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Beijing Capital Jiaye Property Services Co., Limited

北京京城佳業物業股份有限公司

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

(Stock Code: 2210)

**DISCLOSEABLE TRANSACTIONS, MAJOR TRANSACTIONS AND
CONTINUING CONNECTED TRANSACTIONS:
PROPOSED REVISION OF THE ANNUAL CAPS FOR CONTINUING
CONNECTED TRANSACTIONS; AND
RENEWAL AND ENTERING INTO OF THE CONTINUING CONNECTED
TRANSACTIONS**

INTRODUCTION

Reference is made to the Prospectus relating to, among other things, the 2021 Agreements for Continuing Connected Transactions.

Taking into account the actual demand for the relevant transactions between the Group and BUCG and its associates, on October 10, 2023, the Board considered and approved the proposed revision of the existing annual caps for certain transactions under the 2021 Agreements for Continuing Connected Transactions for the year ending December 31, 2023, including (i) the transactions under the 2021 Property Management Services Framework Agreement; (ii) the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement; and (iii) the transactions under the 2021 Engineering and Laboring Services Framework Agreement.

In addition, as the 2021 Agreements for Continuing Connected Transactions will expire on December 31, 2023 and it is expected that the Group will continue to carry out the transactions contemplated under the 2021 Agreements for Continuing Connected Transactions after their expiry, the Company entered into the 2024 Agreements for Continuing Connected Transactions on October 10, 2023 to renew the agreements and the relevant annual caps thereunder. On the same date, the Company entered into the Carpark Space Leasing and Sales Services Framework Agreement with BUCG, pursuant to which the Group agreed to provide carpark space leasing and sales services to BUCG and its associates.

IMPLICATIONS OF THE LISTING RULES

Continuing connected transactions implications

BUCG is the ultimate controlling Shareholder of the Company as at the date of this announcement, so BUCG and its associates are connected persons of the Company under Rule 14A.07 of the Listing Rules. Senqi Greening and Tiannuo Property are non-wholly-owned subsidiaries of the Company and, as each of them is indirectly owned as to more than 10% by BUCG, Senqi Greening and Tiannuo Property are connected subsidiaries of the Company under Rule 14A.16 of the Listing Rules. Accordingly, the relevant framework agreements entered into between the Company and BUCG, Senqi Greening and Tiannuo Property and the transactions thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the proposed revision of annual caps for the year ending December 31, 2023 for each of (i) the transactions contemplated under the 2021 Property Management Services Framework Agreement; (ii) the transactions in relation to the Group leasing properties from BUCG and its associates as contemplated under the 2021 BUCG Property Leasing Framework Agreement; and (iii) the transactions contemplated under 2021 Engineering and Laboring Services Framework Agreement exceeds 5%, the proposed revision of annual caps for such continuing connected transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps for each of (i) the transactions contemplated under the 2024 Property Management Services Framework Agreement; (ii) the transactions contemplated under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement in relation to the provision of commercial operational services and value-added services by the Group (other than Tiannuo Property) to Tiannuo Property (upon aggregation with the transactions contemplated under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement pursuant to Rule 14A.81 of the Listing Rules); (iii) the transactions contemplated under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement (upon aggregation with the transactions in respect of the provision of the commercial operational services and value-added services to Tiannuo Property by the Group (other than Tiannuo Property) contemplated under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement pursuant to Rule 14A.81 of the Listing Rules); (iv) the transactions contemplated under the 2024 BUCG Property Leasing Framework Agreement; (v) the transactions contemplated under the 2024 Property Ancillary Services Framework Agreement; (vi) the transactions contemplated under the 2024 Engineering and Laboring Services Framework Agreement; and (vii) the transactions contemplated under the Carpark Space Leasing and Sales Services Framework Agreement exceeds 5%, such continuing connected transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps for (i) the transactions in respect of the provision of the commercial operational services and value-added services to the Group (other than Tiannuo Property) by Tiannuo Property contemplated under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement; and (ii) the transactions contemplated under the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement (upon aggregation pursuant to Rule 14A.81 of the Listing Rules), is more than 0.1% but less than 5%, such continuing connected transactions will be subject to the reporting, annual review and announcement requirements but exempted from independent shareholders' approval requirement, under Chapter 14A of the Listing Rules.

Notifiable transactions implications

Discloseable transactions

As the highest applicable percentage ratio in respect of each of (i) the proposed revision of the annual cap for the year ending December 31, 2023 for the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement; and (ii) the annual cap for the transactions contemplated under the Carpark Space Leasing and Sales Services Framework Agreement in relation to refundable deposits is more than 5% but less than 25%, the relevant transactions constitute discloseable transactions under Chapter 14 of the Listing Rules which are subject to the reporting and announcement requirements.

Major transactions

As the highest applicable percentage ratio in respect of each of the annual caps for (i) the transactions contemplated under the 2024 BUCG Property Leasing Framework Agreement in relation to the Group leasing properties from BUCG and its associates; and (ii) the transactions contemplated under the Carpark Space Leasing and Sales Services Framework Agreement in relation to the acquisition of right-of-use assets is more than 25% but less than 100%, the relevant transactions constitute major transactions under Chapter 14 of the Listing Rules which are subject to the reporting, announcement and shareholders' approval requirements.

GENERAL

The Company will convene EGM for the Independent Shareholders to consider and, if thought fit, approve (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements. BUCG and its associates will abstain from voting on the relevant proposals in respect of the above matters at the EGM.

The Independent Board Committee comprising of all independent non-executive Directors will be established to consider (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements and provide advice to the Independent Shareholders. Rainbow Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the above matters.

Due to the need for additional time to prepare and implement certain information to be included in the circular, a circular containing, among other things: (i) further details on the Proposed Revision of the 2023 Annual Caps; (ii) further details on the entering into of the Non-exempt Continuing Connected Transactions Agreements; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) a letter from the Independent Board Committee to the Independent Shareholders; (v) other information required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to Shareholders on or before November 30, 2023.

I. INTRODUCTION

Reference is made to the Prospectus relating to, among other things, the 2021 Agreements for Continuing Connected Transactions.

Taking into account the actual demand for the relevant transactions between the Group and BUCG and its associates, on October 10, 2023, the Board considered and approved the proposed revision of the existing annual caps for certain transactions under the 2021 Agreements for Continuing Connected Transactions for the year ending December 31, 2023, including (i) the transactions under the 2021 Property Management Services Framework Agreement; (ii) the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement; and (iii) the transactions under the 2021 Engineering and Laboring Services Framework Agreement.

In addition, as the 2021 Agreements for Continuing Connected Transactions will expire on December 31, 2023 and it is expected that the Group will continue to carry out the transactions contemplated under the 2021 Agreements for Continuing Connected Transactions after their expiry, the Company entered into the 2024 Agreements for Continuing Connected Transactions on October 10, 2023 to renew the agreements and the relevant annual caps thereunder. On the same date, the Company entered into the Carpark Space Leasing and Sales Services Framework Agreement with BUCG, pursuant to which the Group agreed to provide carpark space leasing and sales services to BUCG and its associates.

II. PROPOSED REVISION OF THE ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS

The Company expects that for the year ending December 31, 2023, the full-year transaction amounts of (i) the transactions under the 2021 Property Management Services Framework Agreement; (ii) the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement; and (iii) the transactions under the 2021 Engineering and Laboring Services Framework Agreement will exceed the original annual caps. Therefore, the Company proposes to revise the annual caps for the above continuing connected transactions for the year ending December 31, 2023. As of the date of this announcement, the transaction amounts of the continuing connected transactions under each of the above framework agreements have not exceeded the original annual caps for the year ending December 31, 2023.

A. 2021 Property Management Services Framework Agreement

1. Main terms

Parties:	(i) the Company (for itself and on behalf of its subsidiaries); and (ii) BUCG (for itself and on behalf of its associates)
Date:	October 11, 2021
Period:	from the Listing Date to December 31, 2023
Matter:	The Group has agreed to provide to BUCG and its associates property management services, including but not limited to security, cleaning, greening, gardening and repair and maintenance services in respect of (i) property units developed by BUCG and its associates which have been completed and are either unsold or sold but not yet delivered to the buyers; and (ii) residential communities, office buildings and other properties owned, used or operated by BUCG and its associates.

