

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

ANNOUNCEMENT

**ESTABLISHMENT OF A LOGISTICS SERVICES PLATFORM ENTERPRISE
BY BEIJING URBAN CONSTRUCTION GROUP CO., LTD. TO RECEIVE
THE GRATUITOUS TRANSFER OF EQUITY INTERESTS IN PROPERTY
LOGISTICS ENTERPRISES AFFILIATED TO BEIJING MUNICIPAL
GOVERNMENT AGENCIES AND PUBLIC INSTITUTIONS**

This announcement is made by Beijing Capital Jiaye Property Services Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

In order to implement the work deployment on deepening the centralized and unified supervision and administration of operating state-owned assets made by the Beijing Municipal Party Committee and the Beijing Municipal Government, in accordance with the Overall Plan for Promoting the Transfer of Entrusted Supervision over Enterprises Affiliated to Municipal Government Agencies and Public Institutions into Direct Supervision by the Municipal State-owned Assets Supervision and Administration Commission (《推動市級機關事業單位所屬委託監管企業轉市國資委直接監管總體方案》) made by the Beijing Municipal Government and the requirements of minutes of relevant meetings, certain equity interests in property logistics enterprises (the “**Target Companies**”) which are wholly owned by Beijing municipal government agencies and public institutions will be transferred to Beijing Urban Construction Group Co., Ltd. (“**BUCG**”) for free (the “**Gratuitous Transfer**”), while BUCG has established a new directly wholly-owned subsidiary, Beijing Universities Logistics Services Co., Ltd. (the “**Logistics Services Platform Enterprise**”), as the executive entity for acceptance and integration of Target Companies, to receive such equity interests of those Target Companies. As of the date of this announcement, there are a total of 14 Target Companies with 75% of the equity interests each having been expressly included in the Gratuitous Transfer. Please refer to Appendix to this announcement for details of the above 14 Target Companies. Upon the completion of the Gratuitous Transfer, BUCG will hold 75% of the equity interests in each of these 14 Target Companies through the Logistics Services Platform Enterprise, while the remaining 25% equity interests in each of these Target Companies are still in the hands of their original organizers. With the advancement of relevant work and according to the requirements of the higher-level government authorities and relevant regulatory agencies, in addition to the above 14 Target Companies, it is possible that certain equity interests of other Target Companies will also be included in the Gratuitous Transfer later. An announcement will be published by the Company in a timely manner in compliance with relevant laws, regulations and rules. As of the date of this announcement, the Gratuitous Transfer has not been completed yet.

Upon completion of the Gratuitous Transfer, BUCG will indirectly hold certain equity interests in each of the Target Companies through the Logistics Services Platform Enterprise. As the principal business of the Logistics Services Platform Enterprise will include logistics management services for companies, which is similar to that of the Group to some extent, there exists a certain degree of competition in the principal business between the Logistics Services Platform Enterprise and the Group. Considering that the scale of the Logistics Services Platform Enterprise is relatively smaller compared to that of the Group and it narrowly focuses on logistics management services for Beijing municipal government agencies and public institutions, while the Group has three main service lines: (1) property management services; (2) value-added services to non-property owners; and (3) community value-added services, the competition between the Logistics Services Platform Enterprise and the Group in principal business is limited. In addition, considering the undertaking letter issued by BUCG in relation to solving and avoiding the competition (the “**Undertaking Letter**”) as described below, the Gratuitous Transfer is not expected to have a significant impact on the Group’s business.

In order to protect the legitimate rights and interests of the investors of the Company, particularly the minority shareholders, BUCG issued the Undertaking Letter to the Company on June 21, 2024, committing to solving and avoiding the competition through the following methods:

1. Subject to the requirements of relevant laws, regulations and normative documents, and in accordance with the principle of safeguarding the interests of the investors, BUCG will commence planning the integration of the competing businesses of the Logistics Services Platform Enterprise and the Company within 2024, to solve the horizontal competition between the Logistics Services Platform Enterprise and the Company through a combination of asset restructuring, equity swap, business adjustments and other means, and is committed to solving the above horizontal competition issue within next three years, i.e., before the end of 2027.

2. BUCG will entrust the Company to manage the overall operation of the Logistics Services Platform Enterprise before solving the horizontal competition as mentioned above. During the entrustment period, the Company shall be the actual manager of the Logistics Services Platform Enterprise, directing its operation and management. Both parties will sign an entrustment management agreement, and the entrustment management fee will be paid to the Company by BUCG based on the principles of fairness and reasonableness.

