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S-Enjoy Service Group Co., Limited

新城悅服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1755)

CONTINUING CONNECTED TRANSACTIONS

THE 2023 SERVICES FRAMEWORK 2ND SUPPLEMENTAL AGREEMENT AND THE 2023 SEAZEN FRAMEWORK SUPPLEMENTAL AGREEMENT

On 8 May 2023 (after trading hours), Jiangsu Xinchengyue (an indirect subsidiary of the Company) entered into the 2023 Services Framework 2nd Supplemental Agreement and 2023 Seazen Framework Supplemental Agreement with Mr. Wang and Seazen Holdings, respectively, which set out the arrangement of payment of the Parking Lot Refundable Deposits, for a term of one year expiring on 31 December 2023.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Wang is the controlling Shareholder, and thus is a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement constitute continuing connected transactions for the Company.

As the highest applicable percentage ratio in respect of the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement calculated in accordance with the Listing Rules exceeds 5%, the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, together with the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereof, constitute continuing connected transactions of the Company which are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

An EGM will be convened and held for, among others, the Independent Shareholders to consider and, if thought fit, to approve the continuing connected transactions under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement (including the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder). All Shareholders who have a material interest in the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement will be required to abstain from voting at the EGM. Accordingly, Mr. Wang and his associates are required to abstain from voting at the EGM on the resolutions in relation to the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement. The resolutions will be passed as ordinary resolutions and voted by poll in accordance with the requirements of the Listing Rules.

A circular containing, among other things, further information on the transactions contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders, a letter from the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, and a notice of the EGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 16 June 2023, taking into account the additional time required for the Company to prepare and finalize the information for inclusion in the circular.

INTRODUCTION

References are made to the announcements and circular of the Company dated 28 October 2022, 8 December 2022 and 14 December 2022, respectively (the “**CCT Announcements and Circular**”) regarding the continuing connected transactions in relation to the 2023 Services Framework Agreement and 2023 Seazen Framework Agreement. Reference is also made to the announcement of the Company dated 21 April 2023 regarding, among others, the discloseable and continuing connected transaction of the Company in relation to the historical payment of Parking Lot Refundable Deposits during the year ended 31 December 2022 and for the period up to 21 April 2023 (the “**Parking Lot Refundable Deposits Announcement**”).

As disclosed in the CCT Announcements and Circular, (i) Jiangsu Xinchengyue and Seazen Holdings entered into the 2023 Seazen Framework Agreement in relation to provision of certain property related services to Seazen Holdings, for a term of one year from 1 January 2023 to 31 December 2023 subject to the annual cap thereunder; (ii) Jiangsu Xinchengyue and Mr. Wang entered into the 2023 Services Framework Agreement in relation to provision of certain property related services to Mr. Wang's Associated Companies (excluding Seazen Holdings), for a term of one year from 1 January 2023 to 31 December 2023 subject to the annual cap thereunder; and (iii) Jiangsu Xinchengyue and Mr. Wang entered into the 2023 Services Framework Supplemental Agreement in relation to the adjustment of the relevant annual cap under the 2023 Services Framework Agreement.

As disclosed in the Parking Lot Refundable Deposits Announcement, during the ordinary course of rendering the Parking Lot Sales Agency Services by the Group to Mr. Wang's Associated Companies, for Parking Lot Sales Agency Services which are provided under the exclusive distribution arrangement (i.e. an agreement between the Group and the customer (Mr. Wang's Associated Companies in this case), whereby an exclusive right to sell all parking lots of a particular project is granted to the Group), the Group would normally be required to pay the Parking Lot Refundable Deposits to Mr. Wang's Associated Companies. In order to cater for this arrangement of payment of Parking Lot Refundable Deposits which would constitute discloseable and continuing connected transactions of the Group, the Group therefore entered into the 2023 Services Framework 2nd Supplemental Agreement and 2023 Seazen Framework Supplemental Agreement with Mr. Wang and Seazen Holdings, respectively.

