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**CONTINUING CONNECTED TRANSACTIONS**  
**(1) REVISION OF 2022 ANNUAL CAPS**  
**AND**  
**(2) RENEWAL OF AGREEMENTS FOR THE THREE YEARS ENDING**  
**31 DECEMBER 2025**

**CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the section headed "Connected Transactions" in the Prospectus in relation to, among other things, the Continuing Connected Transactions between the Group and the Sino-Ocean Connected Persons.

**REVISION OF 2022 ANNUAL CAPS**

On 11 November 2022 (after trading hours of the Stock Exchange), the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) entered into the 2020–2022 Supplemental Master Operational Support Services Agreement, pursuant to which the parties have agreed to revise the 2022 Annual Cap in relation to the transactions as contemplated under the 2020–2022 Master Operational Support Services Agreement.

On 11 November 2022 (after trading hours of the Stock Exchange), the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) also entered into the 2020–2022 Supplemental Master Non-exempt CCT Agreements, namely (i) the 2020–2022 Supplemental Master Property Management Services Agreement; (ii) the 2020–2022 Supplemental Master Pre-delivery Services Agreement; and (iii) the 2020–2022 Supplemental Master Consultancy and Other Value-added Services Agreement, pursuant to which the parties have agreed, subject to the obtaining of the approval by the Independent Shareholders at the EGM, to revise the 2022 Annual Cap in relation to the transactions as contemplated under each of the 2020–2022 Master Non-exempt CCT Agreements.

## **RENEWAL OF AGREEMENTS FOR THE THREE YEARS ENDING 31 DECEMBER 2025**

In addition, as the existing agreements relating to the Continuing Connected Transactions will expire on 31 December 2022 and it is expected that the Continuing Connected Transactions will continue to be conducted between the Group and the Sino-Ocean Connected Persons, on 11 November 2022 (after trading hours of the Stock Exchange), the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) entered into the 2023–2025 Master CCT Agreements to renew the Continuing Connected Transactions, each with a term of three years commencing from 1 January 2023 and ending on 31 December 2025.

## **IMPLICATIONS UNDER THE LISTING RULES**

Sino-Ocean Group is a controlling Shareholder and thus a connected person of the Company. Accordingly, the Continuing Connected Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, the Company should re-comply with the applicable requirements under Chapter 14A of the Listing Rules when the proposed annual caps for continuing connected transactions are revised. In respect of the revision of the 2022 Annual Cap as contemplated under the 2020–2022 Supplemental Master Operational Support Services Agreement, as one or more of the applicable percentage ratios in respect of the revised 2022 Annual Cap under the 2020–2022 Supplemental Master Operational Support Services Agreement exceed(s) 0.1% but are all less than 5%, the 2020–2022 Supplemental Master Operational Support Services Agreement and the revised 2022 Annual Cap thereunder are subject to the reporting, annual review and announcement requirements but are exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the revision of the 2022 Annual Cap as contemplated under each of the 2020–2022 Supplemental Master Non-exempt CCT Agreements, as one or more of the applicable percentage ratios in respect of the revised 2022 Annual Cap under each of the 2020–2022 Supplemental Master Non-exempt CCT Agreements exceed(s) 5%, each of the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the revised 2022 Annual Cap thereunder are subject to the reporting, annual review, announcement, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the renewal of the Partially Exempt Transactions for the three years ending 31 December 2025 as contemplated under the 2023–2025 Master Partially Exempt CCT Agreements, as one or more of the applicable percentage ratios in respect of the largest annual cap under each of the 2023–2025 Master Partially Exempt CCT Agreements exceed(s) 0.1% but are all less than 5%, each of the 2023–2025 Master Partially Exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps) are subject to the reporting, annual review and announcement requirements but are exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the renewal of the Non-exempt Transactions for the three years ending 31 December 2025 as contemplated under the 2023–2025 Master Non-exempt CCT Agreements, as one or more of the applicable percentage ratios in respect of the largest annual cap under each of the 2023–2025 Master Non-exempt CCT Agreements exceed(s) 5%, each of the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps) are subject to the reporting, annual review, announcement, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **EGM**

The Company will convene the EGM for the Independent Shareholders to consider and, if thought fit, approve (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, save for Shine Wind and its associates, none of the other Shareholders has a material interest in the transactions as contemplated under the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the 2023–2025 Master Non-exempt CCT Agreements and is required to abstain from voting on the relevant resolutions at the EGM.

### **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee has been established to advise the Independent Shareholders on (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps), and to advise the Independent Shareholders on how to vote.

### **INDEPENDENT FINANCIAL ADVISER**

Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise and make recommendations to the Independent Board Committee and the Independent Shareholders on (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps), and as to voting at the EGM so far as the Independent Shareholders are concerned.

## **DESPATCH OF CIRCULAR**

A circular containing, among other things, (i) further details of the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; (ii) further details of the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps); (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (v) other information as required under the Listing Rules, together with a notice of the EGM and the proxy form, is expected to be despatched to the Shareholders on or around 9 December 2022 (which is more than 15 business days after the publication of this announcement) as additional time is required to finalise the contents of the circular.

## **CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the section headed “Connected Transactions” in the Prospectus in relation to, among other things, the Continuing Connected Transactions between the Group and the Sino-Ocean Connected Persons.

## **REVISION OF 2022 ANNUAL CAPS**

On 11 November 2022 (after trading hours of the Stock Exchange), the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) entered into the 2020–2022 Supplemental Master Operational Support Services Agreement, pursuant to which the parties have agreed to revise the 2022 Annual Cap in relation to the transactions as contemplated under the 2020–2022 Master Operational Support Services Agreement.

On 11 November 2022 (after trading hours of the Stock Exchange), the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) also entered into the 2020–2022 Supplemental Master Non-exempt CCT Agreements, namely (i) the 2020–2022 Supplemental Master Property Management Services Agreement; (ii) the 2020–2022 Supplemental Master Pre-delivery Services Agreement; and (iii) the 2020–2022 Supplemental Master Consultancy and Other Value-added Services Agreement, pursuant to which the parties have agreed, subject to the obtaining of the approval by the Independent Shareholders at the EGM, to revise the 2022 Annual Cap in relation to the transactions as contemplated under each of the 2020–2022 Master Non-exempt CCT Agreements.