2. Existing annual caps and historical transaction amounts

The existing annual caps for the transactions under the 2021 Property Management Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount
Total service fees paid by BUCG and its associates	<u>98,428</u>	<u>92,639</u>	<u>126,098</u>	<u>124,707</u>	<u>146,695</u>	<u>62,943</u>

As of the date of this announcement, the transaction amount of the continuing connected transactions under the 2021 Property Management Services Framework Agreement has not exceeded the original annual cap for the year ending December 31, 2023.

3. *Proposed revision of annual cap and basis for determination*

Based on the historical transaction amount and business development, the Company expects that the full-year transaction amount under the 2021 Property Management Services Framework Agreement for the year ending December 31, 2023 will likely exceed the original annual cap. Therefore, the Company proposes to revise the annual cap under the 2021 Property Management Services Framework Agreement for the year ending December 31, 2023 from RMB146,695 thousand to RMB177,147 thousand.

The above proposed revision of the annual cap is determined with reference to the historical transaction amount for the provision of property management services by the Group to BUCG and its associates and the significant increase in the provision of property management service projects by the Group to BUCG and its associates in 2023. Specifically, (i) in the second half of 2023, there are four new projects for which the Group provides property management services to BUCG and its associates, with the increase in the property management area of approximately 452,000 square meters. Therefore, the transaction amount for the provision of property management services by the Group to BUCG and its associates will increase accordingly; and (ii) in the second half of 2023, the two projects for which the Group provides property management services to BUCG and its associates are changed from the commission basis to the lump sum basis, which resulted in a corresponding increase in property service revenue due to the change in the revenue recognition method.

B. 2021 BUCG Property Leasing Framework Agreement

1. *Main terms*

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
(ii) BUCG (for itself and on behalf of its associates)
- Date: October 11, 2021
- Period: from the Listing Date to December 31, 2023
- Matter: (i) The Group has agreed to lease certain properties (including but not limited to houses, office buildings and carpark spaces) from BUCG and its associates; and
(ii) BUCG and its associates have agreed to lease certain properties (including but not limited to houses, office buildings and carpark spaces) from the Group.

2. Existing annual caps and historical transaction amounts

The existing annual caps for the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount
The Group leasing from						
BUCG and its associates	11,044	5,413	13,844	4,094	12,868	7,244
–Right-of-use assets	7,100	5,413	2,600	287	500	–
–Rental expenses	3,944	0	11,244	3,807	12,368	7,244

As of the date of this announcement, the transaction amounts of the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement have not exceeded the original annual caps for the year ending December 31, 2023.

3. Proposed revision of annual caps and basis for determination

Based on the historical transaction amount and business development, the Company expects that for the year ending December 31, 2023, the full-year transaction amount of the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement will likely exceed the original annual caps. Therefore, the Company proposes to revise the annual caps for the transactions for the year ending December 31, 2023 from RMB12,868 thousand (among which approximately RMB500 thousand will be recognized as right-of-use assets from the certain property leases, and approximately RMB12,368 thousand will be rental expenses) to RMB51,013 thousand (among which approximately RMB38,645 thousand will be recognized as right-of-use assets from the certain property leases, and approximately RMB12,368 thousand will be rental expenses). For the avoidance of doubt, the existing annual caps for the transactions in relation to BUCG and its associates leasing properties from the Group under the 2021 BUCG Property Leasing Framework Agreement will remain unchanged.

The above proposed revision of annual caps is determined with reference to the historical transaction amounts for the Group leasing properties from BUCG and its associates, taking into account the new leasing demand of the Group to be generated in the second half of 2023. Specifically, in the second half of 2023, the Group intended to lease additional three properties from BUCG and its associates, and therefore the right-of-use assets are expected to increase by RMB38,145 thousand by the end of 2023.

C. 2021 Engineering and Laboring Services Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
(ii) BUCG (for itself and on behalf of its associates)
- Date: October 11, 2021
- Period: from the Listing Date to December 31, 2023
- Matter: BUCG and its associates have agreed to provide to the Group engineering and laboring services including but not limited to (i) engineering design, construction and laboring services (such as installation and replacement of large-scale equipment or heavy machinery); and (ii) the provision of equipment or machinery for the Group's use and operation (such as heat energy generation plants), etc.

2. Existing annual caps and historical transaction amounts

The existing annual caps for the transactions under the 2021 Engineering and Laboring Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual	Historical	Annual	Historical	Annual	Historical
	cap	amount	cap	amount	cap	amount
Total service fees paid by the Group	<u>48,278</u>	<u>45,236</u>	<u>53,106</u>	<u>52,957</u>	<u>56,416</u>	<u>13,712</u>

As of the date of this announcement, the transaction amount of the continuing connected transactions under the 2021 Engineering and Laboring Services Framework Agreement has not exceeded the original annual cap for the year ending December 31, 2023.

3. *Proposed revision of annual caps and basis for determination*

Based on the historical transaction amount and business development, the Company expects that the full-year transaction amount under the 2021 Engineering and Laboring Services Framework Agreement for the year ending December 31, 2023 will likely exceed the original annual cap. Therefore, the Company proposes to revise the annual cap under the 2021 Engineering and Laboring Services Framework Agreement for the year ending December 31, 2023 from RMB56,416 thousand to RMB62,286 thousand.

The above proposed revision of the annual cap is determined with reference to the historical transaction amount for the provision of engineering and laboring services by BUCG and its associates to the Group, taking into account the new engineering and laboring demand of the Group expected to be generated by the end of 2023. Specifically, as the Group will carry out a series of construction modifications and maintenance on multiple property management service projects undertaken by the Group at the end of 2023, the engineering and laboring services provided by BUCG and its associates to the Group are expected to grow.

III. RENEWAL AND ENTERING INTO OF THE CONTINUING CONNECTED TRANSACTIONS

As the 2021 Agreements for Continuing Connected Transactions will expire on December 31, 2023 and it is expected that the Group will continue to carry out the transactions contemplated under the 2021 Agreements for Continuing Connected Transactions after their expiry, the Company entered into the 2024 Agreements for Continuing Connected Transactions on October 10, 2023 to renew the agreements and the relevant annual caps thereunder. On the same date, the Company entered into the Carpark Space Leasing and Sales Services Framework Agreement with BUCG, pursuant to which the Group agreed to provide carpark space leasing and sales services to BUCG and its associates.

A. 2024 Property Management Services Framework Agreement

1. *Main terms*

Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and

(ii) BUCG (for itself and on behalf of its associates)

Date: October 10, 2023

Period: from January 1, 2024 to December 31, 2026

Matter: The Group has agreed to provide to BUCG and its associates property management services, including but not limited to security, cleaning, greening, gardening and repair and maintenance services in respect of (i) property units developed by BUCG and its associates which have been completed and are either unsold or sold but not yet delivered to the buyers; and (ii) residential communities, office buildings and other properties owned, used or operated by BUCG and its associates.

Pricing basis: The service fees to be charged under the 2024 Property Management Services Framework Agreement will be determined after arm's length negotiations taking into account the following factors:

- (i) nature, size and location of the property;
- (ii) scope of services;
- (iii) the expected operating costs (including labor costs, material costs and administrative costs) in relation to the provision of property management services;
- (iv) fees charged by the Group to the Independent Third Parties for similar services; and
- (v) fees charged by other service providers for similar services for similar property types in the market.

Payment method: Payment for the services shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific property management services and/or specialized service agreements to be entered into separately after arm's length negotiation between the Group and BUCG and its associates. The terms of the payment method set out in the specific property management services and/or specialized service agreements shall be determined with reference to the payment method for similar services provided by the Group to the Independent Third Parties to ensure compliance with market practice.

2. Existing annual caps and historical transaction amounts under the 2021 Property Management Services Framework Agreement

The existing annual caps for the transactions under the 2021 Property Management Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Annual cap	Historical amount	Annual cap	Historical amount	Annual cap ^{Note 1}	Historical amount	
Total service fees paid by BUCG and its associates	<u>98,428</u>	<u>92,639</u>	<u>126,098</u>	<u>124,707</u>	<u>146,695</u>	<u>62,943</u>

Note 1: The Company proposes to revise the annual cap for the year ending December 31, 2023 for the transactions under the 2021 Property Management Services Framework Agreement. For details, please refer to the section headed "II. PROPOSED REVISION OF THE ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS" in this announcement.