2023 SERVICES FRAMEWORK 2ND SUPPLEMENTAL AGREEMENT AND THE 2023 SEAZEN FRAMEWORK SUPPLEMENTAL AGREEMENT

The principal terms of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement are set out below, which are substantially identical except for the contractual parties and the relevant annual caps set out thereunder:

Date: 8 May 2023 (after trading hours)

Parties: *2023 Services Framework 2nd Supplemental Agreement*

- (i) Jiangsu Xinchengyue; and
- (ii) Mr. Wang

2023 Seazen Framework Supplemental Agreement

- (i) Jiangsu Xinchengyue; and
- (ii) Seazen Holdings

Term: Each of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement shall be for a term of one year retrospectively from 1 January 2023 and up to 31 December 2023.

Each of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement shall become effective upon (i) due execution by the parties thereof; and (ii) the parties having obtained all necessary approvals (including but not limited to approvals from their independent shareholders and/or their parent company's independent shareholders at their and/or their parent company's general meeting) under all relevant laws, regulations, regulatory documents and regulatory rules (including but not limited to the Listing Rules).

Subject matter and pricing policy: In connection with the 2023 Services Framework Agreement (or the 2023 Seazen Framework Agreement), the Group and Mr. Wang's Associated Companies (or Seazen Holdings) may enter into Parking Lot Sales Agency Services Subsidiary Agreement(s) for the provision of Parking Lot Sales Agency Services, and set down the terms of payment of the Parking Lot Refundable Deposits by the Group for serving as the sales agent. Nonetheless, the arrangement of payment of Parking Lot Refundable Deposits shall follow the following principles:

- (i) The Parking Lot Refundable Deposits payable shall be calculated as follows:

$$\begin{array}{l} \text{Parking Lot} \\ \text{Refundable} \\ \text{Deposits} \\ \text{payable} \end{array} = \begin{array}{l} \text{Base price} \\ \text{of each} \\ \text{parking lot}^{\#} \end{array} * \begin{array}{l} \text{Number of parking} \\ \text{lots under the relevant} \\ \text{Parking Lot Sales} \\ \text{Agency Services} \\ \text{Subsidiary Agreement} \end{array}$$

Base price is the pre-determined acceptable lowest sales price. The basis of determination of the base price will be discussed below.

- (ii) The Parking Lot Refundable Deposits shall be refunded to the Group in the following manners upon fulfilment of the conditions set out below:
 - (a) on a monthly basis and from the month following the entering into of the Parking Lot Sales Agency Services Subsidiary Agreement(s), the amount of Parking Lot Refundable Deposits with respect to the parking lots sold in the previous month will be refunded to the Group;
 - (b) with respect to the parking lots that the Group had not been able to procure any sales, such corresponding Parking Lot Refundable Deposits shall be refunded back to the Group within a specified period (not more than 30 days) upon the expiration of the relevant Parking Lot Sales Agency Services Subsidiary Agreement.
- (iii) The base price of each parking lot shall be determined by Mr. Wang's Associated Companies (or Seazen Holdings) with reference to factors such as (i) the popularity of the parking lot; (ii) the condition of the real estate market; and (iii) the location of the parking lot, etc.

Subsidiary agreements: The parties shall enter into Parking Lot Sales Agency Services Subsidiary Agreement(s) based on the terms of the 2023 Services Framework 2nd Supplemental Agreement (or the 2023 Seazen Framework Supplemental Agreement). Each Parking Lot Sales Agency Services Subsidiary Agreement shall have an effective period of not more than 3 years, and shall be terminated with immediate effect upon the termination or expiration of the 2023 Services Framework 2nd Supplemental Agreement (or the 2023 Seazen Framework Supplemental Agreement) (if not being further extended for whatever reasons).

HISTORICAL TRANSACTION AMOUNTS

The table below sets forth the historical transaction amounts of the Historical Refundable Deposits paid by the Group to Mr. Wang's Associated Companies (excluding Seazen Holdings) and Seazen Holdings for the three years ended 31 December 2020, 2021 and 2022 and the period from 1 January 2023 and up to the date of this announcement (*Note*):

	For the year ended 31 December			For the period
	2020	2021	2022	from 1 January
	(RMB'000)	(RMB'000)	(RMB'000)	2023 and up to
				the date of this
				announcement
				(RMB'000)
Maximum daily balance of the Historical Refundable				
Deposits				
• Mr. Wang's Associated Companies (excluding Seazen Holdings)	24,117.26	72,331.74	93,273.53	75,191.78
• Seazen Holdings	101,788.39	256,269.24	494,724.98	496,424.50

Note: The Company had not made any further payment of Parking Lot Refundable Deposits to Mr. Wang's Associated companies since 21 April 2023.

