SUNDY 宋服務
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Sundy Service Group Co. Ltd
宋都服务集团有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9608)

(1) DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY; AND (2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2026 TO 2028

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Discloseable and Connected Transaction in relation to Acquisition of Property

道勤資本 DILIGENT CAPITAL

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Property Management Agreements

雋匯國際 雋匯國際金融有限公司 Jun Hui International Finance Limited

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

On 19 November 2025 (after trading hours), Hangzhou Hehong (an indirect wholly-owned subsidiary of the Company) entered into the Letter of Intent with Greenland Holdings, pursuant to which Hangzhou Hehong shall acquire and Greenland Holdings shall dispose of the Property for a consideration of RMB6,648,276.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2026 TO 2028

Renewal of the New Master Lease Agreement

Reference is made to the 2022 Announcement and the 2022 Supplemental Announcement in respect of, among other things, the continuing connected transactions exempt from Independent Shareholders' approval in relation to the Master Lease Agreement with a term from 1 January 2023 until 31 December 2025.

As the Master Lease Agreement will expire on 31 December 2025, on 19 November 2025, the Company has entered into the New Master Lease Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

Renewal of the New Property Management Agreements

References are made to the 2022 Announcement, 2022 Supplemental Announcement and the 2022 Circular in respect of, among other things, the non-exempt continuing connected transactions in relation to the Property Management Agreements, each with a term from 1 January 2023 until 31 December 2025.

As the Property Management Agreements will expire on 31 December 2025, on 19 November 2025, the Company has entered into: (i) the New Master Property Management Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group); (ii) the New Zhizhonghe Master Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group); and (iii) the New Yangguang Master Agreement with Sundy Yangguang Kindergarten, respectively, and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

Renewal of the New Master Service Agreement

References are made to the 2022 Announcement, 2022 Supplemental Announcement and the 2022 Circular in respect of, among other things, the non-exempt continuing connected transactions in relation to the Master Service Agreement with a term from 1 January 2023 until 31 December 2025.

As the Master Service Agreement will expire on 31 December 2025, on 19 November 2025, the Company has entered into the New Master Service Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

Renewal of the New Master Purchase Agreement

Reference is made to the section headed "Connected Transactions" in the Prospectus, containing among other things, the fully exempt continuing connected transactions in relation to the Initial Master Purchase Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group) with a term from the Listing Date until 31 December 2022.

From the Listing Date until 31 December 2022, and upon the renewal of the Master Purchase Agreement with a term from 1 January 2023 until 31 December 2025, since the highest relevant percentage ratio in respect of the transactions under the Master Purchase Agreement is less than 5% and the highest annual cap was less than HK$3 million, the transactions contemplated under the Master Purchase Agreement fell within the de minimis threshold as stipulated under Rule 14A.76 of the Listing Rules and were fully exempt from all reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Master Purchase Agreement will expire on 31 December 2025, on 19 November 2025, the Company has entered into the New Master Purchase Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group), and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Greenland Holdings is indirectly owned as to 50% by Sundy Land, which is in turn owned as to approximately 29.04% by Xingfu Jian Holdings (which was owned as to approximately 99.01% by Mr. Yu), approximately 9.74% by Mr. Yu and approximately 4.51% by Ms. Guo, spouse of Mr. Yu. Mr. Yu is a Controlling Shareholder of the Company. Therefore, Greenland Holdings and Sundy Land, as associates of Mr. Yu, are connected persons of the Company. As such, the transactions contemplated under the Letter of Intent constitutes a connected transaction of the Company, and the transactions contemplated under the New Master Lease Agreement, the New Master Property Management Agreement and the New Master Service Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Zhizhonghe Industry is wholly owned by Heye Investment, a company owned as to approximately 99.93% by Hechu Enterprise Management, which was owned as to 90.00% and 10.00% by Mr. Wu and Ms. Yu, respectively, for and on behalf of Mr. Yu. Therefore, Zhizhonghe Industry, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Zhizhonghe Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Sundy Yangguang Kindergarten is directly owned as to 40% by Heqi Supply Chain, which is wholly owned by Xingfu Jian Holdings. Therefore, Sundy Yangguang Kindergarten, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Yangguang Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Acquisition of Property

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Letter of Intent is not less than 0.1% but below 5% on a standalone basis, the entering into of the Letter of Intent and the transactions contemplated thereunder shall be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Reference was made to the announcement of the Company dated 31 October 2025 in respect of the Previous Acquisition. As the transactions contemplated under the Letter of Intent and the Previous Acquisition will be entered into by the Group with parties who are connected with one another within a 12-month period, the transactions shall be aggregated in accordance with Rule 14.22 and Rule 14A.81 of the Listing Rules.

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Letter of Intent (together with the Previous Acquisition on an aggregate basis) is not less than 5% but below 25%, the entering into of the Letter of Intent and the transactions contemplated thereunder shall be subject to the reporting, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

Renewal of the New Master Lease Agreement

For the purpose of the New Master Lease Agreement, as the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the largest annual cap under the New Master Lease Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the New Master Lease Agreement are subject to the requirements of annual review, reporting and announcement but exempt from the circular and approval by the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

Renewal of the New Property Management Agreements

For the purpose of the New Property Management Agreements, namely (i) the New Master Property Management Agreement; (ii) the New Zhizhonghe Master Agreement; and (iii) the New Yangguang Master Agreement, they are all related to the property management services provided by the Group to associates of Mr. Yu, namely Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, respectively, and the New Property Management Agreements are aggregated for the Listing Rules purposes.

After aggregation, as one or more of the applicable percentage ratios (other than the profits ratio) as defined under the Listing Rules in respect of the largest aggregate annual caps under the New Property Management Agreements is more than 5% and the aggregate amount exceeds HK$10,000,000, the transactions contemplated under the New Property Management Agreements are subject to the requirements of annual review, reporting, announcement, circular (including independent financial advice) and approval by the Independent Shareholders under Chapter 14A of the Listing Rules.