A summary of the historical transaction amount for the transactions as contemplated under each of the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Non-exempt CCT Agreements, their original annual caps and the revised 2022 Annual Caps are set out in the table below.

Agreements	Nature of transactions	Historical transaction amount			Original annual caps			Revised 2022 Annual Cap under the respective supplemental agreement	
		For the year ended 31 December 2020	For the year ended 31 December 2021	For the nine months ended 30 September 2022	For the year ended 31 December 2020	For the year ended 31 December 2021	For the year ending 31 December 2022	For the year ending 31 December 2022	
<i>(RMB'000)</i>									
<i>Partially exempt continuing connected transactions</i>									
1.	2020–2022 Master Operational Support Services Agreement	Purchase of operational support services by the Group from the Sino-Ocean Connected Persons	4,954	8,531	11,570	8,689	10,127	11,852	78,000
<i>Non-exempt continuing connected transactions</i>									
2.	2020–2022 Master Property Management Services Agreement	Provision of property management services by the Group to the Sino-Ocean Connected Persons	134,092	210,225	125,682	139,571	210,228	256,420	267,000
3.	2020–2022 Master Pre-delivery Services Agreement	Provision of pre-delivery services by the Group to the Sino-Ocean Connected Persons	134,071	164,544	138,625	161,732	177,905	195,696	206,000
4.	2020–2022 Master Consultancy and Other Value-added Services Agreement	Provision of consultancy and other value-added services by the Group to the Sino-Ocean Connected Persons	92,683	267,801	240,628	140,695	275,695	354,495	390,000

### Basis for determining the revised 2022 Annual Caps

The revised 2022 Annual Cap under the 2020–2022 Supplemental Master Operational Support Services Agreement is determined with reference to:

- (i) the historical transaction amount;
- (ii) the utilisation rate of the original 2022 Annual Cap having reached approximately 97.6% as at 30 September 2022;
- (iii) the anticipated increase in demand of operational support services (including engineering and construction services, decoration services, staff secondment, etc.) to be provided by the Sino-Ocean Connected Persons taking into account the business development plans of the Group; and

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- (iv) the anticipated demand of technology support services from the Sino-Ocean Connected Persons, including:
  - (a) procurement of various information technology systems, such as membership management system and environmental, social and governance (ESG) data collection system; and
  - (b) construction and/or maintenance services of additional systems owned, licensed to be used or to be developed by the Sino-Ocean Connected Persons to support the business development plans of the Group, such as system for one-stop project and contract management and procurement, objectives and key results (OKR) system, customer service system and data governance and management system.

The revised 2022 Annual Cap under each of the 2020–2022 Supplemental Master Property Management Services Agreement and the 2020–2022 Supplemental Master Pre-delivery Services Agreement is determined with reference to:

- (i) the historical transaction amount;
- (ii) the Target Group's contracted GFA and GFA under management of approximately 26.0 million sq.m. and 13.9 million sq.m. respectively. It is expected that there will be services associated with operations of new customers (in particular CSHED) which are Sino-Ocean Connected Persons to be provided by the Group upon completion of the Acquisition, for example (a) the property management services such as security, cleaning, greening, gardening and repair and maintenance, and (b) pre-delivery services for 48 existing projects; and
- (iii) the utilisation rate of the respective original 2022 Annual Cap having reached approximately 49.0% and approximately 70.8% as at 30 September 2022, and that taking into account the business development plans and estimated delivery schedules of the said new customers and other Sino-Ocean Connected Persons, the transaction amount for the fourth quarter of 2022 is expected to be significantly higher than the average transaction amount for the first three quarters of 2022.

The revised 2022 Annual Cap under the 2020–2022 Supplemental Master Consultancy and Other Value-added Services Agreement is determined with reference to:

- (i) the historical transaction amount;
- (ii) the utilisation rate of the original 2022 Annual Cap having reached approximately 67.9% as at 30 September 2022;
- (iii) the expected increase in demand for consultancy and other value-added services associated with operations of new customers (in particular CSHED) which are Sino-Ocean Connected Persons to be provided by the Group upon completion of the Acquisition, and the business development plans and estimated delivery schedules of such new customers; and

- (iv) the expected increase in the amount of sales agency services fees to be received by the Group from the Sino-Ocean Connected Persons for the provision of exclusive sales agency services for parking spaces developed or held by the Sino-Ocean Connected Persons as mentioned in the announcements of the Company dated 30 December 2021, 20 January 2022 and 14 October 2022.

Save for the revision of the respective 2022 Annual Cap as disclosed above, all the other principal terms of the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Non-exempt CCT Agreements as set forth under the section headed “Connected Transactions” in the Prospectus shall remain unchanged, and the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Non-exempt CCT Agreements shall remain valid and enforceable. Among others, the pricing principles of the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Non-exempt CCT Agreements shall remain unchanged and are substantially the same as those respectively contained in the 2023–2025 Master Operational Support Services Agreement and the 2023–2025 Master Non-exempt CCT Agreements, which are disclosed in the section headed “RENEWAL OF AGREEMENTS FOR THE THREE YEARS ENDING 31 DECEMBER 2025” in this announcement.

### **Internal control measures**

Further, in order to ensure that the transactions under the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Non-exempt CCT Agreements will be conducted on normal commercial terms and in accordance with the terms thereof as amended and supplemented by their respective supplemental agreements, including the pricing principles and the revised 2022 Annual Caps contained therein, the Group will continue to adopt the internal control and corporate governance measures as set forth under the section headed “Connected Transactions — Corporate Governance Measures” in the Prospectus.

### **REASONS FOR AND BENEFITS OF THE REVISION OF 2022 ANNUAL CAPS**

The Group and the Sino-Ocean Connected Persons have maintained long-standing and stable cooperative relationships, with a well-established mutual understanding of the standards, requirements and specific needs of each other. The Sino-Ocean Connected Persons have been providing high quality operational support services (mainly including engineering services, staff secondment and other supporting services) to support the business operations of the Group. In view of the business development plans of the Group, it is the intention of the Company to obtain additional operational support services (including engineering and construction services, decoration services, staff secondment, etc.) from the Sino-Ocean Connected Persons. There are also anticipated demand of technology support services from the Sino-Ocean Connected Persons, including (a) procurement of various information technology systems, such as membership management system and ESG data collection system; and (b) construction and/or maintenance services of additional systems owned, licensed to be used or to be developed by the Sino-Ocean Connected Persons to support the business development plans of the Group, such as system for one-stop project and contract management and procurement, OKR system, customer service system and data governance and management system.

