scheme to subscribe for 1,989,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 1,325,000 Shares. Please refer to the sections headed “Statutory and General Information — D. Pre-IPO Share Option Scheme” and “Statutory and General Information — F. Pre-IPO RSU Plan” in Appendix IV to the Prospectus for details.
- (8) Ms. Li Qin is granted share options under the Pre-IPO Share Option Scheme to subscribe for 7,919,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 5,279,000 Shares. Please refer to the sections headed “Statutory and General Information — D. Pre-IPO Share Option Scheme” and “Statutory and General Information — F. Pre-IPO RSU Plan” in Appendix IV to the Prospectus for details.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which

they were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**(b) Interests of substantial Shareholders**

As at the Latest Practicable Date, as far as the Directors are aware of, the following persons, (other than the Directors or chief executives of the Company whose interests are disclosed above), had interests in the Shares or underlying Shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, and were required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO:

*Interests in the Shares*

Name of Shareholder	Capacity/ Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(2)</sup>
EDA Shine International Limited <sup>(3)</sup>	Beneficial Owner	152,295,000	34.6%
Skyline Investment International Limited <sup>(3)</sup>	Interest in a controlled corporation	152,295,000	34.6%
Sovereign Fiduciaries (Hong Kong) Limited <sup>(3)</sup>	Trustee of the Liu Yong Trust	152,295,000	34.6%
Edaurora Holdings Limited <sup>(3)</sup>	Beneficiary of a discretionary trust	152,295,000	34.6%
Mr. Liu Yong <sup>(3)</sup>	Founder of a discretionary trust	152,295,000	34.6%
	Beneficial Owner	15,414,000 <sup>(3)</sup>	3.5%
	<b>Sub-total</b>	<b>167,709,000</b>	<b>38.1%</b>

Name of Shareholder	Capacity/ Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(2)</sup>
LS DiDi Network Technology Limited <sup>(4)</sup>	Beneficial Owner	27,660,000	6.3%
Samanea China Holdings Limited <sup>(4)(5)(11)</sup>	Beneficial Owner	105,501,000	24.0%
	Interest in a controlled corporation	27,660,000	6.3%
	Interests held jointly with another person	47,813,000	10.9%
	<b>Sub-total</b>	<b>180,974,000</b>	<b>41.2%</b>
Lesso Home International Holdings Limited <sup>(5)</sup>	Interest in a controlled corporation	180,974,000	41.2%
China Lesso Group Holdings Limited <sup>(5)</sup>	Interest in a controlled corporation	180,974,000	41.2%
Mr. Wong Luen Hei <sup>(5)</sup>	Interest in a controlled corporation	180,974,000	41.2%
Ms. Zuo Xiaoping <sup>(5)</sup>	Interest of spouse	180,974,000	41.2%
Zhan Hua Limited <sup>(6)</sup>	Beneficial Owner	10,269,000	2.3%
Mr. Zuo Manlun <sup>(6)(11)</sup>	Interest in a controlled corporation	10,269,000	2.3%
	Interests held jointly with another person	170,705,000	38.9%
	<b>Sub-total</b>	<b>180,974,000</b>	<b>41.2%</b>

Name of Shareholder	Capacity/ Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(2)</sup>
Dawnhill Group Limited <sup>(7)</sup>	Beneficial Owner	10,269,000	2.3%
Mr. Luo Jianfeng <sup>(7)(11)</sup>	Interest in a controlled corporation	10,269,000	2.3%
	Interests held jointly with another person	170,705,000	38.9%
	<b>Sub-total</b>	<b>180,974,000</b>	<b>41.2%</b>
LittleBear Investment Limited <sup>(8)</sup>	Beneficial Owner	10,269,000	2.3%
Mr. Cheung Man Yu <sup>(8)(11)</sup>	Interest in a controlled corporation	10,269,000	2.3%
	Interests held jointly with another person	167,391,000	38.0%
	Beneficial Owner	3,314,000 <sup>(8)</sup>	0.8%
	<b>Sub-total</b>	<b>180,974,000</b>	<b>41.2%</b>
QCJJ Group Limited <sup>(9)</sup>	Beneficial Owner	6,846,000	1.6%
Ms. Tang Jia Jia <sup>(9)(11)</sup>	Interest in a controlled corporation	6,846,000	1.6%
	Interests held jointly with another person	174,128,000	39.6%
	<b>Sub-total</b>	<b>180,974,000</b>	<b>41.2%</b>