Renewal of the New Master Service Agreement

For the purpose of the New Master Service Agreement, as the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the maximum service fee payable by Sundy Land Group to the Group under the New Master Service Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the New Master Service Agreement are subject to the requirements of annual review, reporting and announcement but exempt from the circular and approval by the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

Renewal of the New Master Purchase Agreement

For the purpose of the New Master Purchase Agreement, as the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the largest annual cap under the New Master Purchase Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the New Master Purchase Agreement are subject to the requirements of annual review, reporting and announcement requirements but exempt from the circular and approval by the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

EGM

The EGM will be convened to consider and, if thought fit, to approve, among other things, (1) the Letter of Intent and the transactions contemplated thereunder; and (2) the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028.

A circular containing, among other things, (i) a letter from the Board containing further details and information of the Letter of Intent and the New Property Management Agreements and its proposed annual caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in connection with the aforesaid; (iii) a letter from Diligent Capital and a letter from Jun Hui International, independent financial advisers to the Independent Board Committee and the Independent Shareholders containing their advice in connection with the Letter of Intent and the New Property Management Agreements, respectively; and (iv) a notice convening the EGM together with the proxy form, is expected to be despatched to the Shareholders on or before 10 December 2025 in accordance with the Listing Rules.

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

On 19 November 2025 (after trading hours), Hangzhou Hehong (an indirect wholly-owned subsidiary of the Company) entered into the Letter of Intent with Greenland Holdings, pursuant to which Hangzhou Hehong agrees to acquire and Greenland Holdings agrees to dispose of the Property for a consideration of RMB6,648,276.

The principal terms of the Letter of Intent are set out below:

Date:	19 November 2025 (after trading hours)
Parties:	(a) Hangzhou Hehong (an indirect wholly-owned subsidiary of the Company) (as purchaser); and (b) Greenland Holdings (as vendor).
Location of the Property:	Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC, with a gross floor area of approximately 228.83 sq.m.
Compliance with Listing Rules:	The parties agree to enter into the Property Acquisition Agreement subject to compliance with the Listing Rules (including but not limited to the requirement for prior approval by the Independent Shareholders at the EGM).
Consideration:	The consideration for the acquisition of the Property is RMB6,648,276, which was determined after arm's length negotiations with reference to, among others, (i) the valuation of the Property as at 30 September 2025 in the aggregate amount of RMB6,710,000, conducted by an independent valuer in Hong Kong using market approach; (ii) the prevailing market prices for the comparable assets in the proximity; and (iii) the prevailing property market condition. The consideration for the acquisition of the Property will be settled by the internal resources of the Group.

Pursuant to the Property Acquisition Agreement, among other terms, the parties agree that: (a) land use rights in the Property shall expire on 19 October 2057; (b) the permitted use of the Property is for commercial or office use; (c) the Group shall pay the consideration of RMB6,648,276 in one lump sum to Greenland Holdings after the date of approval of the Independent Shareholders at the EGM; and (d) Greenland Holdings shall deliver the Property to Hangzhou Hehong before 30 June 2026.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE PROPERTY

The acquisition of the Property represents a good capital preservation and investment opportunity. The Company considers that this asset is distinguished by its prime location at a landmark building in Hangzhou, and comprehensive supporting facilities, endowing it with strong value retention and appreciation, significant market demand for both purchase and lease, high occupancy rates, and relative liquidity in disposition. The prestige associated with such a landmark building enhances the reputation of the Property, creating a cycle that sustains favourable rental rates and high occupancy levels. It is a preferred location especially for large listed corporations, which affords strategic advantages for industry exchange and collaboration. In particular, such anticipated tenant profile has the potential to lead to predictable and reliable rental yields, generating a consistent income stream. Furthermore, the current downturn in the real estate sector has presented a favorable window for acquisition at a reduced price point. Coupled with the anticipated appreciation driven by its robust foundation, the below-peak acquisition price positions the Property for substantial capital gains.

The terms of the Letter of Intent have been arrived at after arm's length negotiations between the parties. The Directors (excluding the independent non-executive Directors whose views will be contained in the circular after considering the advice from Diligent Capital) have confirmed that the transactions contemplated under the Letter of Intent are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FOR 2023 TO 2025

1. Renewal of the New Master Lease Agreement

Background

Reference is made to 2022 Announcement and the 2022 Supplemental Announcement in respect of, among other things, the continuing connected transactions exempt from Independent Shareholders' approval in relation to the Master Lease Agreement with a term from 1 January 2023 until 31 December 2025.

As the Master Lease Agreement will expire on 31 December 2025, on 19 November 2025, the Company has entered into the New Master Lease Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Master Lease Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), pursuant to which the Group shall lease from Sundy Land Group certain premises for hotel use for a term commencing on 1 January 2026 and expiring on 31 December 2028 (both days inclusive), and at any time either party thereto may give not less than three months' prior written notice to terminate the New Master Lease Agreement.

Historical amount

The annual caps under the Master Lease Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB4.70 million, RMB4.90 million and RMB5.10 million, respectively.

The actual aggregate rental fee incurred by the Group to Sundy Land Group in relation to the leased hotel premises for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB3.78 million, RMB4.55 million and RMB3.47 million, respectively.

Pricing policy

The specific rental fee concerned and other relevant matters will be negotiated by the relevant subsidiaries for both parties with reference to the prevailing market rates and in good faith which will be set out in separate lease agreements in accordance with the terms set out in the New Master Lease Agreement.

In particular, in determining the prevailing market rates, the specific rental fee concerned shall be negotiated on an arm's length basis, based on normal commercial terms, fair and reasonable, and determined by a pricing mechanism with reference to the prevailing market prices of comparable properties of similar specifications, size and nature in the vicinity of the premises to be leased. The Group will conduct desktop searches on the market prices of comparable properties or obtain two or more quotations of comparable properties from independent property agents, landlords or lessors (if available) of such rental information for reference. The rental and other charges payable by the Group shall be consistent with the prevailing market prices with reference to the rental information gathered by the Group of comparable properties in the vicinity and are monitored regularly under the Group's internal control procedures, such as inspection and regular collection and evaluation of, among others, pricing principles of the New Master Lease Agreement.

Proposed annual caps

The proposed annual caps under the New Master Lease Agreement for the three years ending 31 December 2026, 2027 and 2028 are RMB12 million, RMB12 million and RMB12 million, respectively.