In addition, as mentioned in the announcement and the circular of the Company dated 12 August 2022 and 5 October 2022 respectively in relation to the Acquisition, there shall be new services for, including but not limited to, (i) property management services, (ii) pre-delivery services and (iii) consultancy and other value-added services associated with operations of new



customers to be served by the Group (who could be connected persons of the Company) upon completion of the Acquisition. The Group has also been providing exclusive sales agency services for parking spaces developed or held by the Sino-Ocean Connected Persons since December 2021 and has recorded a higher increment in the amount of sales agency services fees comparing with those earned through the provision of parking space sales agency services on a non-exclusive basis.

Considering the above factors, the Board expects that the original annual caps provided for under the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Non-exempt CCT Agreements will not be sufficient for the year ending 31 December 2022. The entering into of the 2020–2022 Supplemental Master CCT Agreements will enable the Group to continuously conduct the relevant transactions with the Sino-Ocean Connected Persons for the remaining term of the year ending 31 December 2022 in compliance with the Listing Rules.

The Directors (including the independent non-executive Directors, but excluding the Abstained Directors) are of the view that the 2020–2022 Supplemental Master Operational Support Services Agreement and the revised 2022 Annual Cap as contemplated thereunder are entered into in the ordinary and usual course of business of the Group, are conducted on an arm's length basis and on normal commercial terms between the Company and the Sino-Ocean Connected Persons, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors (excluding (i) the independent non-executive Directors whose views will be set forth in the circular after taking into account the recommendation of the Independent Financial Adviser; and (ii) the Abstained Directors) are of the view that each of the 2020–2022 Supplemental Master Non-Exempt CCT Agreements and the revised 2022 Annual Cap as contemplated thereunder are entered into in the ordinary and usual course of business of the Group, are conducted on an arm's length basis and on normal commercial terms between the Company and the Sino-Ocean Connected Persons, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Directors was in any way materially interested in the transactions as contemplated under the 2020–2022 Supplemental Master CCT Agreements. Nevertheless, the Abstained Directors (namely Mr. Cui Hongjie and Mr. Zhu Xiaoxing) have abstained from voting on the Board resolutions approving the aforementioned agreements and the transactions as contemplated thereunder by virtue of their directorship and/or senior positions in Sino-Ocean Group and/or its associates (other than the Group).

## **RENEWAL OF AGREEMENTS FOR THE THREE YEARS ENDING 31 DECEMBER 2025**

In addition, as the existing agreements relating to the Continuing Connected Transactions will expire on 31 December 2022 and it is expected that the Continuing Connected Transactions will continue to be conducted between the Group and the Sino-Ocean Connected Persons, on 11 November 2022 (after trading hours of the Stock Exchange), the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) entered into the 2023–2025 Master CCT Agreements to renew the Continuing Connected Transactions. Principal terms of the 2023–2025 Master CCT Agreements are as follows.



## **Renewal of Partially Exempt Transactions**

### **(1) 2023–2025 Master Operational Support Services Agreement**

#### **Date**

11 November 2022

#### **Parties**

- (i) the Company (on behalf of each member of the Group), as service recipient; and
- (ii) Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person), as service provider.

#### **Term**

The 2023–2025 Master Operational Support Services Agreement shall have a fixed term commencing from 1 January 2023 and ending on 31 December 2025.

The 2023–2025 Master Operational Support Services Agreement may be terminated during its term by a party by giving the other party a 30-day prior written notice.

#### **Nature of the transactions**

Pursuant to the 2023–2025 Master Operational Support Services Agreement, the Group shall purchase from the Sino-Ocean Connected Persons certain operational support services such as engineering and construction services, decoration services, staff secondment and other supporting services to support its business operations. The Sino-Ocean Connected Persons also provide technology support services, including supply of information technology systems and construction and/or maintenance services of systems, to the Group.

#### **Pricing**

The fees of the operational support services payable by the Group to the Sino-Ocean Connected Persons will be determined on arm's length basis with reference to (i) the cost paid by the Sino-Ocean Connected Persons to their independent suppliers and/or their labor costs based on relevant man hours; (ii) where available, the prevailing market prices charged by the Sino-Ocean Connected Persons to other customers for the same or similar services; or (iii) where available, the prevailing market prices charged by third party service providers for the same or similar services in the market.

The Group will, where applicable, request the relevant Sino-Ocean Connected Person to provide the Group with the terms of contemporaneous transactions between the relevant Sino-Ocean Connected Person and its independent customers for the same or similar services, in order to ensure that the fees charged by the relevant Sino-Ocean Connected Person to the Group are fair and reasonable to the Group.

## Historical transaction amount and proposed annual caps

The historical transaction amount and the proposed annual caps for the provision of operational support services by the Sino-Ocean Connected Persons to the Group are set out below:

	Historical transaction amount			Proposed annual caps		
	For the year ended 31 December 2020	For the year ended 31 December 2021	For the nine months ended 30 September 2022	For the year ending 31 December 2023	For the year ending 31 December 2024	For the year ending 31 December 2025
Purchase amount	4,954	8,531	11,570	80,000	81,000	82,000

(RMB'000)

In determining the above annual caps, the Company has considered (i) the historical transaction amount; (ii) the anticipated increase in demand of operational support services (including engineering and construction services, decoration services, staff secondment, etc.) to be provided by the Sino-Ocean Connected Persons taking into account the business development plans of the Group; and (iii) the expected demand of technology support services from the Sino-Ocean Connected Persons, including construction and/or maintenance services of additional systems owned, licensed to be used or to be developed by the Sino-Ocean Connected Persons to support the business development plans of the Group, such as system for one-stop project and contract management and procurement, OKR system, customer service system, data governance and management system.

### (2) 2023–2025 Master Properties Leasing Agreement

#### Date

11 November 2022

#### Parties

- (i) the Company (on behalf of each member of the Group), as tenant; and
- (ii) Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person), as landlord.

#### Term

The 2023–2025 Master Properties Leasing Agreement shall have a fixed term commencing from 1 January 2023 and ending on 31 December 2025.

The 2023–2025 Master Properties Leasing Agreement may be terminated during its term by a party by giving the other party a 30-day prior written notice.