Name of Shareholder	Capacity/ Nature of interests	Number of Shares held	Approximate percentage of interests in the Company <sup>(2)</sup>
QCZC Group Limited <sup>(9)</sup>	Interests held jointly with another person	180,974,000	41.2%
QCBM Group Limited <sup>(10)</sup>	Beneficial Owner	6,846,000	1.6%
Mr. Qian Yu Cheng <sup>(10)(11)</sup>	Interest in a controlled corporation	6,846,000	1.6%
	Interests held jointly with another person	174,128,000	39.6%
	<b>Sub-total</b>	<b>180,974,000</b>	<b>41.2%</b>

*Notes:*

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 439,940,000 Shares in issue as at the Latest Practicable Date.
- (3) EDA Shine International Limited is owned as to 1.0% by Edaurora Holdings Limited and as to 99.0% by Skyline Investment International Limited. Skyline Investment International Limited is wholly owned by Sovereign Fiduciaries (Hong Kong) Limited, which is the trustee of the Liu Yong Trust, of which the settlor is Mr. Liu Yong and the beneficiaries are Mr. Liu Yong and Edaurora Holdings Limited. Edaurora Holdings Limited is wholly owned by Mr. Liu Yong, an executive Director, the chairman of the Board and a controlling shareholder of the Company. Sovereign Fiduciaries (Hong Kong) Limited is a professional trust company and an Independent Third Party of the Group. By virtue of the SFO, each of Sovereign Fiduciaries (Hong Kong) Limited, Skyline Investment International, Edaurora Holdings Limited and Mr. Liu Yong is deemed to be interested in the Shares in which EDA Shine International Limited is interested.  
  
Mr. Liu Yong is granted share options under the Pre-IPO Share Option Scheme to subscribe for 9,248,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 6,166,000 Shares. Please refer to the sections headed “Statutory and General Information — D. Pre-IPO Share Option Scheme” and “Statutory and General Information — F. Pre-IPO RSU Plan” in Appendix IV to the Prospectus for details.
- (4) LS DiDi Network Technology Limited is owned as to 70% by Samanea. By virtue of the SFO, Samanea is deemed to be interested in the Shares in which LS DiDi Network Technology Limited is interested.
- (5) Samanea is wholly owned by Lesso Home International Holdings Limited. Lesso Home International Holdings Limited is wholly owned by China Lesso Group Holdings Limited. Mr. Wong Luen Hei and his spouse, Ms. Zuo Xiaoping, are the controlling shareholders of China Lesso Group Holdings Limited. By

virtue of the SFO, each of Lesso Home International Holdings Limited, China Lesso Group Holdings Limited, Mr. Wong Luen Hei and Ms. Zuo Xiaoping is deemed to be interested in the Shares in which Samanea is interested.

- (6) Zhan Hua Limited is a company incorporated in the BVI and is wholly owned by Mr. Zuo Manlun, a non-executive Director of the Company. By virtue of the SFO, Mr. Zuo Manlun is deemed to be interested in the Shares in which Zhan Hua Limited is interested.
- (7) Dawnhill Group Limited is a company incorporated in the BVI and is wholly owned by Mr. Luo Jianfeng, a non-executive Director of the Company. By virtue of the SFO, Mr. Luo Jianfeng is deemed to be interested in the Shares in which Dawnhill Group Limited is interested.
- (8) LittleBear Investment Limited is a company incorporated in the BVI and is wholly owned by Mr. Cheung Man Yu, an executive Director of the Company. By virtue of the SFO, Mr. Cheung Man Yu is deemed to be interested in the Shares in which LittleBear Investment Limited is interested.