3. Annual caps and basis for determination under the 2024 Property Management Services Framework Agreement

The Directors estimate that the maximum annual service fees payable by BUCG and its associates under the 2024 Property Management Services Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	Year ending December 31,		
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total service fees payable by BUCG and its associates	<u>203,719</u>	<u>234,277</u>	<u>269,418</u>

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 and, in particular, the annual cap utilization rates for the two years ended December 31, 2022 reaching 94.1% and 98.9%, respectively;
- (ii) the number, gross floor area under management and terms (including service fees) of existing projects/service contracts as of June 30, 2023;

- (iii) the Group's high bid-winning rate for property management service contracts in respect of property projects developed by BUCG and its associates which is 100% for the two years ended December 31, 2022 and the six months ended June 30, 2023, and the Group's high retention rate for property management service contracts in respect of property projects developed by BUCG and its associates which is over 97.92% for the two years ended December 31, 2022 and the six months ended June 30, 2023;
- (iv) the estimated gross floor area in respect of the residential and commercial properties developed by BUCG and its associates, including the fact that the Group has entered into contracts to manage 10 undelivered projects located in Beijing, Tianjin and Shandong respectively with an aggregate contracted gross floor area of 1.99 million square meters, and that the Group anticipates it may be further engaged to provide property management services to additional projects, which are expected to be delivered from 2024 to 2026, and the expected increase in the demand for services of the Group with reference to the expected increase in gross floor area of properties developed by and in the number of property units used by BUCG and its associates as a result of its business growth and expansion; and
- (v) the expected increase in the service fees to be charged by the Group considering the increase in the operational costs as incurred by the Group (particularly labor costs).

B. 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
(ii) BUCG (for itself and on behalf of its associates)
- Date: October 10, 2023
- Period: from January 1, 2024 to December 31, 2026
- Matter: The Group has agreed to provide commercial operational services and value-added services to BUCG and its associates, which include, among other things, (i) operational and management services, such as positioning and design services, tenant solicitation services, car park operation and management services, and other management services; and (ii) value-added services, such as consultancy services, and minor construction, maintenance and greening services.
- Pricing basis: The service fees to be charged under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement will be determined after arm's length negotiations taking into account the following factors:

- (i) nature, size and location of the property;
- (ii) scope of services;
- (iii) the expected operating costs (including labor costs, material costs and administrative costs) in relation to the provision of commercial operational services and value-added services;
- (iv) fees charged by the Group to the Independent Third Parties for similar services; and
- (v) fees charged by other service providers for similar services for similar property types in the market.

Payment method: Payment for the services shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific business contracts to be entered into separately after arm's length negotiation between the Group and BUCG and its associates. The terms of the payment method set out in the specific business contracts shall be determined with reference to the payment method for similar services provided by the Group to the Independent Third Parties to ensure compliance with market practice.

2. Existing annual caps and historical transaction amounts under the 2021 BUCG Commercial Operational Services and Value-Added Services Framework Agreement

The existing annual caps for the transactions under the 2021 BUCG Commercial Operational Services and Value-Added Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount
Total service fees paid by BUCG and its associates	<u>115,025</u>	<u>111,054</u>	<u>165,528</u>	<u>147,745</u>	<u>177,080</u>	<u>75,252</u>

3. Annual caps and basis for determination under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement

The Directors estimate that the maximum annual service fees payable by BUCG and its associates under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	Year ending December 31,		
	2024	2025	2026
	RMB'000	RMB'000	RMB'000
Total service fees payable by BUCG and its associates	<u>194,788</u>	<u>214,267</u>	<u>235,693</u>

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 and, in particular, the annual cap utilization rates for the two years ended December 31, 2022 reaching 96.5% and 89.3%, respectively;
- (ii) the number, gross floor area under management and terms (including service fees) of existing projects/service contracts as of June 30, 2023;
- (iii) the expected increase in the demand of BUCG and its associates for the Group's services with reference to the estimated increase in the number of commercial and other properties owned, used or operated by BUCG and its associates which might require commercial operation and management services and tenant sourcing services to be provided by the Group; and
- (iv) the expected increase in the service fees to be charged by the Group considering the increase in the operational costs as incurred by the Group (particularly labor costs).

C. 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement

1. Main terms

Parties: (i) the Company (for itself and on behalf of its subsidiaries (other than Senqi Greening)); and

(ii) Senqi Greening (for itself and on behalf of its subsidiaries)

Date: October 10, 2023

Period: from January 1, 2024 to December 31, 2026

- Matter: Senqi Greening has agreed to provide commercial operational services and value-added services to the Group, which include, among other things, consultancy services, small-scale greening construction services, and green conservation services.
- Pricing basis: The service fees payable by the Group (other than Senqi Greening) under the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement will be determined after arm's length negotiation and taking into account the following factors:
- (i) nature, size and location of the property;
 - (ii) scope of services;
 - (iii) the expected operating costs (including labor costs, material costs and administrative costs) in relation to the provision of commercial operational services and value-added services;
 - (iv) fees charged by Senqi Greening to the Independent Third Parties for similar services; and
 - (v) fees charged by other service providers for similar services for similar property types in the market.
- Payment method: Payment for the services shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific business contracts to be entered into separately after arm's length negotiation between the Group (other than Senqi Greening) and Senqi Greening. The terms of the payment method set out in the specific business contracts shall be determined with reference to the payment method for similar services provided by Senqi Greening to the Independent Third Parties to ensure compliance with market practice.

2. Existing annual caps and historical transaction amounts under the 2021 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement

The existing annual caps for the transactions under the 2021 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount	
Total service fees paid by the Group (other than Senqi Greening)	6,200	5,790	6,973	6,962	10,459	4,596

3. Annual caps and basis for determination under the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement

The Directors estimate that the maximum annual service fees payable by the Group (other than Senqi Greening) under the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	Year ending December 31,		
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total service fees payable by the Group (other than Senqi Greening)	11,505	12,655	13,921

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 and, in particular, the annual cap utilization rates for the two years ended December 31, 2022 reaching 93.4% and 99.8%, respectively;
- (ii) the number and terms (including service fees) of existing contracts between Senqi Greening and the Group (other than Senqi Greening) as of June 30, 2023; and
- (iii) the expected increase in the demand for greening and other value-added services to be provided by Senqi Greening to the Group (other than Senqi Greening), taking into account the increasing gross floor area under management of the Group (other than Senqi Greening) in the future.

D. 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries (other than Tiannuo Property)); and
- (ii) Tiannuo Property (for itself and on behalf of its subsidiaries)
- Date: October 10, 2023
- Period: from January 1, 2024 to December 31, 2026
- Matter: Tiannuo Property and the Group (other than Tiannuo Property) have agreed to provide commercial operational services and value-added services to each other, which include, among other things, (i) operation and management services, such as positioning and design services, tenant solicitation services, carpark space operation and management services, and other management services; and (ii) value-added services, such as consultancy services, and small-scale construction, maintenance and greening services.
- Pricing basis: The service fees payable by the Group (other than Tiannuo Property) and Tiannuo Property to each other under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement will be determined after arm's length negotiation taking into account the following factors:
- (i) nature, size and location of the property;
 - (ii) scope of services;
 - (iii) the expected operating costs (including labor costs, material costs and administrative costs) in relation to the provision of commercial operational services and value-added services;
 - (iv) fees charged by the Group (other than Tiannuo Property) and Tiannuo Property to the Independent Third Parties for similar services; and
 - (v) fees charged by other service providers for similar services for similar property types in the market.
- Payment method: Payment for the services shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific business contracts to be entered into separately after arm's length negotiation between the Group (other than Tiannuo Property) and Tiannuo Property. The terms of the payment method set out in the specific business contracts shall be determined with reference to the payment method for similar services provided by the Group (other than Tiannuo Property) or Tiannuo Property (as the case may be) to the Independent Third Parties to ensure compliance with market practice.

