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首程控股有限公司
SHOUCHENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

CONTINUING CONNECTED TRANSACTIONS PURSUANT TO RULE 14A.60(1) OF THE LISTING RULES

This announcement is made by the Company pursuant to Rule 14A.60(1) of the Listing Rules.

Since 2019, the Group has cooperated with and has formed the Partnerships with Shenzhen Wanwu, which is a subsidiary of Vanke and engages in property management and investment services, to facilitate the investment and management of the Group's car parking assets in the PRC. Such Partnerships were insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing Rules in the past and therefore Shenzhen Wanwu was not considered a connected person of the Company under the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Shenzhen Wanwu is a substantial shareholder of each of the Partnerships. As the relevant percentage ratios (as defined under Rule 14A.09 of the Listing Rules) in respect of each of the Partnerships (both on a standalone basis or on an aggregate basis) were less than 5% for the financial year prior to 2020, the Partnerships were insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing Rules and therefore Shenzhen Wanwu was not a connected person of the Company under the Listing Rules.

Based on the annual results announcement of the Company for the year ended 31 December 2020, which was published by the Company on 26 March 2021, the relevant percentage ratios (as defined under Rule 14A.09(1) of the Listing Rules) in respect of the Partnerships in aggregate exceeded 5% for the year ended 31 December 2020, and thus the Partnerships have ceased to be insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing Rules and Shenzhen Wanwu has become a connected person of the Company at the subsidiary level under the Listing Rules.

Given that Shenzhen Gongying, Guangzhou Vanke and Foshan Vanke are fellow subsidiaries of and therefore associates of Shenzhen Wanwu, the continuing transactions contemplated under the Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.60(1) of the Listing

Rules, the Company is required to comply with the annual review and disclosure requirements under Chapter 14A of the Listing Rules, including publication of an announcement and annual reporting in respect of the Continuing Connected Transactions under the Agreements.

INTRODUCTION

This announcement is made by the Company pursuant to Rule 14A.60(1) of the Listing Rules.

Since 2019, the Group has cooperated with and has formed the Partnerships with Shenzhen Wanwu, which is a subsidiary of Vanke and engages in property management and investment services, to facilitate the investment and management of the Group's car parking assets in the PRC. Such Partnerships were insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing Rules in the past and therefore Shenzhen Wanwu was not considered a connected person of the Company under the Listing Rules.

Based on the annual results announcement for the year ended 31 December 2020, which was published by the Company on 26 March 2021, the relevant percentage ratios (as defined under Rule 14A.09(1) of the Listing Rules) in respect of the Partnerships in aggregate exceeded 5% for the year ended 31 December 2020, and thus the Partnerships have ceased to be insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing Rules and Shenzhen Wanwu has become a connected person of the Company at the subsidiary level under the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS PURSUANT TO RULE 14A.60(1) OF THE LISTING RULES

As at the date of this announcement, the Group has, through the Partnerships and its wholly-owned subsidiaries, entered into various agreements with subsidiaries of Vanke in respect of carpark sales services and carpark property management services in the PRC, which include:

- (1) the Guangzhou Carpark Sales Agreement;
- (2) the Foshan Carpark Sales Agreement;
- (3) the Guangzhou Carpark Management Agreement I;
- (4) the Guangzhou Carpark Management Agreement II; and
- (5) the Foshan Carpark Management Agreement;

(collectively, the “**Agreements**”).

Due to continuous business growth of the Partnerships, resulting in the insignificant subsidiary exemption under Rule 14A.09 of the Listing Rules in respect of the Partnerships ceasing to apply, Shenzhen Wanwu becomes a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. As and when the insignificant subsidiary exemption ceases to apply, the continuing transactions contemplated under the Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Set out below is a summary of the material terms of the Agreements.

(1) Guangzhou Carpark Sales Agreement

Date : 12 December 2019

- Parties** : (i) Guangzhou Wanwu;
(ii) Shenzhen Gongying; and
(iii) Guangzhou Vanke.
- Subject Matter** : Pursuant to the Guangzhou Carpark Sales Agreement, Guangzhou Wanwu has entrusted Shenzhen Gongying and Guangzhou Vanke to provide carpark sales services in respect of 7,727 carparks situated in Guangzhou City in the PRC, including but not limited to the development and implementation of sales plan, maintenance before sales, and service and supervision during the process of sales.
- Term** : From 13 November 2019 to 31 December 2025
- Fee** : Subject to the terms of the Guangzhou Carpark Sales Agreement:
- (i) **Sales commission fee:** Guangzhou Wanwu shall pay Shenzhen Gongying and Guangzhou Vanke an annual sales commission fee representing 3.6% to 5% of the annual sales revenues generated from the sales of the carparks; and
 - (ii) **Operating expenses:** Guangzhou Wanwu shall pay Guangzhou Vanke a monthly fee of not exceeding RMB30,000 for the daily operational expenses relating to the services provided thereunder.