According to the non-competition agreement entered into between BUCG and the Company on October 11, 2021 (the “**Non-Competition Agreement**”), BUCG has undertaken to the Company (for the benefits of the Company itself and other members of the Group) that BUCG will not, and will within its power procure its associates (excluding the Group) not to, directly or indirectly, engage in, participate in or assist in engaging or participating in any business that directly or indirectly competes or may compete with the property management services, the value-added services to non-property owners and the community value-added services as an extension of our property management services, as well as any business that competes or may compete with other businesses related to the aforesaid businesses conducted by the Company or any other members of the Group from time to time. If BUCG or any of its associates (excluding the Group) becomes aware of any business opportunity to own, invest in, participate in, develop, operate or engage in any of the abovementioned restricted business (the “**New Business Opportunity**”), it shall and shall procure its associates (excluding the Group) to first refer the New Business Opportunity to the Company in writing in a timely manner after learning of the New Business Opportunity, without violating the relevant laws and regulations as well as agreements with third parties. BUCG or any of its associates (excluding the Group) may only take up the New Business Opportunity after the Company has issued a written confirmation signed by its independent non-executive

directors confirming that the Company has decided not to take up the New Business Opportunity or the Company fails to reply within 30 days. The Non-Competition Agreement shall be governed by and construed in accordance with the PRC laws. The Company and the board of directors (including the independent non-executive directors), after consulting the PRC legal advisers of the Company, and assessing and studying the background, purpose and relevant legal provisions of the Gratuitous Transfer, are of the view that the Gratuitous Transfer does not constitute a New Business Opportunity under the Non-Competition Agreement. Pursuant to the Interim Measures for the Administration of the Gratuitous Transfer of State-owned Property Rights of Enterprises (Guo Zi Fa Chan Quan [2005] No.239) (《企業國有產權無償劃轉管理暫行辦法》(國資發產權[2005]239號)) as promulgated by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, the gratuitous transfer of state-owned property rights refers to the gratuitous transfer of state-owned property rights of enterprises among government agencies, public institutions, solely state-owned enterprises and solely state-owned companies. As the gratuitous transfer of state-owned property rights involves administrative attributes, it requires the approval from the state-owned assets regulatory authorities, and shall be subject to the relevant national laws and regulations, and industrial policies, and meet the needs of the layout and structural adjustment of state-owned sector, which is significantly different from commercial transactions of market-oriented enterprise equity transfers actively initiated by parties to the transaction. The Gratuitous Transfer was conducted in accordance with the instructions of the State-owned Assets Supervision and Administration Commission of Beijing. The Company, being a listed company, is not qualified to be a transferee of the Gratuitous Transfer, and BUCG is also unable to refer the opportunity of the Gratuitous Transfer to the Company. The Company's PRC legal advisers further confirmed that, as the horizontal competition issue arising from the Gratuitous Transfer and the Undertaking Letter issued by BUCG were new and not covered by the Non-Competition Agreement, and were proactively made by BUCG for the purpose of safeguarding the legitimate rights and interests of the investors of the Company, especially the minority shareholders, it does not constitute a breach of the Non-Competition Agreement, nor did it constitute a change to the original commitments under the Non-Competition Agreement.

The Company will keep monitoring and urging BUCG to solve the horizontal competition issue pertaining to the Gratuitous Transfer as soon as possible. Moreover, the Company will perform its obligation of information disclosure (including performance of the compliance procedures under Chapters 14 and 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, if required) based on the development of the relevant event in a timely manner in accordance with relevant laws, regulations and rules.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

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

Beijing, the PRC
June 21, 2024

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

Appendix – List of 14 Municipal-level Property Logistics Enterprises

No.	Competent Authority	Organizer	Name of Enterprise
1	Beijing Academy of Agriculture and Forestry Sciences	Beijing Academy of Agriculture and Forestry Sciences	Beijing Nongyuan Property Management Co., Ltd. (北京農苑物業管理有限責任公司)
2	Beijing Municipal Education Commission	North China University of Technology	Beijing NCUT Property Services Center Co., Ltd. (北京北方工大物業服務中心有限責任公司)
3		Beijing University of Agriculture	Beijing BUA Shuanglong Property Management Co., Ltd. (北京北農雙隆物業管理有限公司)
4		Beijing University of Civil Engineering and Architecture	Beijing BUCEA Property Management Co., Ltd. (北京建大物業管理有限公司)
5		Capital University of Economics and Business	Beijing CUEB Chongcheng Property Management Co., Ltd. (北京經貿崇誠物業管理有限公司)
6		Beijing Wuzi University	Beijing BWU Tong Technology and Development Co., Ltd. (北京北物通科技發展有限公司)
7		Beijing Union University	Beijing Yuhuiyuan Lifestyle Services Co., Ltd. (北京育慧苑生活服務有限公司)
8		Capital Normal University	Beijing An'an Property Management Co., Ltd. (北京安安物業管理有限責任公司)
9			Beijing CNU Chinese Education and Technology and Development Center Co., Ltd. (北京首師國文教育科技發展中心有限責任公司)
10		Beijing College of Finance and Commerce	Beijing Dinghao Property Management Co., Ltd. (北京鼎好物業管理有限公司)
11		Beijing Technology and Business University	Beijing BTBU Property Management Co., Ltd. (北京北工商物業管理有限責任公司)
12		Beijing International Studies University	Beijing BISU Exhibition Service Co., Ltd. (北京二外會展服務有限公司)
13		Beijing Information Science & Technology University	Beijing BISTU Property Management Co., Ltd. (北京北信科大物業管理有限公司)
14		Beijing University of Technology	Beijing BJUT Rongshi Property Management Co., Ltd. (北京工大融實物業管理有限公司)