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seazen

新城發展

SEAZEN GROUP LIMITED

新城發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1030)

**(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO
ENTERING INTO LOAN FRAMEWORK AGREEMENT; AND
(2) CONNECTED TRANSACTION IN RELATION TO
ENTERING INTO LOAN AGREEMENT**

LOAN FRAMEWORK AGREEMENT

On 30 September 2024 (after trading hours), Seazen Holdings and S-Enjoy Service entered into the Loan Framework Agreement in relation to the provision of a Loan in the aggregate principal amount of RMB1,000.0 million during the period commencing from the effective date of the Loan Framework Agreement and ending on 29 September 2027.

LOAN AGREEMENT

On 30 September 2024 (after trading hours), S-Enjoy Service and Seazen Holdings entered into the Loan Agreement, pursuant to which it is agreed that S-Enjoy Service Group shall extend to Seazen Holdings Group the New Loan in the principal amount of RMB120.0 million for a term commencing from the date of actual remittance and up to 29 September 2027.

LISTING RULES IMPLICATIONS

Loan Framework Agreement

As at the date of this announcement, Mr. Wang, the controlling shareholder of the Company, indirectly owns approximately 68.86% of the issued shares of S-Enjoy Service. Accordingly, S-Enjoy Service is an associate of Mr. Wang and a connected person of the Company and the entering into of the Loan Framework Agreement thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the Loan under the Loan Framework Agreement is contemplated to be secured by the assets of Seazen Holdings Group, the transactions contemplated under the Loan Framework Agreement, although represented financial assistance provided by connected persons of the Company for the benefit of the Group, would not be exempt from the reporting, announcement and Independent Shareholders' approval requirements for connected transactions under Rule 14A.90 of the Listing Rules, and thus compliance by the Company with the Listing Rules in relation to the Loan Framework Agreement shall be necessary.

As the highest percentage ratio (as defined in the Listing Rules) in respect of the proposed annual caps for the transactions contemplated under the Loan Framework Agreement exceeds 5%, the provision of the Loan under the Loan Framework Agreement and the proposed annual caps are subject to the reporting, announcement, annual review, circular (including independent financial advice) and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Loan Agreement

As aforementioned, S-Enjoy Service is an associate of Mr. Wang and a connected person of the Company. As a result, the entering into of the Loan Agreement and the transactions contemplated thereunder constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the New Loan under the Loan Agreement is secured by the assets of Seazen Holdings Group, the transactions contemplated under the Loan Agreement, although represented financial assistance provided by connected persons of the Company for the benefit of the Group, would not be exempt from the reporting, announcement and Independent Shareholders' approval requirements for connected transactions under Rule 14A.90 of the Listing Rules, and thus compliance by the Company with the Listing Rules in relation to the Loan Agreement shall be necessary.

As the highest percentage ratio (as defined in the Listing Rules) in respect of the New Loan under the Loan Agreement exceeds 0.1% but is less than 5%, the provision of the New Loan under the Loan Agreement is subject to the reporting and announcement requirements but is exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Company will convene an EGM to seek Independent Shareholders' approval on the Loan Framework Agreement and the transactions (including the proposed annual caps) contemplated thereunder.

The Independent Board Committee has been formed to advise the Independent Shareholders in respect of the transactions (including the proposed annual caps) contemplated under the Loan Framework Agreement. The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard under the Listing Rules. The Independent Board Committee will form its view after obtaining and considering the advice from the independent financial adviser.

A circular containing, among other things, (i) details of the Loan Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps); (ii) a letter of advice from the independent financial adviser to both the Independent Board Committee and the Independent Shareholders; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iv) notice of EGM; and (v) other information as required under the Listing Rules, will be sent to the Shareholders on or before 28 November 2024 in accordance with the Listing Rules as more time is required to finalise the circular to the Shareholders.

1. THE LOAN FRAMEWORK AGREEMENT

On 30 September 2024 (after trading hours), S-Enjoy Service and Seazen Holdings entered into the Loan Framework Agreement in relation to the provision of the Loan in the aggregate principal amount of RMB1,000.0 million during the period commencing from the effective date of the Loan Framework Agreement and ending on 29 September 2027.

