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**Suxin Joyful Life Services Co., Ltd.**

**蘇新美好生活服務股份有限公司**

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

**(Stock Code: 2152)**

**CONNECTED TRANSACTION  
CAPITAL INCREASE IN THE JOINT VENTURE COMPANY**

**THE JOINT VENTURE COMPANY**

On 15 November 2024, SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company established the Joint Venture Company with an initial registered capital of RMB20 million, the equity interests of which were held as to 30%, 30%, 15%, 15% and 10% by SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company, respectively. The initial registered capital of RMB20 million in the Joint Venture Company have been fully paid up as at the date of this announcement. The Joint Venture Company will not become a subsidiary of the Company, and its financial results will not be consolidated into the accounts of the Company.

**THE CAPITAL INCREASE AGREEMENT**

On 25 April 2025, SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company entered into the Capital Increase Agreement, pursuant to which SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company have conditionally agreed to make a capital contribution of RMB9 million, RMB9 million, RMB4.5 million, RMB4.5 million and RMB3 million to the registered capital of the Joint Venture Company, respectively, which are in proportion to their respective holding of equity interests of 30%, 30%, 15%, 15% and 10% in the Joint Venture Company as at the date of this announcement. The holding of equity interests in the Joint Venture Company by the respective JV Partners shall remain unchanged upon completion of the Capital Increase. The Joint Venture Company will not become a subsidiary of the Company, and its financial results will not be consolidated into the accounts of the Company.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, SND Company directly and indirectly holds approximately 74.22% of the issued share capital of the Company, thus is a controlling shareholder and connected person of the Company as defined under the Listing Rules. SWE City Development and Suzhou High-tech are subsidiaries of SND Company. The Joint Venture Company is a 30%-controlled company of SND Company. Thus, each of SND Company, SWE City Development, Suzhou High-tech and the Joint Venture Company is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Capital Increase constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more applicable percentage ratios (as defined under the Listing Rules) in respect of the capital contribution by the Company to the Joint Venture Company is more than 0.1% but less than 5%, the Capital Increase is only subject to the reporting and announcement requirements and is exempt from the circular and independent Shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

## **BACKGROUND**

On 15 November 2024, SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company established the Joint Venture Company with an initial registered capital of RMB20 million, the equity interests of which were held as to 30%, 30%, 15%, 15% and 10% by SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company, respectively. The initial registered capital of RMB20 million in the Joint Venture Company have been fully paid up as at the date of this announcement.

On 25 April 2025, SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company entered into the Capital Increase Agreement, pursuant to which SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company have conditionally agreed to make a capital contribution of RMB9 million, RMB9 million, RMB4.5 million, RMB4.5 million and RMB3 million to the registered capital of the Joint Venture Company, respectively, which are in proportion to their respective holding of equity interests of 30%, 30%, 15%, 15% and 10% in the Joint Venture Company as at the date of this announcement.

Principal terms of the Capital Increase Agreement are summarised as follows:

## **THE CAPITAL INCREASE AGREEMENT**

### **Date**

25 April 2025

## Parties

- (a) SND Company;
- (b) SG City Development;
- (c) SWE City Development;
- (d) Suzhou High-tech; and
- (e) the Company.

## Nature of the Joint Venture Company

Limited liability company

## Subject matter

Pursuant to the Capital Increase Agreement, the JV Partners (including the Company) have agreed to increase the registered capital of the Joint Venture Company from RMB20 million to RMB50 million.

## Consideration

The aggregate amount of capital contribution payable by the JV Partners to the Joint Venture Company for the Capital Increase under the Capital Increase Agreement is RMB30 million, further details of which are set out below:

	<b>Amount of capital contribution payable (RMB'000)</b>
<b>JV Partners</b>	
SND Company	9,000
SG City Development	9,000
SWE City Development	4,500
Suzhou High-tech	4,500
the Company	<u>3,000</u>
<b>Total:</b>	<b><u><u>30,000</u></u></b>

Each of the JV Parties shall settle their respective capital contribution under the Capital Increase within ten (10) business days after receiving the request for the Capital Increase from the Joint Venture Company.

The amount of capital contribution for the Capital Increase was determined after arm's length negotiations among the JV Partners with reference to, among other things, (i) their respective shareholding in the Joint Venture Company; and (ii) the estimated business needs and future business development of the Joint Venture Company.

The amount of capital contribution for the Capital Increase by the Company will be funded by the internal resources of the Group.

### **Completion**

The Completion shall take place upon the Joint Venture Company issuing a certificate of capital contribution to each of the JV Partners evidencing the satisfaction of their payment obligation and their respective shareholdings in the Joint Venture Company in relation to their capital contribution to the registered capital, which shall be issued within two (2) business days after the approval of the Capital Increase by a competent local financial regulatory authority in respect of the Joint Venture Company.

Upon Completion, the holding of equity interests in the Joint Venture Company by the respective JV Partners shall remain unchanged.