PROPOSED ANNUAL CAPS AND BASIS FOR DETERMINATION

The table below sets forth the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap for the Parking Lot Refundable Deposits to be paid by the Group to Mr. Wang's Associated Companies (excluding Seazen Holdings) and Seazen Holdings, respectively:

	For the year ending 31 December 2023	
	2023 Parking Lot	2023 Seazen Parking
	Refundable Deposit	Lot Refundable Deposit
	Annual Cap under	Annual Cap under the
	the 2023 Services	2023 Seazen Framework
	Framework 2nd	Supplemental
	Supplemental	Supplemental
	Agreement	Agreement
	(RMB'000)	(RMB'000)
Maximum daily balance of the		
Parking Lot Refundable Deposits	76,000	515,000

In arriving at the abovementioned 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap, the Directors have taken into account, among others, (i) the amount of maximum daily balance of the Historical Refundable Deposits during the three years ended 31 December 2022 and the period from 1 January 2023 and up to the date of this announcement; (ii) the estimated value of parking lots of Seazen Holdings and Mr. Wang's Associated Companies (excluding Seazen Holdings) available for sale by the Group as an agent for the year ending 31 December 2023; and (iii) the annual cap of commission charged by the Group for provision of parking lots sales agency services under the 2023 Services Framework Agreement and the 2023 Seazen Framework Agreement (for further details, such as the basis of determination of such annual cap of commission chargeable, please refer to the CCT Announcements and Circular).

REASONS FOR AND BENEFITS OF THE 2023 SERVICES FRAMEWORK 2ND SUPPLEMENTAL AGREEMENT AND THE 2023 SEAZEN FRAMEWORK SUPPLEMENTAL AGREEMENT

As disclosed in the CCT Announcements and Circular, the Group had already entered into the 2023 Services Framework Agreement and the 2023 Seazen Framework Agreement with Mr. Wang and Seazen Holdings, respectively, for the provision of, among others, Parking Lot Sales Agency Services. The Board has considered the following reasons and benefits in determining the entering into of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement:

- (i) as confirmed by the Directors, the payment of Parking Lot Refundable Deposits is consistent with the industry practice in relation to parking lots sales agency services and the similar parking lots sales agency services that the Group provided to independent third parties;
- (ii) the Directors consider the payments are conducive for the Group to secure from Mr. Wang's Associated Companies the engagement of the Group to provide Parking Lot Sales Agency Services, which would in turn ensure a stable income stream and enhance profitability of the Group. For further details regarding the Parking Lot Sales Agency Services rendered by the Group to Mr. Wang's Associated Companies, please refer to the CCT Announcements and Circular;
- (iii) by making the payment of the Parking Lot Refundable Deposits, the Group is generally able to charge higher commission as compared to those Parking Lot Sales Agency Services rendered by the Group without arrangement of Parking Lot Refundable Deposits. As confirmed by the Directors, based on historical transactions, the percentage of commission charged by the Group for Parking Lot Sales Agency Services with payment of Parking Lot Refundable Deposits is generally approximately 10-20 percentage points higher than those without payment of Parking Lot Refundable Deposits, which is consistent with industry practice;

