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If you have sold or transferred all your shares in S.A.I. Leisure Group Company Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

**PROPOSALS FOR GENERAL MANDATES TO
ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
AND REVISION OF ANNUAL CAP
AND
NOTICE OF ANNUAL GENERAL MEETING**

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



A letter from the Board is set out on pages 7 to 28 and a letter from the Independent Board Committee is set out on pages IBC-1 to IBC-2 of this circular. A letter from the Independent Financial Adviser containing its advice and recommendations to the Independent Board Committee and the Independent Shareholders is set out on pages IFA-1 to IFA-19 of this circular.

A notice convening the 2026 Annual General Meeting (“AGM”) of the Company to be held at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Hong Kong on Thursday, May 28, 2026 at 11:00 a.m. is set out on pages AGM-1 to AGM-7 of this circular. Whether or not you are able to attend the AGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish.

In case of inconsistency between the Chinese version and the English version of this circular, the English version will prevail.

Hong Kong, April 30, 2026

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DEFINITIONS

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

1H2025 QZ Framework Agreement	the framework agreement entered into on November 28, 2024 between the Company and QZ Tours in respect of Holiday Package Transactions
1H2026 QZ Framework Agreement	the framework agreement entered into on December 11, 2025 between the Company and QZ Tours in respect of Holiday Package Transactions
2H2025 QZ Framework Agreement	the framework agreement entered into on March 27, 2025 between the Company and QZ Tours in respect of Holiday Package Transactions
2H2026 QZ Framework Agreement	the framework agreement entered into on March 30, 2026 between the Company and QZ Tours in respect of Holiday Package Transactions
2025 Announcement	the announcement issued by the Company dated December 11, 2025 in relation to, amongst others, the 1H2026 QZ Framework Agreement and the Existing 2026 QZ Annual Cap
2025 Annual Results Announcement	the announcement of final results of the Company for the year ended December 31, 2025 published on March 30, 2026
AGM	the annual general meeting of the Company to be held at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Hong Kong on Thursday, May 28, 2026 at 11:00 a.m., to consider and (if appropriate) to approve the resolutions contained in the notice set out on pages AGM-1 to AGM-7 of this circular, or its adjournment
Announcement	the announcement issued by the Company dated March 30, 2026 in relation to the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap

DEFINITIONS

Articles of Association	the articles of association of the Company currently in force
Audit Committee	the audit committee of the Board
Board	the board of Directors
CCASS	The Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
Century Tours	Century Tours, Inc., a company incorporated in the CNMI with limited liability, which is a wholly-owned subsidiary of the Group
CG Code	Corporate Governance Code contained in Appendix C1 to the Listing Rules
Close Associates	has the meaning ascribed to the term “close associate(s)” under the Listing Rules
CNMI	the Commonwealth of the Northern Mariana Islands, a U.S. territory located in the Western Pacific Region
Companies Act	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
Company	S.A.I. Leisure Group Company Limited, a 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: 1832)
Controlling Shareholder(s)	has the meaning ascribed to it under the Listing Rules
Core Connected Persons	has the meaning ascribed to the term “core connected person(s)” under the Listing Rules

DEFINITIONS

Crowne Plaza Resort Guam	the Group’s hotel located in Tumon Bay, Guam which is currently operating as “Crowne Plaza Resort Guam”
Crowne Plaza Resort Saipan	the Group’s hotel located in Garapan, Saipan, which is currently operating as “Crowne Plaza Resort Saipan”
Director(s)	the director(s) of the Company
Existing 2026 QZ Annual Cap	the annual cap in respect of the amounts payable by the QZ Tours Group to the Group under the 1H2026 QZ Framework Agreement for the financial year ending December 31, 2026 as disclosed in the 2025 Announcement
Extension Mandate	the general and unconditional mandate proposed to be granted to the Directors to the effect that the number of Shares repurchased during the relevant period under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued (or transferred out of treasury) under the Issue Mandate
Group	the Company and its subsidiaries from time to time
Group Company	the Company or any of its subsidiaries
Guam	Guam, a U.S. territory located in the Western Pacific Region
Hawaii	the State of Hawaii, U.S.
HKSCC Nominees	HKSCC Nominees Limited
HK\$	Hong Kong dollars, the lawful currency of Hong Kong
Holiday Package Transactions	has the meaning ascribed to it under the section headed “ <i>Renewal of Continuing Connected Transactions and Revision of Annual Cap</i> ” of this circular
Hong Kong	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

Hotel Manager	IHC Hotel Limited (a wholly-owned subsidiary of InterContinental Hotels Group), currently the hotel manager of Crowne Plaza Resort Guam and Crowne Plaza Resort Saipan
Independent Board Committee	an independent committee of the Board comprising all the INEDs, established for the purpose of advising the Independent Shareholders on the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap
Independent Financial Adviser or Quam Capital Limited	Quam Capital Limited, a licenced corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap
Independent Shareholders	Shareholders other than those who have a material interest in the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap
independent third party(ies)	has the meaning ascribed to it under the Listing Rules
INED(s)	the independent non-executive Director(s)
InterContinental Hotels Group	InterContinental Hotels Group Plc., the shares of which are dual listed on the New York Stock Exchange (stock code: IHG) and the London Stock Exchange (stock code: IHG)
Issue Mandate	the general and unconditional mandate proposed to be granted at the AGM to the Directors to allot, issue and deal with additional Shares, including any sale and transfer of Shares out of treasury that are held as treasury Shares, not exceeding 20% of the aggregate number of the issued Shares (excluding treasury Shares, if any) as at the date of passing the resolution granting such mandate

DEFINITIONS

Kanoa Resort	the hotel located in Susupe, Saipan, previously known as “Kanoa Resort”, which is permanently closed
Latest Practicable Date	April 20, 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular prior to its publication
Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
Mainland China	the PRC exclusive of Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
Nomination Committee	the nomination committee of the Board
Original QZ Framework Agreement	the framework agreement entered into on April 9, 2019 between the Company and QZ Tours in respect of Holiday Package Transactions, the term of which was renewed for a further period of three years from January 1, 2022 to December 31, 2024
PRC	the People’s Republic of China
QZ Tours	泉州市世紀旅遊投資有限公司, a company established in the PRC on August 30, 2012 with limited liability
QZ Tours Group	QZ Tours and its subsidiaries collectively
Remuneration Committee	the remuneration committee of the Board
Repurchase Mandate	the general and unconditional mandate proposed to be granted at the AGM to the Directors to repurchase Shares during the relevant period not exceeding 10% of the aggregate number of the issued Shares (excluding treasury Shares, if any) as at the date of passing the resolution granting such mandate

DEFINITIONS

Revised 2026 QZ Annual Cap	the proposed revised annual cap in respect of the amounts payable by the QZ Tours Group to the Group under the 1H2026 QZ Framework Agreement and the 2H2026 QZ Framework Agreement during the financial year ending December 31, 2026
Saipan	Saipan, the largest and most populated island in the CNMI
SFC	the Securities and Futures Commission in Hong Kong
SFO	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
Share(s)	ordinary share(s) in the share capital of the Company
Shareholder(s)	holder(s) of Share(s)
Stock Exchange	The Stock Exchange of Hong Kong Limited
Takeovers Code	the Hong Kong Code on Takeovers and Mergers
THC Leisure	THC Leisure Holdings Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, the Controlling Shareholder of the Company
treasury Shares	Shares repurchased and held by the Company in treasury as authorized by the laws of the Cayman Islands and the Articles of Association including Shares repurchased by the Company and held or deposited in CCASS for sale on the Stock Exchange
U.S.	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
US\$	United States dollars, the lawful currency of the U.S.
Year	the year ended December 31, 2025
%	per cent

LETTER FROM THE BOARD



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

Executive Directors:

Dr. TAN Henry, SBS, BBS, JP
(Vice Chairman and Chief Executive Officer)
Mr. CHIU George
Mrs. SU TAN Jennifer Sze Tink
Ms. CHEUNG Pik Shan Bonnie

Non-executive Directors:

Dr. TAN Siu Lin, GBS, SBS *(Chairman)*
Mr. TAN Willie

Independent Non-executive Directors:

Mr. CHAN Leung Choi Albert
Mr. MA Andrew Chiu Cheung
Mr. WONG Chun Tat, JP

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

*Head office and principal place
of business in Hong Kong:*

5/F, Nanyang Plaza
57 Hung To Road
Kwun Tong, Kowloon
Hong Kong

April 30, 2026

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO
ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
AND REVISION OF ANNUAL CAP
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement issued by the Company dated March 30, 2026 in relation to, amongst other things, the renewal of continuing connected transactions pursuant to the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap.

LETTER FROM THE BOARD

The Directors will propose resolutions at the AGM for, amongst other matters, (i) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the re-election of the Directors; and (iii) the entering of the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap.

The purpose of this circular is to provide you with information regarding the above resolutions to enable you to make an informed decision on whether to vote for or against those resolutions, including but not limited to: (i) information on the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the AGM and other information as required under the Listing Rules.

PROPOSED GRANT OF GENERAL MANDATES

At the last annual general meeting of the Company held on May 29, 2025, the Directors were granted:

- (i) a general and unconditional mandate to allot, issue and deal with additional Shares with an aggregate number not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant ordinary resolution;
- (ii) a general and unconditional mandate to repurchase Shares with an aggregate number not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant ordinary resolution; and
- (iii) the power to extend the general mandate mentioned in (i) above by an amount representing the aggregate number of the Shares repurchased by the Company pursuant to the mandate to repurchase shares referred to in (ii) above.

The above general mandates will expire at the conclusion of the AGM, unless renewed at the AGM. At the AGM, the following ordinary resolutions will, amongst other matters, be proposed:

- (a) based on 360,000,000 Shares in issue as at the Latest Practicable Date (with no treasury Shares) and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the AGM, to grant the Issue Mandate to the Directors to exercise the power of the Company to allot, issue and deal with the Shares, including any sale and transfer of Shares out of

LETTER FROM THE BOARD

treasury that are held as treasury Shares, up to a maximum of 72,000,000 Shares, being 20% of the total number of the issued Shares (excluding treasury Shares, if any) as at the date of passing of such resolution;

- (b) based on 360,000,000 Shares in issue as at the Latest Practicable Date (with no treasury Shares) and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the AGM, to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares up to a maximum of 36,000,000 Shares, being 10% of the total number of the issued Shares (excluding treasury Shares, if any) as at the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued (or transferred out of treasury) under the Issue Mandate by adding such number of Shares as repurchased under the Repurchase Mandate.

The full text of these resolutions are set out in resolutions numbered 8 to 10 as set out in the notice of the AGM contained in pages AGM-2 to AGM-6 of this circular.

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Act or the Articles of Association to be held; or (c) when the mandate given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting of the Company prior to the next annual general meeting of the Company following the AGM.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation.

LETTER FROM THE BOARD

Any Director appointed pursuant to Article 83(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. In addition, according to the CG Code, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

To comply with the above, Mr. Chiu George, Mr. Tan Willie and Mr. Ma Andrew Chiu Cheung shall retire from office at the AGM and, being eligible, offer themselves for re-election at the AGM.

The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the composition of the Board can be managed without undue disruption, there has been a transparent, considered and formal procedure set out in the nomination policy of the Company for the selection, appointment and re-appointment of Directors, including periodical reviews of such policy.

The Nomination Committee has assessed and confirmed that all the INEDs, including Mr. Ma Andrew Chiu Cheung, remain independent based on the independence criteria as set out in Rule 3.13 of the Listing Rules. The Nomination Committee considers that based on Mr. Ma's perspective, skill and experience, he can bring further contribution to the Board and its diversity. In addition, the Nomination Committee had, amongst other matters, evaluated the performance of each of the Directors subject to re-election and found their performance for the year satisfactory.

Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all the Directors, namely Mr. Chiu George, Mr. Tan Willie and Mr. Ma Andrew Chiu Cheung, stand for re-election as Directors at the AGM. As a good corporate governance practice, each of the aforesaid Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

Particulars of each of the Directors who are proposed to be re-elected at the AGM which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS AND REVISION OF ANNUAL CAP

Reference is made to the 2025 Announcement with respect to the 1H2026 QZ Framework Agreement and the Existing 2026 QZ Annual Cap.

As disclosed in the 2025 Announcement, the Group enters into various agreements with the QZ Tours Group from time to time in its ordinary and usual course of business. Such agreements include sales agreements and individual purchase orders that are negotiated and typically signed on

LETTER FROM THE BOARD

an annual basis, pursuant to which the QZ Tours Group would (i) reserve bulk accommodation in the Group's hotels and resorts; (ii) purchase meal coupons from the Group's on-site restaurants and self-operated excursion tours; and (iii) procure destination-based concierge and travel management services from the Group's destination services business segment (the "**Holiday Package Transactions**"). These travel products and services are often bundled by QZ Tours into holiday packages and on-sold to its customers. The Holiday Package Transactions relate to the Group's operations in Saipan only.

The Holiday Package Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. On December 11, 2025, the Company entered into the 1H2026 QZ Framework Agreement in respect of the Holiday Package Transactions to renew the 2H2025 QZ Framework Agreement and determined the Existing 2026 QZ Annual Cap.

The term of the 1H2026 QZ Framework Agreement will expire on June 30, 2026. Pursuant to the provisions of the 1H2026 QZ Framework Agreement, at any time prior to the expiry of the term thereof, the parties may by mutual agreement renew the term of the framework agreement for a period of not more than three years on the same terms and conditions, save that the parties shall determine new annual cap(s) to apply for each year of the renewed term, subject always to compliance with the Listing Rules.

The Company intends to continue to enter into the Holiday Package Transactions contemplated under the 1H2026 QZ Framework Agreement after June 30, 2026. However, as the pace of recovery of the tourism market in Saipan over the course of the next three years remains uncertain, the management of the Group is of the view that it would be difficult for the parties to reasonably determine realistic annual caps for a three-year period at this point in time. As such, the Company has proposed to renew the 1H2026 QZ Framework Agreement for a further period of six months and revise the Existing 2026 QZ Annual Cap in view thereof.

