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**SUNDY 宋服務**

臻 享 幸 福 +

**Sundy Service Group Co. Ltd**

**宋都服务集团有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9608)**

## **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT**

### **SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT**

On 29 November 2023, Sundy Property, an indirect wholly-owned subsidiary of the Company, entered into an Agency Sales Agreement for Institutional Wealth Management Product with Huaxia Bank, pursuant to which Sundy Property agreed to subscribe for the Huaxia Wealth Management Product in an aggregate amount of RMB70.0 million using internal resources.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) exceed 5% but all applicable percentage ratios are less than 25%, the Huaxia Wealth Management Product Subscription (as defined below) constitutes a discloseable transaction under the Listing Rules and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

### **BACKGROUND**

The Board announces that, on 29 November 2023, Sundy Property, an indirect wholly-owned subsidiary of the Company, entered into an Agency Sales Agreement for Institutional Wealth Management Product with Huaxia Bank, pursuant to which Sundy Property agreed to subscribe for the Huaxia Wealth Management Product in an aggregate amount of RMB70.0 million using internal resources.

## **SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT**

The principal terms of the Huaxia Wealth Management Product Subscription are set out as follows:

- (1) Date of subscription: 29 November 2023
- (2) Parties:
  - (i) Sundy Property (as the subscriber)
  - (ii) Huaxia Bank (as the sales agent of the Huaxia Wealth Management Product)
- (3) Name of product: Huaxia Wealth Management Fixed-income Pure Debt Wealth Management Product No.7F (華夏理財固定收益純債型日日開理財產品7號F)
- (4) Term of product: Non-fixed term
- (5) Type of return: Open-end, non-principal protected with variable return
- (6) Subscription amount: RMB70.0 million (equivalent to approximately HKD76.7 million).
- (7) Term of investment: The term of investment is subject to the redemption date of the subscriber, and the subscriber can submit its redemption application any time during the opening hours of an open day. Every Business Day subsequent to the establishment of the Huaxia Wealth Management Product is an open day.
- (8) Termination and redemption: Sundy Property is entitled to terminate and redeem the Huaxia Wealth Management Product at any time.
- (9) Expected annualised rate of return: 2.85%-3.35% (non-guaranteed)
- (10) Risk level (internal risk rating by Huaxia Wealth Management): Moderate low

## **BASIS OF DETERMINATION OF THE CONSIDERATION**

The Directors have confirmed that the consideration of the subscription amount of RMB70 million was determined based on normal commercial terms after arm's length negotiation between the Company and Huaxia Bank with reference to (i) the internal resources of the Group available for the purpose of treasury management; (ii) the financial status of the Group; (iii) the expected investment return and terms of the Huaxia Wealth Management Product; and (iv) the expected annualised rate of return of the Huaxia Wealth Management Product.

## **INFORMATION ON THE PARTIES**

### **Sundy Property**

Sundy Property is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is the main operating subsidiary of the Group, and together with its subsidiaries, principally engaged in (i) property management; (ii) value-added services to non-property owners; (iii) community value-added services; and (iv) other businesses, including long-term rental apartment business.

### **Huaxia Wealth Management and Huaxia Bank**

Huaxia Wealth Management is a wealth management subsidiary wholly owned by Huaxia Bank. The business scope of Huaxia Wealth Management mainly covers issuing wealth management products to the public and investing and managing the investors' assets as trustee, issuing wealth management products to qualified investors and investing and managing the investors' assets as trustee, and financial advisory and consulting services.

Huaxia Bank is a licensed bank in the PRC and a joint stock company established under the laws of the PRC, which provides corporate and personal banking business, treasury business, finance leasing, asset management and other financial services in the PRC. Its shares are listed on the Shanghai Stock Exchange (stock code: 600015).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Huaxia Wealth Management, Huaxia Bank and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT**

The Huaxia Wealth Management Product Subscription was made for treasury management purposes to enhance the utilisation of capital and increase income from idle funds. The reasonable and efficient use of temporarily idle internal funds is expected to enhance the overall capital gain of the Group, which is consistent with the core objectives of the Group to improve its capital structure and ensure the safety of its capital. The Directors consider that the impact of risk factors on the expected return of the Huaxia Wealth Management Product is low, while the Group could receive a higher rate of return as compared with fixed-term deposit with commercial banks in the PRC. The Directors have also considered the daily operational funding needs of the Group and believe that the Huaxia Wealth Management Product Subscription will not have an adverse impact on the Group's daily funding needs. The funds required for the Huaxia Wealth Management Product Subscription will be satisfied by the Group using internal resources (without utilising any proceeds from the Listing).

The Directors consider that the terms of the Huaxia Wealth Management Product Subscription and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) exceed 5% but all applicable percentage ratios are less than 25%, the Huaxia Wealth Management Product Subscription constitutes a discloseable transaction under the Listing Rules and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a trading day on which the Shanghai Stock Exchange and the Shenzhen Stock Exchange are open for trading, and a business day on which banks are open for handling general business of the public
“Company”	Sundy Service Group Co. Ltd (宋都服务集团有限公司) (formerly known as SUNDY HUIDU LIMITED (宋都汇都有限公司)), incorporated in the Cayman Islands on 5 May 2017 as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huaxia Bank”	Huaxia Bank Co., Ltd.* (華夏銀行股份有限公司)
“Huaxia Wealth Management”	Huaxia Wealth Management Co., Ltd * (華夏理財有限責任公司)
“Huaxia Wealth Management Product”	Huaxia Wealth Management Fixed-income Pure Debt Wealth Management Product No.7F (華夏理財固定收益純債型日日開理財產品7號F) offered by Huaxia Wealth Management
“Huaxia Wealth Management Product Subscription”	the subscription of the Huaxia Wealth Management Product by Sundy Property on 29 November 2023 for the amount of RMB70.0 million
“Listing”	the listing of the Company on the Main Board of the Stock Exchange on 18 January 2021

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sundy Property”	Hangzhou Sundy Property Management Co., Ltd.* (杭州宋都物業經營管理有限公司) (formerly known as Hangzhou Shenye Sundy Property Management Co., Ltd.* (杭州深業宋都物業經營管理有限公司)), a company established in the PRC with limited liability on 8 January 1995, which is an indirect wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board  
**Sundy Service Group Co. Ltd**  
**Yu Yun**  
*Chairman*

Hong Kong, 29 November 2023

*As at the date of this announcement, the Board comprises four executive Directors, Ms. Yu Yun (Chairman), Mr. Zhu Yihua (Chief Executive Officer), Mr. Zhu Congyue and Mr. Zhang Zhenjiang and three independent non-executive Directors, Mr. Zhang Jingzhong, Ms. Ye Qian and Mr. Lau Kwok Fai Patrick.*

\* *For identification purpose only*