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BINJIANG SERVI

Binjiang Service Group Co. Ltd.

濱江服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3316)

CONTINUING CONNECTED TRANSACTIONS

**ENTERING INTO FRAMEWORK AGREEMENT FOR
CAR PARKING SPACES**

AND

**REVISION OF ANNUAL CAP UNDER
THE 2024 CATERING SERVICES FRAMEWORK AGREEMENT**

INTRODUCTION

Entering into framework agreement for car parking spaces

On July 16, 2024 (after trading hours), the Company and Binjiang Real Estate entered into the Framework Agreement pursuant to which the parties agreed that the Group may from time to time enter into transactions with Binjiang Real Estate Group for the acquisition of the right of use (which includes the right to occupy and transfer) of car parking spaces located in the projects developed and owned by Binjiang Real Estate Group and managed by the Group for resale purposes. The term of the Framework Agreement is from July 17, 2024 to December 31, 2024 (both dates inclusive).

Revision of annual cap under the 2024 Catering Services Framework Agreement

On July 16, 2024 (after trading hours), the Company and Binjiang Real Estate entered into the Supplemental Agreement to amend the Existing Annual Cap under the 2024 Catering Services Framework Agreement for the year ending December 31, 2024 from RMB4.0 million to RMB10.0 million.

LISTING RULES IMPLICATIONS

Binjiang Real Estate is controlled by Mr. Qi Jinxing, one of the controlling Shareholders. Therefore, Binjiang Real Estate and its subsidiaries are connected persons of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Framework Agreement and Supplemental Agreement respectively constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. In addition, according to Rule 14A.54(2) of the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions, the Company shall re-comply with the relevant requirements under Chapter 14A of the Listing Rules so as to exceed the Existing Annual Cap and amend the 2024 Catering Services Framework Agreement.

As the applicable percentage ratios for the annual cap in respect of the Framework Agreement and for the revised annual cap in respect of the Supplemental Agreement respectively exceed 0.1% and all of which are less than 5%, the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE FRAMEWORK AGREEMENT

The principal terms of the Framework Agreement are as follows:

Date:

July 16, 2024

Parties:

- (a) The Company; and
- (b) Binjiang Real Estate.

Term:

The Framework Agreement is for a term from July 17, 2024 to December 31, 2024 (both dates inclusive)

Subject matter

Information on the car parking spaces

~~Real Estate Group~~

There were/will be no development costs allocated to the relevant car parking spaces, book value or ~~Completion~~ ~~skin~~ ~~Two~~ ~~Group~~ value of relevant original acquisition cost as the assets were/will be developed by Binjiang

~~Real Estate Group~~

Reasons for and benefits of entering on co~~Development~~ ~~Framework~~ ~~Agree~~ ~~all~~ ~~of~~ ~~0.04~~ ~~Two~~ ~~24~~ ~~Two~~

- (2) the implementation of individual contracts shall be subject to the appropriate approval of the relevant personnel of the business department, finance department, legal department and management of the Group to ensure that the contracts are in line with the pricing policy and principal terms of the Framework Agreement, particularly that the considerations and payment terms are no less favorable than those available to the Group from independent third parties and that the consideration for each of the proposed acquisitions will be no more than the relevant valuation obtained from a qualified independent third party property valuer;
- (3) the relevant personnel of the business department of the Group will conduct annual reviews to keep abreast of the prevailing fee level in the market and the market conditions for the purpose of considering if the price charged for a specific transaction is fair and reasonable and is in accordance with the Group's pricing policy;
- (4) the auditors of the Company shall conduct annual reviews on pricing and annual cap of such continuing connected transactions to ensure that the transactions amount is within the annual cap and that the transactions are conducted on the principal terms of the Framework Agreements; and
- (5) the independent non-executive Directors shall review the management's review reports on the transactions contemplated under the Framework Agreement to ensure that such transactions are conducted on normal commercial terms or better, in particular, consideration paid for each relevant transaction shall be no more than the relevant valuation obtained from a qualified independent third party property valuer, and are in the ordinary and usual course of business of the Group, and the terms and conditions thereof are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

THE SUPPLEMENTAL AGREEMENT

Background

Reference is made to the announcement dated November 29, 2023 in relation to the continuing connected transactions under the 2024 Catering Services Framework Agreement.

INFORMATION ON THE PARTIES

The Group

The Company is a limited liability company incorporated in the Cayman Islands. The Group is a reputable property management service provider in China with a focus on high-end properties. As at the date of this announcement, the Group is owned as to approximately (i) 45.85% by Great Dragon Ventures Limited, a company held by Cantrust (Far East) Limited (through its nominee company) as trustee of Bright Cloud Trust which in turn is a discretionary trust set up by Mr. Qi Jinxing as settlor with beneficiaries including Mr. Qi Jinxing, Mr. Qi Jiaqi (a non-executive Director) and certain family members of Mr. Qi Jinxing; (ii) 12.89% by Jovial Success Global Holdings Limited, a company held by Infiniti Trust (Asia) Limited (through its nominee companies) as trustee of Splendid Force Trust which in turn is a discretionary trust set up by Mr. Zhu Huiming as settlor with beneficiaries including Mr. Zhu Huiming and his certain family members; and (iii) 12.89% by Haoyu Ventures Limited, a company held by Infiniti Trust (Asia) Limited (through its nominee companies) as trustee of Great Splendor Trust which in turn is a discretionary trust set up by Mr. Mo Jianhua (a non-executive Director) as settlor with beneficiaries including Mr. Mo Jianhua and his certain family members.