Basis of determination of the proposed annual caps

The proposed annual caps under the New Master Lease Agreement for the three years ending 31 December 2026, 2027 and 2028 were determined mainly with reference to: (i) the historical transaction amounts under the Master Lease Agreement; (ii) the prevailing market rate of the comparable premises in the local community; and (iii) the revenue forecast of the hotel business for each of the years ending 31 December 2026, 2027 and 2028, taking into account of, among others, its occupancy rate and hotel room charge.

Reasons for and benefits of entering into the New Master Lease Agreement

The Group has been leasing from Sundy Land Group certain premises for hotel use for its business operation since 2017. The premises held by Sundy Land Group are all located in the prosperous areas of cities, which meet the business needs of the Group. At the same time, Sundy Land Group can also guarantee a long-term and stable supply of the premises leased by the Group for hotel use. As the Group is expected to continue to lease the premises from Sundy Land Group for the next three (3) years (2026 to 2028), the Directors consider it beneficial to renew the Master Lease Agreement, which would enable the Group to secure locations for its hotel use at fair market price and to prevent unnecessary cost, time and interruption of business.

Having considered the above pricing policy, basis of determination and reasons for and benefits of entering into the New Master Lease Agreement, all of the Directors are of the view that the New Master Lease Agreement, the transactions contemplated and its proposed annual caps are entered into on normal commercial terms in the ordinary and usual course of business of the Company, are fair and reasonable, and in the interests of the Group and its Shareholders as a whole.

2. Renewal of the New Property Management Agreements

Background

References are made to the 2022 Announcement, 2022 Supplemental Announcement and the 2022 Circular in respect of, among other things, the non-exempt continuing connected transactions in relation to the Property Management Agreements, each with a term from 1 January 2023 until 31 December 2025.

As the Property Management Agreements will expire on 31 December 2025, on 19 November 2025, the Company has entered into: (i) the New Master Property Management Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group); (ii) the New Zhizhonghe Master Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group); and (iii) the New Yangguang Master Agreement with Sundy Yangguang Kindergarten, respectively, and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

A. New Master Property Management Agreement

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Master Property Management Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), pursuant to which the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties developed or owned by Sundy Land Group. Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Master Property Management Agreement will commence on 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party thereto may give the other party not less than three months' prior written notice to terminate the New Master Property Management Agreement.

Historical amount

The annual caps under the Master Property Management Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB30.00 million, RMB32.00 million and RMB34.00 million, respectively.

The actual aggregate property management service fees paid to the Group by Sundy Land Group for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB13.79 million, RMB22.75 million and RMB17.25 million, respectively.

B. New Zhizhonghe Master Agreement

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Zhizhonghe Master Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group), pursuant to which the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties owned or operated by Zhizhonghe Group. Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Zhizhonghe Master Agreement will commence from 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party thereto may give the other party not less than three months' prior written notice to terminate the New Zhizhonghe Master Agreement.

Historical amount

The annual caps under the Zhizhonghe Master Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB2.00 million, RMB2.00 million and RMB2.00 million, respectively.

The actual aggregate service fees paid to the Group by Zhizhonghe Group for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB7,000, RMB43,000 and RMB16,635, respectively.

C. New Yangguang Master Agreement

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Yangguang Master Agreement with Sundy Yangguang Kindergarten, pursuant to which the Group agreed to provide property management services, including but not limited to security, cleaning, gardening, repair and maintenance of common areas and common facilities and ancillary services, to the properties operated by Sundy Yangguang Kindergarten. Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Yangguang Master Agreement will commence on 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party may give the other party not less than three months' prior written notice to terminate the New Yangguang Master Agreement.

Historical amount

The annual caps on the maximum aggregated service fee payable under the Yangguang Master Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB90,000, RMB90,000 and RMB90,000, respectively.

The actual aggregate service fee paid to the Group by Sundy Yangguang Kindergarten for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB86,000, RMB86,000 and RMB64,789, respectively.

Pricing policy

The service fees concerned in the New Property Management Agreements will be negotiated by the relevant members of both parties with reference to (i) the size and location of the properties; (ii) budgeted operational expenses including but not limited to the historical labour, administrative, subcontracting and other expenses, for projects with similar size, location and scope of services; (iii) scope and quality of the services proposed; (iv) revenue generating model and targeted profit margins; (v) local government's pricing guidance or regulations on property management fees (the "**Guided Price**") (if applicable); and (vi) the prevailing market price for similar services in the market, and in good faith which will be set out in separate property management agreements in accordance with the terms set out in the New Property Management Agreements. In particular, the said separate property management agreements usually set out the property management fees to be charged per sq.m. per month (the "**unit price**"), pursuant to which, the unit price of the residential properties in certain cities shall not be higher than the relevant service price as set by the Guided Price, if applicable. If the Group considers that Guided Price standards are not aligned with the market prices, the unit price shall be approved by the relevant local government authorities and determined with reference to the aforesaid items (i) to (iv) and (vi), taking into account (a) the service fees charged by the Group in providing similar property management services to independent third parties; and (b) the service fees charged by other property management companies for providing similar services based on the Company's market research.

With regard to the local government's pricing guidance or regulations on property management fees, the National Development and Reform Commission (the "**NDRC**") is responsible for setting out the general guidance on how the price of various services and products should be formulated. Provincial or city level of NDRC and/or Commodity Price Bureau* (物價局) (the "**provincial or city level government authorities**") publish the Guided Price of the relevant provinces and cities on their respective websites. The Guided Price is determined according to (i) the Price Law of the PRC (《中華人民共和國價格法》), which sets out the principles and procedures for the provincial or city level government authorities to follow when formulating the Guided Price; (ii) the Property Management Regulations of the PRC* (《中華人民共和國物業管理條例》) (the "**Regulations**"); and (iii) the Administrative Measures for Property Service Charges (《物業服務收費管理辦法》) (the "**Measures**"). The Regulations and Measures set out the principal scopes and benchmark ranges of the Guided Price. Respective provincial or city level government authorities then assess the economic conditions and real estate industry conditions of their own provinces and cities and formulate the applicable range of the Guided Price according to the assessment and update the Guided Prices from time to time based on the actual situation of their own provinces and cities. The specific property management fee is agreed between the contractual parties within the applicable range of the Guided Price.