2. Existing annual caps and historical transaction amounts under the 2021 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement

The existing annual caps for the transactions under the 2021 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,					Six months ended
	2021		2022		2023	June 30, 2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount
Total service fees paid by the Group (other than Tiannuo Property)	125	113	137	113	150	-
Total service fees paid by Tiannuo Property	<u>722</u>	<u>364</u>	<u>1,872</u>	<u>179</u>	<u>2,808</u>	<u>179</u>

3. Annual caps and basis for determination under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement

The Directors estimate that the maximum annual service fees payable under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	Year ending December 31,		
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total service fees payable by the Group (other than Tiannuo Property)	200	240	288
Total service fees payable by Tiannuo Property	<u>542</u>	<u>651</u>	<u>781</u>

In arriving at the annual caps set out above in respect of the commercial operational services and value-added services provided by Tiannuo Property to the Group (other than Tiannuo Property), the Directors have taken into account the following factors:

- (i) the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 and, in particular, the annual cap utilization rates for the two years ended December 31, 2022 reached 90.4% and 82.5%, respectively;

- (ii) the number and terms (including service fees) of existing contracts for the operation and management services and value-added services (such as Internet installation and maintenance services) provided by Tiannuo Property to the properties under the management of the Group (other than Tiannuo Property) as of June 30, 2023; and
- (iii) the expected increase in the demand of the Group (other than Tiannuo Property) for commercial operational services and value-added services to be provided by Tiannuo Property, taking into account the estimated increase in the projects under the management of the Group (other than Tiannuo Property) in the forthcoming years.

In arriving at the annual caps set out above in respect of the commercial operational services and value-added services provided by the Group (other than Tiannuo Property) to Tiannuo Property, the Directors have taken into account the following factors:

- (i) the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023;
- (ii) the number and terms (including service fees) of existing contracts for the operation and management services and value-added services (such as greening conservation services, garage management services) provided by the Group (other than Tiannuo Property) to Tiannuo Property in respect of properties under the management of Tiannuo Property as of June 30, 2023; and
- (iii) the expected increase in the demand of Tiannuo Property for the commercial operational services and value-added services to be provided by the Group (other than Tiannuo Property), as well as the types and sizes of properties under the management of Tiannuo Property.

E. 2024 BUCG Property Leasing Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
- (ii) BUCG (for itself and on behalf of its associates)
- Date: October 10, 2023
- Period: from January 1, 2024 to December 31, 2026
- Matter: (i) The Group has agreed to lease certain properties (including but not limited to houses, office buildings and carpark spaces) from BUCG and its associates; and
- (ii) BUCG and its associates have agreed to lease certain properties (including but not limited to houses, office buildings and carpark spaces) from the Group.

Pricing basis: The respective rental payable by the Group and BUCG and its associates to each other shall be determined after arm's length negotiation and taking into account the following factors:

- (i) location, quality, size and area of the property;
- (ii) rentals respectively charged by the Group or BUCG and its associates (as the case may be) to the Independent Third Parties for similar types of properties; and
- (iii) rentals charged by other Independent Third Parties for similar types of properties in similar regions in the market.

Payment method: Payment for the rentals shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific leasing contracts to be entered into separately after arm's length negotiation between the Group and BUCG and its associates. The terms of the payment method set out in the specific leasing contracts shall be determined with reference to the payment method for similar services provided by the Group or BUCG and its associates (as the case may be) to the Independent Third Parties to ensure compliance with market practice.

2. ***Existing annual caps and historical transaction amounts under the 2021 BUCG Property Leasing Framework Agreement***

The existing annual caps for the transactions under the 2021 BUCG Property Leasing Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap ^{Note 1}	Historical amount
The Group leasing from						
BUCG and its associates	11,044	5,413	13,844	4,094	12,868	7,244
–Right-of-use assets	7,100	5,413	2,600	287	500	–
–Rental expenses	3,944	–	11,244	3,807	12,368	7,244
BUCG and its associates leasing from the Group	6,138	2,634	20,806	16,952	27,383	12,102

Note 1: The Company proposes to revise the annual cap for the year ending December 31, 2023 for the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement. For details, please refer to the section headed “II. PROPOSED REVISION OF THE ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS” in this announcement.

3. **Annual caps and basis for determination under the 2024 BUCG Property Leasing Framework Agreement**

The Directors estimate that the maximum annual amounts under the 2024 BUCG Property Leasing Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	Year ending December 31,		
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
The Group leasing from BUCG and its associates ^{Note 1}	180,617	100,881	101,134
–Right-of-use assets	171,250	91,250	91,250
–Rental expenses	9,367	9,631	9,884
BUCG and its associates leasing from the Group	<u>24,000</u>	<u>28,800</u>	<u>34,560</u>

Note 1: In accordance with International Financial Reporting Standards (“IFRS”) 16, the Group applies different accounting treatments for different amounts in the 2024 BUCG Property Leasing Framework Agreement. Rentals from short-term leases and low-value leases where the Group is the lessee shall be recognized as rental expenses over the lease term. Other leases where the Group is the lessee shall be recognized as right-of-use assets at the lease commencement date.

In arriving at the above annual caps in relation to the Group leasing properties from BUCG and its associates, the Directors have taken into account the historical rentals paid by the Group and the estimated future business needs of the Group. The Directors have also taken into account (i) the value of the right-of-use assets arising from certain leasing agreements already entered into, which are within the scope of IFRS 16, and the expected renewal of such agreements upon their expiry during the upcoming three years; (ii) the expected increment in rentals for the relevant properties under the 2024 BUCG Property Leasing Framework Agreement; and (iii) the Group's plan to lease a number of properties from BUCG and its associates in 2024 for the purpose of business operations.

In arriving at the above annual caps in relation to BUCG and its associates leasing properties from the Group, the Directors have taken into account (i) the historical rentals paid by BUCG and its associates (in particular, the utilization rate of the annual cap for the year ended December 31, 2022 reaching 81.5%); (ii) the estimated future business needs of BUCG and its associates including the business needs for leasing of container houses for workers' residence at construction sites from the Group during the upcoming three years based on the operation and management strategy of the construction sites of BUCG and its associates; and (iii) the expected rental increase in the market.

F. 2024 Property Ancillary Services Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
(ii) BUCG (for itself and on behalf of its associates)

Date: October 10, 2023

Period: from January 1, 2024 to December 31, 2026

Matter: The Group has agreed to provide property ancillary services to BUCG and its associates, including but not limited to (i) catering services; and (ii) heat energy supply services.

Pricing basis: The service fees to be charged by the Group under the 2024 Property Ancillary Services Framework Agreement will be determined after arm's length negotiations and taking into account the following factors:

- (i) the scale of services provided to and the quality of the service requested by BUCG and its associates;
- (ii) other expected operational costs (including labor costs, materials costs and administrative costs) in relation to the provision of the property ancillary services by the Group;
- (iii) fees charged by the Group to the Independent Third Parties for similar services; and
- (iv) fees charged by other service providers for similar services for similar property types in the market.

In particular, the service fees charged by the Group for the provision of heat energy supply services shall be determined with reference to the unit price of energy fixed by the relevant local government, which is generally published on its official website.

Payment method: Payment for the services shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific business contracts to be entered into separately after arm's length negotiation between the Group and BUCG and its associates. The terms of the payment method set out in the specific business contracts shall be determined with reference to the payment method for similar services provided by the Group to the Independent Third Parties to ensure compliance with market practice.

2. Existing annual caps and historical transaction amounts under the 2021 Property Ancillary Services Framework Agreement

The existing annual caps for the transactions under the 2021 Property Ancillary Services Framework Agreement for the three years ending December 31, 2023 and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	Year ended/ending December 31,				Six months ended	
	2021		2022		2023	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount
Total service fees paid by BUCG and its associates	<u>27,600</u>	<u>20,517</u>	<u>42,667</u>	<u>31,354</u>	<u>58,748</u>	<u>7,130</u>

3. Annual caps and basis for determination under the 2024 Property Ancillary Services Framework Agreement

The Directors estimate that the maximum annual service fees payable by BUCG and its associates under the 2024 Property Ancillary Services Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	Year ending December 31,		
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total service fees payable by BUCG and its associates	<u>34,489</u>	<u>37,938</u>	<u>41,732</u>

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023;
- (ii) the existing contracts for heat energy supply services provided by the Group to BUCG and its associates as of June 30, 2023, and the expected increase in the demand of BUCG and its associates for heat energy supply services along with their business expansion in the forthcoming years, taking into account, among other things, the estimated increase in the unit price of energy in the forthcoming years; and
- (iii) the existing contracts for catering services provided by the Group to BUCG and its associates as of June 30, 2023, and the expected increase in the demand of BUCG and its associates for catering services on their construction sites in the forthcoming years as well as the expected increase in the relevant costs and market prices related to such services, which include the estimated increases in the labor costs and materials costs when the Group provides catering services.