### **Shareholding Structure of the Joint Venture Company**

The table below sets forth the shareholding structure of the Joint Venture Company as at the date of this announcement and upon Completion:

<b>JV Partners</b>	<b>As at the date of this announcement</b>		<b>Upon Completion</b>	
	<b>Amount of contribution (RMB'000)</b>	<b>Percentage of shareholding (%)</b>	<b>Amount of contribution (RMB'000)</b>	<b>Percentage of shareholding (%)</b>
SND Company	6,000	30.0	15,000	30.0
SG City Development	6,000	30.0	15,000	30.0
SWE City Development	3,000	15.0	7,500	15.0
Suzhou High-tech	3,000	15.0	7,500	15.0
The Company	<u>2,000</u>	<u>10.0</u>	<u>5,000</u>	<u>10.0</u>
<b>Total</b>	<b><u>20,000</u></b>	<b><u>100.0</u></b>	<b><u>50,000</u></b>	<b><u>100.0</u></b>

### **Use of proceeds**

All the funds obtained by the Joint Venture Company through the Capital Increase shall be used to supplement the working capital required by the core business operations of the Joint Venture Company.

### **Management of the Joint Venture Company**

After Completion, there will be no change in the management of the Joint Venture Company. The composition of the board of directors of the Joint Venture Company will continue to be comprised of five (5) directors, all of whom are appointed by SND Company. The functions and powers of the board of directors, the procedures for convening meetings, the rules of procedure and the voting procedures shall be in accordance with the relevant provisions of the Company Law.

The voting rights shall be exercised by the shareholders at shareholders' meetings in accordance with the proportion of paid-up capital contribution. Resolutions on amendments to the articles of association, increase or reduction of the registered capital, as well as resolution of merger, division, dissolution or change in form of the Joint Venture Company made at the shareholders' meeting, shall be passed by the shareholders representing two-thirds or more of the voting rights of all the shareholders of the Joint Venture Company. Resolutions made at the shareholders' meeting on all other matters shall be passed by the shareholders representing more than half of the voting rights of all the shareholders of the Joint Venture Company.

The Joint Venture Company shall have one (1) supervisor who shall be elected at the shareholders' meeting of the Joint Venture Company, and one (1) general manager who shall be appointed by the board of directors of the Joint Venture Company.

### **REASONS FOR AND BENEFITS OF THE ESTABLISHMENT OF THE JOINT VENTURE COMPANY AND THE CAPITAL INCREASE**

The initial registered capital of RMB20 million was primarily used to implement and operate the Joint Venture Company's comprehensive membership system, including funding promotional activities, developing its mini-program, and organizing community-based lifestyle events. These initiatives are strategically aligned with the Group's property management projects, as they are designed to continuously serve property owners by enhancing their quality of life through integrated services.

The Capital Increase supports the expansion of revenue-generating business lines — particularly in e-commerce and live-streaming retail. With the PRC real estate sector undergoing structural adjustments and the growth bottleneck faced by the traditional property management model, this strategic investment not only allows the Group to accelerate its transformation from a traditional property service provider to a “city operation service provider” through enhancing value creation through data-driven operations and consumer engagement, but also strengthens the Group's overall brand image and service capabilities, all of which would be beneficial to the Group in the long run and in line with the development strategy of the Company and the interests of all shareholders.

The terms of the Capital Increase Agreement were negotiated between the parties at arm's length. The Directors (including the independent non-executive Directors) consider that the entering into of the Capital Increase Agreement is in the ordinary and usual course of business of the Group and believe that the terms of the Capital Increase Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As (i) Ms. Li Xin is a director of SWE City Development, Suzhou High-tech and the Joint Venture Company; (ii) Mr. Cao Bin is a director of SG City Development, SWE City Development, Suzhou High-tech and the Joint Venture Company as well as a general manager of the Joint Venture Company; and (iii) Mr. Zhang Jun is a director of SWE City Development and the Joint Venture Company, each of these Directors is deemed or may be perceived to have a material interest in the Capital Increase Agreement. Accordingly, they abstained from voting on the resolution(s) passed by the Board to approve the Capital Increase Agreement. Other than the aforesaid Directors, no other Directors have a material interest in the Capital Increase Agreement or are required to abstain from voting on the resolution(s) passed by the Board for approving the Capital Increase Agreement.

## INFORMATION ON THE PARTIES

### The Joint Venture Company

The Joint Venture Company is a company with limited liability established on 15 November 2024 under the laws of the PRC. The establishment of the Joint Venture Company did not constitute a notifiable transaction of the Company under the Listing Rules and was fully exempt from the reporting, annual review, announcement, circular and independent Shareholders' approval requirements pursuant to Rule 14A.76(1)(c) of the Listing Rules.

The Joint Venture Company is principally engaged in the operation of local life service e-commerce platform. Through its core offerings, including membership services, local lifestyle solutions (such as community group buying and new media operations), and e-commerce retail (including brand agency and live-streaming e-commerce), the Joint Venture Company is developing the e-commerce platform as an exclusive membership service for the SND Group's property owners. Further details of the Joint Venture Company are set out below:

	Percentage of equity attributes as of 31 December 2024	Investment costs RMB'000	Fair value through other comprehensive income as of 31 December 2024 RMB'000	Size relative to the Company's total assets as of 31 December 2024	Fair value loss as of 31 December 2024 RMB'000
The Joint Venture Company	10.00%	2,000	2,000	0.12%	—

### SND Company

SND Company is a wholly state-owned company established in the PRC and principally engaged in urban construction, provision of urban services, and construction and management of industrial parks. It is a controlling shareholder of the Company.