(2) Foshan Carpark Sales Agreement

- Date** : 10 April 2020
- Parties** : (i) Foshan Wanwu;
(ii) Shenzhen Gongying; and
(iii) Foshan Vanke.
- Subject Matter** : Pursuant to the Foshan Carpark Sales Agreement, Foshan Wanwu has entrusted Shenzhen Gongying and Foshan Vanke to provide carpark sales services in respect of 2,067 carparks situated in Foshan City in the PRC, including but not limited to the development and implementation of sales plan, maintenance before sales and service and supervision during the process of sales.
- Term** : From 1 April 2020 to 31 December 2026

Fee : Subject to the terms of the Foshan Carpark Sales Agreement:

- (i) **Sales commission fee:** Foshan Wanwu shall pay Shenzhen Gongying and Foshan Vanke an annual sales commission fee representing 3.6% to 5% of the annual sales revenues generated from the sales of the carpark; and
- (ii) **Operating expenses:** Foshan Wanwu shall pay Foshan Vanke a monthly fee of not exceeding RMB30,000 for the daily operational expenses relating to the services provided thereunder.

(3) Guangzhou Carpark Management Agreement I

Date : 1 December 2020 (as amended and supplemented on 17 March 2021)

Parties : (i) Guangzhou Shouzhong, a wholly-owned subsidiary of the Group; and
(ii) Guangzhou Vanke.

Subject Matter : Pursuant to the Guangzhou Carpark Management Agreement I, Guangzhou Shouzhong has entrusted Guangzhou Vanke to provide property management services in respect of certain underground carpark situated in Guangzhou Vanke Cloud City Phases 1 and 2, including but not limited to vehicles management, security and maintenance of the carpark.

Term : From 1 December 2020 to 30 November 2024

Fee : Subject to the terms of the Guangzhou Carpark Management Agreement I, Guangzhou Shouzhong shall pay to Guangzhou Vanke a monthly fixed management fee of RMB310,800 for the services provided thereunder.

(4) Guangzhou Carpark Management Agreement II

Date : 19 November 2019

Parties : (i) Guangzhou Carpark Management; and
(ii) Guangzhou Vanke.

Subject Matter : Pursuant to the Guangzhou Carpark Management Agreement II, Guangzhou Carpark Management has entrusted Guangzhou Vanke to provide property

management and pre-sale support services in respect of 4,324 carpark spaces situated in Guangzhou City, the PRC (the “**Guangzhou Carpark Spaces**”), including but not limited to vehicles management, security and maintenance of the carpark.

Term : From 19 November 2019 until the completion of sale and delivery of the Guangzhou Carpark Spaces managed by Guangzhou Carpark Management.

Fee : Subject to the terms of the Guangzhou Carpark Management Agreement II:

(i) **Property service fee:** Guangzhou Carpark Management shall pay Guangzhou Vanke a monthly property management fee of RMB120 to RMB150 per every unsold carpark spaces of the Guangzhou Carpark Spaces.

(ii) **Entrusted management service fee:** Guangzhou Carpark Management shall pay Guangzhou Vanke a monthly entrusted management service fee representing 10% of the revenue from operating the Guangzhou Carpark Spaces.

(5) Foshan Carpark Management Agreement

Date : 29 December 2020

Parties : (i) Guangzhou Carpark Management (Foshan Branch); and
(ii) Foshan Vanke.

Subject Matter : Pursuant to the Foshan Carpark Management Agreement, Guangzhou Carpark Management (Foshan Branch) has entrusted Foshan Vanke to provide property management services in respect of 1,338 underground carpark spaces situated in Respecte Chateau Plaza, Foshan City Nanhai District, the PRC, including but not limited to vehicles management, security and maintenance of the carpark.

Term : From 1 September 2020 to 31 August 2021

Fee : Subject to the terms of the Foshan Carpark Management Agreement, Guangzhou Carpark Management (Foshan Branch) shall pay a fixed monthly management fee of

RMB93,660 to Foshan Vanke for the services provided thereunder.