G. 2024 Engineering and Laboring Services Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
(ii) BUCG (for itself and on behalf of its associates)
- Date: October 10, 2023
- Period: from January 1, 2024 to December 31, 2026
- Matter: BUCG and its associates have agreed to provide engineering and laboring services to the Group, which include, among other things, (i) engineering design, construction and laboring services (such as installation and replacement of large-scale equipment or heavy machinery); and (ii) the provision of equipment or machinery for the Group's use and operation (such as heat energy generation plants), etc.
- Pricing basis: The service fees payable by the Group under the 2024 Engineering and Laboring Services Framework Agreement will be determined after arm's length negotiation and taking into account the following factors:
- (i) nature and scope of services; and
 - (ii) fees charged or quoted in the ordinary course of trade by at least two Independent Third Parties in the region where services of the similar scale are provided.
- Payment method: Payment for the services shall be made in the manner of payment (including the payment condition, the payment term, the payment method, etc.) as set out in the specific business contracts to be entered into separately after arm's length negotiation between BUCG and its associates and the Group. The terms of the payment method set out in the specific business contracts shall be determined with reference to the payment method for similar services provided by BUCG and its associates to the Independent Third Parties to ensure compliance with market practice.

2. Existing annual caps and historical transaction amounts under the 2021 Engineering and Laboring Services Framework Agreement

The annual caps for the two years ended December 31, 2022 and the year ending December 31, 2023, and the historical transaction amounts for the two years ended December 31, 2022 and the six months ended June 30, 2023 are set out below:

	For the year ended/ending December 31,				For the six months ended	
	2021		2022		2023	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Annual cap	Historical amount	Annual cap	Historical amount	Annual cap ^{Note 1}	Historical amount	
Total service fees paid by the Group	48,278	45,236	53,106	52,957	56,416	13,712

Note 1: The Company proposes to revise the annual cap for the year ending December 31, 2023 for the transactions under the 2021 Engineering and Laboring Services Framework Agreement. For details, please refer to the section headed "II. PROPOSED REVISION OF THE ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS" in this announcement.

3. Annual caps and basis for determination under the 2024 Engineering and Laboring Services Framework Agreement

The Directors estimate that the maximum annual service fees payable by the Group under the 2024 Engineering and Laboring Services Framework Agreement for each of the three years ending December 31, 2026 will not exceed the annual caps set out below:

	For the year ending December 31,		
	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total service fees payable by the Group	55,000	57,750	60,638

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the historical transaction amounts paid by the Group and, in particular, the annual cap utilization rates for the two years ended December 31, 2022 reached 93.7% and 99.7%, respectively;
- (ii) the expected increase in the demand of the Group for engineering and laboring services in respect of heating equipment installation and replacement to be provided by BUCG and its associates which are required for the business of providing heat energy supply services;

- (iii) the expected increase in the demand for construction and laboring services in respect of engineering renovation and repairs and maintenance of property projects which are managed by the Group and the engineering design of which is provided by BUCG and its associates; and
- (iv) the expected increase in the operational costs (particularly labor costs) incurred by BUCG and its associates.

H. Carpark Space Leasing and Sales Services Framework Agreement

1. Main terms

- Parties: (i) the Company (for itself and on behalf of its subsidiaries);
and
(ii) BUCG (for itself and on behalf of its associates)
- Date: October 10, 2023
- Period: three years from the date when the Carpark Space Leasing and Sales Services Framework Agreement is considered and approved at the EGM
- Matter: The Group has agreed to provide assistance services for BUCG and its associates in its sale and/or leasing of carpark spaces by adopting the leasing and sales at the base price model and/or the acquisition of rights-of-use model. The Group will enter into specific contracts (the “**Specific Contracts**”) with BUCG and its associates to specify the agreed cooperation of both parties on specific projects and the number of carpark spaces involved (the “**Target Carpark Spaces**”).

Details of the business models of the services for the sale and/or leasing of carpark spaces under the Carpark Space Leasing and Sales Services Framework Agreement

The specific business models of the services for the sale and/or leasing of carpark spaces include the following two types:

Model I: leasing and sales at the base price model

BUCG and its associates have agreed to entrust the Group to assist them for the sale and/or leasing of the Target Carpark Spaces involved in the Specific Contracts (the “**Exclusive Leasing and Sales Rights**”). During the agreement period of the Specific Contracts, BUCG and its associates shall not entrust the Target Carpark Spaces to other third parties for leasing or sales. The Exclusive Leasing and Sales Rights are the sole and exclusive rights entitled to the Group, and any sale, transfer, grant, pledge or any other disposal of any of the Target Carpark Spaces by BUCG and its associates to a third party shall be subject to agreement with the Group.

(1) Pricing policy and settlement

The Group shall negotiate with BUCG and its associates to set the base price of the Target Carpark Spaces, which in principle shall not exceed 80% of the agreed sales/leasing price (the “**Agreed Price**”) negotiated between the two parties (the “**Cooperation Rights on Leasing and Sales at Base Price**”), and such transactions shall be conducted on normal commercial terms. The Agreed Price shall be determined with reference to the appraised value of the Target Carpark Spaces after the appraisal of the sales/leasing price of the Target Carpark Spaces by an independent appraiser engaged by the two parties.

In determining the service fees, the Group will also estimate the costs of such services, taking into account factors such as labour costs, marketing expenses and difficulties of the leasing and sales agency. In determining the base price for sales or leasing, the discount of the base price compared to the Agreed Price will be determined by taking into account factors such as occupancy rate, parking spaces ratio, stage of sales and quality of parking spaces of the project. Those projects which are (i) within the proximity of the specific project; and (ii) of similar type targeting at similar customer group will be selected as comparable projects when determining the Agreed Price. The similarity in the stages of selling cycle and the average sales/leasing prices of these comparable projects over the past 12 months would also be taken into account, and adjustment may be made considering the most recent market trends and economic development.

In respect of the carpark space sales service, BUCG and its associates shall transfer the Target Carpark Spaces to any third party purchaser designated by itself at the Agreed Price at the request of the Group, and the excess of the Agreed Price exceeding the base price of the carpark space sales shall be attributed to the Group as the service fee. In respect of the carpark space leasing services, BUCG and its associates shall lease the Target Carpark Spaces to any third party lessee designated by itself at the Agreed Price at the request of the Group, and the excess over the base price of the carpark space leasing shall be attributed to the Group as the service fee.

BUCG and its associates shall pay service fees to the Group for the aforesaid services for the leasing and sales of carpark spaces. The relevant carpark spaces purchaser/lessee shall only sign the carpark space purchase/leasing agreement with BUCG and its associates and make payment for the purchase/leasing to the designated account of BUCG and its associates, and the price of the purchase/leasing agreement shall include the base price and the service fees attributable to the Group; upon receipt of the agreed payment from the relevant carpark space purchaser/lessee by BUCG and its associates, the excess of the agreed payment over the base price will be settled to the Group as the service fee on a monthly or quarterly basis, and the service fee for the previous month or quarter (as the case may be) will be settled by the 15th day of the following month or quarter.

(2) Refundable deposits

The Group is required to pay to BUCG and its associates the deposits not exceeding the aggregate of the relevant value under the Specific Contracts (base price * number of the Target Carpark Spaces to be leased or sold) for acquiring the Exclusive Leasing and Sales Rights of the carpark spaces and the Cooperation Rights on Leasing and Sales at Base Price. The deposits are payable in one lump sum or by installments upon signing of the Specific Contracts.

In respect of the return of deposits, the parties agreed that:

- (i) During the agreement period of the Carpark Space Leasing and Sales Services Framework Agreement, the Group may replace the unleased/unsold carpark spaces with those of equivalent value, and BUCG and its associates, pursuant to the express written request of the Group, are required to return the existing deposits to the Group before June 30 and December 31 of each year. In addition, the Group will assess the business operation and clarify whether to make adjustments or not, and pay the corresponding deposits to BUCG and its associates based on the post-assessment results;
- (ii) If the Group leases and sells all the Target Carpark Spaces in advance or the Specific Contract for the Target Carpark Spaces expires and is not renewed, BUCG and its associates shall return the corresponding deposits to the Group within 60 days after the leasing and sales are completed or the Specific Contract for the Target Carpark Spaces expires;
- (iii) Within 60 days from the cancellation or termination of the Carpark Space Leasing and Sales Services Framework Agreement for any reason, BUCG and its associates shall recover the Exclusive Leasing and Sales Rights and the Cooperation Rights on Leasing and Sales at Base Price of all unleased/unsold carpark spaces, and shall return the corresponding deposits; and
- (iv) The return of the deposits mentioned in (i), (ii) and (iii) above shall be made no later than June 30 and December 31 of the current year; or if June 30 and December 31 of the current year are rest days for banking services, the deposits shall be returned earlier to the nearest banking service day.