### SG City Development

SG City Development is a company established in the PRC with limited liability and is principally engaged in integrated city development, and construction and management of livelihood projects. As at the date of this announcement, SG City Development is owned as to 16.67% by SND Company, a wholly state-owned company established in the PRC, and 83.33% by Suzhou Trust, which is a company established in the PRC with limited liability and ultimately controlled by Suzhou Municipal Bureau of Finance.

## **SWE City Development**

SWE City Development is a company established in the PRC with limited liability and is principally engaged in ecological city construction, urban area reconstruction and tourism project development. As at the date of this announcement, SWE City Development is owned as to 75% by SND Company, a wholly state-owned company established in the PRC and a controlling shareholder of the Company, and 25% by Suzhou Trust, which is a company established in the PRC with limited liability and ultimately controlled by Suzhou Municipal Bureau of Finance.

## **Suzhou High-tech**

Suzhou High-tech is a company established in the PRC with limited liability and is principally engaged in the development, construction, and operation of industrial parks, providing services such as park management, enterprise services, and investment in various high-tech industries. As at the date of this announcement, Suzhou High-tech is owned as to 100% by SND Company, a wholly state-owned company established in the PRC and a controlling shareholder of the Company.

## **The Group**

The Company together with its subsidiaries are providers of comprehensive city services and property management services to a wide variety of properties in the PRC, including (i) city services offered to local governments and public authorities to satisfy local residents' daily living needs and improve their living standards and experience; (ii) commercial property management services offered to industrial parks, office buildings, apartments and commercial complexes; and (iii) residential property management service.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, SND Company directly and indirectly holds approximately 74.22% of the issued share capital of the Company, thus is a controlling shareholder and connected person of the Company as defined under the Listing Rules. SWE City Development and Suzhou High-tech are subsidiaries of SND Company. The Joint Venture Company is a 30%-controlled company of SND Company. Thus, each of SND Company, SWE City Development, Suzhou High-tech and the Joint Venture Company is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Capital Increase constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more applicable percentage ratios (as defined under the Listing Rules) in respect of the capital contribution by the Company to the Joint Venture Company is more than 0.1% but less than 5%, the Capital Increase is only subject to the reporting and announcement requirements and is exempt from the circular and independent Shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.



## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions having the following meanings:

“Board”	the board of Directors
“Capital Increase”	the capital contribution for the increase in the registered capital of the Joint Venture Company by RMB30 million by SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company in the amount of RMB15 million, RMB15 million, RMB7.5 million, RMB7.5 million and RMB5 million, respectively
“Capital Increase Agreement”	the capital increase agreement in relation to the Joint Venture Company dated 25 April 2025 entered into among the JV Partners regarding the Capital Increase in the JV Company
“Company”	Suxin Joyful Life Services Co., Ltd. (蘇新美好生活服務股份有限公司), a joint stock company with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2152)
“Completion”	the completion of the Capital Increase in accordance with the terms and conditions of the Capital Increase Agreement
“connected person”	shall have the same meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture Company”	Suzhou High-Tech Zhangxin Living Services Technology Co., Ltd.* (蘇州高新掌新生活服務科技有限公司), a company with limited liability established on 15 November 2024 under the laws of the PRC
“JV Partners”	SND Company, SG City Development, SWE City Development, Suzhou High-tech and the Company



“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended and supplemented from time to time)
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excludes, Hong Kong, Taiwan and Macau Special Administrative Region
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	Shareholder(s) of the Company
“SND Company”	Suzhou Sugaoxin Group Co., Ltd.* (蘇州蘇高新集團有限公司)
“SND Group”	SND Company and its subsidiaries and associates, including the Group
“SG City Development”	Suzhou Gaoxin City Development Co., Ltd.* (蘇州新高城市發展有限公司)
“SWE City Development”	Suzhou West Eco City Development Co., Ltd.* (蘇州西部生態城發展有限公司)
“Suzhou High-tech”	Suzhou High-tech Industry Development Co., Ltd.* (蘇州蘇高新科技產業發展有限公司)
“Suzhou Trust”	Suzhou Trust Corporation Limited* (蘇州信託有限公司)
“%”	per cent.

\* For identification purpose only.

By order of the Board  
**Suxin Joyful Life Services Co., Ltd.**  
**Mr. Cui Xiaodong**  
*Chairman*

Suzhou, the People’s Republic of China, 25 April 2025

*As at the date of this announcement, the Board of Directors comprises Mr. Cui Xiaodong, Mr. Chen Mingdong and Mr. Zhou Jun as executive Directors; Ms. Li Xin, Mr. Cao Bin and Mr. Zhang Jun as non-executive Directors; and Ms. Zhou Yun, Ms. Xin Zhu and Mr. Liu Xin as independent non-executive Directors.*