1.1 PARTICULARS OF THE LOAN FRAMEWORK AGREEMENT

The principal terms of the Loan Framework Agreement are summarised as follows:

Date: 30 September 2024

Parties: (i) S-Enjoy Service; and
(ii) Seazen Holdings

Principal Amount: S-Enjoy Group (collectively referred to as the “**Lender**”) shall provide the Loan in the aggregate principal amount of RMB1,000.0 million to Seazen Holdings Group (collectively referred to as the “**Borrower**”).

Subject to the terms of the Loan Framework Agreement, and upon fulfilment of the underlying conditions for drawdown thereunder, the Borrower may drawdown the Loan in several tranches within the term of the Loan Framework Agreement. The Lender and the Borrower shall separately enter into specific agreements and security documents for the relevant drawdowns. The Loan is a one-time line of credit, and any repaid principal amount of the Loan under the relevant specific agreements to be entered into pursuant to the Loan Framework Agreement shall not refresh the total amount available for drawdown within the term of the Loan Framework Agreement.

Purpose of the Loan:	Unless otherwise consented by the Lender in writing in prior, the Loan shall be used for the construction of the projects of the Borrower and replenishment of its working capital.
Term:	The term of the Loan Framework Agreement shall commence from the effective date of the Loan Framework Agreement and end on 29 September 2027 (the “ Final Maturity Date ”). The term of each drawdown of the Loan shall commence from the date of the relevant remittance and be determined in the specific agreement to be entered into between the Lender and the Borrower, provided that all outstanding principal amount of the Loan and the interest accrued thereon shall be repaid in full on or before the Final Maturity Date.
Interest rate:	<p>The interest rate for the Loan shall be the higher of: (i) the Loan Prime Rate (the “LPR”) for loans of more than one year (inclusive) and less than five years (if any) published by the People’s Bank of China (“PBOC”) applicable on the date of drawdown; and (ii) the fixed lending rate of 6.05% per annum.</p> <p>The interest shall be accrued daily based on a 360-day year commencing from the relevant drawdown date, and shall be paid on an annual basis.</p> <p>The interest rate was agreed upon between S-Enjoy Service and Seazen Holdings after arm’s length negotiation, after taken into consideration, among others, the LPR published by PBOC from time to time and the average finance costs of Seazen Holdings recorded by the end of June 2024.</p>
Repayment:	Subject to the terms of the Loan Framework Agreement, the Borrower shall repay the outstanding drawdown amount under the relevant specific agreements together with the unpaid interest accrued thereon in full on or before the maturity dates as provided in the specific agreements, and in any event, the Borrower shall repay all outstanding drawdown amount together with unpaid interest accrued thereon under the Loan Framework Agreement on or before the Final Maturity Date.

Conditions precedent
for drawdown:

Each drawdown shall be subject to the fulfilment of the following conditions:

- (1) The Borrower having provided an account for the drawdown and repayment of the Loan in accordance with the requirements of the Lender;
- (2) The Borrower and the Lender having validly executed the relevant specific agreements in relation to the Loan;
- (3) The Borrower and the Lender having validly executed relevant agreements in relation to the credit enhancement measures (including but not limited to mortgages and pledges) approved by the Lender (including but not limited to mortgage/pledge agreements);
- (4) The Borrower and the Lender (and their direct or indirect controlling shareholders, if applicable) having obtained all applicable approvals and complied with disclosure procedures as required by applicable stock exchange listing rules (if any) with respect to the execution of the specific agreements and documents of the relevant credit enhancement measures;
- (5) The Borrower and the Lender (and their direct or indirect controlling shareholders, if applicable) having complied with the applicable requirements of the Listing Rules;
- (6) There having been no event of default by the Borrower or any circumstances as set out under the Loan Framework Agreement that would adversely affect the Lender's claim on the Loan or the credit enhancement measures; and
- (7) There having no laws, regulations, rules, or competent authorities prohibiting or restricting the Lender from providing the Loan under the Loan Framework Agreement.