Proposed annual caps

The proposed annual caps under the New Property Management Agreements for the three years ending 31 December 2026, 2027 and 2028 are set out below:

	Proposed annual caps for the year ending 31 December		
	2026	**2027**	**2028**
	RMB'000	*RMB'000*	*RMB'000*
New Master Property Management Agreement	35,000	37,000	39,000
New Zhizhonghe Master Agreement	100	100	100
New Yangguang Master Agreement	150	150	150
Aggregated annual cap	35,250	37,250	39,250

Basis of determination of the proposed annual caps

The proposed annual caps under the New Property Management Agreements for the three years ending 31 December 2026, 2027 and 2028 were determined mainly with reference to:

(i) the historical transaction amounts under the Property Management Agreements;

(ii) the number of unsold property units and corresponding GFA that the Group has been currently engaged by Sundy Land Group, Zhizhonghe Group or Sundy Yangguang Kindergarten (as the case may be) as a property management service provider;

(iii) the number of new projects and corresponding GFA that the Group expects to be engaged by Sundy Land Group, Zhizhonghe Group or Sundy Yangguang Kindergarten (as the case may be) as a property management service provider for each of the years ending 31 December 2026, 2027 and 2028, respectively, taking into account of, among others, the number of pipeline properties and their expected delivery date and the expected sales of such pipeline properties (if applicable);

(iv) in respect of the New Master Property Management Agreement, the demand for property management services based on the estimated pre-sale performance of Sundy Land Group and the development plans of Sundy Land Group for each of years ending 31 December 2026, 2027 and 2028; and

(v) the annual increment in the service fees to be charged by the Group taking into account of, among others, the expected inflation in the PRC and the expected increase in labour costs.

Reasons for and benefits of entering into the New Property Management Agreements

The Group has long-standing business relationships with Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten and has been providing, among others, property management services to properties developed or owned by the Sundy Land Group, properties owned or operated by Zhizhonghe Group and properties operated by Sundy Yangguang Kindergarten, respectively. As the Group is expected to carry on the transactions contemplated under the Property Management Agreements upon their respective expiry, the Directors consider it beneficial to renew the Property Management Agreements to facilitate the continuous provision of such property management services to Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, which could result in stable income streams, satisfactory synergy effects and further promote the business growth of the Group. The Directors consider that through providing quality services to Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, the Group aims to promote its property management service business by raising the brand image and the awareness of the services on offer to properties developed or owned by Sundy Land Group, properties owned or operated by Zhizhonghe Group and properties operated by Sundy Yangguang Kindergarten as well as other property developers and enterprises in the PRC.

Having considered the above pricing policy, basis of determination and reasons for and benefits of entering into the New Property Management Agreements, the Directors (excluding the independent non-executive Directors whose views will be contained in the circular after considering the advice from Jun Hui International) are of the view that the New Property Management Agreements, the transactions contemplated and their proposed annual caps are entered into on normal commercial terms in the ordinary and usual course of business of the Group, are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

3. Renewal of the New Master Service Agreement

Background

References are made to the 2022 Announcement, 2022 Supplemental Announcement and the 2022 Circular in respect of, among other things, the non-exempt continuing connected transactions in relation to the Master Service Agreement with a term from 1 January 2023 until 31 December 2025.

As the Master Service Agreement will expire on 31 December 2025, on 19 November 2025, the Company has entered into the New Master Service Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Master Service Agreement with Sundy Land (for itself and as trustee for other members of the Sundy Land Group), pursuant to which the Group agreed to provide (i) value-added services to non-property owners, including but not limited to consulting services, sale assistance services and pre-delivery services; (ii) community value-added services, including but not limited to property repair and maintenance, waste cleaning, utility fee collection, remodelling and decoration and community space services; and (iii) other services, including but not limited to provision of conferencing and meeting spaces for rental by corporate clients at properties developed or owned by Sundy Land Group or provision of accommodation to the employees of members of Sundy Land Group (where applicable). Subject to the necessary consent, approval or waiver (if necessary), approval of the Independent Shareholders at the EGM and other requirements related to continuing connected transactions under the Listing Rules, the term of the New Master Service Agreement will commence on 1 January 2026 and expire on 31 December 2028 (both days inclusive), and at any time either party may give the other party not less than three months' prior written notice to terminate the New Master Service Agreement.

Historical amount

For the three years ended/ending 31 December 2023, 2024 and 2025, the annual caps of value-added services to non-property owners, community value-added services and other services under the Master Service Agreement are set forth below:

	Annual caps for the year ended/ending 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Value-added services to non-property owners	30,000	35,000	35,000
Community value-added services	4,000	5,000	6,000
Other services	200	200	200
Total	34,200	40,200	41,200

The following table sets forth the breakdown of the historical transaction amounts of the Group's value-added services to non-property owners, community value-added services and other services for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025:

	For the year ended 31 December		**For the nine months ended 30 September**
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Value-added services to non-property owners	13,519	6,264	2,100
Community value-added services	555	688	826
Other services	–	–	–
Total	14,074	6,952	2,925

Pricing policy

The service fees concerned in the New Master Service Agreement will be negotiated by the relevant members of both parties with reference to:

(a) in respect of value-added services to non-property owners, (i) the service scope of separate service agreements and the needs of its customers; (ii) the estimated demand for such services based on the sales performance, area and number of properties owners; (iii) the Group's budgeted expenses, such as the headcount and positions of the personnel it deploys; (iv) the types and locations of properties; and (v) the prevailing market price for similar services in the market;

(b) in respect of community value-added services, (i) the size and locations of the properties; (ii) budgeted expenses including but not limited to labour, administrative, subcontracting and other expenses; (iii) scope and quality of the services proposed; and (iv) the prevailing market price for similar services in the market; and

(c) in respect of other services, (i) budgeted expenses including but not limited to labour and administrative expenses; (ii) nature, scope and quality of services proposed; and (iii) the prevailing market price for similar services in the market,

and in good faith which will be set out in separate service agreements in accordance with the principles as set out in the New Master Service Agreement. In particular, the Company adopts the principle of cost plus a targeted profit margin. The expected costs are determined based on, among others, the historical labour, administrative, subcontracting and other expenses, for projects with similar size, location and scope of services. The target gross profit margin is determined with reference to, among others, (i) the gross profit margin achieved by the Group in providing similar value-added services to independent third parties; and (ii) the estimated gross profit margin charged by other companies for providing similar value-added services based on the Company's market research.