Model II: acquisition of rights-of-use model

BUCG and its associates agreed to transfer the rights-of-use in the Target Carpark Spaces to the Group. After transfer of the rights-of-use in the Target Carpark Spaces, the scope of the rights-of-use entitled to the Group includes, but is not limited to, self-use of the Target Carpark Spaces, leasing to the public, and assisting BUCG and its associates in the sale of the carpark spaces. In respect of assisting BUCG and its associates for the sales of the carpark spaces, BUCG and its associates have legally authorised the Group to sell the Target Carpark Spaces to the purchaser and enter into the contract for sale and purchase of the carpark spaces with the purchaser in the name of BUCG and its associates, and to handle the procedures to transfer property rights of the Target Carpark Spaces. The proceeds from the sale of the carpark spaces will be remitted by the purchaser directly to the designated account of BUCG and its associates or the Group.

(1) Pricing policy and settlement

The parties shall engage an independent appraiser to conduct an appraisal of the value of the rights-of-use in the Target Carpark Spaces, negotiate to determine the price for the transfer of the rights-of-use in the Target Carpark Spaces, and enter into the relevant transaction on normal commercial terms.

In addition, the Group shall prepare an internal sale plan and projection for Target Carpark Spaces under Specific Contracts with an estimated payback period of no more than five years, such feasibility study will include, among other things, (a) analysis of the demand for the underlying carpark spaces; (b) the payback period and expected return of the investment; and (c) the price of other carpark spaces of at least two development projects (if any) surrounding the underlying carpark spaces, taking into account factors such as the total number, nature, targeted purchasers, environment, local facilities, etc. of the carpark spaces. In any event, the transfer price of the rights-of-use (i.e. the consideration) shall be no less favourable to the Group than that available from the Independent Third Party sellers for similar transactions. The transfer price of the rights-of-use will be funded by internal resources of the Group.

Depending on the agreement of the Specific Contracts, the transfer price of the rights-of-use in the carpark spaces may be paid in one lump sum or by installments.

The parties may agree to reconcile and calculate the sales of specific Target Carpark Spaces on a monthly or quarterly basis (depending on the Specific Contract) and settle the service fee. The proceeds from the sale of the carpark spaces remitted by the purchaser to the designated account of BUCG and its associates can be used to offset the transfer price of the rights-of-use in the carpark spaces. After accounting, if the cumulative sales proceeds generated from the sales of the Target Carpark Spaces exceeds the transfer price of the rights-of-use in the Target Carpark Spaces in the Specific Contract, the excess will be attributed to the Group as the service fee.

(2) Transfer period of the rights-of-use

The transfer period of the rights-of-use shall be from the date signing of the Specific Contract to the date of expiry of the term of the land use right in relation to the Target Carpark Spaces, or such other date as may be agreed between the parties (such other date shall not be later than the date of expiry of the term of the relevant land use right). If the Group has assisted BUCG and its associates to sell the carpark space to a purchaser, the Group's rights-of-use in the carpark space shall terminate. Upon expiry of the term for transfer of the rights-of-use in the carpark space, the Group shall transfer the leasing and other operation and management rights of the unsold Target Carpark Spaces to BUCG and its associates and vacate the same (except in the case that the two parties have reached a new agreement on the rights-of-use in the target parking space). During the transfer period, in the event that there is any change in the government's laws, regulations and management policies on carpark spaces, and such change will cause impairment or loss of the rights-of-use in the carpark spaces purchased by the Group, BUCG and its associates shall compensate the Group for the aforesaid losses suffered by the Group.

2. Annual caps and basis for determination under the Carpark Space Leasing and Sales Services Framework Agreement

There is no historical transaction amount for the transactions under the Carpark Space Leasing and Sales Services Framework Agreement for the two years ended December 31, 2022 and the six months ended June 30, 2023.

The Directors estimate that the annual caps under the Carpark Space Leasing and Sales Services Framework Agreement for the period from the effective date to December 31, 2023, for the two years ending December 31, 2025 and for the period from January 1, 2026 to the termination date are as follows:

	From the effective date of the Carpark Space Leasing and Sales Services Framework Agreement to December 31, 2023 <i>RMB'000</i>	For the year ending December 31, 2024 <i>RMB'000</i>	For the year ending December 31, 2025 <i>RMB'000</i>	From January 1, 2026 to the termination date of the Carpark Space Leasing and Sales Services Framework Agreement <i>RMB'000</i>
Model I: leasing and sales at the base price				
– Deposits (the maximum balance of the deposits to be paid by the Group to BUCG and its associates at any point in time during the relevant period)	26,360	59,765	67,325	67,920
– Service fee	–	18,640	34,640	25,600
Model II: acquisition of rights-of-use				
– Transfer price of the rights-of-use the carpark spaces	126,169	20,000	20,000	20,000
– Service fee	23,456	31,366	12,298	9,932
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the number and overall situation (including the historical sales of carpark spaces of the relevant projects and the comparable average price ranges in the immediate vicinity) of the carpark space sales/leasing projects (the “**Potential Projects**”) which are under discussion with BUCG and its associates and currently known to the Group. In particular, the Group expects to adopt the model of leasing and sales at the base price in respect of the carpark space sales projects of three communities (with a total of 299 carpark spaces) developed by BUCG and its associates, and the model of acquisition of rights-of-use in respect of the carpark space sales projects of two communities (with a total of 1,138 carpark spaces) developed by BUCG and its associates, by the end of 2023;
- (ii) the Group's resources available for allocation to the business, its ability to meet service demands and its steady and sustained business development strategies;
- (iii) the base price standard determined by the Group and BUCG and its associates (i.e. in principle, the base price shall not exceed 80% of the Agreed Price negotiated by both parties) and the standard for determining the deposits and the terms of payment and refund in the model of leasing and sales at the base price under the Carpark Space Leasing and Sales Services Framework Agreement;
- (iv) the general commercial standard of the transfer price of the rights-of-use in the carpark space determined by the Group and BUCG and its associates in the model of acquisition of rights-of-use under the Carpark Space Leasing and Sales Services Framework Agreement; and
- (v) the internal sales plans and projection prepared by the Group in respect of Potential Projects.

IV. REASONS FOR AND BENEFITS OF THE ABOVE TRANSACTIONS

In view of the Group's long term relationship with BUCG, Senqi Greening and Tiannuo Property, the Company considers that it is in the interest of the Company to enter into the agreements for and continue with the daily continuing connected transactions, specifically:

- (i) Under the 2024 Property Management Services Framework Agreement and the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement, the Group will be able to generate revenue from its principal business and the sound development of the various business segments of BUCG and its associates will lead to new business opportunities for the property management services, commercial operation services and value-added services to be provided by the Group, which is an important component of the Group's revenue;

- (ii) Under the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement and the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement, the Group is able to provide timely, stable and professional commercial operation services and value-added services to Senqi Greening and Tiannuo Property and obtain such services from these connected subsidiaries;
- (iii) Under the 2024 BUCG Property Leasing Framework Agreement, the Group may reduce the cost of searching for suitable properties and avoid incurring relocation costs, thereby ensuring a stable working environment for the Group. In addition, the Group will provide rental properties to BUCG and its associates to generate rental income and further expand its business scale;
- (iv) Under the 2024 Property Ancillary Services Framework Agreement, the Group may further derive additional revenue through the provision of supporting services such as catering and heating to BUCG and its associates;
- (v) Under the 2024 Engineering and Laboring Services Framework Agreement, the Group may obtain timely, stable and professional engineering and laboring services from BUCG and its associates, which will contribute to its business development; and
- (vi) Under the Carpark Space Leasing and Sales Services Framework Agreement, the Group is able to explore the carpark space leasing and sales services under various modes, which will further expand its business scale.

In view of the above and based on the historical transaction amounts and the current trend, the Company estimates that the full-year transaction amount of certain continuing connected transactions for the financial year ending December 31, 2023 may exceed the annual caps of the existing agreements, and that the Group may be able to satisfy the business needs by revising the annual caps, thereby facilitating the development of the Group and increasing the revenue of the Group. For details, please refer to the section headed “II. PROPOSED REVISION OF THE ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS” in this announcement.