Binjiang Real Estate

Binjiang Real Estate, a limited liability company established in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002244), is mainly engaged in real estate development. As at the date of this announcement, Binjiang Real Estate is owned as to approximately (i) 45.41% by Binjiang Holdings; (ii) 11.94% by Mr. Qi Jinxing; (iii) 3.22% by Mr. Mo Jianhua (a non-executive Director); (iv) 3.22% by Mr. Zhu Huiming; and (v) 1.00% by Mr. Qi Jiaqi (a non-executive Director and the son of Mr. Qi Jinxing). The remaining shareholders of Binjiang Real Estate each holds less than 5% interest. Binjiang Holdings, which is controlled by Mr. Qi Jinxing, is owned as to 64% by Mr. Qi Jinxing, 18% by Mr. Mo Jianhua (a non-executive Director) and 18% by Mr. Zhu Huiming.

LISTING RULES IMPLICATIONS

Binjiang Real Estate is controlled by Mr. Qi Jinxing, one of the controlling Shareholders. Therefore, Binjiang Real Estate and its subsidiaries are connected persons of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Framework Agreements and the Supplemental Agreement respectively constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. In addition, according to Rule 14A.54(2) of the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions, the Company shall re-comply with the relevant requirements under Chapter 14A of the Listing Rules so as to exceed the Existing Annual Cap and amend the 2024 Catering Services Framework Agreement.

As the applicable percentage ratios for the annual cap in respect of the Framework Agreement and for the revised annual cap in respect of the Supplemental Agreement respectively exceed 0.1% and all of which are less than 5%, the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Mo Jianhua and Mr. Qi Jiaqi, non-executive Directors, are shareholders of Binjiang Real Estate, they have abstained from voting on the resolutions of the Board passed in respect of the transactions contemplated under the Framework Agreement and the entering into of the Supplemental Agreement. Save as aforementioned, none of the other Directors have a material interest in the transactions contemplated under the Framework Agreement and the Supplemental Agreement and no other Director has abstained from voting.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

- “2024 Catering Services Framework Agreement” the catering services framework agreement entered into between the Company and Binjiang Real Estate on November 28, 2023
- “Binjiang Holdings” Hangzhou Binjiang Investment Holdings Co., Ltd.* (杭州濱江投資控股有限公司), a limited liability company established in the PRC on October 8, 2006. It is owned as to 64% by Mr. Qi Jinxing, 18% by Mr. Mo Jianhua and 18% by Mr. Zhu Huiming. Given it is controlled by Mr. Qi Jinxing, one of the controlling Shareholders of the Company, Binjiang Holdings is therefore a connected person of the Company
- “Binjiang Real Estate” Hangzhou Binjiang Real Estate Group Co., Ltd.* (杭州濱江房產集團股份有限公司), a company established in the PRC on August 22, 1996, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002244). As at the date of this announcement, Binjiang Real Estate is owned as to approximately (i) 45.41% by Binjiang Holdings; (ii) 11.94% by Mr. Qi Jinxing; (iii) 3.22% by Mr. Mo Jianhua; (iv) 3.22% by Mr. Zhu Huiming; and (v) 1.00% by Mr. Qi Jiaqi, the son of Mr. Qi Jinxing. Given it is controlled by Mr. Qi Jinxing, one of the controlling Shareholders of the Company, it is therefore a connected person of the Company

“Binjiang Real Estate Group”	Binjiang Real Estate and its subsidiaries
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Company”	Binjiang Service Group Co. Ltd. (濱江服務集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3316)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Annual Cap”	the existing annual cap for the transactions contemplated under the 2024 Catering Services Framework Agreement for the year ending December 31, 2024, which amounts to RMB4.0 million
“Framework Agreement”	the framework agreement entered into between the Company and Binjiang Real Estate on July 16, 2024 in respect of acquisition of the right of use of car parking spaces from Binjiang Real Estate Group
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Qi Jinxing”	one of the controlling Shareholders of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the capital of the Company with nominal value of US\$0.0001 each

“Shareholder(s)”	holder(s) of issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement to the 2024 Catering Services Framework Agreement entered into between the Company and Binjiang Real Estate on July 16, 2024, to revise the Existing Annual Cap
“%”	per cent

By order of the Board
Binjiang Service Group Co. Ltd.
Yu Zhongxiang
Chairman and Executive Director

Hangzhou, the PRC
July 16, 2024

As at the date of this announcement, the Board comprises Mr. Yu Zhongxiang and Ms. Zhong Ruoqin as executive Directors; Mr. Mo Jianhua, Mr. Qi Jiaqi and Mr. Cai Xin as non-executive Directors; Mr. Ding Jiangang, Mr. Li Kunjun and Ms. Cai Haijing as independent non-executive Directors.

* *For identification purpose only*