## Nature of the transactions

Pursuant to the 2023–2025 Master Properties Leasing Agreement, the Group shall rent from the Sino-Ocean Connected Persons (i) properties for self-use/operation (e.g. as office) and (ii) properties/car parking spaces for sub-leasing to its independent customers.

## Pricing

The rent payable by the Group to the Sino-Ocean Connected Persons under the 2023–2025 Master Properties Leasing Agreement will be determined on arm's length basis with reference to (i) in respect of properties for the Group's self-use/operation, the prevailing market rent of similar properties in the vicinity; and (ii) in respect of properties/car parking spaces for sub-leasing to the Group's independent customers, the prevailing market rent of similar properties/car parking spaces in similar locations with a discount thereon to be agreed on arm's length basis by taking into account the expected costs (including, among others, labor costs, administrative costs and maintenance costs) of the Group in relation to the sub-leasing of the relevant properties/car parking spaces to its independent customers.

## Historical transaction amount and proposed annual caps

The historical transaction amount and the proposed annual caps for the leasing of properties/car parking spaces by the Group from the Sino-Ocean Connected Persons are set out below:

	Historical transaction amount			Proposed annual caps		
	For the year ended 31 December 2020	For the year ended 31 December 2021	For the nine months ended 30 September 2022	For the year ending 31 December 2023	For the year ending 31 December 2024	For the year ending 31 December 2025
Rent	10,495	7,542	6,694	42,000	42,000	42,000

(RMB'000)

In determining the above annual caps, the Company has considered (i) the historical transaction amount; (ii) the terms and conditions (in particular, the rent) of the leases; (iii) the expected increment in market rents of similar properties/car parking spaces in the vicinity; and (iv) the expected increase in the Group's demand for leased properties based on its business development plans (such as the expected increase in demand for the leasing and subleasing of additional properties/parking spaces to link up with business development needs taking into account the development plan of the Group's commercial asset management business).

## **Renewal of Non-exempt Transactions**

### **(3) 2023–2025 Master Property Management Services Agreement**

#### **Date**

11 November 2022

#### **Parties**

- (i) the Company (on behalf of each member of the Group), as service provider; and
- (ii) Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person), as service recipient.

#### **Term**

Subject to the obtaining of the approval by the Independent Shareholders at the EGM, the 2023–2025 Master Property Management Services Agreement shall take effect for a term of three years commencing from 1 January 2023 and ending on 31 December 2025.

The 2023–2025 Master Property Management Services Agreement may be terminated during its term by a party by giving the other party a 30-day prior written notice.

#### **Nature of the transactions**

Pursuant to the 2023–2025 Master Property Management Services Agreement, the Group shall provide property management services, such as security, cleaning, greening, gardening and repair and maintenance services, to the Sino-Ocean Connected Persons in respect of (i) property units developed for sale by the Sino-Ocean Connected Persons which have been completed and are either unsold or sold but not yet delivered to the buyers of such property units; and (ii) commercial properties (including shopping malls, office buildings and carpark spaces) owned, used or operated by the Sino-Ocean Connected Persons.

#### **Pricing**

The fees payable by the Sino-Ocean Connected Persons to the Group under the 2023–2025 Master Property Management Services Agreement will be determined on arm's length basis with reference to (i) the nature, size and location of the relevant properties; (ii) the scope of the property management services; (iii) the Group's expected operational costs (including, among others, labor costs, material costs and administrative costs) in relation to the provision of the property management services; and (iv) the fees charged by other property management service providers for similar services in respect of similar types of properties in the market.

The fees charged by the Group to the Sino-Ocean Connected Persons shall not be higher than the standard fees designated by the relevant regulatory authorities (if applicable), and the terms offered by the Group to the Sino-Ocean Connected Persons shall not be less favourable to the Group than terms offered by the Group to its independent customers for the same or similar type and scope of property management services.



held by Sino-Ocean Group and its subsidiaries, joint ventures and associates will increase by approximately 2.6 million sq.m., 2.6 million sq.m. and 2.6 million sq.m. for the years ending 31 December 2023, 31 December 2024 and 31 December 2025, respectively; and

- (iv) the expected increase in GFA of commercial properties (including shopping malls, office buildings and other investment properties) of the Sino-Ocean Connected Persons to be managed by the Group, taking into account the following:
  - (a) as of 30 June 2022, the Group's contracted and undelivered GFA of commercial properties developed or held by Sino-Ocean Group and its subsidiaries, joint ventures and associates amounted to approximately 0.3 million sq.m., which will be delivered for the Group's management successively based on the construction completion and delivery schedules of Sino-Ocean Group and its subsidiaries, joint ventures and associates; and
  - (b) based on the business development and operation plans and estimated delivery schedules of Sino-Ocean Group and its subsidiaries, joint venture and associates and the Company's estimation on the services the Group may be engaged by Sino-Ocean Group and its subsidiaries, joint ventures and associates to provide, the Group expects that its GFA under management of commercial properties developed or held by Sino-Ocean Group and its subsidiaries, joint ventures and associates will increase by approximately 0.6 million sq.m., 0.6 million sq.m. and 0.6 million sq.m. for the years ending 31 December 2023, 31 December 2024 and 31 December 2025, respectively.

#### **(4) 2023–2025 Master Pre-delivery Services Agreement**

##### **Date**

11 November 2022

##### **Parties**

- (i) the Company (on behalf of each member of the Group), as service provider; and
- (ii) Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person), as service recipient.

##### **Term**

Subject to the obtaining of the approval by the Independent Shareholders at the EGM, the 2023–2025 Master Pre-delivery Services Agreement shall take effect for a term of three years commencing from 1 January 2023 and ending on 31 December 2025.

The 2023–2025 Master Pre-delivery Services Agreement may be terminated during its term by a party by giving the other party a 30-day prior written notice.

## Nature of the transactions

Pursuant to the 2023–2025 Master Pre-delivery Services Agreement, the Group shall provide pre-delivery services, such as on-site cleaning, security inspection, repair and maintenance, parking management and other customer related services, to the Sino-Ocean Connected Persons at their property sales venues and display units.

