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星悦康旅股份有限公司  
**Starjoy Wellness and Travel Company Limited**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 3662)

## **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

Reference is made to the annual report of Starjoy Wellness and Travel Company Limited (formerly known as Aoyuan Healthy Life Group Company Limited) (the “**Company**”) for the year ended 31 December 2023 (the “**Annual Report**”) published on 16 April 2024. Unless otherwise defined in this announcement or the context requires, capitalised terms used herein shall have the same meanings as those defined in the Annual Report.

The board of directors of the Company (the “**Board**”) would like to provide the shareholders and potential investors of the Company with supplemental information in relation to the details of the use of proceeds from the global offering of the Company in connection with the listing of the shares of the Company on the Stock Exchange consummated on 18 March 2019 (the “**Global Offering**”).

The total net proceeds from the Global Offering were approximately RMB573.2 million (the “**Net Proceeds**”). As set out in the Annual Report, all unutilised Net Proceeds amounted to approximately RMB136.4 million as at the date of the Annual Report. Further, as set out in the announcement of the Company dated 10 December 2020 (the “**Announcement**”) in relation to, among others, the change of use of Net Proceeds, in order to better utilise the financial resources of the Group and to capture favourable investment opportunities, the Company has re-allocated the unutilised Net Proceeds as at the date of the Announcement for the purpose of acquisition of or investment in other commercial operational service and property management service providers.

The table below sets forth the allocation and status of utilisation of the Net Proceeds as at the date of this announcement and the expected timeline for utilising the unutilised Net Proceeds:

	Amount of Net Proceeds (subject to re-allocation as set out in the Announcement) RMB million (approximately)	Unutilised amount of the Net Proceeds as at 31 December 2020 RMB million (approximately)	Unutilised amount of the Net Proceeds as at 31 December 2021 RMB million (approximately)	Unutilised amount of the Net Proceeds as at 31 December 2022 RMB million (approximately)	Utilised amount of the Net Proceeds as at the date of this announcement RMB million (approximately)	Unutilised amount of the Net Proceeds as at 31 December 2023 and the date of this announcement RMB million (approximately)	Expected timeline for utilising the unutilised Net Proceeds
Acquisition or investment in other commercial operational service and property management service providers	469.6	166.0	136.4	136.4	333.2	136.4	To be utilised by April 2026 <sup>(Note)</sup>
Acquisition or investment in service providers providing services complementary to the Group's commercial operational services and property management services	33.5	-	-	-	33.5	-	Not Applicable
Development of and upgrading the O2O platforms	10.2	-	-	-	10.2	-	Not Applicable
Development of intelligent service systems and upgrading internal IT system	2.6	-	-	-	2.6	-	Not Applicable
Working capital and general corporate purposes	57.3	-	-	-	57.3	-	Not Applicable
<b>Total</b>	<b>573.2</b>	<b>166.0</b>	<b>136.4</b>	<b>136.4</b>	<b>436.8</b>	<b>136.4</b>	

As at the date of this announcement, the utilised Net Proceeds have been used in a manner consistent with the purposes as previously disclosed and the Company has no intention to change the planned use of the remaining Net Proceeds as disclosed in the Announcement.

*Note:* The expected timeline is based on the estimation made by the Board which might be subject to changes in accordance with the change in market conditions from time to time.

The outbreak of the COVID-19 pandemic in 2019 together with the precautionary and control measures, such as lockdowns and travel restrictions, led to a global economic slump, resulting in suspensions of global and domestic commercial activities and low economic growth. In addition to the negative impact brought about by the COVID-19 pandemic, the upstream real estate market in the PRC faced unprecedented challenges due to the PRC property crisis erupted in 2021. As the industries of provisions of commercial operational service and property management service in the PRC are closely related to the PRC real estate market, the performance and operations of the commercial operational service and property management service providers were inevitably adversely affected. In such circumstances, the potential acquisition or investment targets of commercial operational service and property management service providers with sound prospect and sustainable profitability were limited in the market. Given the above changes of the upstream real estate industry in the PRC, the Company took a more prudent approach to identify relevant targets and make acquisition or investment decisions, the Company did not utilise any unutilised Net Proceeds during the past three financial years ended 31 December 2023.

Under the influence of economic downturn and insufficient driving forces of the PRC real estate market, the Company will adhere to steady development of its existing businesses and carefully examine and explore the collaboration and development opportunities of the general health, wellness and travel industries through actively organising and appropriately adjusting the Group's operations to reinforce the Group's resilience against risks. Further, the Board will look for suitable commercial operational service and property management service providers as acquisition or investment targets to achieve the business strategies of scaling up the Group's commercial operational service business and expanding Group's property management service portfolio. The expected timeline for utilising the unutilised Net Proceeds by April 2026 is based on the Group's best estimation and is subject to change based on the market conditions or unforeseen circumstances. The Group may amend or revise the plans in relation to the use of unutilised Net Proceeds against the changing market conditions to suit the business needs of the Group and meet the Group's business objectives. The Group will issue an announcement as and when appropriate if there is any material change in relation to the use of Net Proceeds.

Save as disclosed above, all other information and contents set out in the Annual Report remain unchanged.

By the order of the Board  
**Starjoy Wellness and Travel Company Limited**  
**Cheng Siu Fai**  
*Executive Director*

Hong Kong, 23 April 2024

*As at the date of this announcement, the executive director of the Company is Mr. Cheng Siu Fai; the non-executive directors of the Company are Mr. Li Huiqiang, Mr. Ruan Yongxi, Mr. Zhu Yunfan and Ms. Jiang Nan; and the independent non-executive directors of the Company are Mr. Hung Ka Hai Clement, Dr. Li Zijun and Mr. Wang Shao.*