The Lender shall have the right to set additional conditions precedent for drawdown in the specific agreements to be entered into with the Borrower.

Credit enhancement measures:

The Borrower shall provide its assets as approved by the Lender (the “**Charged Assets**”) as credit enhancement measures of the Loan. The Borrower is entitled to, subject to prior consent from the Lender, sell or entrust the Lender (including a third party designated by the Lender or an associate of the Lender) to sell the Charged Assets for repayment purpose, or for its self-use purpose on the condition that assets of equivalent value for substitution having been charged to the Lender.

In any event, the total value of the Charged Assets from time to time shall be no less than the unpaid principal amount of the Loan divided by the loan-to-value ratio of 60%. Subject to the actual circumstances regarding the processing of the mortgage or pledge of the Charged Assets, the Borrower and the Lender may proceed to replace the Charged Assets or provide additional Charged Assets for the purpose of maintaining the loan-to-value ratio of no higher than 60%.

In the event that the Borrower defaults in repaying any overdue amount under the Loan Framework Agreement or the specific agreements, the Lender shall be entitled to exercise its rights to realise the Charged Assets and the proceeds from such realization shall be applied to repay the overdue amount.

The loan-to-value ratio of no higher than 60% was determined after arm’s length negotiation between S-Enjoy Service and Seazen Holdings with reference to the loan-to-value ratio of the operational property loan obtained by Seazen Holdings Group and the medium term notes issued by Seazen Holdings Group (which were guaranteed by China Bond Insurance Corporation (中債信用增進投資股份有限公司)).

Others:

The Loan Framework Agreement shall become effective upon the satisfaction of the following conditions:

- (1) the legal representative or authorised agent of each party to the Loan Framework Agreement having executed the Loan Framework Agreement and affixed the seal thereto;

- (2) S-Enjoy Service having duly convened a general meeting and obtained its approval for the Loan Framework Agreement and the transactions contemplated thereunder in accordance with the Listing Rules; and
- (3) the Company having duly convened the EGM and obtained its approval for the Loan Framework Agreement and the transactions contemplated thereunder in accordance with the Listing Rules.

1.2 PROPOSED ANNUAL CAPS AND BASIS FOR DETERMINATION

The proposed annual caps in respect of the Loan will be the maximum aggregate principal amount available for drawdown under the Loan Framework Agreement which, for the entire term of the Loan Framework Agreement (i.e. over the two years ended 31 December 2026, and the period from 30 September 2024 to 31 December 2024 and the period from 1 January 2027 to 29 September 2027) shall not exceed RMB1,000.0 million. For clarity, pursuant to the Loan Framework Agreement, the Loan is a one-time line of credit, and any repaid principal amount of the Loan under the relevant specific agreement to be entered into pursuant to the Loan Framework Agreement shall not refresh the total amount available for drawdown within the term of the Loan Framework Agreement.

The proposed annual caps were determined with reference to (i) the total principal amount of the Loan available for drawdown under the Loan Framework Agreement; (ii) S-Enjoy Group's internal financial resources currently available; (iii) the potential financial needs of Seazen Holdings Group; and (iv) the benefits of entering into the Loan Framework Agreement as set out below in the paragraph headed "1.3 REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN FRAMEWORK AGREEMENT".

On the date of this announcement, S-Enjoy Service and Seazen Holdings entered into the Loan Agreement, pursuant to which it is agreed that S-Enjoy Service Group shall extend to Seazen Holdings Group the New Loan in the principal amount of RMB120.0 million, which is secured by the Property. For details, please refer to the paragraph headed “2. THE LOAN AGREEMENT” in this announcement. Save as disclosed above, there was no historical transaction in relation to the provision of any loan between S-Enjoy Group and Seazen Holdings Group which was secured by assets of Seazen Holdings Group.

1.3 REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN FRAMEWORK AGREEMENT

The Group primarily engages in the property development and property investment in the PRC, whereas S-Enjoy Group is an experienced property management services provider in the PRC engaging in the provision of property management services, such as property and equipment maintenance, security services, cleaning services, gardening services and public area maintenance. S-Enjoy Group has been providing property management services to the Group since 1996, and had formed a long and stable cooperative relationship with the Group.