Principal Terms of the 2H2026 QZ Framework Agreement

On March 30, 2026, the Company entered into the 2H2026 QZ Framework Agreement with QZ Tours in respect of the Holiday Package Transactions, which will supersede the 1H2026 QZ Framework Agreement with effect from July 1, 2026. Principal terms of the 2H2026 QZ Framework Agreement are as follows:

Term : Commencing from July 1, 2026 and expiring on December 31, 2026 (subject to and conditional upon the Company's compliance with the requirements of the Listing Rules)

LETTER FROM THE BOARD

Renewal : The parties may by mutual agreement renew the term of the 2H2026 QZ Framework Agreement for a period of not more than three years on the same terms and conditions (save that the parties shall determine and set out new annual cap(s) to apply for each year of the renewed term), subject always to compliance with the Listing Rules.

Holiday Package Transactions : At any time during the term, the Group may from time to time enter into sales agreements and/or individual purchase orders with the QZ Tours Group for so long as they comply with the provisions of the 2H2026 QZ Framework Agreement and the Listing Rules.

Any Group Company may enter into individual agreements in respect of Holiday Package Transactions with QZ Tours on terms to be agreed, provided always that such individual agreements are, inter alia, (i) in writing; (ii) in the Group's ordinary and usual course of business; (iii) on normal commercial terms; (iv) in compliance with all applicable provisions under the Listing Rules; (v) within the agreed annual caps (or upon the Company taking the appropriate actions to comply with the Listing Rules in respect of any amounts in excess); and (vi) no less favorable to the Group compared to those offered by other independent tour operators of comparable purchase value.

Termination : The 2H2026 QZ Framework Agreement (i) may be terminated by either party giving no less than a month's prior written notice; (ii) will be automatically terminated if QZ Tours ceases to be a connected person under the Listing Rules; (iii) may be terminated if either party commits a material breach that is either non-rectifiable or not rectified within 28 days; and (iv) may be terminated if either party becomes a subject of insolvency or liquidation.

LETTER FROM THE BOARD

Pricing Policy : The parties acknowledged as follows:

1. When making a decision on the terms and conditions of the Holiday Package Transactions (including pricing, credit, payment and cancellation terms), the Group would take into account, based on arm's length commercial negotiations with QZ Tours, (i) the purchase volume of QZ Tours; (ii) the Group's projected occupancy and other operating conditions; (iii) the rates, terms and conditions offered by the Group's competitors to QZ Tours and other tour operators; (iv) the rates the Group offers through various booking channels and the Group's intended level of profits; and (v) the general market conditions, trends, seasonality, pricing and marketing landscape in the leisure tourism market in Saipan.
2. Further, any commercial terms that are different to those the Group offers to other independent tour operators must be offered to QZ Tours based on arm's length commercial negotiations principally with reference to its bulk purchase volume and the Group's operating conditions. In doing so, the Directors must specifically disregard the connected person relationship between the Group and QZ Tours.

Special conditions : All sales agreements and individual purchase orders exceeding HK\$3.0 million on an annual aggregate basis must receive, and shall be conditional upon, specific and express approval from the Audit Committee, comprising only of the Company's INEDs.

Payment Term

In accordance with the terms of the individual sales agreements and/or purchase orders with QZ Tours in respect of Holiday Package Transactions, invoices will be issued to QZ Tours for each individual booking. Generally, QZ Tours is offered a credit period of 30 days after the end of the month in which the invoice was issued. The same credit period is also offered to independent tour operator customers of the Group with longstanding relationships with the Group and similar credit worthiness as QZ Tours, save and except tour operators in the Korea market. Due to the market practice in Korea, all tour operator customers of the Group are required to pay 5 days before arrival of the customer, regardless of the date of the booking or the date of the invoice.

LETTER FROM THE BOARD

As the same credit period is offered to independent tour operator customers with similar credit worthiness as QZ Tours, save and except Korean tour operators (the credit period of which will vary on a case-by-case basis due to market practice depending on the time period between the invoice date and the arrival date of the customer) , the Board is of the view that the payment term offered to QZ Tours is fair and reasonable and on normal commercial terms.

Pricing Policy and Guidelines

Generally, the Group would enter into sales agreements (on a yearly or half-yearly basis) with different tour operators (including QZ Tours and various independent tour operators and wholesalers) which would give them the right to reserve in bulk a number of “allocated” rooms. The Group would discuss with various tour operators and wholesalers based on the Group’s operating needs and their sales capability to allocate them a number of room nights, which are typically priced at fixed rates categorized by seasonality. The number of rooms allocated and the rates offered to each tour operator and wholesaler are in turn subject to a number of factors, such as the behavior of market peers, source market demand, and their historical purchase volume. Any reservation in excess of the rooms allocated to each tour operator would be separately negotiated under individual purchase orders. As a matter of policy, the levels of discount offered to each tour operator (including QZ Tours) would be determined primarily based on the level of bulk bookings i.e. the higher the volume, the higher the level of discount. The Directors are of the view that this is commensurate with the practices of the global hotels and resorts industry.

Other terms offered to tour operators and wholesalers, such as cancellation policies, will also vary depending on the bulk purchase volume i.e. the higher the volume, the better the terms offered in order to provide incentive for tour operators. Cancellation periods offered to tour operators and wholesalers range from 5 days to 28 days depending on seasonality, with longer cancellation periods for peak seasons and shorter cancellation periods for off seasons. As one of the largest customers of the Group, the cancellation periods offered to QZ Tours were generally shorter (as short as 5 days, depending on seasonality and the bulk purchase volume, after arms’ length negotiations) as compared to cancellation periods offered to other tour operators and wholesalers with much lower purchase volume. The Directors are of the view that offering more favorable cancellation periods to wholesale customers with higher bulk purchase volume is also commensurate with the practices of the global hotels and resorts industry.

QZ Tours mainly enter into Holiday Package Transactions with the Group for rooms and services for Crowne Plaza Resort Saipan. As previously disclosed, this hotel is being managed by the Hotel Manager. As such, the pricing policy and guidelines for the Holiday Package Transactions to be entered into with QZ Tours will be determined and implemented by the Hotel Manager in accordance with the terms of the 2H2026 QZ Framework Agreement as well as the hotel management agreement for each hotel.

LETTER FROM THE BOARD

Under the terms of the hotel management agreements, while the Group has the right to approve the annual budget for each hotel, the Hotel Manager has the right to determine all policies and procedures relating to the operation of the hotel, including the prices for any services provided by each hotel (e.g. room rates and food and beverage prices) and sales policies. Such policies and procedures must be consistent with the approved annual budget, the relevant brand standards of the InterContinental Hotels Group as well as industry standards for similarly market-positioned hotels in the geographical area in which the relevant hotel is being operated.

Wholesale contracts are negotiated and signed by the Hotel Manager on behalf of the relevant Group Company with a pre-determined set of rates. These rates will be determined by the Hotel Manager based on source market, seasonality and room types for each hotel. During different seasons, these rates can vary via promotional offers, or rate yielding by closing the wholesale allotment based on demand calendar and room availability, which is commensurate with the global hotels and resorts industry. Discounted wholesale rates will be offered by the Hotel Manager to all tour operators and wholesalers, but the levels of discounts, cancellation policies and other terms will vary based on volume. In other words, as per the terms of the 2H2026 QZ Framework Agreement, the levels of discounts, cancellation periods and other terms to be offered to QZ Tours will similarly be offered to independent tour operators with comparable bulk purchase volume. Nevertheless, as the purchase volume of QZ Tours is generally significantly higher than other independent tour operators, the level of discount offered to QZ Tours were generally higher than those offered to independent tour operators with much lower purchase volume. Such discounts would range from approximately 1% to 10% of the wholesale rate, subject to the bulk purchase volumes. As the level of discounts offered to QZ Tours is determined principally with reference to the level of its bulk bookings, such practice is also commensurate with the practices of the global hotels and resorts industry.

Apart from the purchase volume of QZ Tours, the parties expressly acknowledged under the 2H2026 QZ Framework Agreement that, when making a decision on the terms and conditions of the Holiday Package Transactions, the Group would take into account various other factors. Such factors include, but are not limited to, the rates, terms and conditions offered by the Group's competitors to QZ Tours and other tour operators, as well as the general market conditions, trends, seasonality, pricing and marketing landscape in the leisure tourism market in Saipan.

Due to the size of the leisure tourism market in Saipan, the Group's hotels (especially Crowne Plaza Resort Saipan) have a limited number of direct competitors. Century Tours, a subsidiary of the Company, is engaged in destination-based concierge and travel management services in Saipan. As such, the Group would be kept updated on the rates and terms generally offered by competitors to tour operators such as Century Tours. In addition, due to the longstanding relationship between QZ Tours and the Group, QZ Tours would openly share the rates, terms and conditions offered by the Group's competitors with the Group during the

LETTER FROM THE BOARD

negotiation process. The Hotel Manager would also receive up-to-date market information through the Hotel Association of Northern Mariana Islands on a monthly basis. Such market information is gathered through voluntary reporting by various hotels in Saipan, which includes occupancy rates, average length of stay, average room rate, room revenue etc. The Mariana Visitors Authority would also publish tourist arrival statistics for Saipan on its website on a monthly basis. With the benefit of such information on the general market conditions, trends, seasonality, pricing and market landscape in the leisure tourism market in Saipan, the Hotel Manager is well informed when conducting arms' length negotiations with customers (including QZ Tours and other independent tour operators), ensuring that the rates and terms offered by the Group commensurate with market practices.

Under the 2H2026 QZ Framework Agreement, the parties also acknowledged that any commercial terms that are different to those the Group offers to other independent tour operators must be offered to QZ Tours based on arm's length commercial negotiations principally with reference to its bulk purchase volume and the Group's operating conditions. In doing so, the Group must specifically disregard the connected person relationship between the Group and QZ Tours. As Crowne Plaza Resort Saipan is managed by the Hotel Manager (an independent third party) as mentioned above, the policies and procedures determined by the Hotel Manager ensure that negotiations are carried out on an arm's length basis, and that the rates and terms (including levels of discounts, cancellation periods and other terms) offered to QZ Tours are no less favourable to the Company than those offered to independent customers with comparable bulk purchase volume. The procedures in place provide that wholesale contracts with travel agents will be negotiated through the regional Sales Manager, and there will be an internal control process ensuring that wholesale contracts with any tour operator (including QZ Tours and other independent tour operators) will be subject to review and approval by the Sales Director who has the authority to sign the contract. As both the Sales Manager and the Sales Director are personnel of the Hotel Manager, the negotiation and approval process are conducted through independent third parties. As the owner of the hotel, the Group will be provided with daily flash reports prepared by the Hotel Manager setting out various information, including the total number of rooms sold and the average daily room rate for the hotel. When promotional rates are offered by the Hotel Manager from time to time for a particular period i.e., seasonal discounts, the Group will be informed in a timely manner. Monthly reports will also be provided by the Hotel Manager to the Group detailing the total number of rooms sold through different channels (e.g., wholesale package tours, corporate clients etc.) and the average daily room rate for each sales channel, together with other detailed information such that the Group will be well informed on the revenue and profit/loss of the hotel for the relevant month and year-to-date.

As mentioned above, according to the Hotel Manager's sales policy, discounted wholesale rates will be offered by the Hotel Manager to all tour operators and wholesalers, but the levels of discounts, cancellation policies and other terms will vary based on volume. Nevertheless, it should

LETTER FROM THE BOARD

be noted that QZ Tours is the only tour operator among the top five customers of the Group, accounting for approximately 2.6% of the total revenue of the Group for the year ended December 31, 2025, while the next largest tour operator (an independent third party) accounted for only approximately 1.0% of the Group's total revenue. As such, in practice, the level of discount and terms offered to QZ Tours (based on arms' length negotiations conducted by the Hotel Manager) would consequently be better than other customers whose purchase volume accounts for 1.0% or less of the Group's total revenue.

In accordance with the terms of the 2H2026 QZ Framework Agreement and previous framework agreements entered into with QZ Tours, the Hotel Manager has also been informed that, as a matter of policy, all sales agreements and individual purchase orders with QZ Tours exceeding HK\$3.0 million (on an annual aggregate basis) will need to be submitted to the Audit Committee for approval, and will not be entered into unless with the specific and express approval of the Audit Committee.

Considering the above, coupled with the fact that the commercial negotiations with QZ Tours will be conducted through the Hotel Manager, an independent third party with extensive hotel management experience and expertise, the Directors (excluding the INEDs, who will give their opinion after considering the advice from the Independent Financial Adviser) are confident that the Holiday Package Transactions will be conducted on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

Revised 2026 QZ Annual Cap

The Company and QZ Tours have previously agreed on the Existing 2026 QZ Annual Cap pursuant to the 1H2026 QZ Framework Agreement. In view of the entering into the 2H2026 QZ Framework Agreement for a further term of six months, the Company and QZ Tours have agreed to revise the Existing 2026 QZ Annual Cap to cover Holiday Package Transactions to take place during the second half of the year ending December 31, 2026.