V. OPINION OF THE BOARD

In view of the above reasons and benefits, the Directors (including the independent non-executive Directors) are of the view that the terms of the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement have been arrived at after arm's length negotiations and the aforesaid agreement is entered into in the ordinary and usual course of business of the Group on normal commercial terms or better and that the terms and the proposed caps are also fair and reasonable and in the interests of the Company and its Shareholders as a whole; the Directors (other than the independent non-executive Directors who will give their views after taking into account the advice from the Independent Financial Adviser) are of the view that the terms of (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the Non-exempt Continuing Connected Transactions Agreements have been arrived at after arm's length negotiations and the aforesaid agreements are entered into in the ordinary and usual course of business of the Group on normal commercial terms or better and that the terms and the proposed caps are also fair and reasonable and in the interests of the Company and its Shareholders as a whole.

None of the Directors has any material interests in the above agreements and the continuing connected transactions thereunder. However, Ms. Jiang Xin and Mr. Mao Lei, both Directors of the Company, each holds office in BUCG or its associates and they have abstained from voting on the Board resolutions in relation to the above continuing connected transactions.

VI. IMPLICATIONS OF THE LISTING RULES

Continuing connected transactions implications

BUCG is the ultimate controlling Shareholder of the Company as at the date of this announcement, so BUCG and its associates are connected persons of the Company under Rule 14A.07 of the Listing Rules. Senqi Greening and Tiannuo Property are non-wholly-owned subsidiaries of the Company and, as each of them is indirectly owned as to more than 10% by BUCG, Senqi Greening and Tiannuo Property are connected subsidiaries of the Company under Rule 14A.16 of the Listing Rules. Accordingly, the relevant framework agreements entered into between the Company and BUCG, Senqi Greening and Tiannuo Property and the transactions thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the proposed revision of annual caps for the year ending December 31, 2023 for each of (i) the transactions contemplated under the 2021 Property Management Services Framework Agreement; (ii) the transactions in relation to the Group leasing properties from BUCG and its associates as contemplated under the 2021 BUCG Property Leasing Framework Agreement; and (iii) the transactions contemplated under 2021 Engineering and Laboring Services Framework Agreement exceeds 5%, the proposed revision of annual caps for such continuing connected transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps for each of (i) the transactions contemplated under the 2024 Property Management Services Framework Agreement; (ii) the transactions contemplated under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement in relation to the provision of commercial operational services and value-added services by the Group (other than Tiannuo Property) to Tiannuo Property (upon aggregation with the transactions contemplated under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement pursuant to Rule 14A.81 of the Listing Rules); (iii) the transactions contemplated under the 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement (upon aggregation with the transactions in respect of the provision of the commercial operational services and value-added services to Tiannuo Property by the Group (other than Tiannuo Property) contemplated under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement pursuant to Rule 14A.81 of the Listing Rules); (iv) the transactions contemplated under the 2024 BUCG Property Leasing Framework Agreement; (v) the transactions contemplated under the 2024 Property Ancillary Services Framework Agreement; (vi) the transactions contemplated under the 2024 Engineering and Laboring Services Framework Agreement; and (vii) the transactions contemplated under the Carpark Space Leasing and Sales Services Framework Agreement exceeds 5%, such continuing connected transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps for (i) the transactions in respect of the provision of the commercial operational services and value-added services to the Group (other than Tiannuo Property) by Tiannuo Property contemplated under the 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement; and (ii) the transactions contemplated under the 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement (upon aggregation pursuant to Rule 14A.81 of the Listing Rules), is more than 0.1% but less than 5%, such continuing connected transactions will be subject to the reporting, annual review and announcement requirements but exempted from independent shareholders' approval requirement, under Chapter 14A of the Listing Rules.

Notifiable transactions implications

Discloseable transactions

As the highest applicable percentage ratio in respect of each of (i) the proposed revision of the annual cap for the year ending December 31, 2023 for the transactions in relation to the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement; and (ii) the annual cap for the transactions contemplated under the Carpark Space Leasing and Sales Services Framework Agreement in relation to refundable deposits is more than 5% but less than 25%, the relevant transactions constitute discloseable transactions under Chapter 14 of the Listing Rules which are subject to the reporting and announcement requirements.

Major transactions

As the highest applicable percentage ratio in respect of each of the annual caps for (i) the transactions contemplated under the 2024 BUCG Property Leasing Framework Agreement in relation to the Group leasing properties from BUCG and its associates; and (ii) the transactions contemplated under the Carpark Space Leasing and Sales Services Framework Agreement in relation to the acquisition of right-of-use assets is more than 25% but less than 100%, the relevant transactions constitute major transactions under Chapter 14 of the Listing Rules which are subject to the reporting, announcement and shareholders' approval requirements.

VII. INTERNAL CONTROL MEASURES

The Company has implemented a set of effective internal control measures to monitor the continuing connected transactions. Before entering into specific agreements, the Company's authorised departments will review and evaluate the terms and conditions of transactions to ensure consistency with relevant framework agreements for continuing connected transactions, taking into account the current market conditions and quotes provided by the Independent Third Parties for similar services with comparable scale under normal transaction conditions at that time. The financial department of the Company tracks, monitors, and verifies the progress of continuing connected transactions on a monthly basis. In addition, the audit committee of the Board conducts continuously strict reviews of continuing connected transactions to ensure the integrity and effectiveness of the internal control measures in respect of continuing connected transactions. The Board considers the internal control procedures for continuing connected transactions and corporate governance measures adopted by the Company to be appropriate, and believes that these procedures and measures provide Shareholders with sufficient assurance that such continuing connected transactions will be properly supervised by the Company.

VIII. INFORMATION ON CONTRACTING PARTIES

A. Information on the Group

The Company is a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange (stock code: 2210). The Group is primarily engaged in the provision of property management and related services in the PRC with three main business segments, namely property management services, non-owner value-added services and community value-added services.

B. Information on BUCG

As at the date of this announcement, BUCG is the ultimate controlling Shareholder of the Company. BUCG directly and indirectly owns 74.15% of the issued shares of the Company, of which, BUCG directly owns 26.44% of the shares of the Company and indirectly owns 33.47% and 14.24% of the shares of the Company through BUCID and BUCC (both being subsidiaries of BUCG) respectively. BUCG is a wholly state-owned enterprise subordinate to the Beijing Municipal People's Government and is principally engaged in the authorization of state-owned asset management, undertaking general contracting of various types of industrial, energy, transportation, civil and municipal engineering construction projects, contracting of overseas engineering projects and real estate development, as well as other businesses.

C. Information on Senqi Greening

Senqi Greening is a non-wholly-owned subsidiary of the Company and it is owned as to 80% by Beiyu Property (a wholly-owned subsidiary of the Company), 4% by Tiannuo Property (a non-wholly-owned subsidiary of the Company), and 16% by Beijing Hengqi Investment Management Co., Ltd.* (北京衡其投資管理有限責任公司) (a wholly-owned subsidiary of BUCG). As BUCG (one of the controlling Shareholders of the Company) has more than 10% equity interest in Senqi Greening indirectly, Senqi Greening is therefore a connected subsidiary of the Company under Rule 14A.16 of the Listing Rules. Senqi Greening is primarily engaged in greening maintenance and green plant rental.

D. Information on Tiannuo Property

Tiannuo Property is a non-wholly-owned subsidiary of the Company and it is owned as to 50% by Beiyu Property (a wholly-owned subsidiary of the Company), and 50% by Beijing Uni.-Construction Real Estate Development Co., Ltd.* (北京住總房地產開發有限責任公司) (a non-wholly-owned subsidiary of BUCG). As BUCG (one of the controlling Shareholders of the Company) has more than 10% equity interest in Tiannuo Property indirectly, Tiannuo Property is therefore a connected subsidiary of the Company under Rule 14A.16 of the Listing Rules. Tiannuo Property is primarily engaged in commissioned property services.

IX. GENERAL

The Company will convene EGM for the Independent Shareholders to consider and, if thought fit, approve (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements. BUCG and its associates will abstain from voting on the relevant proposals in respect of the above matters at the EGM.

The Independent Board Committee comprising of all independent non-executive Directors will be established to consider (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements and provide advice to the Independent Shareholders. Rainbow Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the above matters.

Due to the need for additional time to prepare and implement certain information to be included in the circular, a circular containing, among other things: (i) further details on the Proposed Revision of the 2023 Annual Caps; (ii) further details on the entering into of the Non-exempt Continuing Connected Transactions Agreements; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) a letter from the Independent Board Committee to the Independent Shareholders; (v) other information required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to Shareholders on or before November 30, 2023.

