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新城发展

SEAZEN GROUP LIMITED

新城發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1030)

**TERMINATION OF
EXISTING CONTINUING CONNECTED TRANSACTIONS
AND
PROPOSED CONTINUING CONNECTED TRANSACTIONS
NEW LEASE SERVICE FRAMEWORK AGREEMENT**

TERMINATION OF LEASE SERVICE FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 30 October 2025 regarding the Lease Service Framework Agreement entered into between Seazen Holdings and Mitaki Culture, pursuant to which Seazen Holdings agreed to provide leasing services and property management services to Mitaki Culture for a term commencing from 30 October 2025 to 31 December 2027 subject to the relevant annual caps.

On 15 December 2025 (after trading hours), the Board was advised by Mitaki Culture that it has entered into a disposal agreement pursuant to which it shall dispose its entire equity interests in Mitaki Cultural Development (a subsidiary of Mitaki Culture prior to the Disposal which indirectly holds the “Mitaki” branded stores) to Shanghai Ruiling Valley Enterprise Management Co., Ltd. (上海瑞靈谷企業管理有限公司), a subsidiary of China Next-Gen (a company whose shares are listed on the Stock Exchange, stock code: 3928).

To the best knowledge and information of the Company, Mitaki Culture will no longer hold or operate “Mitaki” branded stores following the completion of the Disposal. Rather, Mitaki Cultural Development (which will become a subsidiary of China Next-Gen following the completion of the Disposal) and its subsidiary will continue to hold and operate the “Mitaki” branded stores and the relevant business, and hence will continue to require the leasing services and property management services from the Group.

In light of the above, as Mitaki Culture will no longer require the leasing and property management services from the Group following the completion of the Disposal, on 15 December 2025 (after trading hours), Seazen Holdings and Mitaki Culture entered into a termination agreement pursuant to which the parties have mutually agreed to terminate the Lease Service Framework Agreement with effect from 15 December 2025, which is the same date as the completion of the Disposal.

NEW LEASE SERVICE FRAMEWORK AGREEMENT

On 15 December 2025 (after trading hours), Seazen Holdings and Mitaki Cultural Development entered into the New Lease Service Framework Agreement, pursuant to which Seazen Holdings agreed to provide leasing services and property management services to Mitaki Cultural Development for a term commencing from the Effective Date to 31 December 2027 subject to the Annual Caps.

LISTING RULES IMPLICATIONS

As at the date of this announcement, following the completion of the Disposal, Mitaki Cultural Development becomes an indirect wholly-owned subsidiary of China Next-Gen, which is in turn held indirectly as to 75% by Ms. Wang Kelly, the daughter of Mr. Wang, who is in turn the controlling shareholder of the Company. Accordingly, Mitaki Cultural Development is an associate of Mr. Wang and a connected person of the Company. The entering into of the New Lease Service Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the Annual Caps for the transactions contemplated under the New Lease Service Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated thereunder are subject to reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

TERMINATION OF LEASE SERVICE FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 30 October 2025 regarding the Lease Service Framework Agreement entered into between Seazen Holdings and Mitaki Culture, pursuant to which Seazen Holdings agreed to provide leasing services and property management services to Mitaki Culture for a term commencing from 30 October 2025 to 31 December 2027 subject to the relevant annual caps.

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To the best knowledge and information of the Company, Mitaki Culture will no longer hold or operate “Mitaki” branded stores following the completion of the Disposal. Rather, Mitaki Cultural Development (which will become a subsidiary of China Next-Gen following the completion of the Disposal) and its subsidiary will continue to hold and operate the “Mitaki” branded stores and the relevant business, and hence will continue to require the leasing services and property management services from the Group.

In light of the above, as Mitaki Culture will no longer require the leasing and property management services from the Group following the completion of the Disposal, on 15 December 2025 (after trading hours), Seazen Holdings and Mitaki Culture entered into a termination agreement pursuant to which the parties have mutually agreed to terminate the Lease Service Framework Agreement with effect from 15 December 2025, which is the same date as the completion of the Disposal.