- (iv) the Group generally adopts a policy under which the maximum daily balance of Parking Lot Refundable Deposits shall not be more than 50% of the cash and cash equivalents balances. In order to monitor the maximum daily balance of the Parking Lot Refundable Deposits, the Company shall, on a weekly basis, compare the expected maximum daily balance of the Refundable Deposits payable to Mr. Wang's Associated Companies for the upcoming week based on the relevant Parking Lot Sales Agency Services Subsidiary Agreements executed with the then prevailing cash and cash equivalents balance of the Group to ensure that the aforesaid 50% threshold is not exceeded. Before entering into each new Parking Lot Sales Agency Services Subsidiary Agreement(s), the management of the Company shall also make reference to the potential amount of the Parking Lot Refundable Deposits payable computed based on the relevant underlying payment terms, and such Parking Lot Sales Agency Services Subsidiary Agreement(s) will be entered into on the condition that the maximum daily balance of the Refundable Deposits represents an utilisation of not more than 50% of the prevailing expected cash and cash equivalents balance of the Group. Taking into account such working capital management policy, the expected stable income stream to be acquired by the Group through the payment of the Parking Lot Refundable Deposits and other steady revenue streams from the Group's principal business, the Directors believes that the Company would have sufficient funding for its operation and consider the payment of the Refundable Deposits to be a fair mean to better utilize its surplus cash;
- (v) pursuant to the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, the Group has the right, but is not obliged to, enter into Parking Lot Sales Agency Services Subsidiary Agreements with Mr. Wang's Associated Companies for the provision of Parking Lots Sales Agency Services. Before entering into such Parking Lot Sales Agency Services Subsidiary Agreements with Mr. Wang's Associated Companies, the Group would conduct market research on the subject parking lots, such as their locations, conditions, market price of similar parking lots in the vicinity, to assess the expected sales pace of the subject parking lots and the fairness and reasonableness of the base price of parking lots (and hence the amount of Parking Lot Refundables Deposits) charged by Mr. Wang's Associated Companies. In the event the Group is of the view that the base prices of parking lots are not reasonable or not in the interest of the Group, the Group would either re-negotiate the base price of the parking lots or elect not to enter into the relevant Parking Lot Sales Agency Services Subsidiary Agreements;

- (vi) the refund mechanism for the Parking Lot Refundable Deposits has been agreed by parties and explicitly provided under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, therefore, the Company believes that the risks in respect of the recoverability of the Refundable Deposits are controllable by the Group; and
- (vii) based on the review of the financial results published by Seazen Group and Seazen Holdings, the long term cooperation between Mr. Wang's Associated Companies and the Group, the historical payment record of payments due from Mr. Wang's Associated Companies to the Group, the Board is not aware of any significant credit risk encountered by Mr. Wang's Associated Companies or anything unusual about the financial capability of the Mr. Wang's Associated Companies. To minimise the credit risk in relation to the payment of the Refundable Deposits, the Company will review the refunding status of the Parking Lot Refundable Deposits on a monthly basis. In the event of a delay in the Parking Lot Refundable Deposits to the Group, the Group will follow up with the relevant Mr. Wang's Associated Companies in a timely manner.

The terms of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement have been arrived at after arm's length negotiations between the parties thereto. Taking into account the aforementioned factors, the Directors (excluding the independent non-executive Directors, whose opinion on the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder will be set forth in the circular by reference to the advice from the Independent Financial Adviser in this regard) are of the view that the terms of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement (including the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder) and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole.

Internal Control Measures

In addition to the internal control measures set out in the CCT Announcements and Circular, the Company will adopt the following measures to monitor the transactions under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement:

- (i) the Company will review the refunding status of the Parking Lot Refundable Deposits on a monthly basis. In the event of a delay in the Parking Lot Refundable Deposits to the Group, the Group will follow up with the relevant Mr. Wang's Associated Companies in a timely manner (for further details, please refer to the paragraph headed "Reasons for and Benefits of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement" above);
- (ii) the Group generally adopts a policy under which the maximum daily balance of Parking Lot Refundable Deposits shall not be more than 50% of the cash and cash equivalents balances. In order to monitor the maximum daily balance of the Parking Lot Refundable Deposits, the Company shall, on a weekly basis, compare the expected maximum daily balance of the Refundable Deposits payable to Mr. Wang's Associated Companies for the upcoming week based on the relevant Parking Lot Sales Agency Services Subsidiary Agreements executed with the then prevailing cash and cash equivalents balance of the Group to ensure that the aforesaid 50% threshold is not exceeded (for further details, please refer to the paragraph headed "Reasons for and Benefits of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement" above); and
- (iii) the Company shall regularly keep track of the outstanding balance of advances made to any entity (including connected persons of the Company) (within the meaning under Rule 13.13 of the Listing Rules, such as the Parking Lot Refundable Deposits). In the event the amount of advances (e.g. the Parking Lot Refundable Deposits) is about to reach the disclosure threshold prescribed under Rules 13.13 to 13.15 of the Listing Rules, the Board shall be notified forthwith to prepare for follow up action, and the Board shall seek professional advice where necessary.

Information on the parties involved

The Company is an experienced property management services provider in the PRC engaged in the provision of property management services, such as property and equipment maintenance, security services, cleaning services, gardening services, and public area maintenances.