Details of the historical transaction amounts received by the Group from the QZ Tours Group under the Original QZ Framework Agreement, the 1H2025 QZ Framework Agreement, the 2H2025 QZ Framework Agreement and the 1H2026 QZ Framework Agreement, as well as the Revised 2026 QZ Annual Cap as agreed between the Company and QZ Tours are set out below:

LETTER FROM THE BOARD

	For financial years ending December 31,			
	2023	2024	2025	2026
	<i>(US\$'000)</i>	<i>(US\$'000)</i>	<i>(US\$'000)</i>	<i>(US\$'000)</i>
Original annual caps	16,311	17,465	2,108	1,282
Actual aggregate amounts received from the QZ Tours Group	326 ^{Note}	2,218 ^{Note}	1,157 ^{Note}	401 <i>(for 2 months ended February 28, 2026)</i>
				2026 <i>(US\$'000)</i>
Revised 2026 QZ Annual Cap				3,960

Note: There was low utilization of the original annual caps under the Original QZ Framework Agreement for the two years ended December 31, 2023 and 2024. The low utilization was due to the fact that the original annual caps were determined towards the end of 2021 during the COVID-19 pandemic, when the Directors were cautiously optimistic that year 2022 would be a year of strong recovery for the global leisure travel industry in view of the increasing vaccination rates around the world. However, due to the continued impact of the COVID-19 pandemic, the pace of recovery of the tourism market in Saipan continued to remain sluggish. Group tours from Mainland China to Saipan only resumed gradually from around August 2023, and direct flights between Hong Kong and Saipan only resumed in late April 2024. There was also low utilization of the original annual caps under the 1H2025 QZ Framework Agreement and the 2H2025 QZ Framework Agreement for the year ended December 31, 2025 due to an abrupt suspension in the processing of travelers' application under the CNMI Economic Vitality & Security Travel Authorization Program by the U.S. Customs and Border Protection in April 2025. The recovery of tourist arrivals from Mainland China to the CNMI was halted and the direct flights from Hong Kong to Saipan were suspended from late April 2025 until late September 2025. In addition, due to the slow recovery of the leisure tourism market in Saipan, Kanoa Resort was permanently closed and the property was returned to the Department of Public Lands on June 15, 2025. As such, the demand for Holiday Package Transactions remained low.

Basis of the Revised 2026 QZ Annual Cap

In view of the entering into the 2H2026 QZ Framework Agreement for a further term of six months from July 1, 2026 to December 31, 2026, there is a need to revise the Existing 2026 QZ Annual Cap (which only covered the Holiday Package Transactions under the 1H2026 QZ Framework Agreement for first six months of the year ending December 31, 2026) in order to cover Holiday Package Transactions to take place during the second half of the year.

QZ Tours mainly enter into Holiday Package Transactions with the Group for rooms and services for Crowne Plaza Resort Saipan to cater for the demand of tourists from Mainland China and Hong Kong. Despite there was a short period of suspension of the direct flights between Hong

LETTER FROM THE BOARD

Kong and Saipan from late April 2025 to late September 2025, there has been a gradual increase in the number of visitors from Mainland China travelling through Hong Kong. The management of the Group also understands that there have been discussions between the government of the CNMI and the relevant airline regarding the increase of direct flights between Hong Kong and Saipan in 2026. Having said that, direct flights between cities in Mainland China and Saipan has yet to resume as of the date of this circular. At present, the timeline for the resumption of flights between Mainland China and Saipan remains uncertain. As such, the management of the Group has proposed to enter into the 2H2026 QZ Framework Agreement with QZ Tours for a term of six months ending December 31, 2026, pending clarity as regards the resumption of flights to and from key tourist origin cities in Mainland China.

Despite the aforesaid, the Directors remain cautiously optimistic as regards the pace of recovery of the tourism market in Saipan in year 2026 with availability and potential increment of flights to and from Hong Kong and other key tourist origin markets such as South Korea and Japan. As such, it is expected that Crowne Plaza Resort Saipan will continue to operate throughout 2026 and will remain well-positioned to capture any increase in demand. The management of the Group will continue to work with different airlines in Mainland China with the hope of resuming direct flight services from select cities to Saipan in the foreseeable future.

On December 23, 2025, the Managaha Island Master Concession Agreement was signed between the CNMI Department of Lands and the Group. Managaha Island is a popular day-trip destination for tourists and is about ten-minute boat ride from Crowne Plaza Resort Saipan. On February 15, 2026, the Group officially started the operations of transportation to and from Managaha Island, as well as non-motorized marine sports, recreational activities, food, beverages and souvenirs. In view of this, the Directors are cautiously optimistic that the demand for destination services under the Holiday Package Transactions will increase in the second half of 2026.

In determining the Revised 2026 QZ Annual Cap for Holiday Package Transactions to be entered into during the year ending December 31, 2026, the Directors have considered factors including (i) historical amounts under Holiday Package Transactions, in particular, the latest amounts since the resumption of direct flights between Hong Kong and Saipan in late September 2025, including the two months ended February 28, 2026, and (ii) the estimated level of demand for the Group's tourism products and services during the year ending December 31, 2026, taking into account the expected pace of recovery of the leisure tourism market in Saipan, the Group's Managaha Island operations and the potential increase of direct flights from Hong Kong to Saipan as well as the commencement of direct flights from key tourist origin cities in Mainland China to Saipan in the second half of year 2026.

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Although there was low utilization of the original annual cap for the year ended December 31, 2025, it was mainly due to an abrupt suspension in the processing of travelers' applications under the CNMI Economic Vitality & Security Travel Authorization Program by the U.S. Customs and Border Protection in April 2025. The recovery of tourist arrivals from Mainland China to the CNMI was halted and the direct flights from Hong Kong to Saipan were suspended from late April 2025 until late September 2025. However, since the direct flights have resumed, the demand for the Holiday Package Transactions saw a 421% increase in the fourth quarter of 2025 as compared to the third quarter of 2025.

In addition, the utilization of the original annual cap for the year ending December 31, 2026 (which only covered the Holiday Package Transactions under the 1H2026 QZ Framework Agreement for the first six months of the year ending December 31, 2026) was over 30% after the lapse of the two months ended 28 February 2026. As such, the Directors believed that it was necessary to update the assumptions when determining the Revised 2026 QZ Annual Cap (which will cover the Holiday Package Transactions for the full year ending December 31, 2026).

In view of the above, the Revised 2026 QZ Annual Cap has been arrived at on the assumptions that: (i) the existing direct flights from Hong Kong to Saipan (two flights per week) will remain in operation throughout year 2026, and the load factor for the blocked seats of each flight will be 80% and 90% for off-peak and peak season during the first half of 2026, respectively, and 100% for the second half of 2026; (ii) additional flights from Hong Kong to Saipan (two additional flights per week) will commence from May 2026, and the load factor for the blocked seats of each flight will be 72% for May 2026 and 100% for the second half of 2026; (iii) Crowne Plaza Resort Saipan and Century Hotel will continue to operate throughout 2026 and all passengers with flight bookings under the Holiday Package Transactions will stay at either Crowne Plaza Resort Saipan or Century Hotel, with a slight increase of passengers choosing to stay at Crowne Plaza Resort Saipan; (iv) the Group's destination services in Saipan will continue to remain in full operation throughout 2026 and additional destination services relating to Managaha Island will be available during year 2026; and (v) the demand of optional activities under the Holiday Package Transactions will increase by 150% in the first half of 2026 as compared to 2025 in view of the Managaha Island Master Concession Agreement, and further increase by 100% in the second half of 2026.

The Revised 2026 QZ Annual Cap has been arrived at on the assumptions that (i) Crowne Plaza Resort Saipan will continue to operate throughout year 2026, (ii) all of the Group's other hotel and destination services in Saipan will continue to remain in full operation throughout year 2026, (iii) additional flights from Hong Kong to Saipan will commence in the second half of 2026, (iv) direct flights from various key cities in Mainland China to Saipan will gradually resume in the second half of 2026; and (v) demand for leisure travel to Saipan from Mainland China will continue to gradually recover in year 2026.

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In view of the above, the Directors (including the INEDs, after considering the advice from the Independent Financial Adviser) consider that the Revised 2026 QZ Annual Cap is fairly and reasonably determined. As mentioned above, to further safeguard the reasonableness and fairness of the Holiday Package Transactions, the 2H2026 QZ Framework Agreement provides that all sales agreements and individual purchase orders exceeding HK\$3.0 million (on an annual aggregate basis) must receive specific and express approval from the Audit Committee.

If the actual amount receivable by the Group under the Holiday Package Transactions shall exceed the Revised 2026 QZ Annual Cap during the year ending December 31, 2026, the Company will re-comply with all applicable requirements under the Listing Rules accordingly.

Information of QZ Tours and QZ Tours Group

QZ Tours is a tour operator based in Beijing. As part of its product offering, the QZ Tours Group charters flights from Mainland China to Saipan, procures local travel products and services from the Group and other independent suppliers, and sells them on to end-travelers through its extensive sales network and to other online travel agents and traditional travel agents. Aside from its business relationship with the Group, the QZ Tours Group has a diverse and sizeable base of accommodation and other travel service suppliers, including other hotels and resorts in Guam and Saipan.

The principal business activities of the QZ Tours Group include the operation of domestic, inbound and outbound leisure travel tours and arranging holidays for tourists from Mainland China.

QZ Tours is owned as to 99% by Mr. Zhou Xindong, who is a son-in-law of Dr. Tan Siu Lin (chairman of the Board, non-executive Director and Controlling Shareholder) and a brother-in-law of Dr. Tan Henry (vice chairman of the Board, executive Director, chief executive officer and Controlling Shareholder), and as to 1% by Ms. Zheng Zhifang (an independent third party).

Reasons and Benefits of the Renewal

The Group has developed a close and long-term collaboration with QZ Tours since 2012. Before the COVID-19 pandemic, QZ Tours has been providing the Group with a stable volume of room nights for its hotels and resorts. Since after the COVID-19 pandemic, in the two years ended December 31, 2024 and 2025, QZ Tours remained one of the largest customers of the Group, accounting for approximately 5.2% and 2.6% of the total sales of the Group, respectively.

LETTER FROM THE BOARD

A framework agreement between the Group and QZ Tours provides flexibility for the Group to (subject to the terms and conditions thereof and approval from the Audit Committee, if required) enter into the Holiday Package Transactions in the form of sales agreements or individual purchase orders based on the Group's operating conditions, and regulates the Holiday Package Transactions within the boundary of the Listing Rules. In addition, the 2H2026 QZ Framework Agreement does not restrict each of the parties from transacting with other China-based tour operators, giving the Group flexibility to select tour operators based on its operating needs and financial conditions. With QZ Tours' bulk purchase volume, the Directors believe that the Group could optimize its revenue and yield and hedge its risks against the cyclical and seasonal downside of the leisure tourism market in Saipan. Accordingly, the Directors consider that it is in the interest of the Group and the Shareholders as a whole to renew the existing framework agreement with QZ Tours so that the Group may continue to regulate current and future Holiday Package Transactions under a clear framework agreement.

Nevertheless, as the pace of recovery of the tourism market in Saipan over the course of the next three years remains uncertain, the management of the Group consider that it would be difficult for the parties to reasonably determine realistic annual caps in relation to the Holiday Package Transactions beyond the year 2026. As such, the parties have agreed to enter into the 2H2026 QZ Framework Agreement for a term of six months ending December 31, 2026, pending further clarity as regards the resumption of direct flights to and from key tourist origin cities in Mainland China.

Based on the above, the Directors (including the INEDs, after considering the advice from the Independent Financial Adviser) consider that (i) the terms and conditions of the 2H2026 QZ Framework Agreement (including the Revised 2026 QZ Annual Cap); and (ii) the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement are and will be fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

Implications of the Listing Rules

As mentioned above, QZ Tours is owned as to 99% by Mr. Zhou Xindong, who is a son-in-law of Dr. Tan Siu Lin and a brother-in-law of Dr. Tan Henry. QZ Tours is thus a majority-controlled corporation of a deemed connected person of the Company under Rule 14A.21(1)(a) of the Listing Rules, and thus a deemed connected person of the Company under Rule 14A.21(1)(b) of the Listing Rules. As such, the transactions contemplated under the 2H2026 QZ Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

As one or more of the applicable percentage ratios in respect of the Revised 2026 QZ Annual Cap exceeds 5% and the total consideration is more than HK\$10,000,000 on an annual basis, the same is subject to the reporting, announcement, annual review and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Directors' Interests

None of the Directors has a material interest in the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder and the Revised 2026 QZ Annual Cap, but each of Dr. Tan Siu Lin, Dr. Tan Henry, Mrs. Su Tan Jennifer Sze Tink and Mr. Tan Willie has voluntarily abstained from voting on the board resolutions of the Company approving the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap.

Subject to approval of the Independent Shareholders at the AGM and compliance with all applicable provisions of the Listing Rules, all other Directors (including the INEDs, after considering the advice from the Independent Financial Adviser) have reviewed and approved the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap.

Internal Control Measures

The Audit Committee, which comprises only of the INEDs, continuously monitors and will continuously monitor the Group's continuing connected transactions on an on-going basis.

On an annual basis, an annual review report on continuing connected transactions will be compiled by the Audit Committee. The Audit Committee will carefully consider whether all of the continuing connected transactions of the Group are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or, if applicable, on terms no less favorable to the Group than those available to or from (as appropriate) independent third parties, and are fair and reasonable to the Group and in the interests of the Company and the Shareholders as a whole.

The Audit Committee is also empowered with various functions and powers to safeguard the annual review of the continuing connected transactions, including but not limited to meeting every six months to review the reports on continuing connected transactions, authority to appoint any financial or legal adviser as it considers necessary for its review, power to require alterations, modifications or changes to the terms of the continuing connected transactions in whatever manner as the INEDs see fit to ensure all continuing connected transactions are carried out on an arm's length basis.

LETTER FROM THE BOARD

Directors who may be perceived to have conflicts of interests, such as Directors who hold controlling interests in the connected persons, will not participate in any meetings or discussions of the Board and the Audit Committee, or be included in any decision making processes relating to such conflicting matters.

In addition, the Audit Committee is also empowered under the 2H2026 QZ Framework Agreement to consider and, if appropriate, give specific and express approval to all sales agreements and individual purchase orders exceeding HK\$3.0 million on an annual aggregate basis (being the *de minimis* threshold under Rule 14A.76(1) of the Listing Rules). The Hotel Manager has been informed of such policy, and if there is any proposed individual sales agreement or purchase order with QZ Tours exceeding HK\$3.0 million (on an annual aggregate basis), the Hotel Manager will promptly inform the management of the Group accordingly. The management of the Group will then request the Hotel Manager to provide all information relating to the sales agreement or purchase order (including the proposed contractual terms, booking information, prices offered to other tour operators, purchase volume of other tour operators, market information on seasonality etc.) to be submitted to the Audit Committee for consideration and approval. The Hotel Manager will not enter into such sales agreement or purchase order with QZ Tours unless the specific and express approval of the Audit Committee has been obtained.