For the value-added services to non-property owners and community value-added services, when determining the service fees, the Group takes into account factors such as labour allocation and estimated total expenses, as well as the target gross profit margin which can be represented by the formula: cost x (1 + target gross profit margin). The gross profit margin is targeted to range from 25% to 35% (subject to adjustment depending on market conditions). For other services (which primarily represent the provision of conferencing and meeting spaces for rental by corporate clients or the provision of accommodation to the employees of members of Sundy Land Group (where applicable) under the Group's hotel businesses), the fee offered to Sundy Land Group will not be less than the prevailing market price of comparable hotels in the vicinity. In determining the prevailing market prices, the specific fee concerned shall be negotiated on an arm's length basis, based on normal commercial terms, fair and reasonable, and determined by a pricing mechanism with reference to the prevailing market prices of comparable hotels of similar specifications, size and nature in the vicinity. The Group will conduct desktop searches on the market prices of comparable hotels or obtain two or more quotations of comparable hotels from independent agents or vendors (if available) for reference. The fees payable to the Group shall be consistent with the prevailing market prices with reference to the information gathered by the Group of comparable hotels in the vicinity and are monitored regularly under the Group's internal control procedures, such as inspection and regular collection and evaluation of, among others, pricing principles of the New Master Service Agreement.

Proposed annual caps

The proposed annual caps of value-added services to non-property owners, community value-added services and other services under the New Master Service Agreement for the three years ending 31 December 2026, 2027 and 2028 are set out below:

	Proposed annual caps for the year ending 31 December		
	2026	**2027**	**2028**
	RMB'000	*RMB'000*	*RMB'000*
Value-added services to non-property owners	7,000	7,000	7,000
Community value-added services	4,000	4,000	4,000
Other services	200	200	200
Total	11,200	11,200	11,200

Basis of determination of the proposed annual caps

The proposed annual caps under the New Master Service Agreement for the three years ending 31 December 2026, 2027 and 2028 were determined mainly with reference to:

(i) the historical transaction amounts under the Master Service Agreement;

(ii) the number of property units and corresponding GFA that the Group has been currently engaged by Sundy Land Group as a value-added service provider;

(iii) the number of projects and corresponding GFA that the Group expects to be engaged by Sundy Land Group as a value-added service provider for each of the years ending 31 December 2026, 2027 and 2028, taking into account of, among others, the number of development projects under construction and pipeline development projects of Sundy Land Group based on the interim report for the six months ended 30 June 2025 of Sundy Land dated 28 August 2025, the number of pipeline properties of property management services and their expected delivery date and the expected sales of such pipeline properties, which substantially overlaps with the ones of value-added services;

(iv) the types of other services the Group has been currently engaged by Sundy Land Group; and

(v) the number of projects that the Group expects to be engaged by Sundy Land Group as a service provider for other services.

Reasons for and benefits of entering into the New Master Service Agreement

The Group has a long-standing business relationship with Sundy Land Group, and its associated companies and has been providing, among others, value-added services to non-property owners, community value-added services and other services to Sundy Land Group for many years and the provision of which is in the ordinary course of business of the Group. As the Group is expected to carry on the transactions contemplated under the Master Service Agreement upon its expiry, the Directors consider it beneficial to renew the Master Service Agreement to facilitate the continuous provision of such services to Sundy Land Group, which could result in a stable income stream, satisfactory synergy effects and further promote the business growth of the Group.

Having considered the above pricing policy, basis of determination and reasons for and benefits of entering into the New Master Service Agreement, all of the Directors are of the view that the New Master Service Agreement, the transactions contemplated and its proposed annual caps are entered into on normal commercial terms in the ordinary and usual course of business of the Group, are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

4. Renewal of the New Master Purchase Agreement

Background

Reference is made to the section headed "Connected Transactions" in the Prospectus, containing among other things, the fully exempt continuing connected transactions in relation to the Initial Master Purchase Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group) with a term from the Listing Date until 31 December 2022.

From the Listing Date until 31 December 2022, and upon the renewal of the Master Purchase Agreement with a term from 1 January 2023 until 31 December 2025, since the highest relevant percentage ratio in respect of the transactions under the Master Purchase Agreement is less than 5% and the highest annual cap was less than HK$3 million, the transactions contemplated under the Master Purchase Agreement fell within the de minimis threshold as stipulated under Rule 14A.76 of the Listing Rules and were fully exempt from all reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Master Purchase Agreement will expire on 31 December 2025, on 19 November 2025, the Company has entered into the New Master Purchase Agreement with Zhizhonghe Industry (for itself and as trustee for other members of Zhizhonghe Group), and proposed the annual caps for 2026, 2027 and 2028 thereunder to renew such continuing connected transactions.

Principal terms

On 19 November 2025, the Company (for itself and as trustee for the benefit of other members of the Group) entered into the New Master Purchase Agreement with Zhizhonghe Industry (for itself and as trustee for other members of the Zhizhonghe Group), pursuant to which the Group agreed to purchase food and beverages, including but not limited to alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶), from Zhizhonghe Group for a term commencing on 1 January 2026 and expiring on 31 December 2028 (both days inclusive), and at any time either party thereto may give not less than three months' prior written notice to terminate the New Master Purchase Agreement.

Historical amount

The annual caps under the Master Purchase Agreement for each of the years ended/ending 31 December 2023, 2024 and 2025 are RMB2.00 million, RMB2.20 million and RMB2.40 million, respectively.

The actual aggregate purchase fees incurred by the Group to Zhizhonghe Group in relation to the food and beverages for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 amounted to approximately RMB1.32 million, RMB11,000 and nil, respectively.

Pricing policy

The specific purchase prices concerned and other relevant matters will be negotiated by the relevant subsidiaries for both parties with reference to the prevailing market rates and in good faith which will be set out in separate purchase agreements in accordance with the terms set out in the New Master Purchase Agreement.