## Pricing

The fees payable by the Sino-Ocean Connected Persons to the Group under the 2023–2025 Master Pre-delivery Services Agreement will be determined on arm's length basis with reference to (i) the scope of the pre-delivery services; (ii) the Group's expected operational costs (including, among others, labor costs, material costs and administrative costs) in relation to the provision of the pre-delivery services; and (iii) the fees charged by other pre-delivery service providers for similar services in the market.

The terms offered by the Group to the Sino-Ocean Connected Persons shall not be less favourable to the Group than terms offered by the Group to its independent customers for the same or similar type and scope of pre-delivery services.

## Historical transaction amount and proposed annual caps

The historical transaction amount and the proposed annual caps for the provision of pre-delivery services by the Group to the Sino-Ocean Connected Persons are set out below:

	Historical transaction amount			Proposed annual caps		
	For the year ended 31 December 2020	For the year ended 31 December 2021	For the nine months ended 30 September 2022	For the year ending 31 December 2023	For the year ending 31 December 2024	For the year ending 31 December 2025
Sales amount	134,071	164,544	138,625	250,000	276,000	300,000

(RMB'000)

In determining the above annual caps, the Company has considered the following factors:

- (i) the historical transaction amount and the growth trend thereof during the two years ended 31 December 2020 and 31 December 2021 and the nine months ended 30 September 2022;
- (ii) the expected increase in demand for pre-delivery services associated with operations of new customers (in particular CSHED) which are Sino-Ocean Connected Persons to be provided by the Group upon completion of the Acquisition, and the business development plans and estimated delivery schedules of such new customers;



- (iii) the expected CAGR in the total fees payable by the Sino-Ocean Connected Persons for the Group's pre-delivery services for 2023–2025 of approximately 9.5%, with reference to the following:
- (a) the annual fees paid by the Sino-Ocean Connected Persons for the Group's pre-delivery services increased by approximately 22.7% for the year ended 31 December 2021 as compared to the year ended 31 December 2020;
  - (b) as of 31 December 2021, the total GFA of properties under development and held for future development of Sino-Ocean Group and its subsidiaries, joint ventures and associates increased by approximately 40.1% as compared to 31 December 2020. As of 30 June 2022, the total GFA of properties under development and held for future development of Sino-Ocean Group and its subsidiaries, joint ventures and associates amounted to approximately 44.4 million sq.m.;
  - (c) the contracted sales GFA sold by Sino-Ocean Group and its subsidiaries, joint ventures and associates increased by approximately 8.6% for the year ended 31 December 2021 as compared to the year ended 31 December 2020; and
  - (d) based on the historical sale performance up to 30 June 2022 and business development plans and estimation of Sino-Ocean Group and its subsidiaries, joint ventures and associates, the Group expects that the number of projects for which it may be engaged by Sino-Ocean Group and its subsidiaries, joint ventures and associates to provide pre-delivery services will be 134, 141 and 150 for the years ending 31 December 2023, 31 December 2024 and 31 December 2025, respectively, representing a CAGR of approximately 5.8% from 2023 to 2025.

**(5) 2023–2025 Master Consultancy and Other Value-added Services Agreement**

**Date**

11 November 2022

**Parties**

- (i) the Company (on behalf of each member of the Group), as service provider; and
- (ii) Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person), as service recipient.

**Term**

Subject to the obtaining of the approval by the Independent Shareholders at the EGM, the 2023–2025 Master Consultancy and Other Value-added Services Agreement shall take effect for a term of three years commencing from 1 January 2023 and ending on 31 December 2025.

The 2023–2025 Master Consultancy and Other Value-added Services Agreement may be terminated during its term by a party by giving the other party a 30-day prior written notice.

## Nature of the transactions

Pursuant to the 2023–2025 Master Consultancy and Other Value-added Services Agreement, the Group shall provide the Sino-Ocean Connected Persons with other value-added services, which mainly include (i) consultancy services, such as advisory services on overall project design, planning and coordination of pre-sale activities and other specific areas including project cleaning and security; (ii) property engineering and repair and maintenance services; and (iii) property sales agency services (including the exclusive parking space sales agency services).

## Pricing

The fees payable by the Sino-Ocean Connected Persons to the Group under the 2023–2025 Master Consultancy and Other Value-added Services Agreement will be determined on arm's length basis with reference to (i) where applicable, the fees charged by the Group to its independent customers for the same or similar type and scope of value-added services; or (ii) where the Group has not provided the same or similar type and scope of value-added services to its independent customers, the Group's expected costs (including, among others, labor costs, material costs and administrative costs) of providing the relevant services plus a profit margin of not less than 10%.

The terms offered by the Group to the Sino-Ocean Connected Persons shall not be less favourable to the Group than terms offered by the Group to its independent customers for the same or similar type and scope of value-added services, where applicable.

## Historical transaction amount and proposed annual caps

The historical transaction amount and the proposed annual caps for the provision of other value-added services by the Group to the Sino-Ocean Connected Persons are set out below:

	Historical transaction amount			Proposed annual caps		
	For the year ended 31 December 2020	For the year ended 31 December 2021	For the nine months ended 30 September 2022	For the year ending 31 December 2023	For the year ending 31 December 2024	For the year ending 31 December 2025
Sales amount	92,683	267,801	240,648	592,000	682,000	813,000

(RMB'000)

In determining the above annual caps, the Company has considered the following factors:

- (i) the historical transaction amount and the growth trend thereof during the two years ended 31 December 2020 and 31 December 2021 and the nine months ended 30 September 2022;
- (ii) the expected increase in demand for consultancy and other value-added services associated with operations of new customers (in particular CSBED) which are Sino-Ocean Connected Persons to be provided by the Group upon completion of the Acquisition, and the business development plans and estimated delivery schedules of such new customers;