The Group has in place an internal monitoring mechanism to ensure that the relevant annual caps for the Group's continuing connected transactions, including the Revised 2026 QZ Annual Cap, would not be exceeded. On a monthly basis, a continuing connected transactions monitoring summary would be prepared by the Senior Finance Manager of the Group, detailing (i) the nature of the continuing connected transactions; (ii) the parties to the relevant transactions; (iii) the monthly amount of the relevant transactions; and (iv) the utilization rate of the relevant annual cap. The summary will be submitted to the Group Financial Controller for review on a monthly basis in order to assess whether the relevant annual cap would potentially be exceeded based on the management forecast of upcoming transactions for the remainder of the year with reference to historical data, seasonality, flight availability, as well as the number of block seats secured by QZ Tours with the relevant airlines (as informed by QZ Tours). If the actual utilization rate has reached the threshold of 80% of the relevant annual cap, the Group Financial Controller will inform the management of the Group, who will assess whether there is a need to revise the annual cap based on the estimated amount of upcoming transactions. If the management of the Group decides that there is a need to increase the relevant annual cap, a revised annual cap will be proposed to the Board, and the Company will proceed to take steps to comply with all applicable requirements under the Listing Rules, including obtaining shareholders' approval if required.

The Audit Committee is of the opinion that (i) the pricing policy and the terms under the 2H2026 QZ Framework Agreement are clear and specific; (ii) the Revised 2026 QZ Annual Cap is fair and reasonable taking into account historical transactions and management projections; (iii)

LETTER FROM THE BOARD

the methods and procedures established by the Company are sufficient to ensure that the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement will be conducted on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders; (iv) appropriate internal control procedures are in place, and the Company's internal audit will review the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement; and (v) they are provided by the management of the Company with sufficient information for the discharge of their duties.

Information of the Group

The Group is principally engaged in (i) hotel and resort operations in Guam and Saipan; (ii) travel retail business of luxury and leisure clothing and accessories in Guam, Saipan and Hawaii; and (iii) the provision of destination services including the operation of souvenir and convenience stores in Guam and Saipan, the operation of excursion tours in Saipan and the provision of land arrangement and concierge services in Saipan.

Based on the 2025 Annual Results Announcement, the net asset value of the Company as at December 31, 2025 was approximately US\$17.1 million.

ESTIMATED AUDIT FEE

The estimated audit fee as agreed with Ernst & Young for audit services in respect of the financial year ending December 31, 2026 is expected to be approximately US\$300,000.

Such estimated audit fee has been determined taking into account a number of factors, including the scope and extent of the audit work required for the Group having regard to the complexity of the Group's operations spanning multiple jurisdictions, as well as the level of audit effort and resources to be deployed in light of the Group's continued operations. Such estimated audit fee is also arrived at on the assumption that the scope of work undertaken will not materially deviate from that preliminarily agreed between the parties.

AGM AND PROXY ARRANGEMENT

At the upcoming AGM, amongst other things, the Company will propose and the Independent Shareholders will consider and, if thought fit, pass resolutions to approve the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap.

The notice convening the AGM is set out on pages AGM-1 to AGM-7 of this circular.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish and, in such event, the proxy form shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administration matter to be voted or by a show of hands.

Therefore, all proposed resolutions put to vote at the AGM shall be taken by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

THC Leisure (holder of 270,000,000 Shares representing 75% of the issued share capital of the Company as at the date of this circular), is a controlled corporation of Dr. Tan Siu Lin and Dr. Tan Henry. Considering Dr. Tan Siu Lin's and Dr. Tan Henry's relationship with Mr. Zhou Xindong (the ultimate beneficial owner of QZ Tours), THC Leisure will voluntarily abstain from voting on the resolutions approving the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder and the Revised 2026 QZ Annual Cap. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap. Therefore, no other Shareholder is required to abstain from voting at the AGM for the relevant resolutions.

RECOMMENDATION

The Independent Board Committee has been established to advise the Independent Shareholders on the terms of the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap. Quam Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

LETTER FROM THE BOARD

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages IBC-1 to IBC-2 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the resolutions to approve the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap; (ii) the letter from the Independent Financial Adviser, set out on pages IFA-1 to IFA-19 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap; and (iii) the additional information set out in the Appendix III to this circular.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that (i) the terms and conditions of the 2H2026 QZ Framework Agreement, including the Revised 2026 QZ Annual Cap; and (ii) the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement are and will be fair and reasonable, on normal commercial terms or better and, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the AGM to approve the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap.

The Directors (including the INEDs, after considering the advice from the Independent Financial Adviser) are of the view that (i) the terms and conditions of the 2H2026 QZ Framework Agreement, including the Revised 2026 QZ Annual Cap; and (ii) the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement are and will be fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole. The Board therefore recommends the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM to approve the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder, and the Revised 2026 QZ Annual Cap.

The Directors further consider that the other proposed resolutions set out in the notice of the AGM, including the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of the Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of such resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

GENERAL

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

MISCELLANEOUS

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

Yours faithfully,
On behalf of the Board
S.A.I. Leisure Group Company Limited
Henry Tan, *SBS, BBS, JP*
Vice Chairman, Executive Director
and Chief Executive Officer

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee to the Independent Shareholders in relation to the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder and the Revised 2026 QZ Annual Cap for inclusion in this circular:



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

April 30, 2026

To the Independent Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS AND REVISION OF ANNUAL CAP

We refer to the circular of the Company dated April 30, 2026 (the “**Circular**”) to the Shareholders, of which this letter forms part. Unless the context specifies otherwise, capitalized terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to consider and advise the Independent Shareholders on whether, in our opinion, (i) the terms of the 2H2026 QZ Framework Agreement, including the Revised 2026 QZ Annual Cap; and (ii) the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

We wish to draw your attention to (i) the letter from the Independent Financial Adviser containing details of the advice from the Independent Financial Adviser, together with the principal factors and reasons it has taken into consideration, as set out on pages IFA-1 to IFA-19 of the Circular; and (ii) the letter from the Board as set out on pages 7 to 28 of the Circular.

Having taken into account the opinion of the Independent Financial Adviser as set out in its letter, we consider that (i) the terms and conditions of the 2H2026 QZ Framework Agreement, including the Revised 2026 QZ Annual Cap; and (ii) the Holiday Package Transactions

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

contemplated under the 2H2026 QZ Framework Agreement are and will be fair and reasonable, on normal commercial terms or better, 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 that the Independent Shareholders vote in favour of all the resolutions to be proposed at the AGM to approve the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder and the Revised 2026 QZ Annual Cap.

Yours faithfully,
For and on behalf of
the Independent Board Committee

CHAN Leung Choi Albert

MA Andrew Chiu Cheung

WONG Chun Tat

Independent Non-Executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice from Quam Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Holiday Package Transactions pursuant to the 2H2026 QZ Framework Agreement, which has been prepared for the purpose of incorporation in this circular.



April 30, 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sirs or Madams,

RENEWAL OF CONTINUING CONNECTED TRANSACTION AND REVISION OF ANNUAL CAP

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated April 30, 2026 (the “**Circular**”), of which this letter forms part. Capitalized terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Reference is made to the 2025 Announcement in relation to, among others, the framework agreement entered into on December 11, 2025 between the Company and QZ Tours in respect of the Holiday Package Transactions. As the highest applicable ratios in respect of the annual caps for the Holiday Package Transactions contemplated under the 1H2026 QZ Framework Agreement were more than 0.1% but less than 5%, the Holiday Package Transactions contemplated thereunder were exempt from the independent shareholders’ approval requirement under the Listing Rules.

As mentioned in the Circular, the 1H2026 QZ Framework Agreement will expire on June 30, 2026 and the Company intends to continue to enter into the Holiday Package Transactions contemplated under the 1H2026 QZ Framework Agreement after June 30, 2026. As such, the Company shall seek approval from the Independent Shareholders at the annual general meeting (the “**AGM**”) in relation to the renewal of the 1H2026 QZ Framework Agreement for a further period of six months ending December 31, 2026 (the “**2H2026 QZ Framework Agreement**”) and

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revise the Existing 2026 QZ Annual Cap in view thereof. Since the Company would like to provide a more appropriate level of annual cap for the Holiday Package Transactions covering a further period of six months from July 1, 2026 to December 31, 2026, the Company will re-comply with the relevant Listing Rules requirements (including setting the annual cap, issuing announcement(s) and obtaining Independent Shareholders' approval) for the entering into the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap in relation to the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement.

As at the Latest Practicable Date, QZ Tours is owned as to 99% by Mr. Zhou Xindong, who is a son-in-law of Dr. Tan Siu Lin and a brother-in-law of Dr. Tan Henry. QZ Tours is thus a majority-controlled corporation of a deemed connected person of the Company under the Rule 14A.21(1)(a) of the Listing Rules, and thus a deemed connected person of the Company under Rule 14A.21(1)(b) of the Listing Rules. As such, the transactions contemplated under the 2H2026 QZ Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Revised 2026 QZ Annual Cap exceeds 5% and the total consideration is more than HK\$10,000,000 on an annual basis, the same is subject to the reporting, announcement, annual review, Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The AGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap, and related matters.

At the AGM, any Shareholders with a material interest in the Holiday Package Transactions are required to abstain from voting on the resolution approving the Holiday Package Transactions and the Revised 2026 QZ Annual Cap. None of the Directors has a material interest in the 2H2026 QZ Framework Agreement, the Holiday Package Transactions contemplated thereunder and the Revised 2026 QZ Annual Cap, but each of Dr. Tan Siu Lin, Dr. Tan Henry, Mrs. Su Tan Jennifer Sze Tink and Mr. Tan Willie have voluntarily abstained from voting on the board resolutions of the Company approving the 2H2026 QZ Framework Agreement and the Revised 2026 QZ Annual Cap.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Chan Leung Choi Albert, Mr. Ma Andrew Chiu Cheung and Mr. Wong Chun Tat, has been established to consider (i) whether the entering into the 2H2026 QZ Framework Agreement is in the ordinary and usual course of business of the Group, and in the interest of the Company and the Independent Shareholders as a whole; (ii) whether the terms of the 2H2026 QZ Framework

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Agreement are on normal commercial terms and are fair and reasonable as far as the Company and the Independent Shareholders are concerned; (iii) whether the Revised 2026 QZ Annual Cap in respect of the Holiday Package Transactions have been fairly and reasonably arrived at; and (iv) how the Independent Shareholders should vote in respect of the proposed resolution at the AGM to approve the Holiday Package Transactions (including the Revised 2026 QZ Annual Cap). We have been appointed as an independent financial adviser to give an independent opinion to the Independent Board Committee and the Independent Shareholders in such regards.

THE INDEPENDENT FINANCIAL ADVISER

Except for being appointed as independent financial adviser to the Company in respect of the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement, we have not acted as an independent financial adviser or financial adviser in relation to any transactions of the Company or its connected person during the past two years. We were not aware of any relationships or interests between us and the Company or any other parties that could reasonably be regarded as hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Holiday Package Transactions contemplated under the 2H2026 QZ Framework Agreement. We are not associated with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates or any other parties to the Holiday Package Transactions, and accordingly, are eligible to give independent advice and recommendation on the 2H2026 QZ Framework Agreement and the transactions contemplated thereunder. Apart from normal professional fees payable to us in connection with this appointment as the independent financial adviser, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates or any other parties that could reasonably be regarded as relevant to our independence.

BASIS OF OUR OPINION

In formulating our opinion, we have considered and reviewed, among other things:

- (i) the 2H2026 QZ Framework Agreement;
- (ii) the 2025 Announcement;
- (iii) the Circular;
- (iv) the annual report of the Company for the financial year ended December 31, 2024 (the “**Annual Report 2024**”) and the annual results announcement of the Company for the financial year ended December 31, 2025 (the “**Annual Results 2025**”); and

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- (v) the relevant market data and information available from public sources and the website of the Stock Exchange.

We have also relied on all relevant information and representations supplied, and the opinions expressed, by the Directors and the management of the Company (collectively, the “**Management**”) and discussed with them about the underlying assumptions in relation to the Holiday Package Transactions. We have assumed that all such information and representations contained or referred to in the Circular are true and accurate in all material respects as the date thereof. Directors have jointly and severally accepted full responsibility for the accuracy of the information contained in the Circular and have also confirmed that, having made all reasonable enquiries and to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no material facts not contained in the Circular, the omission of which makes any statement in the Circular misleading. We have found no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Management, and they have confirmed that no material information has been withheld or omitted from the information provided and referred to in the Circular, which would make any statement therein misleading. Based on the reasonable steps we have taken as mentioned above, we have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading.

We consider that we have been provided with, and have reviewed, sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, nor have we conducted an independent investigation into the business affairs, operations, financial position or future prospects of each of the Company, and any of their respective subsidiaries and associates and parties acting in concert with them.

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PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Holiday Package Transactions, we have taken into account the following principal factors and reasons:

1. Information of the Group

1.1. Background information of the Group

The Group is principally engaged in (i) the operation of hotels and resorts in Saipan and Guam (“**Hotels & Resorts Segment**”); (ii) luxury travel retail business in Saipan, Guam and Hawaii (“**Luxury Travel Retail Segment**”); and (iii) the provision of destination services including the operation of souvenir and convenience stores in Saipan and Guam, the operation of excursion tours in Saipan and the provision of land arrangement and concierge services in Saipan (“**Destination Services Segment**”).

1.2. Financial information of the Group

Set out below is a summary of the financial information of the Group for the financial years ended December 31, 2023 (“**FY2023**”), December 31, 2024 (“**FY2024**”) and December 31, 2025 (“**FY2025**”) as extracted from the Annual Report 2024 and the Annual Results 2025.