THE NEW LEASE SERVICE FRAMEWORK AGREEMENT

Following the completion of the Disposal, as Mitaki Cultural Development continues to hold and operate “Mitaki” branded stores, hence it requires the leasing services and property management services from the Group. For the purpose of the continuation of the lease arrangement and property management services under the Lease Service Framework Agreement, on 15 December 2025 (after trading hours), Seazen Holdings and Mitaki Cultural Development entered into the New Lease Service Framework Agreement, pursuant to which Seazen Holdings agreed to provide leasing services and property management services to Mitaki Cultural Development for a term commencing from the Effective Date to 31 December 2027 subject to the Annual Caps.

The principal terms of the New Lease Service Framework Agreement are set out below:

Date:	15 December 2025 (after trading hours)
Parties:	(i) Seazen Holdings; and (ii) Mitaki Cultural Development.
Term:	From the Effective Date (as defined below) to 31 December 2027 (both days inclusive).

The New Lease Service Framework Agreement shall become effective on the date (“**Effective Date**”) upon the satisfaction of the following conditions: (i) due execution by the parties thereof; and (ii) the parties having obtained all necessary approvals under all relevant laws, regulations, regulatory documents and regulatory rules (including but not limited to the Listing Rules).

**Leasing Services and
Property Management
Services:**

Seazen Holdings Group is commissioned to provide leasing services and property management services in connection with the projects of Mitaki Cultural Development Group. Seazen Holdings Group agrees to provide the following services to Mitaki Cultural Development Group with the pricing policies and payment terms as briefly listed below:

a. Leasing Services

Scope of services: Seazen Holdings Group shall provide lease premises to Mitaki Cultural Development Group and ensure Mitaki Cultural Development Group's uninterrupted use of the leased premises throughout the tenancy period as agreed in the subsidiary agreements.

Pricing Policy: The rental price for the leased premises shall be determined by any one of the following methods: (1) a fixed rent based on the leased area; (2) a variable rent charged as a percentage of the turnover generated by Mitaki Cultural Development Group's business operations conducted at the premises; or (3) the higher amount of the aforesaid two rental calculation methods.

The rent/rate for the leased premises shall be determined after arm's length negotiation with reference to the prevailing market price/rate at the time, while also taking into account the following factors (where applicable): (1) the type, size, location, and condition of the relevant property; (2) the lease term; (3) the terms of relevant lease agreements entered into by Seazen Holdings with independent third parties for the lease of similar types of properties; and (4) the rent/rate charged by independent third parties for leasing similar types of properties.

Payment terms: Service fees shall be charged in accordance with the subsidiary agreements to be entered into between Seazen Holdings Group and Mitaki Cultural Development Group. Payment of rent shall in general be made annually, half-yearly, quarterly or monthly as agreed in the subsidiary agreements.

b. Property Management Services

Scope of services: Seazen Holdings Group shall provide maintenance, conservation and management services for the properties, ancillary facilities and relevant premises, and maintain the environmental hygiene and order of the relevant areas in accordance with the service standards as agreed in the subsidiary agreements.

Pricing Policy: The fees/rates for property management services shall be determined through fair negotiation, with reference to the following factors (where applicable):

- (1) the type, size, location, and condition of the relevant property;
- (2) the scope of services and anticipated operating costs, including but not limited to labour costs and administrative expenses;
- (3) the terms of property management service agreements executed by Seazen Holdings with independent third parties for similar types of properties; and
- (4) the fees/rates charged by independent third parties for providing similar property management services.

Payment terms: Service fees shall be charged in accordance with the subsidiary agreements to be entered into between Seazen Holdings Group and Mitaki Cultural Development Group. Payment of property service fees shall in general be made annually, half-yearly, quarterly or monthly as agreed in the subsidiary agreements.

Subsidiary Agreement(s): For the leasing services and property management services required by Mitaki Cultural Development Group under the New Lease Service Framework Agreement, Seazen Holdings and Mitaki Cultural Development shall (directly or through their respective subsidiaries) enter into subsidiary agreements setting out the specific scopes of services required and amount of fees payable in conformity with the principles (including the pricing policies mentioned above) set out in the New Lease Service Framework Agreement.