In determining the purchase price, the specific purchase fee concerned shall be negotiated on an arm's length basis, based on normal commercial terms, fair and reasonable basis. Regarding beverages and food items that are subject to state-determined prices, state-guided prices, or government-guided prices, such prices shall prevail. Regarding beverages and food items not subject to national pricing, national guidance pricing, or government guidance pricing, the payment shall be determined by taking into account the prevailing market price of similar or comparable beverages and food items in the local community, as well as the uniqueness and availability of beverages or food items to be purchased locally (if applicable), provided that the purchase price shall not be more favourable than the purchase price charged to independent third parties under similar contracts.

Proposed annual caps

The proposed annual caps under the New Master Purchase Agreement for the three years ending 31 December 2026, 2027 and 2028 are RMB10 million, RMB11 million and RMB12 million, respectively.

Basis of determination of the proposed annual caps

The proposed annual caps under the New Master Purchase Agreement for the three years ending 31 December 2026, 2027 and 2028 were determined mainly with reference to the estimated procurement volume associated with the business and the revenue forecast of the sales of such food and beverages for each of the years ending 31 December 2026, 2027 and 2028, taking into account of, among others, price fluctuations.

Reasons for and benefits of entering into the New Master Purchase Agreement

The Group has been purchasing from the Zhizhonghe Group certain food and beverages for its business operation since 2022. The longstanding relationship with Zhizhonghe Group guarantees the Group stability and reliability in the supply of resources, which prevents production disruptions caused by market fluctuations or issues with third-party suppliers. Long term engagement of business with Zhizhonghe Group enhances operational efficiency and mutual synergies, maintaining the Group's stable continuity of business. Furthermore, the continuing connected transaction provides the Group with stable pricing on more favourable terms, which in return, reduces the Group's operating costs. Stable procurements from Zhizhonghe Group also allow for greater consistency on the quality of procured products.

Having considered the above pricing policy, basis of determination and reasons for and benefits of entering into the New Master Purchase Agreement, all of the Directors are of the view that the New Master Purchase Agreement and its proposed annual caps are entered into on normal commercial terms in the ordinary and usual course of business of the Group, are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

BOARD'S APPROVAL

Save as Ms. Yu Yun, an executive Director and chairman of the Board, being the daughter, and therefore an associate of Mr. Yu, all of the Directors have confirmed that none of them has any material interest in the Letter of Intent, New Master Lease Agreement, New Property Management Agreements, the New Master Service Agreement and the New Master Purchase Agreement. Hence, no Director (except Ms. Yu Yun) is required to abstain from voting at the meeting of the Board to approve the Letter of Intent, New Master Lease Agreement, New Property Management Agreements, the New Master Service Agreement and the New Master Purchase Agreement and the transactions contemplated thereunder.

INTERNAL CONTROL

The Company has adopted various internal control measures to monitor the transactions contemplated under the New Master Lease Agreement, New Property Management Agreements, the New Master Service Agreement and the New Master Purchase Agreement (collectively the "**Subject Agreements**"), including:

(i) the general management and administration department of the Company (the "**Administrative Department**") will continuously inspect and regularly collect and evaluate the pricing principles, transaction terms and actual transaction amounts of the Subject Agreements to ensure that the transactions thereunder are conducted on normal commercial terms or on terms no less favorable than those available from independent third parties and that the total transaction amount will not exceed the proposed annual caps;

(ii) the Company's financial department (the "**Financial Department**") closely monitors the actual transaction amounts under the Subject Agreements. If there is a likelihood that any of the proposed annual caps may be exceeded at any time during the year, the Financial Department will inform the Administrative Department, which will then report to the Board, and the Board (after seeking advice from the audit committee of the Company) will take measures to revise the annual cap amounts (if appropriate) and comply with the relevant announcement and shareholders' approval requirements in accordance with the Listing Rules;

(iii) the Financial Department will review the transactions entered into under the Subject Agreements on a quarterly basis and report to the Administrative Department to ensure that the annual caps under the Subject Agreements will not be exceeded;

(iv) the Company will conduct internal control reviews and financial audits on an annual basis, and conduct financial monitoring and decision-making analysis on a half-year basis so as to ensure compliance with the terms of the Subject Agreements and pricing policies;

(v) the independent non-executive Directors have also reviewed and will continue to review the Subject Agreements and ensure that the Subject Agreements, if applicable, are entered on normal commercial terms, fair and reasonable, and carried out pursuant to the terms thereof; and

(vi) the auditor of the Company will also conduct annual reviews on the pricing and annual caps of the Subject Agreements.

GENERAL INFORMATION

Information of the Group

Hangzhou Hehong is a property management company, and the Company is an investment holding company. The Group is an integrated property management service provider in Zhejiang province, principally engaged in the (i) provision of a range of property management services to a variety of properties in the PRC, the majority of which are located in Zhejiang province; (ii) provision of a range of value-added services to non-property owners; (iii) provision of a spectrum of community value-added services; and (iv) other businesses, including long-term apartment business and hotel business.

Information of Greenland Holdings

Greenland Holdings is a company with limited liability established in the PRC on 21 January 2015, principally engaged in real estate development and operation.

Information of Sundy Land Group

Sundy Land is a company established in the PRC with limited liability on 22 March 1999. Sundy Land and its subsidiaries are principally engaged in property development and sales of properties.

Information of Zhizhonghe Group

Zhizhonghe Industry is a company established in the PRC with limited liability on 15 December 2010. Zhizhonghe Industry and its subsidiaries are principally engaged in manufacturing and sales of food and beverage, in particular, alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶).

Information of Sundy Yangguang Kindergarten

Sundy Yangguang Kindergarten is a company established in the PRC with limited liability on 16 August 2018. Sundy Yangguang Kindergarten is principally engaged in the provision of preschool education services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Greenland Holdings is indirectly owned as to 50% by Sundy Land, which is in turn owned as to approximately 29.04% by Xingfu Jian Holdings (which was owned as to approximately 99.01% by Mr. Yu), approximately 9.74% by Mr. Yu and approximately 4.51% by Ms. Guo, spouse of Mr. Yu. Mr. Yu is a Controlling Shareholder of the Company. Therefore, Greenland Holdings and Sundy Land, as associates of Mr. Yu, are connected persons of the Company. As such, the transactions contemplated under the Letter of Intent constitutes a connected transaction of the Company, and the transactions contemplated under the New Master Lease Agreement, the New Master Property Management Agreement and the New Master Service Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Zhizhonghe Industry is wholly owned by Heye Investment, a company owned as to approximately 99.93% by Hechu Enterprise Management, which was owned as to 90.00% and 10.00% by Mr. Wu and Ms. Yu, respectively, on behalf of Mr. Yu. Therefore, Zhizhonghe Industry, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Zhizhonghe Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Sundy Yangguang Kindergarten is directly owned as to 40% by Heqi Supply Chain, which is wholly owned by Xingfu Jian Holdings. Therefore, Sundy Yangguang Kindergarten, as an associate of Mr. Yu, is a connected person of the Company. As such, the transactions contemplated under the New Yangguang Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Acquisition of Property