- (iii) the expected increase in the amount of sales agency services fees to be received by the Group from the Sino-Ocean Connected Persons for the provision of exclusive sales agency services for parking spaces developed or held by the Sino-Ocean Connected Persons as mentioned in the announcement of the Company dated 14 October 2022;
- (iv) the total fees payable by the Sino-Ocean Connected Persons for the Group's property engineering services (which mainly involve the provision of repair and maintenance services as well as smart management services such as the design, installation and maintenance of smart security and surveillance systems and control systems) increased by approximately 187.1% to RMB124.0 million for the year ended 31 December 2021 as compared to the year ended 31 December 2020, and it is expected to reach approximately RMB177.4 million, RMB190.4 million and RMB203.3 million for the years ending 31 December 2023, 31 December 2024 and 31 December 2025, respectively, taking into account the following:
  - (a) the contracted sales GFA sold by Sino-Ocean Group and its subsidiaries, joint ventures and associates increased by approximately 8.6% for the year ended 31 December 2021 as compared to 31 December 2020, which the Group has participated in the tender and billing process for the provision of repair and maintenance services and smart management services for various property projects developed by the Sino-Ocean Connected Persons in the PRC, coupled with the business model of smart management. Based on the Group's communications with Sino-Ocean Group and its subsidiaries, joint ventures and associates, it is expected that the total annual contract value for repair and maintenance services and smart management services for the properties developed by Sino-Ocean Group and its subsidiaries, joint ventures and associates will reach approximately RMB203.3 million for the year ending 31 December 2025, representing a CAGR of approximately 7.1% from 2023 to 2025; and
  - (b) the expected increase in the volume of the Group's repair and maintenance services required for the properties developed by the Sino-Ocean Connected Persons at the post-delivery stage along with the aging of such properties; and
- (v) the total fees payable by the Sino-Ocean Connected Persons for the Group's consultancy services increased by approximately 124.0% for the year ended 31 December 2021 as compared to the year ended 31 December 2020. The total fees payable by the Sino-Ocean Connected Persons for the Group's consultancy services are expected to reach approximately RMB211.6 million, RMB295.3 million and RMB413.5 million for the years ending 31 December 2023, 31 December 2024 and 31 December 2025, respectively, representing a CAGR of approximately 39.8% from 2023 to 2025, with reference to the historical growth of and the business plan for additional land reserve of the Sino-Ocean Connected Persons and the expected increase in their demand for the Group's consultancy services.

## **REASONS FOR AND BENEFITS OF THE RENEWAL OF AGREEMENTS FOR THE THREE YEARS ENDING 31 DECEMBER 2025**

The Group and the Sino-Ocean Connected Persons have maintained long-standing and stable cooperative relationships, with a well-established mutual understanding of the standards, requirements and specific needs of each other. The entering into of the 2023–2025 Master Non-exempt CCT Agreements will allow the Group to continue to provide property management services, pre-delivery services, consultancy and other value-added services to the Sino-Ocean Connected Persons, which brings a stable source of income to the Group. Further, the Sino-Ocean Connected Persons have been leasing high quality properties/car parking spaces as well as providing high quality operational support services to the Group, and the entering into of the 2023–2025 Master Partially Exempt CCT Agreements will avoid unnecessary interruption to the continued operations of the Group. The transactions as contemplated under the 2023–2025 Master CCT Agreements are therefore considered to be mutually beneficial to the Group and the Sino-Ocean Connected Persons based on their respective commercial needs.

The Directors (including the independent non-executive Directors, but excluding the Abstained Directors) consider that the transactions as contemplated under the 2023–2025 Master Partially Exempt CCT Agreements are entered into in the ordinary and usual course of business of the Group, and the terms of such transactions and the respective annual caps, which were determined after arm’s length negotiations between the parties thereto, are normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors (excluding (i) the independent non-executive Directors whose views will be set forth in the circular after taking into account the recommendation of the Independent Financial Adviser; and (ii) the Abstained Directors) consider that the transactions as contemplated under the 2023–2025 Master Non-exempt CCT Agreements are entered into in the ordinary and usual course of business of the Group, and the terms of such transactions and the respective annual caps, which were determined after arm’s length negotiations between the parties thereto, are normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, none of the Directors was in any way materially interested in the transactions as contemplated under the 2023–2025 Master CCT Agreements. Nevertheless, the Abstained Directors (namely Mr. Cui Hongjie and Mr. Zhu Xiaoxing) have abstained from voting on the Board resolutions approving the 2023–2025 Master CCT Agreements and the transactions as contemplated thereunder by virtue of their directorship and/or senior positions in Sino-Ocean Group and/or its associates (other than the Group).

## INTERNAL CONTROL MEASURES

In order to ensure that the terms (including the pricing principles and the annual caps) of the transactions as contemplated under the 2023–2025 Master CCT Agreements are fair and reasonable and will be complied with, the Company has adopted the following internal control and corporate governance measures:

- (i) the Board (including the independent non-executive Directors) will be responsible for reviewing and evaluating the terms of the transactions as contemplated under the 2023–2025 Master CCT Agreements, in particular the pricing principles and the annual caps, to ensure that such terms are fair and reasonable to the Group and compliant with relevant laws and regulations, internal policies of the Group and the Listing Rules;
- (ii) the terms offered by the Group to the Sino-Ocean Connected Persons under the specific agreements will not be less favourable to the Group than terms offered by the Group to its independent customers for the same or similar type and scope of services, where applicable;
- (iii) the specific agreements, together with relevant information, will be submitted to the business department, finance department, legal department and the management of the Group for approval before signing and execution;
- (iv) pursuant to the Corporate Governance Code in Appendix 14 to the Listing Rules, the Directors (including the independent non-executive Directors) will be able to seek independent professional advice in respect of the transactions as contemplated under the 2023–2025 Master CCT Agreements from external parties in appropriate circumstances;
- (v) the actual transaction amounts for the transactions as contemplated under the 2023–2025 Master CCT Agreements will be reported to appropriate management team regularly and the finance department of the Company will be responsible for reviewing and monitoring the actual transaction amounts to ensure that the annual caps will not be exceeded;
- (vi) various internal departments of the Company (including but not limited to the finance department, capital market department and company secretarial department) will regularly monitor the implementation of the transactions as contemplated under the 2023–2025 Master CCT Agreements and keep track of the aggregate transaction amounts thereof to ensure that the pricing principles and the annual caps contained in the 2023–2025 Master CCT Agreements are complied with;
- (vii) the Company has adopted relevant reporting and record-keeping procedures to allow the independent non-executive Directors and the auditors of the Company to perform annual review of the transactions as contemplated under the 2023–2025 Master CCT Agreements and provide annual confirmations in accordance with the Listing Rules; and
- (viii) the Company will duly disclose in its annual report the continuing connected transactions conducted during the relevant financial year, together with the conclusion drawn by the independent non-executive Directors on whether the transactions are conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, and on terms that are fair and reasonable in accordance with the relevant framework agreements and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE COMPANY AND THE GROUP**

The Company is an investment holding company and the Group is a comprehensive property management service provider with extensive geographic coverage in the PRC. The Group's property management services cover a wide range of property types, including residential communities, commercial properties (such as shopping malls and office buildings) and public and other properties (such as hospitals, schools, government buildings and public service facilities). The Group also provides commercial operational services to shopping malls and office buildings, including pre-opening management services and operation management services. In addition to property management services and commercial operational services, the Group provides a variety of community value-added services to property owners and residents of the properties under its management, including community asset value-added services, community living services and property brokerage services, and value-added services to non-property owners, including pre-delivery services, consultancy services and property engineering services to property developers and other property management companies.