	FY2023	FY2024	FY2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	36,847	42,795	45,114
— Hotels and resorts	28,194	34,458	36,470
— Luxury travel retail	7,948	7,414	7,593
— Destination services	705	923	1,051
Operating loss	(18,183)	(14,454)	(12,954)
Net loss attributable to the owners of the Company for the year	(22,961)	(18,955)	(16,579)

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	As at 31 December 2023 <i>US\$'000</i> <i>(audited)</i>	As at 31 December 2024 <i>US\$'000</i> <i>(audited)</i>	As at 31 December 2025 <i>US\$'000</i> <i>(audited)</i>
Non-current assets	138,155	126,185	115,147
Current assets	19,168	13,929	12,888
Total assets	157,323	140,114	128,035
Non-current liabilities	37,019	48,112	57,759
Current liabilities	69,098	58,024	53,138
Total liabilities	106,117	106,136	110,897
Total equity	51,206	33,978	17,138

Comparison between FY2023 and FY2024

Revenue of the Group increased by approximately 16.1% from approximately US\$36.85 million for FY2023 to approximately US\$42.80 million for FY2024, which was mainly attributable to the increase in revenue generated from the Hotels & Resorts Segment of the Company. The Hotels & Resorts Segment was the largest revenue segment of the Company, accounting for approximately 76.5% and approximately 80.5% of the total revenue of the Company for FY2023 and FY2024 respectively. The revenue generated from the Hotels & Resorts Segment increased from approximately US\$28.19 million for FY2023 to approximately US\$34.46 million for FY2024, representing an increase of approximately 22.2%. According to the Annual Report 2024, such increase was mainly due to the increase in occupancy rates and average room rates of both Crowne Plaza Resort Guam and Crowne Plaza Resort Saipan, which contributed an increase in revenue of approximately US\$1.70 million and approximately US\$4.50 million respectively.

The operating loss of the Group was approximately US\$14.45 million for FY2024, representing a decrease in loss of approximately US\$3.73 million, or approximately 20.5%, from FY2023. The reduction of the operating loss for FY2024 was mainly due to the continuous implementation of effective cost-saving measures and improvement of operation efficiency. In particular, the staff costs and the food and beverage costs of FY2024 decreased by approximately US\$1.30 million and US\$0.60 million respectively, as compared to FY2023. Net loss attributable

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to the owners of the Company decreased by approximately US\$4.00 million from approximately US\$22.96 million for FY2023 to approximately US\$18.96 million for FY2024, representing a decrease in net loss attributable to the owners of the Company of approximately 17.4%, which was mainly attributable to the increase of the revenue and the decrease of the operation costs as mentioned above.

Comparison between FY2024 and FY2025

Revenue of the Group for FY2025 increased by approximately 5.4% from approximately US\$42.8 million for FY2024 to approximately US\$45.1 million. For FY2025, the revenue of the Group from its business in Guam increased by approximately 14.1%, while the revenue of the Group from its business in Saipan decreased by approximately 5.5%, as compared to FY2024. According to the Annual Results 2025, the increase in revenue from its business in Guam was mainly due to the increase in occupancy rates and average room rates of Crowne Plaza Resort Guam. In addition, owing to the effort of the Guam Visitors Bureau (the “GVB”) in boosting the number of tourist arrivals in Guam, the revenue from the luxury travel retail business increased by 11.4%; while the decrease in business in Saipan was majorly due to the abrupt halt in the processing of the Commonwealth of the Northern Mariana Islands (the “CNMI”) Economic Vitality & Security Travel Authorisation Program (the “CNMI EVS-TAP”) of tourists from Mainland China and the reduction of flights from Seoul to Saipan, which substantially impacted the number of tourist arrivals.

The operating loss of the Group for FY2025 reduced by approximately US\$1.5 million, representing a decrease in loss of approximately 10.4%, which was due to the increase in revenue as discussed above, and the continuous efforts of the management of the Group in improving operation efficiency as well as enforcing effective cost-saving measures.

1.3. Outlook of the Group

The Group is an end-to-end tourism service provider, offering a one-stop tourism experience to tourists in Guam and Saipan, in particular. Businesses of the Group include (i) the operation of hotels and resorts in Saipan and Guam; (ii) luxury travel retail business in Saipan, Guam and Hawaii; and (iii) the provision of destination services, as discussed in the sub-section headed “1.1 Background information of the Group” above. The tourism market in Guam and Saipan was hit by the COVID-19 pandemic few years ago, which directly impacted the business of the Group. The Group’s businesses have been recovering since the impact of the COVID-19 pandemic gradually faded out.

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For Guam, the GVB has been taking action in accordance with its Short-term Tactical Plan to address the decline in tourist arrivals and achieve sustainable recovery. The GVB successfully concluded the “One Guam Roadshow 2026” across Tokyo, Nagoya, and Osaka to strengthen collaboration and solidify Guam as a priority destination. While various South Korean low-cost carriers reduced or suspended daily flights from Seoul to Guam starting in May 2025 due to declined profitability and a plane crash in late 2024, airlines later upgraded to larger aircraft to increase seat capacity in response to US\$10.0 million in government incentives. Management believes the strong outbound travel momentum across Japan, South Korea, and Taiwan supports a favorable tourism outlook for Guam in 2026.

For Saipan, the Marianas Visitors Authority (the “MVA”) has been striving in maintaining and reaffirming connections and collaboration with its key tourism partners in South Korea, Japan and Mainland China by attending various international travel expo to intensify the continuous recovery of tourist arrivals from all target tourist origin markets. In mid-July 2025, the U.S. Customs and Border Protection resumed the processing of travelers’ applications under the CNMI EVS-TAP, whilst the CNMI Department of Public Lands issued a “Notice of Intent to Award” in relation to the granting of a Master Concession Agreement for Managaha Island to the Group. Managaha Island is located in Saipan’s lagoon. Such Master Concession Agreement grants the Group the right to operate businesses relating to the transportation to and from Managaha Island, non-motorized marine sports, recreational activities, F&B and souvenirs, which is expected to enhance the overall experience of the Group’s hotel guests and expand the excursion tours business in Saipan under the Destination Services Segment. These operations officially commenced on February 15, 2026.

Despite the local governments or tourist bureaus of Guam and Saipan are dedicated to stimulating their tourism and economic development, they are concurrently subject to other external factors that could hinder their growth and/or pace of recovery, including but not limited to conflicts happening in the Middle East, Russia-Ukraine conflicts, tariff policy imposed by the U.S. and geopolitical tensions. According to the statistics published by the respective GVB and MVA, visitor arrivals to Guam and Saipan remained below the pre-pandemic levels, slowing down the recovery of the Group’s business in Guam and Saipan.

Taking into account the movements of the Guam and the CNMI governments, the geopolitical tensions and recovery progress as discussed above, we expect that the business performance of the Group remains uncertain in the near term.

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2. Background information of QZ Tours

QZ Tours is a tour operator based in Beijing. As part of its product offering, the QZ Tours Group charters flights from Mainland China to Saipan, procures local travel products and services from the Group and other independent suppliers, and sells them on to end-travelers through its extensive sales network and to other online travel agents and traditional travel agents. Aside from its business relationship with the Group, the QZ Tours Group has a diverse and sizeable base of accommodation and other travel service suppliers, including other hotels and resorts in Guam and Saipan.

The principal business activities of the QZ Tours Group include the operation of domestic, inbound and outbound leisure travel tours and arranging holidays for tourists from Mainland China.

As at the Latest Practicable Date, QZ Tours is owned as to 99% by Mr. Zhou Xindong, who is a son-in-law of Dr. Tan Siu Lin (chairman of the Board, non-executive Director and controlling shareholder of the Company) and a brother-in-law of Dr. Tan Henry (vice chairman of the Board, executive Director, chief executive officer and controlling shareholder of the Company), and as to 1% by Ms. Zheng Zhifang (an independent third party of the Group and its Directors).

3. The 2H2026 QZ Framework Agreement for Holiday Package Transactions

As mentioned in the 2025 Announcement and the Circular, the Company, on March 30, 2026, entered into the 2H2026 QZ Framework Agreement, commencing from July 1, 2026 and expiring on December 31, 2026.

Pursuant to the 2H2026 Framework Agreement, the QZ Tours Group shall enter into individual sales agreements and/or individual purchase orders, from time to time, (i) reserving bulk accommodation in the Group's hotels and resorts; (ii) purchasing meal coupons from the Group's on-site restaurants in the hotels and resorts and its self-operated excursion tours; and (iii) procuring destination-based, concierge and travel management services from the Group. These travel products and services are often bundled by the QZ Tours Group into holiday packages and on-sold to its customers.

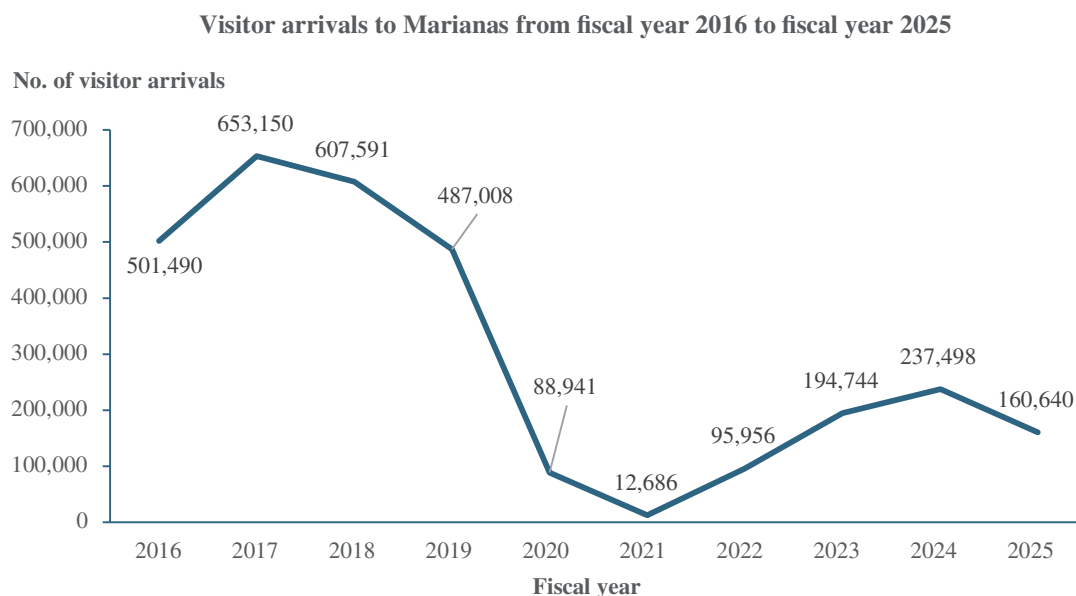
The 2H2026 QZ Framework Agreement does not restrict each of the parties from transacting with other China-based tour operators, giving the Group flexibility to select tour operators based on its operating needs and financial conditions.

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3.1. Reasons for and benefits of the Holiday Package Transactions

According to the Letter from the Board, the Group has developed a close and long-term collaboration with QZ Tours since 2012. QZ Tours is one of the largest customers of the Group, accounting for approximately 5.2% and 2.6% of the total sales of the Group for FY2024 and FY2025, respectively. QZ Tours has been providing the Group with a stable volume of room nights for its hotels and resorts.

QZ Tours mainly enter into the Holiday Package Transactions with the Group for rooms and services for Crowne Plaza Resort Saipan, an InterContinental Hotels Group branded hotel, the business of which depends on the number of tourist arrivals in Saipan. Set out below is the chart on the visitor arrival to the Marianas, with Saipan as the main tourism island, published by the Department of Commerce of the CNMI for the fiscal years 2016 to 2025. Prior to the COVID-19 pandemic, the visitor arrivals were over 400,000 per year. In 2020, due to the impact of COVID-19 pandemic, the visitor arrivals dropped significantly to 88,941, and further reached at the lowest level of visitor arrivals at 12,686 in 2021. After the COVID-19 pandemic subsided, despite the number of visitor arrivals recovering to 237,498 in 2024, it was still significantly below the arrivals number prior to the COVID-19 pandemic. For 2025, the visitor arrivals declined again due to the adverse factors including the halt in the processing of the CNMI EVS-TAP of tourists from Mainland China and the reduction of flights from Seoul to Saipan.



Source: Department of Commerce of the CNMI (<https://ver1.cnmicommerce.com/ei-visitor-arrivals>), Marianas Visitors Authority (<https://mva.mymarianas.com/press-release-reports>)

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Having said that, according to the Letter from the Board, the Directors remain cautiously optimistic as regards the pace of recovery of the tourism market in Saipan in year 2026 with availability and potential increment of flights to and from Hong Kong and other key tourist origin markets such as South Korea and Japan. As such, it is expected that Crowne Plaza Resort Saipan will continue to operate throughout 2026 and remain well-positioned to capture any increase in demand. The Management of QZ Tours Group will continue to work with different airlines in Mainland China with the hope of resuming direct flight services from selected cities to Saipan in the foreseeable future.

The Board believes that QZ Tours' bulk purchase volume of rooms could optimize the Group's revenue and yield, as well as hedge its risks against the cyclical and seasonal downside of the leisure tourism market in Saipan. The 2H2026 QZ Framework Agreement provides flexibility for the Group to (subject to terms and conditions thereof and approval from the Audit Committee, if required) enter into the Holiday Package Transactions in the form of sales agreements or individual purchase orders based on the Group's operating conditions, meanwhile both the Group and the QZ Tours Group are not subject to any restriction on transacting with other China-based tour operators, by the 2H2026 QZ Framework Agreement.

Therefore, the Board is of the view, and we concur, that the Holiday Package Transactions and the renewal of the existing framework agreement with the QZ Tours Group is in the interests of the Company and its Shareholders as a whole, and is in the ordinary and usual course of business of the Group.