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Letter of Intent is not less than 0.1% but below 5% on a standalone basis, the entering into of the Letter of Intent and the transactions contemplated thereunder shall be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Reference was made to the announcement of the Company dated 31 October 2025 in respect of the Previous Acquisition. As the transactions contemplated under the Letter of Intent and the Previous Acquisition will be entered into by the Group with parties who are connected with one another within a 12-month period, the transactions shall be aggregated in accordance with Rule 14.22 and Rule 14A.81 of the Listing Rules.

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Letter of Intent (together with the Previous Acquisition on an aggregate basis) is not less than 5% but below 25%, the entering into of the Letter of Intent and the transactions contemplated thereunder shall be subject to the reporting, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

Renewal of the New Master Lease Agreement

For the purpose of the New Master Lease Agreement, as the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the largest annual cap under the New Master Lease Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the New Master Lease Agreement are subject to the requirements of annual review, reporting and announcement but exempt from the circular and approval by the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

Renewal of the New Property Management Agreements

For the purpose of the New Property Management Agreements, namely (i) the New Master Property Management Agreement; (ii) the New Zhizhonghe Master Agreement; and (iii) the New Yangguang Master Agreement, they are all related to the property management services provided by the Group to associates of Mr. Yu, namely Sundy Land Group, Zhizhonghe Group and Sundy Yangguang Kindergarten, respectively, and the New Property Management Agreements are aggregated for the Listing Rules purposes.

After aggregation, as one or more of the applicable percentage ratios (other than the profits ratio) as defined under the Listing Rules in respect of the largest aggregate annual caps under the New Property Management Agreements is more than 5% and the aggregate amount exceeds HK$10,000,000, the transactions contemplated under the New Property Management Agreements are subject to the requirements of annual review, reporting, announcement, circular (including independent financial advice) and approval by the Independent Shareholders under Chapter 14A of the Listing Rules.

Renewal of the New Master Service Agreement

For the purpose of the New Master Service Agreement, as the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the maximum service fee payable by Sundy Land Group to the Group under the New Master Service Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the New Master Service Agreement are subject to the requirements of annual review, reporting and announcement but exempt from the circular and approval by the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

Renewal of the New Master Purchase Agreement

For the purpose of the New Master Purchase Agreement, as the highest applicable percentage ratio (other than the profits ratio) as defined under the Listing Rules in respect of the largest annual cap under the New Master Purchase Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the New Master Lease Agreement are subject to the requirements of annual review, reporting and announcement requirements but exempt from the circular and approval by the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

EGM

The EGM will be convened to consider and, if thought fit, to approve, among other things, (1) the Letter of Intent and the transactions contemplated thereunder; and (2) the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028.

The Independent Board Committee comprising all the independent non-executive Directors have been established to advise the Independent Shareholders as to whether the terms of the Letter of Intent and the New Property Management Agreements are fair and reasonable, and such connected transaction or continuing connected transactions, including the annual caps in relation thereto (as the case may be), contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote at the EGM after taking into account the recommendations of the independent financial advisers. Diligent Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders with respect to the Letter of Intent, and Jun Hui International Finance Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders with respect to the New Property Management Agreements.

A circular containing, among other things, (i) a letter from the Board containing further details and information of the Letter of Intent, and the New Property Management Agreements and their respective proposed annual caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in connection with the aforesaid; (iii) a letter from Diligent Capital and a letter from Jun Hui International, independent financial advisers to the Independent Board Committee and the Independent Shareholders containing their advice in connection with the Letter of Intent and the New Property Management Agreements, respectively; and (iv) a notice convening the EGM together with the proxy form, is expected to be despatched to the Shareholders on or before 10 December 2025 in accordance with the Listing Rules.

DEFINITIONS

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

"2022 Announcement"	announcement of the Company dated 31 October 2022
"2022 Circular"	circular of the Company dated 24 November 2022
"2022 Supplemental Announcement"	announcement of the Company dated 4 November 2022
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Company"	Sundy Service Group Co. Ltd (宋都服务集团有限公司), incorporated in the Cayman Islands on 5 May 2017 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules, including any person or group of persons who are entitled to exercise 30% or more of the voting power at the general meeting or are in a position to control the composition of a majority of the Board
"Diligent Capital"	Diligent Capital Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the terms of the Letter of Intent and the transaction contemplated thereunder
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the Letter of Intent and the transactions contemplated thereunder, and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028

"GFA"	gross floor area
"Greenland Holdings"	Greenland Holdings Group Hangzhou Shuangta Real Estate Co., Ltd. (綠地控股集團杭州雙塔置業有限公司), a company established in the PRC with limited liability on 21 January 2015, an associate of Mr. Yu, and is therefore a connected person of the Company
"Group"	the Company and its subsidiaries from time to time
"Hangzhou Hehong"	Hangzhou Hehong Property Service Co., Ltd. (杭州和宏物業服務有限公司), a company established in the PRC with limited liability on 29 July 2022, which is an indirect wholly-owned subsidiary of the Company
"Hechu Enterprise Management"	Hangzhou Hechu Enterprise Management Co., Ltd. (杭州和儲企業管理有限公司), a company established in the PRC with limited liability
"Heqi Supply Chain"	Zhejiang Heqi Supply Chain Management Co., Ltd. (浙江和琪供應鏈管理有限公司), a company established in the PRC with limited liability
"Heye Investment"	Hangzhou Heye Investment Management Co., Ltd. (杭州和業投資管理有限公司), a company established in the PRC with limited liability
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board (which comprises Mr. Zhu Haoxian, Mr. Huang Enze and Ms. Ye Qian, all being independent non-executive Directors) established to advise the Independent Shareholders with regard to the terms of the Letter of Intent and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028
"Independent Shareholders"	Shareholders who are not required to abstain from voting on the relevant resolutions at the EGM due to their material interests in the transactions contemplated under the Letter of Intent and the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028

