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**南京三寶科技股份有限公司**  
**NANJING SAMPLE TECHNOLOGY CO.,LTD.\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 1708)**

**CONTINUING CONNECTED TRANSACTIONS**  
**ENTRUSTED PROPERTY MANAGEMENT SERVICES CONTRACT**

On 24 January 2025 (after trading hours), the Company entered into the Entrusted Property Management Services Contract with Haihui Wanjia, pursuant to which Haihui Wanjia shall provide property management services to the Group in respect of the Subject Property for a term from 1 February 2025 until 31 December 2027.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, Haifa Group is an indirect controlling Shareholder of the Company and therefore a connected person of the Company. Haihui Wanjia is an indirect non-wholly owned subsidiary of Haifa Group and therefore a connected person of the Company. Accordingly, the transactions contemplated under the Entrusted Property Management Services Contract constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Reference is made to the announcement on continuing connected transactions of the Company dated 13 December 2024 in relation to the renewal of the Property Leasing Framework Agreement with Sample Group, based on the fact that each of the Property Leasing Framework Agreement and the Entrusted Property Management Services Contract is entered into with Sample Group and its associates and is related to the Subject Property. In order to comply with the Listing Rules, the Company will aggregate the transactions under the Property Leasing Framework Agreement and the Entrusted Property Management Service Contract. As one or more of the applicable percentage ratios (other than profits ratio) on an aggregated basis exceed 0.1% but are below 5%, the transactions contemplated under the Entrusted Property Management Services Contract are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirements under the Listing Rules.

## **INTRODUCTION**

The Board is pleased to announce that on 24 January 2025 (after trading hours), the Company entered into the Entrusted Property Management Services Contract with Haihui Wanjia, pursuant to which Haihui Wanjia shall provide property management services to the Company in respect of the Subject Property for a term from 1 February 2025 until 31 December 2027.

## **ENTRUSTED PROPERTY MANAGEMENT SERVICES CONTRACT**

Parties:	(a) The Company; and (b) Haihui Wanjia
Property to be managed:	The Subject Property
Term:	From 1 February 2025 to 31 December 2027
Subject matter:	Haihui Wanjia shall provide property management services to the Company in respect of the Subject Property, including security, cleaning, gardening and landscaping, car park management, conference management services and maintenance and repair of facilities and equipment of the industrial park, as well as the use, maintenance and management of the systems of the industrial park.
Total annual management service fees:	RMB2,120,172.96
Payment:	Payment of the property management service fees for the previous quarter is due within 15 working days after the end of each quarter.
Liabilities for the breach of contract:	If the Company fails to make payment to Haihui Wanjia in accordance with the payment term stipulated in this Contract, the Company shall repay to Haihui Wanjia a late payment fee of 0.05% of the total outstanding payment for each overdue day, provided that the total accumulated late payment fees shall not exceed 5% of the total annual management service fees.

If Haihui Wanjia fails to achieve the management goals and quality assurance stipulated in the Entrusted Property Management Services Contract without proper reasons, the Company has the right to require Haihui Wanjia to make rectifications within a time limit and issue a rectification notice to Haihui Wanjia. If the failure of Haihui Wanjia to make rectifications within the time limit results in economic loss suffered by the Company, the Company has the right to demand compensations from Haihui Wanjia. If the Company issues a rectification notice with time limit to Haihui Wanjia for the second time during the term of this Contract, the Company shall deduct 3% of the quarterly property management fees payable to Haihui Wanjia for the time being. If the Company issues a rectification notice with time limit to Haihui Wanjia for the third time during the term of this Contract, the Company shall deduct 5% of the quarterly property management fees payable to Haihui Wanjia for the time being and shall have the right to terminate the Entrusted Property Management Services Contract with Haihui Wanjia, and Haihui Wanjia shall carry out the termination unconditionally (without compensation, exit within a time limit, etc.).

Other principal terms:

The parties shall negotiate the renewal of this Contract one month prior to its expiration. Except for the termination of the contract due to quality issues in respect of the services provided by Haihui Wanjia, when the Company re-invite tenders for property management services for the Subject Property, Haihui Wanjia shall be given priority under the same conditions.

The Company shall entrust Haihui Wanjia to collect property management fees from tenants who lease properties in the Subject Property from the Company (the “**Lessees**”), and Haihui Wanjia shall issue invoices for the property management fees. The property management fees received by Haihui Wanjia from the Lessees shall be fully offset when the property management fees are settled between the Company and Haihui Wanjia. If Haihui Wanjia fails to recover the full amount of the property management fees payable by the Lessees, the Company shall be responsible for paying the shortfall in the property management fees. In this case, the Company shall collect the outstanding amount from the Lessees on its own. The breakdown of the property management fees, the performance bond and other related agreements between the Company and the Lessees shall be based on the property leasing contracts entered into between both parties.

## **INFORMATION ON THE COMPANY**

The Company is a company established in the PRC, whose H Shares are listed on the Stock Exchange. The principal business of the Group is the provision of integrated solutions based on Radio Frequency Identification Device (RFID) and visual identification technology for intelligent transportation and customs logistics sectors.