The property development industry is a capital intensive industry. Under the current overall weak industry environment, sufficient capital is conducive to meeting the actual needs for the Group’s business development, ensuring the realization of the Group’s long term business strategies.

The terms of the Loan Framework Agreement were determined between Seazen Holdings and S-Enjoy Service after arm’s length negotiation, including the interest rate of the Loan and the loan-to-value ratio with respect to the value of the Charged Assets, which are within the range of the historical financing obtained by Seazen Holdings Group from third party institutions.

In light of the above, the Directors (excluding the independent non-executive Directors, whose opinion on the Loan Framework Agreement and the transactions contemplated thereunder by reference to the advice from the independent financial adviser in this regard will be set forth in the circular, and the Directors who had abstained from voting on the Board resolutions (as set out below) to approve the Loan Framework Agreement) are of the view that the terms of the Loan Framework Agreement and the proposed annual caps are fair and reasonable, and the Loan and transactions contemplated thereunder, although are not in the ordinary and usual course of business, are entered into on normal commercial terms, and in the interests of the Company and its Shareholders as a whole.

As at the date of this announcement, (i) Mr. Wang Xiaosong, the Chairman of the Company, a non-executive Director and the son of Mr. Wang; and (ii) Mr. Lv Xiaoping and Mr. Lu Zhongming, being the non-executive directors of S-Enjoy Service and the executive Directors, were considered as having material interests in the transactions under the Loan Framework Agreement and had abstained from voting on the Board resolutions approving the relevant agreements and the transactions contemplated thereunder (including the proposed annual caps). Save as mentioned above, none of the other Directors has a material interest in the transactions contemplated under the Loan Framework Agreement, and therefore, no Director had abstained from voting on the approval of the relevant resolutions.

1.4 INTERNAL CONTROL MEASURES

In connection with the relevant drawdown of the Loan and in order to ensure the terms of the relevant specific agreements and security documents are on normal commercial terms and fair and reasonable to the Company and Shareholders and are no less favourable to the Group than terms offered available to or from independent third parties, the Company has formulated the following internal control policies and adopted the following internal control measures:

- (i) with regard to any amount drawdown which is secured by assets of Seazen Holdings Group, the Company expects that the corresponding total value of the Charged Assets shall maintain at similar level as the unpaid principal amount of the Loan divided by the loan-to-value ratio of 60%, and the Company will monitor any repaid Loan principal and apply to the Lender to release the Charged Assets thereto on a timely basis;
- (ii) the finance department of the Company will closely monitor the outstanding Loan balances to be repaid and report the latest status of the Loan granted to the finance department of the Company on a monthly basis to ensure that the outstanding loan balances will not exceed the proposed annual caps. In the event the aggregated principal amount of the Loan is expected to exceed the proposed annual caps, the responsible staff would escalate the issue to the Board forthwith, and the Company would timely re-comply with the requirements under Chapter 14A of the Listing Rules;
- (iii) the finance department of the Company will, before the signing of each specific agreement under the Loan Framework Agreement: (a) check the LPR published by PBOC; and (b) compare the interest rate of the Loan with at least two major commercial banks or financial institutions to confirm the interest rate charged is in line with or better than the market rates and the specific agreements are entered into on normal commercial terms;
- (iv) the Company's external auditor will conduct an annual review of the transactions entered into under the Loan Framework Agreement to ensure that the transaction amount is within the proposed annual caps and the transactions is in accordance with the terms set out in the Loan Framework Agreement; and

- (v) the independent non-executive Directors will conduct an annual review of the status of the transactions contemplated under the Loan Framework Agreement to ensure that the Company has complied with its internal approval process and the relevant requirements under the Listing Rules.

2. THE LOAN AGREEMENT

On 30 September 2024 (after trading hours), S-Enjoy Service and Seazen Holdings entered into the Loan Agreement, pursuant to which it is agreed that S-Enjoy Group shall extend to Seazen Holdings Group the New Loan in the principal amount of RMB120.0 million for a term commencing from the date of actual remittance and up to 29 September 2027.

