

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Desun Real Estate Investment Services Group Co., Ltd.

德商產投服務集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2270)

DISCLOSEABLE TRANSACTION SUBSCRIPTION FOR WEALTH MANAGEMENT PRODUCT

SUBSCRIPTION FOR WEALTH MANAGEMENT PRODUCT

The Board announces that on 29 June 2023, Chengdu Shengcheng, an indirect wholly-owned subsidiary of the Company, entered into an agreement with CDRCB and has subscribed for the Wealth Management Product in the amount of RMB30,000,000. The Subscription was funded by the Group's surplus cash reserves.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the subscription amount of the Wealth Management Product exceeds 5% but all applicable percentage ratios are less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

SUBSCRIPTION FOR WEALTH MANAGEMENT PRODUCT

The Board announces that on 29 June 2023, Chengdu Shengcheng, an indirect wholly-owned subsidiary of the Company, entered into an agreement with CDRCB and has subscribed for the Wealth Management Product in the amount of RMB30,000,000. The Subscription was funded by the Group's surplus cash reserves. Summarized below are the major terms and conditions of the Subscription:

Date of Subscription : 29 June 2023

Name of Wealth Management Product	:	Tianfu Wealth Management Daily Open-end Net Worth Wealth Management Products* (天府理財每日開放淨值型理財產品)
Parties	:	(i) Chengdu Shengcheng, as the subscriber; and (ii) CDRCB, as manager
Custodian	:	Bank of Ningbo Co., Ltd.
Type of Wealth Management Product	:	non-guaranteed floating income, fixed income, open-end, net worth wealth management products
Risk level of Wealth Management Product (internal risk rating by the manager, CDRCB)	:	PR2 (low to medium risk)
Principal amount of the Subscription	:	RMB30,000,000, which is determined with reference to the Group's idle cash available to be used for cash management purposes as well as the risk level, investment terms and rate of return of the Wealth Management Product
Term of investment	:	no fixed term Chengdu Shengcheng proposed to subscribe on 29 June 2023 for a period of four days, and expects to redeem on 3 July 2023
Distribution of wealth management income	:	the Wealth Management Product adopts the income distribution method of dividend reinvestment, that is, the income/loss is calculated on daily basis, and the daily income/loss shall be recognized as the investor's share in the product on the next working day. The investor's share in the product shall (i) increase if there is an income; (ii) remain unchanged if there is no income nor loss; (iii) decrease if there is a loss
Expected annualized rate of return	:	2.30%–2.50%

- Investment scope of Wealth Management Product** : the Wealth Management Product mainly invests in treasury bonds, local government bonds, central bank notes, agency bonds, financial bonds, bank deposits, bond repurchase, large-denomination certificates of deposit, interbank deposits, corporate credit bonds, asset-backed securities listed on the stock exchanges, publicly offered securities investment funds, other credit assets, equity assets, asset management products, and other assets recognized by the banking supervisory authority of the State Council
- Investment proportion** : the proportion of fixed income assets shall not be less than 80% of the net asset value of the Wealth Management Product

INFORMATION OF THE PARTIES

The Group and Chengdu Shengcheng

The Group is an integrated property management services and commercial operational services provider, providing property management services and commercial operational services for mid- to high-end residential properties and commercial properties.

Chengdu Shengcheng is a company established in the PRC with limited liability and an indirect wholly owned subsidiary of the Company. Chengdu Shengcheng is principally engaged in providing commercial complex management services and non-residential property leasing.

CDRCB

CDRCB is a joint-stock commercial bank established in the PRC, mainly engaged in banking services including providing deposits, loans, trade financing and wealth management. Its controlling shareholder is Chengdu Jiaozi Financial Holding Group Co., Ltd.* (成都交子金融控股集團有限公司), which is ultimately owned as to 92% by Chengdu State-owned Assets Supervision and Administration Commission and 8% by Sichuan Provincial Finance Department. To the best knowledge, information and belief of the Directors, having made all reasonable enquires, CDRCB and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company as at the date of this announcement.

REASONS FOR AND BENEFITS FOR THE SUBSCRIPTION

The Directors are of the view that (i) the Subscription provides the Group with better return than fixed deposits generally offered by commercial banks in the PRC; (ii) the Subscription was funded by the Group's surplus cash reserves, and thus would not affect the Group's working capital position or operation; and (iii) appropriate wealth

management with low risk exposure is conducive to enhancing the utilization of capital and increasing income from idle funds of the Group. Accordingly, the Board considers that the Subscription is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the subscription amount of the Wealth Management Product exceeds 5% but all applicable percentage ratios are less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise.

“Board”	the board of Directors
“CDRCB”	Chengdu Rural Commercial Bank Co., Ltd. (成都農村商業銀行股份有限公司), referred to as Chengdu Rural Commercial Bank, is a joint-stock commercial bank restructured on the basis of the original Chengdu Rural Credit Cooperative in the PRC, mainly providing banking services
“Chengdu Shengcheng”	Chengdu Shengcheng City Management Service Co., Ltd* (成都晟城城市管理服務有限公司), a company established in the PRC with limited liability and an indirect wholly owned subsidiary of the Company
“Company”	Desun Real Estate Investment Services Group Co., Ltd. (德商產投服務集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2270)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of US\$0.0001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription made by the Group for the Wealth Management Product from CDRCB in the amount of RMB30,000,000
“Wealth Management Product”	the Tianfu Wealth Management Daily Open-end Net Worth Wealth Management Products* (天府理財每日開放淨值型理財產品), the salient terms of which are summarized in this announcement
“%”	per cent

By order of the Board
Desun Real Estate Investment Services Group Co., Ltd.
Mr. Zhang Zhicheng
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 29 June 2023

As at the date of this announcement, the executive Directors are Mr. Zhang Zhicheng, Ms. Xiong Jianqiu, Ms. Wan Hong, Mr. Liu Jun and Mr. Shao Jiazhen, the non-executive Director is Mr. Zou Kang, and the independent non-executive Directors are Mr. Fang Liqiang, Mr. Chen Di and Mr. Yan Hong.

* *For identification purpose only*