## **INFORMATION ON SINO-OCEAN GROUP**

Sino-Ocean Group is a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. It is an investment holding company and a leading large-scale property developer with developments in key economic regions in the PRC, including the Beijing Region, the Bohai Rim Region, the Eastern Region, the Southern Region, the Central Region and the Western Region. The core businesses of Sino-Ocean Group and its subsidiaries include development of residential property, investment property development and operation, property services and whole-industrial chain construction services, along with synergic businesses in real estate financing, senior living service, logistics real estate and internet data center, etc.

## **IMPLICATIONS UNDER THE LISTING RULES**

Sino-Ocean Group is a controlling Shareholder and thus a connected person of the Company. Accordingly, the Continuing Connected Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, the Company should re-comply with the applicable requirements under Chapter 14A of the Listing Rules when the proposed annual caps for continuing connected transactions are revised. In respect of the revision of the 2022 Annual Cap as contemplated under the 2020–2022 Supplemental Master Operational Support Services Agreement, as one or more of the applicable percentage ratios in respect of the revised 2022 Annual Cap under the 2020–2022 Supplemental Master Operational Support Services Agreement exceed(s) 0.1% but are all less than 5%, the 2020–2022 Supplemental Master Operational Support Services Agreement and the revised 2022 Annual Cap thereunder are subject to the reporting, annual review and announcement requirements but are exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the revision of the 2022 Annual Cap as contemplated under each of the 2020–2022 Supplemental Master Non-exempt CCT Agreements, as one or more of the applicable percentage ratios in respect of the revised 2022 Annual Cap under each of the 2020–2022 Supplemental Master Non-exempt CCT Agreements exceed(s) 5%, each of the 2020–2022 Supplemental Master



Non-exempt CCT Agreements and the revised 2022 Annual Cap thereunder are subject to the reporting, annual review, announcement, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the renewal of the Partially Exempt Transactions for the three years ending 31 December 2025 as contemplated under the 2023–2025 Master Partially Exempt CCT Agreements, as one or more of the applicable percentage ratios in respect of the largest annual cap under each of the 2023–2025 Master Partially Exempt CCT Agreements exceed(s) 0.1% but are all less than 5%, each of the 2023–2025 Master Partially Exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps) are subject to the reporting, annual review and announcement requirements but are exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In respect of the renewal of the Non-exempt Transactions for the three years ending 31 December 2025 as contemplated under the 2023–2025 Master Non-exempt CCT Agreements, as one or more of the applicable percentage ratios in respect of the largest annual cap under each of the 2023–2025 Master Non-exempt CCT Agreements exceed(s) 5%, each of the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps) are subject to the reporting, annual review, announcement, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **EGM**

The Company will convene the EGM for the Independent Shareholders to consider and, if thought fit, approve (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, save for Shine Wind and its associates, none of the other Shareholders has a material interest in the transactions as contemplated under the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the 2023–2025 Master Non-exempt CCT Agreements and is required to abstain from voting on the relevant resolutions at the EGM.

## **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee has been established to advise the Independent Shareholders on (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps), and to advise the Independent Shareholders on how to vote.

## **INDEPENDENT FINANCIAL ADVISER**

Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise and make recommendations to the Independent Board Committee and the Independent Shareholders on (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the



respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps), and as to voting at the EGM so far as the Independent Shareholders are concerned.

## DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further details of the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; (ii) further details of the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps); (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (v) other information as required under the Listing Rules, together with a notice of the EGM and the proxy form, is expected to be despatched to the Shareholders on or around 9 December 2022 (which is more than 15 business days after the publication of this announcement) as additional time is required to finalise the contents of the circular.

## DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the meanings as follows:

“2020–2022 Master Consultancy and Other Value-added Services Agreement”	an agreement dated 27 November 2020 entered into between the Company and Sino-Ocean Group in relation to the provision of consultancy and other value-added services by the Group to the Sino-Ocean Connected Persons for a term from the Listing Date to 31 December 2022
“2020–2022 Master Non-exempt CCT Agreements”	collectively, the 2020–2022 Master Property Management Services Agreement, the 2020–2022 Master Pre-delivery Services Agreement and the 2020–2022 Master Consultancy and Other Value-added Services Agreement
“2020–2022 Master Operational Support Services Agreement”	an agreement dated 27 November 2020 entered into between the Company and Sino-Ocean Group in relation to the purchase of operational support services by the Group from the Sino-Ocean Connected Persons for a term from the Listing Date to 31 December 2022
“2020–2022 Master Partially Exempt CCT Agreements”	collectively, the 2020–2022 Master Operational Support Services Agreement and the 2020–2022 Master Properties Leasing Agreement
“2020–2022 Master Pre-delivery Services Agreement”	an agreement dated 27 November 2020 entered into between the Company and Sino-Ocean Group in relation to the provision of pre-delivery services by the Group to the Sino-Ocean Connected Persons for a term from the Listing Date to 31 December 2022