## **INFORMATION ON HAIHUI WANJIA**

Haihui Wanjia is a company established in the PRC, principally engaged in the business of the provision of basic property services, urban integrated services, commercial auxiliary services, industrial park operation services and possesses the qualification as the Level 1 Enterprise in Property Management from the Ministry of Construction of the PRC.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE ENTRUSTED PROPERTY MANAGEMENT SERVICES CONTRACT**

According to the selection of property services providers based on the Group's demand plan on property management services and in accordance with the Group's relevant system of tendering and bidding management, Haihui Wanjia is qualified to provide relevant property management services and lawfully participate in competitions. Haihui Wanjia is principally engaged in the provision of property management services, urban integrated services, commercial auxiliary services, industrial park management services, while possessing the qualification and capacity in the provision of property services and industrial park investment promotion. As compared with other independent third-party service providers, Haihui Wanjia has a better understanding of the Group's needs of property management services, which is conducive to enhancing the management synergy between the Group and Haifa Group, strengthening the management collaboration and realising the sharing of resources, thereby improving the brand awareness of the Group and bringing promising opportunities for Shareholders' returns.

## **OPINIONS OF THE BOARD**

According to its demand plan on property management services and in accordance with its relevant system of tendering and bidding management, the Group selects the property services providers by inviting tenders and adopting a comprehensive assessment and scoring approach. In making the assessments, the Group has comprehensively considered various factors including (i) the comprehensive results of the bidding; (ii) the fees charged by independent third-party service providers for providing similar services of the same quality; (iii) the market management fees of the properties in the vicinity of the Subject Property as enquired by the Company with the property agent; (iv) the scope of property management services required by the Company in respect of the Subject Property, and in turn elected to enter into the Entrusted Property Management Services Contract with Haihui Wanjia.

Mr. Sha Min (“**Mr. Sha**”), the Chairman and an executive Director of the Company, owns 60.40% equity interest in Jiangsu Sample Holding Limited\* (江蘇三寶控股有限公司), which in turn owns 49% equity interest in Sample Group, the controlling Shareholder of the Company, and Mr. Liu Fei (“**Mr. Liu**”), a non-executive Director of the Company, is currently a director of Sample Group. Accordingly, each of Mr. Sha and Mr. Liu is deemed to have material interests in the Entrusted Property Management Services Contract. They are required to abstain and have abstained from voting on the Board resolution related to the Entrusted Property Management Services Contract. Except for Mr. Sha and Mr. Liu, no Directors are required to abstain from voting on the Board resolution for approving the Entrusted Property Management Services Contract.

The Board (including all the independent non-executive Directors) considers that the Entrusted Property Management Services Contract and the transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Group and on normal commercial terms and the terms of the transactions are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

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Reference is made to the announcement on continuing connected transactions of the Company dated 13 December 2024 in relation to the renewal of the Property Leasing Framework Agreement with Sample Group, based on the fact that each of the Property Leasing Framework Agreement and the Entrusted Property Management Services Contract is entered into with Sample Group and its associates and is related to the Subject Property. In order to comply with the Listing Rules, the Company will aggregate the transactions under the Property Leasing Framework Agreement and the Entrusted Property Management Service Contract. As one or more of the applicable percentage ratios (other than profits ratio) on an aggregated basis exceed 0.1% but are below 5%, the transactions contemplated under the Entrusted Property Management Services Contract are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders’ approval requirements under the Listing Rules.

## **DEFINITIONS**

Unless the context requires otherwise, the expressions used in this announcement shall have the following meanings:

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	board of Directors of the Company

“Company”	Nanjing Sample Technology Co., Ltd.* (南京三寶科技股份有限公司), a joint stock limited company incorporated in the PRC with limited liability and whose H Shares are listed on the Stock Exchange (Stock Code: 1708)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Shares”	the ordinary domestic share(s) of nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for in RMB, and all of such Shares are not listed on the Stock Exchange
“Entrusted Property Management Services Contract” or “this Contract”	the entrusted property management services contract entered into between the Company and Haihui Wanjia on 24 January 2025
“Group”	the Company and its subsidiaries
“H Shares”	the overseas listed foreign share(s) of nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong dollars
“Haifa Group”	Qingdao Haifa State Owned Capital Investment and Operation Group Co., Ltd.* (青島海發國有資本投資運營集團有限公司), a limited liability company established in the PRC. As at the date of this announcement, Haifa Group is an indirect controlling shareholder of the Company
“Haihui Wanjia”	Qingdao Haihui Wanjia City Services Co., Ltd.* (青島海惠萬家城市服務有限公司), a limited liability company established in the PRC. As at the date of this announcement, Haihui Wanjia is an indirect non-wholly owned subsidiary of Haifa Group
“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, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“Property Leasing Framework Agreement”	the property leasing framework agreement dated 13 December 2024 entered into between the Company and Sample Group
“RMB”	Renminbi, the lawful currency of the PRC
“Sample Group”	Nanjing Sample Technology Group Co., Ltd.* (南京三寶科技集團有限公司), a limited liability company established in the PRC. As at the date of this announcement, Sample Group is the controlling shareholder of the Company, directly holding 397,821,000 Domestic Shares of the Company and indirectly holding 4,310,000 H Shares, accounting for approximately 50.77% of the issued share capital of the Company
“Shareholder(s)”	Holder(s) of the Domestic Shares and/or the H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Property”	Sample Technology Park located at No. 10 Maqun Avenue, Qixia District, Nanjing, the PRC
“%”	per cent

By order of the Board  
**Nanjing Sample Technology Company Limited\***  
**Sha Min**  
*Chairman*

Nanjing, the PRC, 24 January 2025

*As at the date of this announcement, the executive directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive director is Mr. Liu Fei; and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Ms. Chung Yuet Mei.*

\* For identification purpose only