3.2. Principal terms of the Holiday Package Transactions

To assess the fairness and reasonableness of the terms of the 2H2026 QZ Framework Agreement for the Holiday Package Transactions, we have considered the following:

Date	:	March 30, 2026
Parties	:	(i) The Company (ii) QZ Tours
Term	:	Commencing from July 1, 2026 and expiring on December 31, 2026 (subject to and conditional upon the Company's compliance with the requirements of the Listing Rules)

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Renewal : The parties may by mutual agreement renew the term of the 2H2026 QZ Framework Agreement for a period of not more than three years on the same terms and conditions (save that the parties shall determine and set out new annual cap(s) to apply for each year of the renewed term), subject always to compliance with the Listing Rules.

Holiday Package Transactions : At any time during the term, the Group may from time to time enter into sales agreements and/or individual purchase orders with the QZ Tours Group for so long as they comply with the provisions of the 2H2026 QZ Framework Agreement and the Listing Rules.

Any Group Company may enter into individual agreements in respect of Holiday Package Transactions with QZ Tours on terms to be agreed, provided always that such individual agreements are, inter alia, (i) in writing, (ii) in the Group's ordinary and usual course of business, (iii) on normal commercial terms, (iv) in compliance with all applicable provisions under the Listing Rules, (v) within the agreed annual caps (or upon the Company taking the appropriate actions to comply with the Listing Rules in respect of any amounts in excess), and (vi) no less favorable to the Group compared to those offered to other independent tour operators of comparable purchase value.

Termination : The 2H2026 QZ Framework Agreement (i) may be terminated by either party giving no less than a month's prior written notice; (ii) will be automatically terminated if QZ Tours ceases to be a connected person under the Listing Rules; (iii) may be terminated if either party commits a material breach that is either non-rectifiable or not rectified within 28 days; and (iv) may be terminated if either party becomes a subject of insolvency or liquidation.

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Pricing Policy : The parties acknowledged as follows:

1. When making a decision on the terms and conditions of the Holiday Package Transactions (including pricing, credit, payment and cancellation terms), the Group would take into account, based on arm's length commercial negotiations with QZ Tours, (i) the purchase volume of QZ Tours, (ii) the Group's projected occupancy and other operating conditions, (iii) the rates, terms and conditions offered by the Group's competitors to QZ Tours and other tour operators, (iv) the rates the Group offers through various booking channels and the Group's intended level of profits, and (v) the general market conditions, trends, seasonality, pricing and marketing landscape in the leisure tourism market in Saipan.
2. Further, any commercial terms that are different to those the Group offers to other independent tour operators must be offered to QZ Tours based on arm's length commercial negotiations principally with reference to its bulk purchase volume and the Group's operating conditions. In doing so, the Directors must specifically disregard the connected person relationship between the Group and QZ Tours.

Special conditions : All sales agreements and individual purchase orders exceeding HK\$3.0 million on an annual aggregate basis must receive, and shall be conditional upon, specific and express approval from the audit committee of the Board (the "**Audit Committee**"), comprising only of the independent non-executive Directors of the Company.

For the pricing policy above, we have obtained and reviewed (i) all the room rental agreements entered into between the Company and QZ Tours Group in respect of the Holiday Package Transactions from January 2025 to February 2026; and compared against (ii) five sample room rental agreements entered into between the Company and independent tour operators randomly selected during same period for comparable transactions. During this review exercise, nothing has come to our attention that the Group's pricing policy had not been adhered to.

Generally, the Group would enter into sales agreements with tour operators on yearly or half-yearly basis, which would give those tour operators the right to reserve in bulk a number of "allocated" rooms. The number of rooms to be allocated to each tour operator and/or wholesaler depends on the Group's operating needs and their sales capability, such "allocated" rooms are

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typically priced at a fixed rate categorized by seasonality. The number of rooms to be allocated and the rates to be offered to each tour operator and/or wholesaler are generally determined by a number of factors, such as the behavior of market peers, source market demand, and their historical purchase volume. Any reservation request exceeding the number of rooms allocated would be separately negotiated under individual purchase orders. The level of discount will be determined based on the level of bulk bookings by such tour operator and/or wholesaler. The higher the booking volume, the higher the level of discount to offer. Such pricing practice is commensurate with the practices of the global hotels and resorts industry.

Nevertheless, the pace of recovery of the tourism market in Saipan over the course of the next three years remains uncertain as we discussed above. Given that, the Management considers that it would be difficult for both parties to reasonably determine the realistic annual caps in relation to the Holiday Package Transactions beyond the year 2026. Therefore, the Group and the QZ Tours Group have reached an agreement to enter into the 2H2026 QZ Framework Agreement for a term of six months commencing from July 1, 2026 and ending on December 31, 2026, subject to further clarity as regards the resumption of direct flights to and from key tourist origin cities in Mainland China.

Other terms in the 2H2026 QZ Framework Agreement, such as cancellation policies, the notice period for the cancellation prior to the date of check-in offered to the QZ Tours Group is generally shorter (as short as 5 days) than other tour operators and wholesalers with relatively lower purchase volume. Such practice is commensurate with the practices of the global hotels and resorts industry.

Crowne Plaza Resort Saipan is being managed by the Hotel Manager who is empowered and authorized to determine and implement the pricing policy and guidelines for the Holiday Package Transactions to be entered into with the QZ Tours Group, in accordance with the terms of the 2H2026 QZ Framework Agreement as well as the relevant hotel management agreement for each hotel.

Under the terms of the hotel management agreements, while the Group has the right to approve the annual budget for each hotel, the Hotel Manager has the right to determine all policies and procedures relating to the operation of the hotel, including the prices for any services provided by each hotel (e.g. room rates) and sales policies. Such policies and procedures must be consistent with the approved annual budget, the relevant brand standards of the InterContinental Hotels Group as well as the industry standards for similar market-positioned hotels in the geographical area in which the relevant hotel is being operated.

Based on the above, we are also of the view that the terms of the 2H2026 Framework Agreement are on normal commercial terms and are fair and reasonable.

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3.3. Annual caps

The Company and QZ Tours have previously agreed on the Existing 2026 QZ Annual Cap pursuant to the 1H2026 QZ Framework Agreement. In view of the entering into the 2H2026 QZ Framework Agreement for a further term of six months, the Company and QZ Tours have agreed to revise the Existing 2026 QZ Annual Cap to cover Holiday Package Transactions to take place during the second half of the year ending December 31, 2026.

The table below sets out the historical transaction amounts of the Holiday Package Transactions for the years ended December 31, 2023, 2024 and 2025, and six months ending June 30, 2026, the annual caps for the respective year/period and the proposed cap for the year ending December 31, 2026:

	For financial years ended 31 December			
	2023	2024	2025	2026
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Original annual caps	16,311	17,465	2,108	1,282
Actual aggregate amounts received from QZ Tours Group	326	2,218	1,157	401 (for 2 months ended February 28, 2026)
Utilization rate	2.0%	12.7%	54.9%	
Revised 2026 QZ Annual Cap				3,960

According to the Letter from the Board, the low utilization rate for FY2023 and FY2024 was mainly due to the fact that the original annual caps were determined towards the end of 2021 during the COVID-19 pandemic, when the Directors were cautiously optimistic that year 2022 would be a year of strong recovery for the global leisure travel industry in view of the increasing vaccination rates around the world. However, due to the continued impact of the COVID-19 pandemic, the pace of recovery of the tourism market in Saipan continued to remain sluggish. Group tours from Mainland China to Saipan only resumed gradually from around August 2023, whilst direct flights between Hong Kong and Saipan only resumed in late April 2024. The utilization rate for the financial year ended December 31, 2025 was noted low as well, of approximately 54.9%, which was mainly due to an abrupt suspension in the processing of

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travelers' applications under the CNMI EVS-TAP by the U.S. Customs and Border Protection in April 2025. The recovery of tourist arrivals from Mainland China to the CNMI was halted and the direct flights from Hong Kong to Saipan were suspended from late April 2025 until late September 2025. However, since the direct flights resumed, the demand for the Holiday Package Transactions saw a 421% increase in the fourth quarter of 2025 as compared to the third quarter of 2025, according to the Letter from the Board. In addition, it is noted that there was an increasing trend in the utilization rate over the past three years, given that the Company has adjusted the annual caps to the level that was considered to be more realistic, based on the tourism market environment.

The utilization of the original annual cap for the year ending December 31, 2026 (which only covered the Holiday Package Transactions under the 1H2026 QZ Framework Agreement for the first six months of the year ending December 31, 2026), was over 30% for the two months ended February 28, 2026. As such, the Directors believed that it was necessary to update the assumptions when determining the Revised 2026 QZ Annual Cap (which will cover the Holiday Package Transactions for the full year ending December 31, 2026). Based on our review of the estimation of the Revised 2026 QZ Annual Cap prepared by the Management and our discussion with the Management, we understand that the Revised 2026 QZ Annual Cap for the Holiday Package Transactions with the QZ Tours Group was determined after having considered (i) the unaudited transaction amount with the QZ Tours Group, in particular, the latest amounts since the resumption of direct flights between Hong Kong and Saipan in late September 2025, including the two months ended February 28, 2026; and (ii) the estimated level of demand for the Group's tourism products and services during the year ending December 31, 2026, taking into account the expected pace of recovery of the leisure tourism market in Saipan, the Group's Managaha Island operations and the potential increase of direct flights from Hong Kong to Saipan as well as the commencement of direct flights from key tourist origin cities in Mainland China to Saipan in the second half of year 2026.

To assess the fairness and reasonableness of the Revised 2026 QZ Annual Cap, we have reviewed and discussed with the Management on the calculation basis and assumptions. We understand that the Revised 2026 QZ Annual Cap has been arrived at on the assumptions including (i) the existing direct flights from Hong Kong to Saipan (two flights per week) will remain in operation throughout year 2026, and the load factor for the blocked seats of each flight will be 80% and 90% for off-peak and peak season during the first half of 2026, respectively, and 100% for the second half of 2026; (ii) additional flights from Hong Kong to Saipan (two additional flights per week) will commence from May 2026, and the load factor for the blocked seats of each flight will be 72% for May 2026 and 100% for the second half of 2026; (iii) Crowne Plaza Resort Saipan and Century Hotel will continue to operate throughout 2026 and all passengers with flight bookings under the Holiday Package Transactions will stay at either Crowne Plaza Resort Saipan or Century Hotel, with a slight increase of passengers choosing to stay at Crowne Plaza Resort

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Saipan; (iv) the Group's destination services in Saipan will continue to remain in full operation throughout 2026 and additional destination services relating to Managaha Island will be available during year 2026; and (v) the demand of optional activities under the Holiday Package Transactions will increase by 150% in the first half of 2026 as compared to 2025 in view of the Managaha Island Master Concession Agreement, and further increase by 100% in the second half of 2026.

We have reviewed the press releases of Marianas Visitors Authority in February and March 2026, which stated that the load factor, or percentage of seats sold, on Hong Kong Airlines' twice weekly direct flights from Hong Kong to Saipan remains healthy, and the market is anticipated to grow provided that the CNMI EVS-TAP continues without further interruption as experienced last year, and Hong Kong Airlines is anticipated to double its flight service in May 2026. Based on our discussion with the Management, we understand that the percentage for the blocked seats for the flights from Hong Kong to Saipan is estimated based on the factors including, among others, the historical rates and expected growth in market demand. Besides, we are of the view that the estimated increase in demand of optional activities under the Holiday Package Transactions is reasonable given that the Group has officially started the operations of transportation to and from Managaha Island, as well as non-motorized marine sports, recreational activities, food, beverages and souvenirs since February 15, 2026. Managaha Island is a popular day-trip destination for tourists and is about ten-minute boat ride from Crowne Plaza Resort Saipan and it is expected that the services provided by the Group would enhance the overall experience of the Group's hotel guests and expand the excursion tours business in Saipan under the Destination Services Segment.

Based on the above, given that the Management's assumptions and basis in setting the Revised 2026 QZ Annual Cap are supported, in particular, by (i) the substantial increase in demand for the Holiday Package Transactions following the resumption of direct flights between Hong Kong and Saipan in late September 2025; and (ii) the latest official information published by Marianas Visitors Authority and historical information, we are of the view that the Revised 2026 QZ Annual Cap for the Holiday Package Transactions has been determined on a fair and reasonable basis.

4. Internal control measures

According to the Letter from the Board, the Group has adopted the following internal control measures in respect of the Holiday Package Transactions that are carried out in accordance with the Group's pricing policies and to ensure the transactions are conducted on normal commercial terms.

- (i) The Audit Committee continuously monitors and will continuously monitor the Group's continuing connected transactions on an on-going basis.

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- (ii) The Audit Committee will compile an annual review report on continuing connected transactions of the Group, including the Holiday Package Transactions, considering whether all of the continuing connected transactions of the Group are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or, if applicable, on terms no less favorable to the Group than those available to or from (as appropriate) independent third parties, and are fair and reasonable to the Group and in the interests of the Company and Shareholders as a whole.
- (iii) The Audit Committee is empowered with various functions, powers and authority to maintain the effectiveness of its review of the continuing connected transactions of the Group, including but not limited to meeting every six months to review the reports on continuing connected transactions, appointing any financial or legal advisers as it considers necessary for its review, requiring alterations, modifications or changes to the terms of the continuing connected transactions of the Group in whatever manner as the independent non-executive Directors consider fit to ensure all continuing connected transactions are carried out on an arm's length basis.
- (iv) The Group has in place an internal monitoring mechanism to ensure that the relevant annual caps for the Group's continuing connected transactions will not be exceeded. On a monthly basis, a monitoring summary of the continuing connected transactions will be prepared by the Senior Finance Manager of the Group, detailing (i) the nature of the continuing connected transactions; (ii) the parties to the relevant transactions; (iii) the monthly amount of the relevant transactions; and (iv) the utilization rate of the corresponding annual cap.