The fees payable by the Group under each of the Agreements were arrived at after arm's length negotiations among the parties to the Agreements and were determined based on factors including (i) historical fees paid for relevant services in the past; (ii) prices in relation to the provision of service of similar nature on the market; and (iii) relevant costs and expenses in operating the relevant services.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Group continues to focus on the car parking assets management in the PRC. Vanke, which possesses extensive experience in carpark management and property management services, is able to create strong synergy with the business of the Group. The business of Vanke covers more than a hundred of large and medium-sized cities in the PRC, and provides high-quality comprehensive property management services for numerous communities, businesses and urban spaces. In view of the advantages of economies of scale and management synergy effect in service space of Vanke, the cooperation between the Group with Vanke on carpark property management is beneficial to the Group in reducing property management costs while maintaining high-quality service at the same time. With the aid of the extensive experience in car parking asset sales and property management of Vanke, it will also be beneficial to the Group in carrying out corresponding management and services after acquiring and leasing car parking assets, and it will be conducive to further accumulate frontline experience in parking asset management of the Group, so as to improve the parking asset management standard of the Company continuously and provide better quality car parking services for customers.

The Directors (including independent non-executive Directors) are of the view that the Agreements and the Continuing Connected Transactions contemplated thereunder have been entered into on normal commercial terms and in the ordinary course of the business of the Group, and are therefore fair and reasonable and in the interests of the Company and Shareholders as a whole.

None of the Directors had a material interest in the Agreements and the transactions contemplated thereunder and hence no Director had abstained from voting on the relevant resolutions approving the continuation of transactions contemplated under the Agreements.

INFORMATION ON THE PARTIES TO THE AGREEMENTS

The Group mainly focuses on the management and operations of car parking assets and the management of private funds that are oriented towards urban redevelopment.

Guangzhou Carpark Management is a company incorporated in the PRC with limited liability. It is owned as to 69% by E Park and 31% by Shenzhen Wanwu and is therefore a subsidiary of the Company under the Listing Rules. Guangzhou Carpark Management is principally engaged in operation and investment of carparks. Guangzhou Carpark Management is the general partner of Guangzhou Wanwu and Foshan Wanwu.

Guangzhou Shouzhong is a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Group. It is principally engaged in management and operation of car parks in the PRC.

Guangzhou Wanwu is a limited partnership incorporated in the PRC. It is owned as to 70% by E Park, 29.9% by Shenzhen Wanwu and 0.1% by Guangzhou Carpark Management and is therefore a subsidiary of the Company under the Listing Rules. Guangzhou Wanwu is principally engaged in operation and management of car parks.

Foshan Wanwu is a limited partnership incorporated in the PRC. It is owned as to 70% by E Park, 29.9% by Shenzhen Wanwu and 0.1% by Guangzhou Carpark Management and is therefore a subsidiary of the Company under the Listing Rules. Foshan Wanwu is principally engaged in construction, operation and management of car park.

Shenzhen Gongying is a company incorporated in the PRC with limited liability and is principally engaged in property management, corporate management consultancy.

Guangzhou Vanke is a company incorporated in the PRC with limited liability and is principally engaged in property management.

Foshan Vanke is a company incorporated in the PRC with limited liability and is principally engaged in property management.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, the equity interest in each of Shenzhen Gongying, Guangzhou Vanke and Foshan Vanke are ultimately owned by Vanke, the shares of which are listed on the main board of the Stock Exchange and on the Shenzhen Stock Exchange and principally engaged in property development and property services, as to 63%; Radiant Sunbeam Limited, a private equity fund management company incorporated in the Cayman Islands, as to 25%; and other different holders as to 12% with each of them holding not more than 5%.

Save as disclosed herein, to the best knowledge, information and belief of the Directors having made all reasonable enquiry, the abovementioned ultimate beneficial owners of Shenzhen Gongying, Guangzhou Vanke and Foshan Vanke are Independent Third Parties.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Shenzhen Wanwu is a substantial shareholder of each of the Partnerships. As the relevant percentage ratios (as defined under Rule 14A.09 of the Listing Rules) in respect of each of the Partnerships (both on a standalone basis or on an aggregate basis) were less than 5% for the financial year prior to 2020, the Partnerships were insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing Rules and therefore Shenzhen Wanwu was not a connected person of the Company under the Listing Rules.

Based on the annual results announcement of the Company for the year ended 31 December 2020, which was published by the Company on 26 March 2021, the relevant percentage ratios (as defined under Rule 14A.09(1) of the Listing Rules) in respect of the Partnerships in aggregate exceeded 5% for the year ended 31 December 2020, and thus the Partnerships have ceased to be insignificant subsidiaries of the Company under Rule 14A.09(1) of the Listing

Rules and Shenzhen Wanwu has become a connected person of the Company at the subsidiary level under the Listing Rules.