All transactions contemplated under the New Lease Service Framework Agreement shall be conducted on normal commercial terms and negotiated on arm's length basis. It is agreed that the terms offered by Mitaki Cultural Development to Seazen Holdings shall not be less favourable than those offered to other parties for similar services.

ANNUAL CAPS AND THEIR BASIS

The Annual Caps of the service fees under the New Lease Service Framework Agreement for each of the three years ending 31 December 2027 shall not in aggregate exceed RMB1.5 million, RMB40.0 million and RMB40.0 million, respectively.

Set out below is the estimated allocation of the Annual Caps of the service fees under the New Lease Service Framework Agreement:

	For the year ending 31 December		
	2025	2026	2027
	<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>
Leasing services	1.0	25.0	25.0
Property management services	0.5	15.0	15.0
Total	1.5	40.0	40.0

The Annual Caps are determined with reference to, among others, the following factors:

- (a) save as discussed below, the Annual Caps under the New Lease Service Framework Agreement and their basis of determination largely follow that under the Lease Service Framework Agreement as disclosed in the Announcement, as the New Lease Service Framework is fundamentally a continuation of the transactions originally contemplated under the Lease Service Framework Agreement. The change of counterparty to Mitaki Cultural Development has no impact on the Annual Caps for the two years ending 31 December 2026 and 2027 or their basis of determination, as the “Mitaki” branded stores and the entities operating the relevant business were held under Mitaki Cultural Development regardless before and after completion of the Disposal. Based on the historical transaction amount recorded, approximately RMB0.39 million out of the Annual Caps of RMB1.5 million for the year ending 31 December 2025 has been utilized as of the date of this announcement;
- (b) the Annual Cap for the year ending 31 December 2025 is slightly reduced to RMB1.5 million under the New Lease Service Framework Agreement from the annual cap of RMB3.0 million for the year ending 31 December 2025 under the Lease Service Framework Agreement with reference to (i) the existing leasing agreements and property management service agreements already entered into between Seazen Holdings Group and Mitaki Cultural Development Group (formerly the Mitaki Culture Group prior to the Disposal) and the expected transaction amount to be charged for the year ending 31 December 2025, and (ii) that given there is less than one month left before the end of 31 December 2025 at the time of execution of the New Lease Service Framework Agreement, the Company does not expect to enter into any further new agreements with respect to leasing services or property management services. As explained in (a) above, as (i) the business cooperation between Seazen Holdings Group and Mitaki Culture Group is basically identical as that between Seazen Holdings Group and Mitaki Cultural Development Group, and (ii) the Group only started the business cooperation with Mitaki Cultural Development Group (or Mitaki Culture Group prior to the Disposal) in the late third quarter in 2025, hence only limited transaction amounts were recorded up to 30 November 2025 and a relatively lower Annual Cap was set for the year ending 31 December 2025;
- (c) the Annual Caps for the two years ending 31 December 2026 and 2027 are determined after taking into account: (i) the expected demand of leasing services and property management services from Mitaki Cultural Development Group pursuant to its expansion plan of setting up new “Mitaki” branded stores over the next two years ending 31 December 2027, which is already under preliminary negotiation between Seazen Holdings Group and Mitaki Cultural Development Group; (ii) the expected gross turnover of the business operation to be conducted at the lease properties, which is estimated with reference to the performance of the leased properties under the existing lease service agreements and property management service agreement between Seazen Holdings Group and Mitaki Cultural Development Group; (iii) fee rates charged by the Group for providing similar leasing services and property management services to independent third parties; and (iv) the prevailing market fee rate of leasing services and property management services for similar types of properties; and

- (d) the provision of a buffer to the Annual Caps for the years ending 31 December 2025, 2026 and 2027 to cater for (i) potential increase in turnover generated from the leased properties; (ii) fluctuation in market price for leasing services and property management services; and (iii) potential increase in demand for leasing services and property management services from Mitaki Cultural Development Group.