The monitoring summary will then be submitted to the Group Financial Controller for review on a monthly basis in order to assess whether the relevant annual cap would potentially be exceeded based on the management forecast of upcoming transactions for the remainder of the year with reference to historical data, seasonality, etc. if the actual utilization rate has reached the threshold of 80% of the relevant annual cap, the Group Financial Controller will inform the Management, who will assess whether there is a need to revise the annual cap based on the estimated amount of upcoming transactions. If the Management decides that there is a need to increase the relevant annual cap, a revised annual cap will be proposed to the Board, and the Company will proceed to take steps to comply with all applicable requirements under the Listing Rules, including obtaining Independent Shareholders' approval if required.

According to the Annual Report 2024 and based on our discussion with the Management, we noted that the Company had received confirmation letters from the independent non-executive Directors that the continuing connected transactions of the Company for FY2024 and FY2025 (i)

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were entered into in the ordinary and usual course of business of the Group; (ii) were either on normal commercial terms or on terms no less favorable to the Group than terms available to or from independent third parties; and (iii) were in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders as a whole.

For details of all relevant internal control measures of the Group, please refer to the Letter from the Board. We are of the view that appropriate measures have been in place to govern that the Holiday Package Transactions will be conducted in the interest of the Company and its Shareholders as a whole.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the (i) the entering into of the Holiday Package Transactions is in the ordinary and usual course of business of the Group, and in the interests of the Company and the Independent Shareholders as a whole; (ii) the terms of the Holiday Package Transactions are on normal commercial terms and are fair and reasonable as far as the Company and the Independent Shareholders are concerned; and (iii) the Revised 2026 QZ Annual Cap in respect of the Holiday Package Transactions have been fairly and reasonably arrived at.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee, to advise the Independent Shareholders, to vote in favor of the resolution(s) to approve the Holiday Package Transactions (including the Revised 2026 QZ Annual Cap) at the AGM.

Yours faithfully,
For and on behalf of
Quam Capital Limited

Leo Chan
Head of Corporate Finance

Simon Kwok
Director of Corporate Finance

Mr. Leo Chan is the Head of Corporate Finance of Quam Capital Limited and is licensed under the SFO as a Responsible Officer to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Chan has approximately 30 years of experience in corporate finance.

Mr. Simon Kwok is the Director of Corporate Finance of Quam Capital Limited and is licensed person under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Kwok has approximately 10 years of experience in corporate finance.

APPENDIX I EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate.

SHAREHOLDERS' APPROVAL

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase shares on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognized by the SFC subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

SHARE CAPITAL

As at the Latest Practicable Date, 360,000,000 Shares were in issue and fully paid and there are no treasury Shares.

Subject to the passing of the relevant ordinary resolutions and on the basis that no further Shares will be issued and repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 36,000,000 Shares, representing 10% of the Shares in issue (excluding treasury Shares, if any) as at the date of passing of the Repurchase Mandate.

The Repurchase Mandate will expire at the earliest of: (i) the conclusion of the next annual general meeting of the Company following the AGM; (ii) the date by which the next annual general meeting is required by the Companies Act or the Articles of Association to be held; or (iii) when the mandate given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting of the Company prior to the next annual general meeting of the Company following the AGM.

REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares, but the Directors believe that it is in the interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Repurchase of Shares will only be made when the Directors believe that such repurchase will

APPENDIX I EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE

benefit the Company and its Shareholders as a whole. Such repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

FUNDING OF REPURCHASE

Pursuant to the Repurchase Mandate, any repurchase will only be funded out of funds of the Company legally available for the purpose of making the proposed purchases in accordance with the Company's Articles of Association, the applicable laws and regulations of the Cayman Islands and the Listing Rules.

The Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Companies Act.

EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the Company's most recent published audited accounts) in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company and/or the gearing position of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective Close Associates, has any present intention to sell any Share to the Company or its subsidiaries under the Repurchase Mandate if the same is approved by the Shareholders at the AGM.

No Core Connected Persons has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

APPENDIX I EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE

The Directors will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of the Cayman Islands and in accordance with the regulations set out in the Articles of Association. Neither this explanatory statement nor the proposed share repurchase has any unusual features.

In the event of a Share repurchase, the Company may cancel any repurchased Shares or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC Nominees to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company's exercise of the powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

APPENDIX I EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following Shareholders were interested in more than 5% of the Company's issued share capital:

Name of Shareholder	Long/Short position	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company ^(a)	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Dr. TAN Siu Lin ^(b)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
Dr. TAN Henry ^(c)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
THC Leisure Holdings Limited ("THC Leisure") ^(d)	Long	Beneficial interests	270,000,000	75%	83.33%
Tan Holdings Corporation ("Tan Holdings") ^(d)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
Leap Forward Limited ("Leap Forward") ^(d)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
Supreme Success Limited ("Supreme Success") ^(d)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%

Notes:

- (a) The percentages have been compiled based on the total number of Shares in issue (i.e. 360,000,000) as at the Latest Practicable Date.
- (b) Dr. Tan Siu Lin is deemed under the SFO to be interested in 270,000,000 Shares held by THC Leisure because (i) he acts in concert with Dr. Tan Henry in respect of the affairs of the Group; (ii) he and Dr. Tan Henry together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust; (iii) he and Dr. Tan Henry together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward, and are thus entitled to exercise the voting rights in Leap Forward; (iv) he is

APPENDIX I EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE

the founder of the said discretionary family trust; (v) Leap Forward is the registered owner of a 47% interest in Tan Holdings, and (vi) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Siu Lin.

- (c) Dr. Tan Henry is deemed under the SFO to be interested in 270,000,000 Shares held by THC Leisure because (i) he acts in concert with Dr. Tan Siu Lin in respect of the affairs of the Group; (ii) he and Dr. Tan Siu Lin together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust; (iii) he and Dr. Tan Siu Lin together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward and are thus entitled to exercise the voting rights in Leap Forward; (iv) Leap Forward is the registered owner of a 47% interest in Tan Holdings; and (v) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Henry. He is also the founder of a discretionary family trust which is the registered owner of a 20% interest in Tan Holdings.
- (d) THC Leisure directly holds 270,000,000 Shares. THC Leisure is 100% directly owned by Tan Holdings. Leap Forward holds 47% interest in Tan Holdings directly and Supreme Success holds 100% interest in Leap Forward.

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then the shareholding of the above Shareholders would be increased to approximately 83.33%. In the opinion of the Directors, such increase will not give rise to a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code. Save as disclosed above, the Directors are not aware of any consequence which may arise under the Takeovers Code as a consequence of any repurchase of Shares under the Repurchase Mandate.

The Listing Rules prohibit a company from making any repurchase on the Stock Exchange if the repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued shares of that company (excluding treasury shares, if any) in public hands. In any event, the Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25% (excluding treasury Shares, if any).

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the six months immediately preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

APPENDIX I EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Share prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2025		
May	0.480	0.460
June	0.460	0.430
July	0.520	0.435
August	0.700	0.495
September	0.640	0.610
October	0.630	0.550
November	0.600	0.490
December	0.700	0.600
2026		
January	0.840	0.610
February	0.780	0.750
March	0.810	0.660
April (up to the Latest Practicable Date)	0.850	0.810

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

As required by the Listing Rules, the following sets out the biographical information of the four Directors who will retire as required by the Articles of Association and the Listing Rules and are proposed to be re-elected at the AGM.

1. **CHIU George**

Mr. CHIU George (“**Mr. Chiu**”), aged 64, has been an Executive Director of the Group since November 2018. Mr. Chiu joined the Group in April 1997 and has held directorship and key management roles. Mr. Chiu is recognized as a successful businessman in Guam, the NMI region and the Micronesia region with over 30 years of experience in overseeing and managing various business ventures in the region. Mr. Chiu has a strong presence in the business community of Guam, the NMI region and the Micronesia region. He is also actively involved in other community organizations. Mr. Chiu is the president of both the Chinese Chamber of Commerce of Guam and the Guam Chinese Association. He also serves as the director of the board of the Guam Visitors Bureau and the director/treasurer of the board of the University of Guam Endowment Foundation. On March 23, 2023, Mr. Chiu was elected as the chairman of the board of the Guam Visitors Bureau. Mr. Chiu was a former director of the board of the Guam Economic Development Authority. Mr. Chiu holds a bachelor’s degree in business administration with double majors in management and accounting from the University of Guam.

Mr. Chiu is the brother-in-law of Dr. Tan Henry (Vice Chairman, an Executive Director, the Chief Executive Officer and a controlling shareholder) and an uncle of Mrs. Su Tan Jennifer Sze Tink (an Executive Director and the Executive Vice President). He is also a director of S.A.I. CNMI Tourism Inc., S.A.I. Guam Tourism Inc., Asia Pacific Hotels, Inc., Asia Pacific Hotels, Inc. (Guam), Gemkell (Saipan) Corporation, Gemkell Corporation and Gemkell U.S.A. LLC, all of which are our subsidiaries.

Save as disclosed above, Mr. Chiu had not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Chiu was not interested or deemed to be interested in any Share and the shares of the Company’s associated corporation pursuant to Part XV of the Securities and Future Ordinance.

Save as disclosed above, Mr. Chiu is not connected with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Chiu had entered into a renewed service agreement with the Company for a term of three years commencing from April 9, 2025, and thereafter on a month-to-month basis, subject to the right of termination by either the Company or Mr. Chiu by giving not less than three months' notice in writing to the other party. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. Under the service agreement, Mr. Chiu is entitled to a salary of US\$150,000 per annum. Mr. Chiu is also entitled to a bonus, which shall be determined in accordance with the Articles of Association and by the board and/or the Company's Remuneration Committee. The Company has made contribution to the mandatory provident fund in accordance with the applicable legal requirement. Mr. Chiu will also be entitled to reimbursement of all reasonable expenses properly incurred and in connection with the performance of his duties or in connection with his office. Mr. Chiu's remuneration was determined by reference to the prevailing market condition and his knowledgeable experience for the industry. On January 1, 2026, Mr. Chiu agreed to waive any emoluments from the Company for the financial year ending December 31, 2026.

Save as disclosed above, there are no other matters concerning Mr. Chiu that need to be brought to the attention of the Shareholders and there is no other information to be disclosed to Rule 13.51(2)(h) to (v) of the Listing Rules.

2. **TAN Willie**

Mr. TAN Willie (“**Mr. Tan**”), aged 70, has been a Non-Executive Director of the Company since November 2018. Mr. Tan joined the Group in April 1997. He has over 30 years of experience in business management. Mr. Tan is the vice chairman of the board of Tan Holdings (a controlling shareholder), which is the privately held business of the family of Chairman Tan. Mr. Tan has an extensive experience in tourism and retail businesses. He is also the chief executive officer of Skechers China Limited, Skechers Hong Kong Limited, Skechers South Korea Limited and Skechers Southeast Asia Limited. He was appointed honorary ambassador-at-large for Guam, U.S. in 2007. Mr. Tan holds a bachelor's degree in business administration from the University of Guam.

Mr. Tan is a son of Chairman Tan (Chairman, a Non-Executive Director and a controlling shareholder), a brother of Dr. Tan Henry (Vice Chairman, an Executive Director, the Chief Executive Officer and a controlling shareholder) and Mr. Tan Jerry Cho Yee (a member of our senior management) and an uncle of Mrs. Su Tan Jennifer Sze Tink (an Executive Director and the Executive Vice President). Mr. Tan is also a director of Asia Pacific Hotels, Inc., Gemkell (Saipan) Corporation, Gemkell Corporation and Gemkell U.S.A. LLC, all of which are our subsidiaries.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Save the offices held in the Group, Mr. Tan had not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Tan was not interested or deemed to be interested in any Share and the shares of the Company's associated corporations pursuant to Part XV of the Securities and Future Ordinance.

Save as disclosed above, Mr. Tan is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Pursuant to a renewed letter of appointment, Mr. Tan's appointment as a non-executive Director was renewed for a term of three years commencing from April 9, 2025 with a director fee of US\$19,000 per annum. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. His director's fee has been determined by reference to the level of remuneration for non-executive directors of Hong Kong listed companies and the demand for the Company on Mr. Tan's attention as its non-executive Director. On January 1, 2026, Mr. Tan agreed to waive any emoluments from the Company for the financial year ending December 31, 2026.

Save as disclosed above, there are no other matters concerning Mr. Tan that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

3. **MA Andrew Chiu Cheung**

Mr. MA Andrew Chiu Cheung ("Mr. Ma"), aged 84, has been an Independent Non-Executive Director of the Company since April 2019 and is the Chairman of our Audit Committee. Mr. Ma holds a bachelor's degree in economics from the London School of Economics and Political Science (The University of London) in the United Kingdom and has over 40 years of experience in accounting, auditing and finance. He is a Fellow Member of each of the Institute of Chartered Accountants in England & Wales, the Hong Kong Institute of Certified Public Accountants, the Taxation Institute of Hong Kong and the Hong Kong Institute of Directors. Mr. Ma is a founder and former director of AMA CPA Limited (formerly known as Andrew Ma DFK (CPA) Limited) in Hong Kong. He is also a founder and served as a director of Mayee Management Limited until his retirement on January 1, 2024. He is currently an independent non-executive director of Asiaray Media Group Limited (Stock Code: 1993) and C-MER Medical Holdings Limited (formerly known as C-MER EYE CARE HOLDINGS LIMITED) (Stock Code: 3309), the shares of all of which are listed on the Main Board of the Stock Exchange.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed above, Mr. Ma had not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Ma was not interested or deemed to be interested in any Share and the shares of the Company's associated corporations pursuant to Part XV of the Securities and Future Ordinance.

Mr. Ma does not have any relationships with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

Pursuant to a renewed letter of appointment, Mr. Ma was appointed as independent non-executive director for a term of three years commencing from April 9, 2025 with an annual director fee of HK\$300,000 per annum. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. His director's fee has been determined by reference to the level of remuneration for independent non-executive directors of Hong Kong listed companies and the demand for the Company on Mr. Ma's attention as its independent non-executive Director.