"independent third parties"	individuals or a company(ies) who or which is/are independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders of the Company, its subsidiaries or their respective associates
"Initial Master Purchase Agreement"	the master purchase agreement dated 21 December 2020 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for other members of the Zhizhonghe Group) pursuant to which our Group agreed to purchase food and beverage, including but not limited to alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶)
"Jun Hui International"	Jun Hui International Finance Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the terms of the New Property Management Agreements, the continuing connected transactions contemplated thereunder, as well as the proposed annual caps for 2026, 2027 and 2028 in connection with the New Property Management Agreements
"Letter of Intent"	the letter of intent dated 19 November 2025 pursuant to which Hangzhou Hehong agrees to acquire and Greenland Holdings agrees to dispose of the Property
"Listing Date"	18 January 2021, the date on which the Shares are listed and from which dealings therein are permitted to take place on the Main Board
"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
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"Master Lease Agreement"	the master property lease agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group), pursuant to which the Group shall lease from Sundy Land Group certain premises for hotel use

"Master Property Management Agreement"	the master property management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group) for provision of property management services
"Master Purchase Agreement"	the master purchase management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe industry (for itself and as trustee for other members of the Zhizhonghe Group) pursuant to which our Group agreed to purchase food and beverage, including but not limited to alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶)
"Master Service Agreement"	the master service agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group) for provision of value-added services to non-property owners, community value-added services and other services
"Mr. Wu"	Mr. Wu Yaohua (吳耀華), a shareholder with 90% shareholding of Hechu Enterprise Management
"Mr. Yu"	Mr. Yu Jianwu (俞建午), one of the Controlling Shareholders of the Company
"Ms. Guo"	Ms. Guo Yijuan (郭軼娟), spouse of Mr. Yu
"Ms. Yu"	Ms. Yu Aiwen (俞愛文), a shareholder with 10% shareholding of Hechu Enterprise Management
"New Master Lease Agreement"	the master property lease agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group), pursuant to which the Group shall lease from Sundy Land Group certain premises for hotel use

"New Master Property Management Agreement"	the master property management agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group) for provision of property management services
"New Master Purchase Agreement"	the master purchase agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for other members of the Zhizhonghe Group) pursuant to which our Group agreed to purchase food and beverage, including but not limited to alcohol, Chinese herbal jelly (龜苓膏) and Chinese herbal tea (涼茶)
"New Master Service Agreement"	the master service agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Land (for itself and as trustee for other members of the Sundy Land Group) for provision of value-added services to non-property owners, community value-added services and other services
"New Property Management Agreements"	New Yangguang Master Agreement, New Zhizhonghe Master Agreement and New Master Property Management Agreement
"New Yangguang Master Agreement"	the master property management agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Yangguang Kindergarten in relation to provision of property management services
"New Zhizhonghe Master Agreement"	the master property management agreement dated 19 November 2025 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for the benefit of other members of Zhizhonghe Group) in relation to provision of property management services
"PRC"	the People's Republic of China and, except where the context otherwise requires and only for the purpose of this announcement, and for geographical reference only, references in this announcement to China or the People's Republic of China exclude Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan region

"Previous Acquisition"	the acquisition of 50 parking lots by the Group according to the acquisition of parking lots agreement dated 31 October 2025. For more details, please refer to the announcement of the Company dated 31 October 2025
"Property"	Room 1702, Floor 17, Tower 2 (West Tower), Hangzhou Century Centre, Yingfeng Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC, with a gross floor area of approximately 228.83 sq.m.
"Property Acquisition Agreement"	the acquisition of the Property agreement to be entered into between Hangzhou Hehong and Greenland Holdings
"Property Management Agreements"	collectively, the Master Property Management Agreement, the Zhizhonghe Master Agreement and the Yangguang Master Agreement
"Prospectus"	prospectus of the Company dated 31 December 2020
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) with a nominal value or par value of US$0.00001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Shares from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Sundy Land"	Sundy Land Investment Co., Ltd. (宋都基業投資股份有限公司), a company established in the PRC with limited liability, an associate of Mr. Yu, and is therefore a connected person of the Company
"Sundy Land Group"	Sundy Land and its subsidiaries
"Sundy Yangguang Kindergarten"	Hangzhou Songdu Sunshine Kindergarten Co., Ltd. (杭州宋都陽光幼兒園有限公司), a company established in the PRC with limited liability, an associate of Mr. Yu, and is therefore a connected person of the Company

"sq.m."	square metres
"US$"	United States dollars, the lawful currency of United States of America
"Xingfu Jian Holdings"	Hangzhou Xingfu Jian Holdings Co., Ltd. (杭州幸福健控股有限公司), a company established in the PRC with limited liability and is a company owned as to approximately 99.01% by Mr. Yu
"Yangguang Master Agreement"	the master property management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Sundy Yangguang Kindergarten in relation to provision of property management services
"Zhizhonghe Group"	Zhizhonghe Industry and its subsidiaries
"Zhizhonghe Industry"	ZheJiang Zhizhonghe Industry Co., Ltd. (浙江致中和實業有限公司), a company established in the PRC with limited liability, an associate of Mr. Yu, and is therefore a connected person of the Company
"Zhizhonghe Master Agreement"	the master property management agreement dated 31 October 2022 entered into between the Company (for itself and as trustee for the benefit of other members of the Group) and Zhizhonghe Industry (for itself and as trustee for the benefit of other members of Zhizhonghe Group) in relation to the provision of property management services
"%"	per cent.

By order of the Board
Sundy Service Group Co. Ltd
Yu Yun
Chairman

Hong Kong, 19 November 2025

As at the date of this announcement, the Board comprises four executive Directors, Ms. Yu Yun (Chairman), Mr. Zhu Yihua (Chief Executive Officer), Mr. Zhu Congyue and Mr. Zhang Zhenjiang; and three independent non-executive Directors, Mr. Zhu Haoxian, Mr. Huang Enze and Ms. Ye Qian.

* *For identification purpose only*