2.1 PARTICULARS OF THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarised as follows:

Date:	30 September 2024
Parties:	(i) S-Enjoy Service; and (ii) Seazen Holdings
Principal amount of the New Loan:	S-Enjoy Group (collectively referred to as the “ New Loan Lender ”) shall provide the New Loan in the principal amount of RMB120.0 million to Seazen Holdings Group (collectively referred to as the “ New Loan Borrower ”). Subject to the fulfillment of the relevant conditions for remittance, the entire New Loan shall be remitted to the New Loan Borrower in one lot.
Purpose of the New Loan:	The New Loan shall be used for the construction of the projects of the New Loan Borrower and replenishment of its working capital, and shall not be used in the stock market or for any illegal purpose.
Term:	From the actual date of drawdown to 29 September 2027 (the “ New Loan Final Maturity Date ”).
Interest rate:	The interest rate for the New Loan shall be the higher of: (i) the LPR for loans of more than one year (inclusive) and less than five years (if any) published by PBOC applicable on the date of drawdown; and (ii) the fixed lending rate of 6.05% per annum.

The interest shall be accrued daily based on a 360-day year commencing from the relevant drawdown date, and shall be paid on an annual basis on 30 September every year.

The interest rate was determined following the same basis of determination of interest rate as the Loan Framework Agreement.

Repayment: All unpaid principal of the New Loan together with all outstanding accrued interest, shall be repaid in full on the New Loan Final Maturity Date.

Conditions precedent for drawdown: The drawdown of the New Loan shall be subject to the fulfilment of the following conditions:

- (1) The New Loan Borrower having provided an account for the drawdown and repayment of the New Loan in accordance with the requirements of the New Loan Lender;
- (2) The New Loan Borrower and the New Loan Lender having validly executed the Loan Agreement;
- (3) The New Loan Borrower and the New Loan Lender having validly executed relevant agreements in relation to the credit enhancement measures (including but not limited to mortgages and pledges) approved by the New Loan Lender (including but not limited to mortgage/pledge agreements);
- (4) The New Loan Borrower and the New Loan Lender (and their direct or indirect controlling shareholders, if applicable) having obtained all applicable approvals or complied with disclosure procedures as required by applicable stock exchange listing rules (if any) with respect to the execution of the Loan Agreement and documents of the relevant credit enhancement measures;
- (5) The New Loan Borrower and the New Loan Lender (and their direct or indirect controlling shareholders, if applicable) having complied with the applicable requirements of the Listing Rules;

- (6) There having been no event of default by the New Loan Borrower or any circumstances as set out under the Loan Agreement that would adversely affect the New Loan Lender's claim on the New Loan or the credit enhancement measures; and
- (7) There having no laws, regulations, rules, or competent authorities prohibiting or restricting the New Loan Lender from providing the New Loan under the Loan Framework Agreement.

Security:

The New Loan shall be secured by the mortgage of the Property provided by the New Loan Borrowers pursuant to a mortgage agreement.

The New Loan Borrower is entitled to, subject to prior consent from the New Loan Lender, sell or entrust the New Loan Lender (including a third party designated by the New Loan Lender or an associate of the New Loan Lender) to sell the Property for repayment purpose, or for its self-use purpose on the condition that assets of equivalent value for substitution having been charged to the New Loan Lender.

In any event, the total value of the Property from time to time shall be no less than the unpaid principal amount of the New Loan divided by the loan-to-value ratio of 60%. Subject to the actual circumstances regarding the processing of the mortgage or pledge of the Property, the New Loan Borrower and the New Loan Lender may proceed to replace the Property or provide additional assets as security for the purpose of maintaining the loan-to-value ratio of no higher than 60%.

In the event that the New Loan Borrower defaults in repaying any overdue amount under the Loan Agreement or the specific agreements, the New Loan Lender shall be entitled to exercise its rights to realise the Property and the proceeds from such realization shall be applied to repay the overdue amount.

