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**寶新金融集團有限公司**  
**GLORY SUN FINANCIAL GROUP LIMITED**

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

**(Stock Code: 01282)**

**CONTINUING CONNECTED TRANSACTION  
IN RELATION TO  
PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT**

**PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT**

The Board is pleased to announce that on 14 April 2021, after trading hours, Baokai Investment, an indirect wholly-owned subsidiary of the Company entered into the Property Management Services Framework Agreement with Shenzhen Jixiang, pursuant to which, Shenzhen Jixiang agrees to provide Services to Baokai Investment Group in accordance with the principal terms of the Property Management Services Framework Agreement for a period from 14 April 2021 to 31 December 2023.

The aggregate amount of the Property Management Services Fees payable by Baokai Investment Group for the period from 14 April 2021 to 31 December 2023 will not exceed RMB150,000,000 and the Annual Caps for the period from 14 April 2021 to 31 December 2021, and each of the years ending 31 December 2022 and 31 December 2023 will be RMB48,000,000, RMB50,000,000 and RMB52,000,000 respectively.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Yao Jianhui (“**Mr. Yao**”) is an executive Director and the chief executive officer of the Company. He is also a controlling shareholder (as defined in the Listing Rules) of the Company interested in 14,839,411,600 Shares, representing approximately 47.28% of the total number of the Shares in issue, hence, Mr. Yao is a connected person of the Company under the Listing Rules. As Shenzhen Jixiang is an indirect wholly-owned company of Mr. Yao and Baokai Investment is an indirect wholly-owned subsidiary of the Company, the transactions contemplated under the Property Management Services Framework Agreement between Baokai Investment and Shenzhen Jixiang constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

For the purposes of Chapter 14A of the Listing Rules, the highest applicable percentage ratio for the annual caps on aggregated basis (when aggregated with the Baoxin Holdings Annual Caps) exceeds 0.1% but are less than 5%, the transactions contemplated under the Property Management Services Framework Agreement are subject to the reporting, announcement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT**

The principal terms of the Property Management Services Framework Agreement are as follows:

Date: 14 April 2021 (after trading hours)

Parties: (1) Baokai Investment  
(2) Shenzhen Jixiang

Term: from 14 April 2021 to 31 December 2023

Scope of Services: the Services include but are not limited to (i) preliminary planning and design of the property projects; consultancy services, management of construction drawings; (ii) cleaning and maintenance of, and customer services to, property sales offices; (iii) repair and maintenance of common areas, operation and maintenance of common facilities, cleaning, greening and landscape maintenance, parking and car parks management, security control; and (iv) other management services to be agreed between the parties.

## **Pricing Policy**

Members of Baokai Investment Group and Shenzhen Jixiang will enter into separate individual agreement(s) setting out specific terms for the Services. The Property Management Services Fees to be charged for the Services shall be determined after arm's length negotiations with reference to (i) the reference prices provided from time to time by relevant government authorities at national level (if any); (ii) the government guidance prices provided from time to time by the local authorities of the regions in which the relevant project is located (if any); and (iii) where none of the above-mentioned reference prices are available, the Property Management Services Fees shall be determined with reference to the following factors:

- (a) the quotations offered by the Independent Third Parties for providing similar or comparable services to Baokai Investment Group;
- (b) the size and location of the relevant project(s);
- (c) the anticipated labour costs involved in the relevant property management services (including salary and benefits of labour);
- (d) the anticipated operation costs involved in the relevant property management services (including administration costs and costs of materials); and
- (e) the appropriate profit margin and the anticipated increase in the relevant costs due to inflation and economic and social development, etc.

According to the Property Service Charge Management Measures (《物業服務收費管理辦法》) promulgated by the National Development and Reform Commission and the Ministry of Construction on 13 November 2003, the specific pricing of property service fees, namely the above-mentioned government guidance prices, is to be determined by the price authorities of the people's governments of provinces, autonomous regions and municipalities directly under the Central Government of the PRC in conjunction with the real estate administrative authorities. In practice, the publication method and update frequency of pricing documents for property service fees are determined by the competent departments of each province, autonomous region and municipality directly under the Central Government of the PRC. If the above-mentioned government guidance price is available, the Property Management Services Fees shall not be higher than such government guidance price.