“2020–2022 Master Properties Leasing Agreement”	an agreement dated 27 November 2020 entered into between the Company and Sino-Ocean Group in relation to the leasing of properties by the Sino-Ocean Connected Persons to the Group for a term from the Listing Date to 31 December 2022
“2020–2022 Master Property Management Services Agreement”	an agreement dated 27 November 2020 entered into between the Company and Sino-Ocean Group in relation to the provision of property management services by the Group to the Sino-Ocean Connected Persons for a term from the Listing Date to 31 December 2022
“2020–2022 Supplemental Master CCT Agreements”	collectively, the 2020–2022 Supplemental Master Operational Support Services Agreement and the 2020–2022 Supplemental Master Non-exempt CCT Agreements
“2020–2022 Supplemental Master Consultancy and Other Value-added Services Agreement”	the agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) to amend and supplement the 2020–2022 Master Consultancy and Other Value-added Services Agreement
“2020–2022 Supplemental Master Non-exempt CCT Agreements”	collectively, the 2020–2022 Supplemental Master Property Management Services Agreement, the 2020–2022 Supplemental Master Pre-delivery Services Agreement and the 2020–2022 Supplemental Master Consultancy and Other Value-added Services Agreement
“2020–2022 Supplemental Master Operational Support Services Agreement”	the agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) to amend and supplement the 2020–2022 Master Operational Support Services Agreement
“2020–2022 Supplemental Master Pre-delivery Services Agreement”	the agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) to amend and supplement the 2020–2022 Master Pre-delivery Services Agreement
“2020–2022 Supplemental Master Property Management Services Agreement”	the agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) to amend and supplement the 2020–2022 Master Property Management Services Agreement
“2022 Annual Cap(s)”	the annual cap(s) for the year ending 31 December 2022
“2023–2025 Master CCT Agreements”	collectively, the 2023–2025 Master Partially Exempt CCT Agreements and the 2023–2025 Master Non-exempt CCT Agreements

“2023–2025 Master Consultancy and Other Value-added Services Agreement”	an agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) in relation to the provision of consultancy and other value-added services by the Group to the Sino-Ocean Connected Persons
“2023–2025 Master Non-exempt CCT Agreements”	collectively, the 2023–2025 Master Property Management Services Agreement, the 2023–2025 Master Pre-delivery Services Agreement and the 2023–2025 Master Consultancy and Other Value-added Services Agreement
“2023–2025 Master Operational Support Services Agreement”	an agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) in relation to the purchase of operational support services by the Group from the Sino-Ocean Connected Persons
“2023–2025 Master Partially Exempt CCT Agreements”	collectively, the 2023–2025 Master Operational Support Services Agreement and the 2023–2025 Master Properties Leasing Agreement
“2023–2025 Master Pre-delivery Services Agreement”	an agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) in relation to the provision of pre-delivery services by the Group to the Sino-Ocean Connected Persons
“2023–2025 Master Properties Leasing Agreement”	an agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) in relation to the leasing of properties by the Sino-Ocean Connected Persons to the Group
“2023–2025 Master Property Management Services Agreement”	an agreement dated 11 November 2022 entered into between the Company (on behalf of each member of the Group) and Sino-Ocean Group (on behalf of each Sino-Ocean Connected Person) in relation to the provision of property management services by the Group to the Sino-Ocean Connected Persons
“Abstained Directors”	Mr. Cui Hongjie and Mr. Zhu Xiaoxing, each being a non-executive Director
“Acquisition”	the acquisition of the entire equity interests in the Target Company by a wholly-owned subsidiary of the Company pursuant to the equity transfer agreement dated 12 August 2022, details of which are set out in the announcement and the circular of the Company dated 12 August 2022 and 5 October 2022, respectively
“Board”	the board of Directors
“CAGR”	compound annual growth rate

Sino-Ocean Service Holding Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 06677

“Company”	Sino-Ocean Service Holding Limited (遠洋服務控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 06677)
“Continuing Connected Transactions”	collectively, the Partially Exempt Transactions and the Non-exempt Transactions
“CSHED”	Chongqing Sino-Ocean Hongxing Enterprise Development Co., Ltd.* (重慶遠洋紅星企業發展有限公司) (formerly known as Chongqing Hongxing Macalline Enterprise Development Co., Ltd.* (重慶紅星美凱龍企業發展有限公司)), a company established in the PRC with limited liability which is indirectly owned as to 70% by an associate of Sino-Ocean Group as at the date of this announcement
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider and, if thought fit, approve (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps)
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Board, comprising all the independent non-executive Directors, namely Dr. Guo Jie, Mr. Ho Chi Kin Sammy and Mr. Leung Wai Hung, established for the purpose of advising the Independent Shareholders in respect of (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps)

“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of (i) the 2020–2022 Supplemental Master Non-exempt CCT Agreements and the respective revised 2022 Annual Cap thereunder; and (ii) the 2023–2025 Master Non-exempt CCT Agreements and the transactions as contemplated thereunder (including the respective annual caps)
“Independent Shareholders”	the Shareholders other than Shine Wind and its associates
“Listing Date”	17 December 2020, the first date on which the shares of the Company were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-exempt Transactions”	the transactions under the 2020–2022 Master Non-exempt CCT Agreements
“Partially Exempt Transactions”	the transactions under the 2020–2022 Master Partially Exempt CCT Agreements
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated 7 December 2020
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the ordinary share(s) of the Company with a par value of HKD0.10 each
“Shine Wind”	Shine Wind Development Limited (耀勝發展有限公司), a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of Sino-Ocean Group and a controlling Shareholder
“Sino-Ocean Connected Persons”	Sino-Ocean Group and its associates, excluding, for the avoidance of doubt, the Group
“Sino-Ocean Group”	Sino-Ocean Group Holding Limited (遠洋集團控股有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03377) and a controlling Shareholder
“sq.m.”	square meter

Sino-Ocean Service Holding Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 06677

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Tianjin Xihe Supply Chain Services Co., Ltd.* (天津熙合供應鏈服務有限公司), a company established in the PRC with limited liability, which became a wholly-owned subsidiary of the Company upon completion of the Acquisition
“Target Group”	the Target Company and its subsidiaries
“%”	per cent

*In this announcement, unless the context otherwise requires, the terms “associate(s)”, “connected person(s)”, “continuing connected transaction(s)”, “controlling shareholder(s)”, “percentage ratio(s)” and “subsidiary(ies)” shall have the meanings given to such terms in the Listing Rules, as modified by the Stock Exchange from time to time.*

By Order of the Board  
**Sino-Ocean Service Holding Limited**  
**YANG Deyong**  
*Joint Chairman*

Hong Kong, 11 November 2022

*As at the date of this announcement, the Board comprises Mr. Yang Deyong and Ms. Zhu Geying as executive Directors, Mr. Cui Hongjie and Mr. Zhu Xiaoxing as non-executive Directors, and Dr. Guo Jie, Mr. Ho Chi Kin Sammy and Mr. Leung Wai Hung as independent non-executive Directors.*

\* *For identification purposes only*