The Property subject to the mortgage is a portion of a composite commercial building in the PRC with total gross floor area of approximately 82,077.41 square meters. With reference to a valuation report issued by an independent valuer, the Directors confirmed that the value of the Property is no less than the unpaid principal amount of the New Loan divided by the loan-to-value ratio of 60%.

The loan-to-value ratio of not higher than 60% was determined following the same ratio and basis as set out in the Loan Framework Agreement.

2.2 REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT

It is the intention that the New Loan would utilize a portion of the proposed annual caps and serve as part of the Loan for drawdown as contemplated under the Loan Framework Agreement (upon its approval at the EGM). For details of the reasons and benefits of the Loan and the Loan Framework Agreement, please refer to the paragraph headed “1.3 REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN FRAMEWORK AGREEMENT” in this announcement.

The terms of the Loan Agreement were determined between the parties after arm’s length negotiation, following the same principals and basis as the Loan Framework Agreement. For further details, please refer to the paragraph headed “1.1 PARTICULARS OF THE LOAN FRAMEWORK AGREEMENT” in this announcement.

The Directors believe the New Loan would allow the Group to take advantage of the available additional capital for the time being to fund and expedite the construction of the projects of Seazen Holdings Group, while awaiting the approval of the Loan Framework Agreement at the EGM. After obtaining such approval by the Independent Shareholders of the Loan Framework Agreement, the Group anticipates to make further drawdown within the proposed annual caps contemplated thereunder.

The Directors (including the independent non-executive Directors, but excluding the Directors who had abstained from voting on the Board resolutions (as set out below) to approve the Loan Agreement) are of the view that the terms of the Loan Agreement are fair and reasonable, and the New Loan and transaction contemplated under the Loan Agreement, although are not in the ordinary and usual course of business, are entered into on normal commercial terms, and in the interests of the Company and its Shareholders as a whole.

As at the date of this announcement, (i) Mr. Wang Xiaosong, the Chairman of the Company, a non-executive Director and the son of Mr. Wang; and (ii) Mr. Lv Xiaoping and Mr. Lu Zhongming, being the non-executive directors of S-Enjoy Service and the executive Directors, were considered to have material interests in the transactions under the Loan Agreement. As such, they had abstained from voting on the Board resolutions approving the Loan Agreement and the transaction contemplated thereunder. Save as mentioned above, none of the other Directors has a material interest in the transactions contemplated under the Loan Agreement, and therefore, no Director had abstained from voting on the approval of the relevant resolutions.

3. INFORMATION OF THE PARTIES INVOLVED

Seazen Holdings is a company established in the PRC with limited liability whose shares are listed on the Shanghai Stock Exchange (stock code: 601155), and is a subsidiary of the Company. Seazen Holdings primarily engages in property development and property investment in the PRC.

S-Enjoy Service is a company listed on the Stock Exchange (stock code: 1755) and is an experienced property management services provider in the PRC engaging in the provision of property management services, such as property and equipment maintenance, security services, cleaning services, gardening services and public area maintenances. Mr. Wang is the controlling shareholder of S-Enjoy Service.

4. LISTING RULES IMPLICATIONS

Loan Framework Agreement

As at the date of this announcement, Mr. Wang, the controlling shareholder of the Company, indirectly owns approximately 68.86% of the issued shares of S-Enjoy Service. Accordingly, S-Enjoy Service is an associate of Mr. Wang and a connected person of the Company and the entering into of the Loan Framework Agreement thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the Loan under the Loan Framework Agreement is contemplated to be secured by the assets of Seazen Holdings Group, the transactions contemplated under the Loan Framework Agreement, although represented financial assistance provided by connected persons of the Company for the benefit of the Group, would not be exempt from the reporting, announcement and Independent Shareholders' approval requirements for connected transactions under Rule 14A.90 of the Listing Rules, and thus compliance by the Company with the Listing Rules in relation to the Loan Framework Agreement shall be necessary.