Before entering into separate individual property management services agreement(s), Baokai Investment Group will obtain quotations and payment terms of similar or comparable services from the Independent Third Parties to ensure that the Property Management Services Fees will not be higher than the quotations offered by the Independent Third Parties for providing similar or comparable services.

## Annual Caps

The Annual Caps, being the maximum Property Management Services Fees payable by Baokai Investment Group to Shenzhen Jixiang pursuant to the Property Management Services Framework Agreement, for the period from 14 April 2021 to 31 December 2023 are set out below:

<b>For the period from 14 April 2021 to 31 December 2021</b>	<b>For the year ending 31 December 2022</b>	<b>For the year ending 31 December 2023</b>
RMB48,000,000 equivalent to approximately HK\$57,120,000	RMB50,000,000 equivalent to approximately HK\$59,500,000	RMB52,000,000 equivalent to approximately HK\$61,880,000

The Annual Caps were determined after having taken into account of (i) the estimated floor areas of the properties requiring Services from Shenzhen Jixiang; (ii) the estimated costs required by Shenzhen Jixiang in providing the Services; (iii) the market rate for the provisions of property management services similar or comparable to the Services; and (iv) the amount receivable by Shenzhen Jixiang in the provision of property management services currently in existence (including but not limited to the Baoxin Holdings Annual Caps).

## Payment Terms for the Services

Depending on the nature of the Services, the Property Management Services Fees will be payable by Baokai Investment Group monthly, quarterly, half-yearly or yearly by way of cash. In general, fees of services of cleaning and maintenance of, and customer services to, property sales office will be payable monthly and fees of services of preparation for occupancy of properties will be payable by instalments. The payment terms under each separate individual property management services agreement shall be determined with reference to the payment terms of the provision of comparable services offered by the Independent Third Parties under similar conditions to ensure that the payment terms are in line with the market practice.

Detailed terms (including types and quantities of Services required for individual projects and payment of the Property Management Services Fees) will be governed by separate individual property management services agreement(s) entered into between members of Baokai Investment Group and Shenzhen Jixiang which shall follow the terms and principles under the Property Management Services Framework Agreement.

## **REASONS FOR AND BENEFITS OF THE PROPERTY MANAGEMENT SERVICE FRAMEWORK AGREEMENT**

The core business of the Group includes property development. Given Shenzhen Jixiang's expertise in the management of similar property development projects, the Services to be provided under the Property Management Services Framework Agreement will allow the Group to leverage the experience of Shenzhen Jixiang in the field of property management and enhance the value of the property development projects carried out by the Group.

The Directors (including the independent non-executive Directors and excluding Mr. Yao, who has abstained from voting on the resolutions of the Board for the approval of the Property Management Services Framework Agreement and the transactions contemplated thereunder) are of the view that (1) the above-mentioned pricing mechanism is fair and reasonable and can ensure that the fees of the Services under separate individual property management services agreement(s) are on normal commercial terms; and (2) such pricing mechanism, together with the Annual Caps and the transactions contemplated under the Property Management Services Framework Agreement are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

## **INFORMATION ON THE GROUP**

The Company is an investment holding company. The Group is principally engaged in financial services, property investment and development, automation, securities investment, logistics trade and supply chain management, yacht club and training centre.

## **INFORMATION ON BAKAI INVESTMENT**

Baikai Investment is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. The principal business activities of Baikai Investment Group include investment holding, property development and investment in the PRC, providing supply chain management services and business services, establishing technology research and development centres, corporate management consulting.

## **INFORMATION ON SHENZHEN JIXIANG**

Shenzhen Jixiang is a company established in the PRC with limited liability and is indirectly wholly-owned by Mr. Yao. The principal activities of Shenzhen Jixiang include property management, real estate brokerage, property management information consulting and real estate information consulting; corporate management consulting (excluding human resources agencies, securities, insurance, funds, financial business and other restricted or prohibited items) and providing management services for catering companies. It is also licensed to operate parking lots in the PRC.