Mr. Cheung Man Yu is granted share options under the Pre-IPO Share Option Scheme to subscribe for 1,989,000 Shares and RSUs under the Pre-IPO RSU Plan to subscribe for 1,325,000 Shares. Please refer to the sections headed “Statutory and General Information — D. Pre-IPO Share Option Scheme” and “Statutory and General Information — F. Pre-IPO RSU Plan” in Appendix IV to the Prospectus for details.

- (9) QCJJ Group Limited is a company incorporated in the BVI and is wholly owned by Ms. Tang Jia Jia, a director of four subsidiaries of Samanea, namely LS DiDi, Guangdong Qicheng Information Technology Co., Ltd, Guangzhou LS DiDi Technology Co., Ltd and Treasure Pathway Limited. By virtue of the SFO, Ms. Tang Jia Jia is deemed to be interested in the Shares in which QCJJ Group Limited is interested. QCZC Group Limited is a company incorporated in the BVI and is wholly owned by Ms. Tang Jia Jia. By virtue of the SFO, QCZC Group Limited is deemed to be interested in the Shares in which Ms. Tang Jia Jia is interested.
- (10) QCBM Group Limited is a company incorporated in the BVI and is wholly owned by Mr. Qian Yu Cheng, a director of each of LS DiDi and Guangdong Qicheng Information Technology Co., Ltd, both of which are subsidiaries of Samanea. By virtue of the SFO, Mr. Qian Yu Cheng is deemed to be interested in the Shares in which QCBM Group Limited is interested.
- (11) Each of Mr. Zuo Manlun, Mr. Luo Jianfeng, Mr. Cheung Man Yu, Ms. Tang Jia Jia and Mr. Qian Yu Cheng (i) entered into an acting-in-concert agreement with Samanea in December 2021 in respect of their interests in the Company; and (ii) is deemed to be interested in the 180,974,000 Shares that Samanea is interested in as a result of being a party acting-in-concert with Samanea. Similarly, by virtue of the SFO, Samanea is deemed to be interested in the Shares in which each of Mr. Zuo Manlun, Mr. Luo Jianfeng, Mr. Cheung Man Yu, Ms. Tang Jia Jia and Mr. Qian Yu Cheng is interested.

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

**6. DIRECTOR'S INTERESTS IN COMPETING BUSINESS**

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

**7. MATERIAL CONTRACTS**

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business of the Group) had been entered into by members of the Group within the two years immediately preceding the date of this circular and are, or may be, material:

- (1) the Deed of Non-competition;
- (2) the Deed of Indemnity;
- (3) the cornerstone investment agreement (基石投資協議) dated May 14, 2024 entered into by the Company, CPIC Investment Management (H.K.) Company Limited and CMB International Capital Limited;
- (4) the cornerstone investment agreement (基石投資協議) dated May 14, 2024 entered into by the Company, The Reynold Lemkins Group (Asia) Limited and CMB International Capital Limited;
- (5) the Hong Kong Underwriting Agreement; and
- (6) the lock-up deed dated May 17, 2024 entered into by the Company, CMB International Capital Limited, ABCI Capital Limited, ABCI Securities Company Limited, BOCI Asia Limited, CEB International Capital Corporation Limited, China Galaxy International Securities (Hong Kong) Co., Limited, Quam Securities Limited, Eddid Securities and Futures Limited, Futu Securities International (Hong Kong) Limited, Tiger Brokers (HK) Global Limited, Patrons Securities Limited, Ruibang Securities Limited and Mr. Zhang Yunqing.



**8. LITIGATION**

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group that would have a material adverse effect on the results of operations or financial conditions of the Group.

**9. MISCELLANEOUS**

- (a) The company secretary of the Company is Mr. Cheung Man Yu, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (b) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (c) This circular has been prepared in both English and Chinese. In the event of discrepancies, the English text of this circular shall prevail over the Chinese text.