As the highest percentage ratio (as defined in the Listing Rules) in respect of the proposed annual caps for the transactions contemplated under the Loan Framework Agreement exceeds 5%, the provision of the Loan under the Loan Framework Agreement and the proposed annual caps are subject to the reporting, announcement, annual review, circular (including independent financial advice) and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Loan Agreement

As aforementioned, S-Enjoy Service is an associate of Mr. Wang and a connected person of the Company. As a result, the entering into of the Loan Agreement and the transactions contemplated thereunder constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As the New Loan under the Loan Agreement is secured by the assets of Seazen Holdings Group, the transactions contemplated under the Loan Agreement, although represented financial assistance provided by connected persons of the Company for the benefit of the Group, would not be exempt from the reporting, announcement and Independent Shareholders' approval requirements for connected transactions under Rule 14A.90 of the Listing Rules, and thus compliance by the Company with the Listing Rules in relation to the Loan Agreement shall be necessary.

As the highest percentage ratio (as defined in the Listing Rules) in respect of the New Loan under the Loan Agreement exceeds 0.1% but is less than 5%, the provision of the New Loan under the Loan Agreement is subject to the reporting and announcement requirements but are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

5. GENERAL

The Company will convene an EGM to seek Independent Shareholders' approval on the Loan Framework Agreement and the transactions (including the proposed annual caps) contemplated thereunder.

The Independent Board Committee has been formed to advise the Independent Shareholders in respect of the transactions (including the proposed annual caps) contemplated under the Loan Framework Agreement. The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard under the Listing Rules. The Independent Board Committee will form its view after obtaining and considering the advice from the independent financial adviser.

A circular containing, among other things, (i) details of the Loan Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps); (ii) a letter of advice from the independent financial adviser to both the Independent Board Committee and the Independent Shareholders; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iv) notice of EGM; and (v) other information as required under the Listing Rules, will be sent to the Shareholders on or before 28 November 2024 in accordance with the Listing Rules as more time is required to finalise the circular to the Shareholders.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Company”	Seazen Group Limited (新城發展控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“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 the Loan Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee (which comprises Mr. Zhu Zengjin, Mr. Zhong Wei and Ms. Wu Ke, all of them being independent non-executive Directors) established to advise the Independent Shareholders in respect of the continuing connected transactions contemplated under the Loan Framework Agreement and the proposed annual caps

“Independent Shareholders”	the Shareholders, other than Mr. Wang and his associates and all other Shareholders interested in the Loan Framework Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Loan”	the loan in the aggregate principal amount of RMB1,000.0 million under the Loan Framework Agreement
“Loan Agreement”	the loan agreement dated 30 September 2024 entered into between S-Enjoy Service and Seazen Holdings in relation to the provision of the New Loan
“Loan Framework Agreement”	the loan framework agreement dated 30 September 2024 entered into between S-Enjoy Service and Seazen Holdings in relation to the provision of the Loan
“Mr. Wang”	Mr. Wang Zhenhua, the controlling shareholder of the Company
“New Loan”	the loan in the principal amount of RMB120.0 million under the Loan Agreement
“PRC”	the People’s Republic of China
“Property”	a portion of the composite commercial building held by Seazen Holdings Group in the PRC with total gross floor area of approximately 82,077.41 square meters
“RMB”	Renminbi, the lawful currency of the PRC
“S-Enjoy Group”	S-Enjoy Service and its subsidiaries
“S-Enjoy Service”	S-Enjoy Service Group Co., Limited* (新城悦服務集團有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code:1755)
“Seazen Holdings”	Seazen Holdings Co., Ltd. (新城控股集團股份有限公司), a subsidiary of the Company with its A shares listed on the Shanghai Stock Exchange (stock code: 601155)
“Seazen Holdings Group”	Seazen Holdings and its subsidiaries

“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
Seazen Group Limited
Wang Xiaosong
Chairman

The PRC, 30 September 2024

As at the date of this announcement, the Directors are Mr. Lv Xiaoping and Mr. Lu Zhongming as executive Directors, Mr. Wang Xiaosong and Mr. Zhang Shengman as non-executive Directors, and Mr. Zhu Zengjin, Mr. Zhong Wei and Ms. Wu Ke as independent non-executive Directors.

* *For identification purpose only*