HISTORICAL TRANSACTION AMOUNTS

The historical transaction amount in relation to the provision of leasing services and property management services by the Group to Mitaki Cultural Development Group (formerly to Mitaki Culture prior to the Disposal) for the eleven months ended 30 November 2025 was approximately RMB0.39 million (part of the transaction amount was recorded under the Lease Service Framework Agreement prior to its termination). As disclosed in the Announcement, the limited historical transaction amounts recorded were primarily due to the relevant lease service agreements and property management service agreements between Seazen Holdings Group and Mitaki Culture Group being entered into during the late third quarter in 2025.

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW LEASE SERVICE FRAMEWORK AGREEMENT

Each of 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 New Lease Service Framework Agreement) is of the view that (i) the transactions contemplated under the New Lease Service Framework Agreement are fundamentally a continuation of the Lease Service Framework Agreement and can potentially expand the income stream of the Group; and (ii) the terms of the New Lease Service Framework Agreement and the Annual Caps are fair and reasonable, and the transactions contemplated thereunder are entered into on normal commercial terms and in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

As at the date of this announcement, Mr. Wang Xiaosong, the Chairman of the Company, a non-executive Director and the son of Mr. Wang was considered as having material interests in the transactions under the New Lease Service Framework Agreement and had abstained from voting on the Board resolutions approving the relevant agreements and the transactions contemplated thereunder (including the Annual Caps). Save as mentioned above, none of the other Directors has a material interest in the transactions contemplated under the New Lease Service Framework Agreement, and therefore, no Director had abstained from voting on the approval of the relevant resolutions.

INTERNAL CONTROL MEASURES

To ensure that the terms of the leasing services and property management services provided by Seazen Holdings Group to Mitaki Cultural Development Group are not less favourable than those available from independent third parties, the Group has adopted the following measures:

- (i) the pricing policies for all the continuing connected transactions of the Group (including the transactions contemplated under the New Lease Service Framework Agreement) will be supervised and monitored by the management and relevant personnel of the Group to ensure the relevant continuing connected transactions are conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole;
- (ii) before entering into any subsidiary agreement in connection with the New Lease Service Framework Agreement, the management and relevant personnel of the Group will compare a preliminary quotation based on the pricing policies as described above with those offered by independent third parties (if any), market quotations for comparable services and the relevant fee rate charged by the Group to independent third parties for providing comparable services, so as to ensure that the service fees of the property management services and value-added services contemplated under the New Lease Service Framework Agreement are fair and reasonable;
- (iii) as part of the internal control procedures, the implementation of the New Lease Service Framework Agreement and the actual number and amount of services provided by the Group to Mitaki Cultural Development Group will be monitored and reviewed by the Board (including the independent non-executive Directors) and the senior management on a regular basis, with reference to terms of similar transactions with the independent third parties, so as to ensure the actual transaction amount does not exceed the Annual Caps;
- (iv) the Director(s) and/or the Shareholder(s) with an interest in the relevant transaction(s) is/are required to abstain from voting on the resolution(s);
- (v) the Group shall use the best endeavor to comply with the relevant reporting, annual review and announcement under Chapter 14A of the Listing Rules for the continuing connected transactions;
- (vi) the Company will engage its external auditor to review the transactions between the Group and Mitaki Cultural Development Group under the New Lease Service Framework Agreement, to ensure that the transactions amount are within the Annual Caps and the transactions are conducted in accordance with the terms set out in the New Lease Service Framework Agreement and the Listing Rules; and
- (vii) the Group will duly disclose in the annual reports and accounts the transactions of provision of leasing services and property management services to Mitaki Cultural Development Group during each financial period, together with the conclusions (with basis) 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, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF PARTIES INVOLVED

Seazen Holdings is a subsidiary of the Company with its A shares listed on the SSE (stock code: 601155). The principal activities of the Group and Seazen Holdings are property development and property investment in the PRC.