Given that Shenzhen Gongying, Guangzhou Vanke and Foshan Vanke are fellow subsidiaries of and therefore associates of Shenzhen Wanwu, the continuing transactions contemplated under the Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.60(1) of the Listing Rules, the Company is required to comply with the annual review and disclosure requirements under Chapter 14A of the Listing Rules, including publication of an announcement and annual reporting in respect of the Continuing Connected Transactions under the Agreements.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Board”	the board of Directors;
“Company”	Shoucheng Holdings Limited (stock code: 697), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange;
“Continuing Connected Transactions”	the continuing connected transactions contemplated under the Agreements;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“E Park”	驛停車（北京）投資管理有限公司(E Park (Beijing) Investment Management Company Limited*) (previously known as 首中投資管理有限公司 (Shouzhong Investment Management Co., Ltd.*)), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Foshan Carpark Management Agreement”	the agreement dated 29 December 2020 entered into between Guangzhou Carpark Management (Foshan Branch) and Foshan Vanke in relation to the provision of property management services by Foshan Vanke;
“Foshan Carpark Sales Agreement”	the agreement dated 10 April 2020 entered into among Foshan Wanwu, Shenzhen Gongying and Foshan Vanke in relation to the provision of carpark sales services by Shenzhen Gongying and Foshan Vanke;

“Foshan Vanke”	佛山市萬科物業服務有限公司(Foshan Vanke Property Management Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of Vanke;
“Foshan Wanwu”	佛山首中萬物企業管理合夥企業（有限合夥）(Foshan Shouzhong Wanwu Corporate Management Limited Partnership*), a limited partnership established in the PRC and the equity interest of which is held as to 70% by E Park, 29.9% by Shenzhen Wanwu and 0.1% by Guangzhou Carpark Management;
“Group”	the Company and its subsidiaries;
“Guangzhou Carpark Management Agreement I”	the agreement dated 1 December 2020 entered into between Guangzhou Shouzhong and Guangzhou Vanke in relation to the provision of property management services by Guangzhou Vanke (as amended and supplemented on 17 March 2021);
“Guangzhou Carpark Management Agreement II”	the agreement dated 19 November 2019 entered into between Guangzhou Carpark Management and Guangzhou Vanke in relation to the provision of property management services by Guangzhou Vanke;
“Guangzhou Carpark Management”	廣州首中萬物停車場管理有限公司 (Guangzhou Shouzhong Wanwu Carpark Management Co., Ltd.*), a company incorporated in the PRC with limited liability and the equity interest of which is held as to 69% by E Park and 31% by Shenzhen Wanwu;
“Guangzhou Carpark Sales Agreement”	the agreement dated 12 December 2019 entered into among Guangzhou Wanwu, Shenzhen Gongying and Guangzhou Vanke in relation to the provision of carpark sales services by Shenzhen Gongying and Guangzhou Vanke;
“Guangzhou Shouzhong”	廣州首中易泊停車場管理有限公司 (Guangzhou Shouzhong Easyparking Carpark Management Co., Ltd.*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Group;
“Guangzhou Vanke”	廣州市萬科物業服務有限公司 (Guangzhou Vanke Property Management Services Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of Vanke;
“Guangzhou Wanwu”	廣州首中萬物企業管理合夥企業（有限合夥）(Guangzhou Shouzhong Wanwu Corporate Management Limited Partnership*), a limited partnership established in

	the PRC and the equity interest of which is held as to 70% by E Park, 29.9% by Shenzhen Wanwu and 0.1% by Guangzhou Carpark Management;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Partnerships”	Guangzhou Carpark Management, Guangzhou Wanwu and Foshan Wanwu;
“PRC”	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Shenzhen Gongying”	深圳市萬物共贏投資有限公司 (Shenzhen Vanke Gongying Investment Co., Ltd.*), a company incorporated under the laws of the PRC with limited liability and a subsidiary of Vanke;
“Shenzhen Wanwu”	深圳市萬物成長諮詢服務有限公司 (Shenzhen Wanwu Growth Consultancy Services Co., Ltd.*), a company incorporated under the laws of the PRC with limited liability and a subsidiary of Vanke;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Vanke”	China Vanke Co., Ltd., a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the main board of the Stock Exchange and on the Shenzhen Stock Exchange (stock code: HK.2202, SZ.000002); and
“%”	per cent.

By order of the Board
Shoucheng Holdings Limited
Zhao Tianyang
Chairman

Hong Kong, 29 March 2021

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (Chairman), Mr. Xu Liang, Mr. Li Wei (President) and Ms. Zhang Meng as Executive Directors; Dr. Li Yinhui, Mr. Liu Jingwei, Mr. Ho Gilbert Chi Hang and Mr. Li Hao as Non-executive Directors; Dr. Wang Xin, Mr. Choi Fan Keung Vic, Mr. Deng Yougao, Ms. Zhang Quanling and Dr. Qiao Yongyuan as Independent Non-executive Directors.

** For identification purposes only*