Mr. Wang is a controlling Shareholder. Mr. Wang has been involved in property development and property investment in the PRC via the Seazen Group. Seazen Holdings is a subsidiary of Seazen with its A shares listed on the Shanghai Stock Exchange (stock code: 601155). The principal business activities of Mr. Wang's Associated Companies are property development and property investment in the PRC.

Listing Rules Implications

As at the date of this announcement, Mr. Wang is the controlling Shareholder, and thus is a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement constitute continuing connected transactions for the Company.

As the highest applicable percentage ratio in respect of the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement calculated in accordance with the Listing Rules exceeds 5%, the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, together with the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereof, constitute continuing connected transactions of the Company which is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of the Board meeting, (i) Mr. Wang Xiaosong, a non-executive Director and the son of Mr. Wang; and (ii) Mr. Lv Xiaoping and Mr. Lu Zhongming, being the non-executive Directors and the executive directors of Seazen, were considered to have a material interest in the transactions under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement. As such, they have abstained from voting on the Board resolutions approving the relevant agreements and the transactions contemplated thereunder (including the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder). Save as mentioned above, none of the other Directors have a material interest in the transactions contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, and therefore, no other Director has abstained from voting on approval of the relevant resolutions.

Independent Board Committee and Independent Financial Adviser

The Company has established the Independent Board Committee comprising all the independent non-executive Directors, namely Ms. Zhang Yan, Mr. Zhu Wei and Mr. Xu Xinmin to advise the Independent Shareholders on the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, the transactions contemplated thereunder and the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder. None of the members of the Independent Board Committee has any interest in the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement and the transactions contemplated thereunder.

Opus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, the continuing connected transactions contemplated thereunder and the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder. The Independent Board Committee will form its view in respect of the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, the transactions contemplated thereunder and the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder after obtaining and considering the advice from the Independent Financial Adviser.

GENERAL

An EGM will be convened and held for, among others, the Independent Shareholders to consider and, if thought fit, to approve the continuing connected transactions under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement (including the 2023 Parking Lot Refundable Deposit Annual Cap and the 2023 Seazen Parking Lot Refundable Deposit Annual Cap thereunder). All Shareholders who have a material interest in the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement will be required to abstain from voting at the EGM. Accordingly, Mr. Wang and his associates are required to abstain from voting at the EGM on the resolution in relation to the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement. The resolutions will be passed as ordinary resolutions and voted by poll in accordance with the requirements of the Listing Rules.

A circular containing, among other things, further information on the transactions contemplated under the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders, a letter from the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement, and a notice of the EGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 16 June 2023, taking into account the additional time required for the Company to prepare and finalize the information for inclusion in the circular.

DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“2023 Parking Lot Refundable Deposit Annual Cap”	the annual cap of RMB76 million for the Parking Lot Refundable Deposit payable by the Group to Mr. Wang’s Associated Companies (excluding Seazen Holdings) under the 2023 Services Framework 2nd Supplemental Agreement for the year ending 31 December 2023
“2023 Seazen Framework Agreement”	the services framework agreement dated 28 October 2022 entered into between Jiangsu Xinchengyue and Seazen Holdings in relation to the provision of certain property related services to Seazen Holdings
“2023 Seazen Framework Supplemental Agreement”	the supplemental agreement to the 2023 Seazen Framework Agreement dated 8 May 2023 entered into between Jiangsu Xinchengyue and Seazen Holdings in relation to, among others, the payment arrangement of Parking Lot Refundable Deposit payable by the Group to Seazen Holdings
“2023 Seazen Parking Lot Refundable Deposit Annual Cap”	the annual cap of RMB515 million for the Parking Lot Refundable Deposit payable by the Group to Seazen Holdings under the 2023 Seazen Framework Supplemental Agreement for the year ending 31 December 2023