Mitaki Cultural Development is a company incorporated under the laws of the PRC with limited liability which primarily engages in the design, development and sales of designer toys. As of the date of this announcement following the completion of the Disposal, Mitaki Cultural Development is an indirect wholly-owned subsidiary of China Next-Gen (a company whose shares are listed on the Stock Exchange, stock code: 3928), which is in turn indirectly held as to 75% by Ms. Wang Kelly.

Mitaki Culture is a company incorporated under the laws of the PRC with limited liability. The principal activities of Mitaki Culture are organizing cultural and artistic exchange activities and wholesale of arts and crafts and collectibles. As of the date of this announcement, Mitaki Culture is held as to (i) 50% by Jiangsu Xinqi Investment Co., Ltd., (江蘇新啟投資有限公司) which is in turn indirectly wholly owned by Mr. Wang; and (ii) 50% by Changzhou Nuoyuan Materials Co., Ltd. (常州諾源物資有限公司), which is in turn wholly owned by two individuals who are independent third parties.

LISTING RULES IMPLICATIONS

As at the date of this announcement, following the completion of the Disposal, Mitaki Cultural Development becomes an indirect wholly-owned subsidiary of China Next-Gen, which is in turn held indirectly as to 75% by Ms. Wang Kelly, the daughter of Mr. Wang, who is in turn the controlling shareholder of the Company. Accordingly, Mitaki Cultural Development is an associate of Mr. Wang and a connected person of the Company. The entering into of the New Lease Service Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the Annual Caps for the transactions contemplated under the New Lease Service Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated thereunder are subject to reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 30 October 2025 regarding the Lease Service Framework Agreement entered into between Seazen Holdings and Mitaki Culture, pursuant to which Seazen Holdings agreed to provide leasing services and property management services to Mitaki Culture for a term commencing from 30 October 2025 to 31 December 2027 subject to the relevant annual caps;
“Annual Cap(s)”	the annual caps for the service fees payable under the New Lease Service Framework Agreement for each of the three years ending 31 December 2025, 2026 and 2027;
“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“China Next-Gen”	China Next-Gen Commerce and Supply Chain Limited (中國新零售供應鏈集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3928);
“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)”	director(s) of the Company;
“Disposal”	the disposal of the entire equity interests of Mitaki Cultural Development by Mitaki Culture to Shanghai Ruiling Valley Enterprise Management Co., Ltd. (上海瑞靈谷企業管理有限公司), a wholly-owned subsidiary of China Next-Gen;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“independent third party(ies)”	third party(ies) independent of the Company and is(are) not a connected person (connected persons) of the Company;
“Lease Service Framework Agreement”	the lease services framework agreement dated 30 October 2025 entered into between Seazen Holdings and Mitaki Culture in relation to the provision of leasing services and property management services for the property projects of Mitaki Culture, further details of which are set out in the Announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mitaki Cultural Development”	Mitaki Cultural Development Co., Ltd. (上海米塔集文化發展有限公司), a company established under the laws of the PRC with limited liability. It is an indirect wholly-owned subsidiary of China Next-Gen following the completion of the Disposal;
“Mitaki Cultural Development Group”	Mitaki Cultural Development and its subsidiaries;
“Mitaki Culture”	Mitaki Culture (Shanghai) Co., Ltd. (米塔集文化(上海)有限責任公司), a company established under the laws of the PRC with limited liability. It is indirectly owned as to approximately 50% by Mr. Wang and therefore a connected person of the Company;
“Mitaki Culture Group”	Mitaki Culture and its subsidiaries;
“Mr. Wang”	Mr. Wang Zhenhua, the controlling shareholder of the Company;
“New Lease Service Framework Agreement”	the lease services framework agreement dated 15 December 2025 entered into between Seazen Holdings and Mitaki Cultural Development in relation to the provision of leasing services and property management services to Mitaki Cultural Development;
“PRC”	The People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“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 SSE (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 Shares;
“SSE”	Shanghai Stock Exchange;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board
Seazen Group Limited
Wang Xiaosong
Chairman

The PRC, 15 December 2025

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

* *For identification purposes only*