Save as disclosed above, there are no other matters concerning Mr. Ma that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

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 to the best of their knowledge and belief that 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. INTERESTS AND SHORT POSITIONS OF DIRECTORS AND THE CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

At the Latest Practicable Date, the interests and short positions of the Directors or the chief executives of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required 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 were required, pursuant to Section 352 of the SFO, to be entered on the register maintained by the Company referred to therein, or which were required, pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Directors	Number of Shares			Percentage of interests in the Company as at the Latest Practicable Date^(a)
	Personal interests (held as beneficial owner)	Corporate interests (interests of controlled corporations)	Total interests	
Dr. Tan Siu Lin ^(b)	—	270,000,000	270,000,000	75%
Dr. Tan Henry ^(c)	—	270,000,000	270,000,000	75%

Notes:

- (a) The percentage has been compiled based on the total number of Shares issued (i.e. 360,000,000) as at the Latest Practicable Date.

- (b) Dr. Tan Siu Lin is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of the Company's entire issued share capital) held by THC Leisure because (i) he acts in concert with Dr. Tan Henry in respect of the affairs of the Group; (ii) he and Dr. Tan Henry together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust; (iii) he and Dr. Tan Henry together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward, and are thus entitled to exercise the voting rights in Leap Forward; (iv) he is the founder of the said discretionary family trust; (v) Leap Forward is the registered owner of a 47% interest in Tan Holdings; and (vi) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Siu Lin.
- (c) Dr. Tan Henry is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of the Company's entire issued share capital) held by THC Leisure because (i) he acts in concert with Dr. Tan Siu Lin in respect of the affairs of the Group; (ii) he and Dr. Tan Siu Lin together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust; (iii) he and Dr. Tan Siu Lin together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward and are thus entitled to exercise the voting rights in Leap Forward; (iv) Leap Forward is the registered owner of a 47% interest in Tan Holdings; and (v) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Henry. He is also the founder of a discretionary family trust which is the registered owner of a 20% interest in Tan Holdings.

As at the Latest Practicable Date, save as disclosed above, none of the Directors nor the chief executive of the Company had 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 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 or short positions which they were deemed or taken to have under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered on the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, so far as was known to the Directors, the interests and short positions of the persons (other than the interests and short positions of the Directors or chief executive of the Company as disclosed above) in the Shares and/or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company are set out below:

Shareholders	Capacity/ Nature of interests	Number of Shares	Percentage of interest in the Company as at the Latest Practicable Date ^(a)
Dr. Tan Siu Lin ^(b)	Interests in a controlled corporation	270,000,000	75%
Dr. Tan Henry ^(c)	Interests in a controlled corporation	270,000,000	75%
THC Leisure ^(d)	Beneficial interests	270,000,000	75%
Tan Holdings ^(d)	Interests in a controlled corporation	270,000,000	75%
Leap Forward ^(d)	Interests in a controlled corporation	270,000,000	75%
Supreme Success ^(d)	Interests in a controlled corporation	270,000,000	75%

Notes:

- (a) The percentage has been compiled based on the total number of Shares in issue (i.e. 360,000,000) as at the Latest Practicable Date.
- (b) Dr. Tan Siu Lin is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of the Company's entire issued share capital) held by THC Leisure because (i) he acts in concert with Dr. Tan Henry in respect of the affairs of the Group; (ii) he and Dr. Tan Henry together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward

as the trustee of a discretionary family trust; (iii) he and Dr. Tan Henry together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward, and are thus entitled to exercise the voting rights in Leap Forward; (iv) he is the founder of the said discretionary family trust; (v) Leap Forward is the registered owner of a 47% interest in Tan Holdings; and (vi) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Siu Lin.

- (c) Dr. Tan Henry is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of the Company's entire issued share capital) held by THC Leisure because (i) he acts in concert with Dr. Tan Siu Lin in respect of the affairs of the Group; (ii) he and Dr. Tan Siu Lin together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust; (iii) he and Dr. Tan Siu Lin together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward and are thus entitled to exercise the voting rights in Leap Forward; (iv) Leap Forward is the registered owner of a 47% interest in Tan Holdings; and (v) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Henry. He is also the founder of a discretionary family trust which is the registered owner of a 20% interest in Tan Holdings.
- (d) THC Leisure directly holds 270,000,000 Shares (representing 75% of the Company's entire issued share capital). THC Leisure is 100% directly owned by Tan Holdings. Leap Forward holds 47% interest in Tan Holdings directly and Supreme Success holds 100% interest in Leap Forward.

As at the Latest Practicable Date, save as disclosed above, so far as was known to the Directors, no other person (other than the Directors or chief executives of the Company) had any interests or short position in the Shares and/or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as notified to the Company.

4. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there was no material adverse change in the financial or trading position of the Group since December 31, 2025, being the date up to which the latest published audited consolidated financial statements of the Group were made.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into any service agreements with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. EXPERT QUALIFICATION AND CONSENT

The following is the qualification of the expert who has made statement in this circular:

Name	Qualification
Quam Capital Limited	A licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO

Quam Capital Limited, the Independent Financial Adviser, has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, recommendation, opinion and/or references to its name in the form and context in which they are included.

7. EXPERT'S INTERESTS

As at the Latest Practicable Date,

- (a) the Independent Financial Adviser did not have any direct or indirect interest in any assets which have been, since December 31, 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up, acquired, disposed of by, or leased to, any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member of the Group; and
- (b) the Independent Financial Adviser 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.

8. LITIGATION

As at the Latest Practicable Date, none of the members of the Group were 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.

9. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective close associates had any interest in a business, which competes or may compete with the businesses of the Group (which would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them were treated as a controlling shareholder of the Company).

10. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had, since December 31, 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up), been acquired or disposed of by, or leased to, the Company or any member of the Group, or were proposed to be acquired or disposed of by, or leased to, the Company or any member of the Group; and none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at such date and which was significant in relation to the businesses of the Group as at the Latest Practicable Date.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.saileisuregroup.com) for a period of 14 days from the date of this circular:

- (a) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages IBC-1 to IBC-2 of this circular;
- (b) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages IFA-1 to IFA-19 of this circular;
- (c) 2H2026 QZ Framework Agreement; and
- (d) this circular.

12. GENERAL

- (a) The address of the registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office and principal place of business of the Company is at 5/F, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong.
- (b) The company secretary of the Company is Ms. Cheung Pik Shan Bonnie, who is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

- (c) The principal share registrar and transfer office of the Company in the Cayman Islands is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

- (d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

- (e) In case of inconsistency, the English text of this circular shall prevail over the Chinese text.

NOTICE OF ANNUAL GENERAL MEETING



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of S.A.I. Leisure Group Company Limited (the “Company”) will be held at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Hong Kong on Thursday, May 28, 2026 at 11:00 a.m. for the following purposes:

Ordinary Resolutions

As ordinary business:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries together with the reports of the directors and the auditors of the Company for the financial year ended December 31, 2025;
2. To re-elect Mr. Chiu George as executive director of the Company;
3. To re-elect Mr. Tan Willie as non-executive director of the Company;
4. To re-elect Mr. Ma Andrew Chiu Cheung as independent non-executive director of the Company;
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) the 2H2026 QZ Framework Agreement (as defined in the circular of the Company dated April 30, 2026 (the “Circular”), a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification

NOTICE OF ANNUAL GENERAL MEETING

purpose) for a term of six months from July 1, 2026 to December 31, 2026 and the Holiday Package Transactions (as defined in the Circular) contemplated thereunder be and are hereby approved, ratified and confirmed in all respects;

- (b) the Revised 2026 QZ Annual Cap (as defined in the Circular) in relation to the Holiday Package Transactions for the year ending December 31, 2026 as set out in the Circular be and are hereby approved; and
 - (c) any one director of the Company be and is hereby generally and unconditionally authorized to do all such further acts and things and to sign and execute all such other or further documents and to take all such steps which in the opinion of such director may be necessary, appropriate, desirable or expedient to implement and/or give effect to the 2H2026 QZ Framework Agreement or the Holiday Package Transactions contemplated thereunder as aforesaid.”
6. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company for the financial year ending December 31, 2026;
 7. To re-appoint Messrs. Ernst & Young as the auditors of the Company and to authorize the Board to fix their remuneration;
 8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below and pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with any unissued shares in the capital of the Company (the “**Shares**”), including any sale and transfer of Shares out of treasury that are held as treasury shares (which shall have the meaning ascribed to it under the Listing Rules from time to time), and to make or grant offers, agreements and options (including but not limited to bonds and debentures convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds and debentures convertible into shares of the Company) which might require the Shares to be issued (or transferred out of treasury) either during or after the end of the Relevant Period;

- (c) the total number of the Shares allotted and issued (or transferred out of treasury) or agreed conditionally or unconditionally to be allotted and issued (or transferred out of treasury) (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined); or

 - (ii) an issue of Shares (or transfer out of treasury) upon the exercise of options which may be granted under any share option scheme or under any option scheme or similar arrangement for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries or any other person of Shares or rights to acquire Shares; or

 - (iii) any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares (or transfer out of treasury) in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time,

shall not exceed 20% of the total number of the issued Shares (excluding treasury Shares, if any) at the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated or revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time) or any other applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution; and

“Rights Issue” means an offer of Shares or issue of option, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to the holders of Shares, whose names appear on the register of members of the Company (and, where appropriate, to the holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities) (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

9. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the **“Directors”**) during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company (the **“Shares”**) on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the Shares may be listed and which is recognized by the Securities and Futures Commission of Hong Kong (the **“Commission”**) and the Stock Exchange for this purpose, subject to and in accordance with the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time) or any other applicable laws, the Code on Share Buy-backs approved by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of the Shares which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of the issued Shares (excluding treasury Shares, if any) at the date of the passing of this resolution, and the authority granted pursuant to paragraph (a) above shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this resolution which has been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purposes of this resolution,

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time) or any applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution.”

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT conditional upon the ordinary resolutions set out in paragraphs 8 and 9 of the notice convening this meeting (the “**Notice**”) being passed, the general mandate granted to the directors of the Company (the “**Directors**”) to allot, issue and deal with any unissued shares of the Company (the “**Shares**”), including any sale and transfer of Shares out of treasury that are held as treasury shares (which shall have the meaning ascribed to it under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited from time to time), pursuant to the ordinary resolution set out in paragraph 8 of the Notice be and is hereby extended by the addition to the number of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the number of the Shares repurchased by the Company under the authority

NOTICE OF ANNUAL GENERAL MEETING

granted pursuant to the ordinary resolution set out in paragraph 9 of the Notice, provided that such extended amount shall not exceed 10% of the total number of the issued Shares (excluding treasury Shares, if any) as at the date of the passing of this resolution.”

By order of the Board
S.A.I. Leisure Group Company Limited
Henry Tan, SBS, BBS, JP
*Vice Chairman, Executive Director
and Chief Executive Officer*

Hong Kong, April 30, 2026

As at the date of this notice, the Board comprises: (1) Dr. TAN Henry, Mr. CHIU George, Mrs. SU TAN Jennifer Sze Tink and Ms. CHEUNG Pik Shan Bonnie as the executive directors; (2) Dr. TAN Siu Lin (Chairman) and Mr. TAN Willie as the non-executive directors; and (3) Mr. CHAN Leung Choi Albert, Mr. MA Andrew Chiu Cheung and Mr. WONG Chun Tat as the independent non-executive directors.

Notes:

1. A member of the Company (the “**Member**”) entitled to attend and vote at the AGM or its adjourned meeting (as the case may be) is entitled to appoint another person as his/her/its proxy to attend and, on a poll, vote in his/her/its stead. A Member who is the holder of two or more Shares may appoint more than one proxy to represent him/her/it and, on a poll, vote on his/her/its behalf. A proxy need not be a Member.
2. In order to be valid, the duly completed and signed form of proxy together with any power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority, must be deposited at the office of the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 48 hours before the time appointed for holding the AGM or its adjournment.
3. For AGM

The register of Members will be closed from May 22 to May 28, 2026 (both days inclusive), during which period no transfer of Shares will be registered, for ascertaining Shareholders’ entitlement to attend and vote at the AGM. In order to qualify for attending and voting at the AGM, non-registered Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on May 21, 2026.

4. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and Article 66(1) of the Articles of Association, any vote of Members at general meeting of the Company must be taken by poll. Therefore, all proposed resolutions put to the vote at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

5. With regard to the proposed ordinary resolutions set out in paragraphs 2 to 4 of this Notice, Mr. Chiu George, Mr. Tan Willie and Mr. Ma Andrew Chiu Cheung will retire as Directors at the AGM and, being eligible, offer themselves for re-election. Details of the above Directors are set out in Appendix II to the Circular.
6. With regard to the proposed ordinary resolution set out in paragraph 7 of this Notice, the Board concurs with the views of the audit committee of the Board and has recommended that Messrs. Ernst & Young be re-appointed as the auditors of the Company.
7. With regard to the proposed ordinary resolution set out in paragraph 8 of this Notice, approval is being sought from the Members for the grant to the Directors of a general mandate to authorize the allotment and issue of Shares (including any sale and transfer of treasury Shares) under the Listing Rules. The Directors have no immediate plans to issue any new Shares.
8. With regard to the proposed ordinary resolution set out in paragraph 9 of this Notice, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares only in the circumstances which they consider appropriate for the benefit of the Company and the Members as a whole. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to the Circular.
9.
 - (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a rainstorm warning signal is expected to be in force at any time between 7:00 a.m. and 5:00 p.m. on the date of the AGM, the AGM will be postponed and the Members will be informed of the date, time and venue of the postponed AGM by an announcement posted on the respective websites of the Company and the Stock Exchange.
 - (b) If a tropical cyclone warning signal No. 8 or above or a rainstorm warning signal is lowered or cancelled at or before three hours before the time fixed for holding the AGM and where conditions permit, the AGM will be held as scheduled.
 - (c) The AGM will be held as scheduled when an amber or a thunderstorm warning signal or typhoon signal No. 3 or below is in force.
 - (d) After considering their own situations, the Members should decide on their own as to whether they would attend the AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.
10. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.