X. DEFINITION

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

“2021 Agreements for Continuing Connected Transactions”	(1) 2021 Property Management Services Framework Agreement; (2) 2021 BUCG Commercial Operational Services and Value-Added Services Framework Agreement; (3) 2021 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement; (4) 2021 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement; (5) 2021 BUCG Property Leasing Framework Agreement; (6) 2021 Property Ancillary Services Framework Agreement; and (7) 2021 Engineering and Laboring Services Framework Agreement, for details, please refer to the section headed “Connected Transactions” in the Prospectus
“2021 BUCG Commercial Operational Services and Value-Added Services Framework Agreement”	the commercial operational services and value-added services framework agreement entered into by and between the Company and BUCG on October 11, 2021, with a term from the Listing Date to December 31, 2023
“2021 BUCG Property Leasing Framework Agreement”	the property leasing framework agreement entered into by and between the Company and BUCG on October 11, 2021, with a term from the Listing Date to December 31, 2023
“2021 Engineering and Laboring Services Framework Agreement”	the engineering and laboring services framework agreement entered into by and between the Company and BUCG on October 11, 2021, with a term from the Listing Date to December 31, 2023
“2021 Property Ancillary Services Framework Agreement”	the property ancillary services framework agreement entered into by and between the Company and BUCG on October 11, 2021, with a term from the Listing Date to December 31, 2023
“2021 Property Management Services Framework Agreement”	the property management services framework agreement entered into by and between the Company and BUCG on October 11, 2021, with a term from the Listing Date to December 31, 2023
“2021 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement”	the commercial operational services and value-added services framework agreement entered into by and between the Company and Senqi Greening on October 11, 2021, with a term from the Listing Date to December 31, 2023

<p>“2021 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement”</p>	<p>the commercial operational services and value-added services framework agreement entered into by and between the Company and Tiannuo Property on October 11, 2021, with a term from the Listing Date to December 31, 2023</p>
<p>“2024 Agreements for Continuing Connected Transactions”</p>	<p>(1) 2024 Property Management Services Framework Agreement; (2) 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement; (3) 2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement; (4) 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement; (5) 2024 BUCG Property Leasing Framework Agreement; (6) 2024 Property Ancillary Services Framework Agreement; and (7) 2024 Engineering and Laboring Services Framework Agreement</p>
<p>“2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement”</p>	<p>the commercial operational services and value-added services framework agreement entered into by and between the Company and BUCG on October 10, 2023, with a term from January 1, 2024 to December 31, 2026</p>
<p>“2024 BUCG Property Leasing Framework Agreement”</p>	<p>the property leasing framework agreement entered into by and between the Company and BUCG on October 10, 2023, with a term from January 1, 2024 to December 31, 2026</p>
<p>“2024 Engineering and Laboring Services Framework Agreement”</p>	<p>the engineering and laboring services framework agreement entered into by and between the Company and BUCG on October 10, 2023, with a term from January 1, 2024 to December 31, 2026</p>
<p>“2024 Property Ancillary Services Framework Agreement”</p>	<p>the property ancillary services framework agreement entered into by and between the Company and BUCG on October 10, 2023, with a term from January 1, 2024 to December 31, 2026</p>
<p>“2024 Property Management Services Framework Agreement”</p>	<p>the property management services framework agreement entered into by and between the Company and BUCG on October 10, 2023, with a term from January 1, 2024 to December 31, 2026</p>
<p>“2024 Senqi Greening Commercial Operational Services and Value-Added Services Framework Agreement”</p>	<p>the commercial operational services and value-added services framework agreement entered into by and between the Company and Senqi Greening on October 10, 2023, with a term from January 1, 2024 to December 31, 2026</p>

“2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement”	the commercial operational services and value-added services framework agreement entered into by and between the Company and Tiannuo Property on October 10, 2023, with a term from January 1, 2024 to December 31, 2026
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Beiyu Property”	Beijing Uni.-Construction Beiyu Property Service Co., Ltd.(北京住總北宇物業服務有限責任公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company
“Board” or “Board of Directors”	the board of directors of the Company
“BUCC”	Beijing Uni.-Construction Group Co., Ltd.(北京住總集團有限責任公司), a limited liability company incorporated in the PRC and a controlling Shareholder of the Company
“BUCG”	Beijing Urban Construction Group Co., Ltd.(北京城建集團有限責任公司), a limited liability company incorporated in the PRC and a controlling Shareholder of the Company; directly and indirectly holds approximately 74.15% of the total issued share capital of the Company as at the date of this announcement
“BUCID”	Beijing Urban Construction Investment & Development Co., Ltd.(北京城建投資發展股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600266) and a controlling Shareholder of the Company
“Carpark Space Leasing and Sales Services Framework Agreement”	the carpark space leasing and sales services framework agreement entered into by and between the Company and BUCG on October 10, 2023, with a term of three years from the date when it is approved at the EGM
“China” or “PRC”	the People’s Republic of China, but for the purposes of this announcement, excluding the Hong Kong, Macao Special Administrative Region of the PRC, and Taiwan
“Company”	Beijing Capital Jiaye Property Services Co., Limited, a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Continuing Connected Transactions”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed and fully paid up in RMB
“EGM”	an extraordinary general meeting of the Company to be convened and held for considering and discretionarily approving, among other things, the proposals relating to (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the Independent Board Committee established to advise the Independent Shareholders in respect of (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements, which comprises all the independent non-executive Directors (being Mr. Cheng Peng, Mr. Kong Weiping and Mr. Kong Chi Mo)
“Independent Financial Adviser” or “Rainbow Capital”	Rainbow Capital (HK) Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements
“Independent Shareholders”	Shareholders who are not prohibited from voting at the EGM for approving (i) the Proposed Revision of the 2023 Annual Caps; and (ii) the entering into of the Non-exempt Continuing Connected Transactions Agreements (being Shareholders other than BUCG and its associates)

“Independent Third Party(ies)”	any entity or person who, to the best of the Directors' knowledge, information and belief after making all reasonable enquiries, is not a connected person of the Company
“Listing Date”	the date on which H Shares of the Company are listed on the Main Board of the Hong Kong Stock Exchange (being November 10, 2021)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Non-exempt Continuing Connected Transactions Agreements”	(1) 2024 Property Management Services Framework Agreement; (2) 2024 BUCG Commercial Operational Services and Value-Added Services Framework Agreement; (3) 2024 Tiannuo Property Commercial Operational Services and Value-Added Services Framework Agreement; (4) 2024 BUCG Property Leasing Framework Agreement; (5) 2024 Property Ancillary Services Framework Agreement; (6) 2024 Engineering and Laboring Services Framework Agreement; and (7) Carpark Space Leasing and Sales Services Framework Agreement, and the continuing connected transactions under these agreements shall be subject to reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules
“Proposed Revision of the 2023 Annual Caps”	the proposed revision of the annual caps for the year ending December 31, 2023 in respect of (i) the transactions under the 2021 Property Management Services Framework Agreement; (ii) the transactions in respect of the Group leasing properties from BUCG and its associates under the 2021 BUCG Property Leasing Framework Agreement; and (iii) the transactions under the 2021 Engineering and Laboring Services Framework Agreement, which shall be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules
“Prospectus”	the prospectus published by the Company dated October 29, 2021 in connection with the initial public offering and listing
“RMB”	Renminbi, the lawful currency of the PRC
“Senqi Greening”	Beijing Senqi Greening Engineering Co., Ltd.(北京森齊綠化工程有限責任公司), a limited liability company incorporated in the PRC and a subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	domestic share(s) and H share(s)
“Shareholder(s)”	holder(s) of the Share(s)

“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Tiannuo Property”	Beijing Tiannuo Property Management Co., Ltd.(北京天諾物業管理有限責任公司), a limited liability company incorporated in the PRC and a subsidiary of the Company
“%”	per cent

By order of the Board of Directors
Beijing Capital Jiaye Property Services Co., Limited
Zhang Weize
Chairman

Beijing, the PRC
October 10, 2023

As at the date of this announcement, the Board consists of Mr. Zhang Weize, Mr. Yang Jun, Mr. Luo Zhou and Mr. Yao Xin as executive Directors, Ms. Jiang Xin and Mr. Mao Lei as non-executive Directors, and Mr. Cheng Peng, Mr. Kong Weiping and Mr. Kong Chi Mo as independent non-executive Directors.