“2023 Services Framework Agreement”	the services framework agreement dated 28 October 2022 entered into between Jiangsu Xinchengyue and Mr. Wang in relation to the provision of certain property related services to Mr. Wang’s Associated Companies (excluding Seazen Holdings)
“2023 Services Framework Supplemental Agreement”	the supplemental agreement to the 2023 Services Framework Agreement dated 8 December 2022 entered into between Jiangsu Xinchengyue and Mr. Wang Xiaosong (as attorney for and on behalf of Mr. Wang) in relation to the adjustment of the relevant annual cap under the 2023 Services Framework Agreement
“2023 Services Framework 2nd Supplemental Agreement”	the second supplemental agreement to the 2023 Services Framework Agreement dated 8 May 2023 entered into between Jiangsu Xinchengyue and Mr. Wang in relation to, among others, the payment arrangement of Parking Lot Refundable Deposit payable by the Group to Mr. Wang’s Associated Companies (excluding Seazen Holdings)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	S-Enjoy Service Group Co., Limited (新城悅服務集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“EGM”	the extraordinary general meeting to be held by the Company to consider and approve, among other things, the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement
“Group”	the Company and its subsidiaries
“Historical Refundable Deposits”	the Parking Lot Refundable Deposits paid by the Group to Mr. Wang’s Associated Companies during the year ended 31 December 2022 and up to 21 April 2023 pursuant to the Parking Lot Sales Agency Services Subsidiary Agreements in connection with the Parking Lot Sales Agency Services. For further details, please refer to the announcement of the Company dated 21 April 2023 regarding, among others, the discloseable and continuing connected transaction of the Company in relation to the historical payment of Parking Lot Refundable Deposits during the year ended 31 December 2022 and up to 21 April 2023
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board consisting of all the independent non-executive Directors
“Independent Financial Adviser”	Opus Capital Limited, a licensed corporation to carry on Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the 2023 Services Framework 2nd Supplemental Agreement and 2023 Seazen Framework Supplemental Agreement thereunder (including the 2023 Parking Lot Refundable Deposit Annual Cap and 2023 Seazen Parking Lot Refundable Deposit Annual Cap)
“Independent Shareholder(s)”	the Shareholders, other than Mr. Wang and his associates and all other Shareholders interested in the 2023 Services Framework 2nd Supplemental Agreement and the 2023 Seazen Framework Supplemental Agreement

“Jiangsu Xinchengyue”	Jiangsu Xinchengyue Holdings Co., Ltd.* (江蘇新城悅控股有限公司), a company established in the PRC and one of the principal subsidiaries of the Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mr. Wang”	Mr. Wang Zhenhua, the founder of the Company and a controlling Shareholder
“Mr. Wang’s Associated Companies”	companies (including the Seazen Group) in which Mr. Wang can exercise or control the exercise of 30% or more of the voting power at their general meetings and their subsidiaries
“Parking Lot Refundable Deposits”	the refundable deposits to be paid by the Group to the relevant Mr. Wang’s Associated Companies pursuant to the Parking Lot Sales Agency Services Subsidiary Agreements in connection with the Parking Lot Sales Agency Services
“Parking Lot Sales Agency Services”	the parking lot sales agency services to be provided by the Group to Mr. Wang’s Associated Companies as contemplated under the 2023 Seazen Framework Agreement and the 2023 Services Framework Agreement, the details of which are set out in the announcements and circular of the Company dated 28 October 2022, 8 December 2022 and 14 December 2022, respectively
“Parking Lot Sales Agency Services Subsidiary Agreement(s)”	the subsidiary agreement(s) to be entered into between the Group and the relevant Mr. Wang’s Associated Companies in connection with the Parking Lot Sales Agency Services under the 2023 Seazen Framework Agreement and the 2023 Services Framework Agreement
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Seazen”	Seazen Group Limited (新城發展控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1030)

“Seazen Group”	Seazen and its subsidiaries
“Seazen Holdings”	Seazen Holdings Co., Ltd. (新城控股集團股份有限公司), a subsidiary of Seazen with its A shares listed on the Shanghai Stock Exchange (stock code: 601155) and one of Mr. Wang’ Associated Companies
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.01 each
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
S-Enjoy Service Group Co., Limited
Qi Xiaoming
Chairman
Executive Director
Chief Executive Officer

Hong Kong, 8 May 2023

As at the date of this announcement, the Board comprises Mr. Qi Xiaoming, Mr. Gao Xinli and Ms. Wu Qianqian as executive Directors; Mr. Wang Xiaosong, Mr. Lv Xiaoping and Mr. Lu Zhongming as non-executive Directors; and Ms. Zhang Yan, Mr. Zhu Wei and Mr. Xu Xinmin as independent non-executive Directors.

* *For identification purpose only*