To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquires, Mr. Yao is an executive Director and the chief executive officer of the Company and a controlling shareholder of the Company. Therefore, the Shenzhen Jixiang is a connected person of the Company.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Yao is an executive Director and the chief executive officer of the Company. He is also a controlling shareholder of the Company, interested in 14,839,411,600 Shares, representing approximately 47.28% of the total number of the Shares in issue. Hence, Mr. Yao is a connected person of the Company. As Shenzhen Jixiang is an indirectly wholly-owned company of Mr. Yao and Baokai Investment is an indirect wholly-owned subsidiary of the Company, the transactions contemplated under the Property Management Services Framework Agreement between Baokai Investment and Shenzhen Jixiang constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

For the purposes of Chapter 14A of the Listing Rules, as the highest applicable percentage ratio for the annual caps on aggregated basis (when aggregated with the Baoxin Holdings Annual Caps) exceeds 0.1% but are less than 5%, the transactions contemplated under the Property Management Services Framework Agreement are subject to the reporting, announcement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since Mr. Yao is the ultimate beneficial owner of Shenzhen Jixiang, he has abstained from voting on the resolutions of the Board for the approval of the Property Management Services Framework Agreement and the transactions contemplated thereunder to avoid any conflicts of interest. Save for Mr. Yao, no other Directors has any material interest in any of the transactions contemplated under the Property Management Services Framework Agreement or is required to abstain from voting on the said resolutions.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“Annual Caps”	the maximum contractual sum payable by Baokai Investment Group to Shenzhen Jixiang for each financial year pursuant to the Property Management Services Framework Agreement for the period from 14 April 2021 to 31 December 2023
“Baokai Investment”	深圳寶開投資控股有限公司 (Shenzhen Baokai Investment and Holding Company Limited <sup>#</sup> ), a company established in the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company
“Baokai Investment Group”	Baokai Investment and its subsidiaries
“Baoxin Holdings”	寶新控股有限公司 (Baoxin Holdings Company Limited <sup>#</sup> ), a company established in the PRC with limited liability, and an indirect non-wholly owned subsidiary of the Company
“Baoxin Holdings Agreement”	the property management services framework agreement entered into between Baoxin Holdings and Shenzhen Jixiang dated 31 December 2020 for the provision of property management services, the details of which are disclosed in the announcements dated 31 December 2020 and 7 January 2021 respectively issued by the Company
“Baoxin Holdings Annual Caps”	the annual caps for the Baoxin Holdings Agreement
“Board”	the board of Directors of the Company
“Company”	Glory Sun Financial Group Limited, a limited liability company incorporated in the Cayman Islands and whose shares are listed on the main board of the Stock Exchange (stock code: 01282)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules and “connected” shall be construed accordingly
“controlling shareholder(s)”	has the meaning ascribed to in the Listing Rules
“Director(s)”	Director(s) of the Company

“Group”	The Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with any of the Directors, chief executive or substantial Shareholders of the Company or any of their respective subsidiaries or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan
“Property Management Services Fees”	the management services fees payable by Baokai Investment Group to Shenzhen Jixiang pursuant to the Property Management Services Framework Agreement
“Property Management Services Framework Agreement”	the framework agreement entered into between Baokai Investment Group and Shenzhen Jixiang on 14 April 2021 setting out the terms for the provision of the Services
“RMB”	Renminbi, the lawful currency of the PRC
“Services”	the property management services to be provided by Shenzhen Jixiang to Baokai Investment Group under the Property Management Services Framework Agreement
“Shenzhen Jixiang”	深圳吉祥服務集團有限公司 (Shenzhen Jixiang Property Services Group Limited <sup>#</sup> ), a company established in the PRC with limited liability, which is indirectly wholly-owned by Mr. Yao, a controlling Shareholder of the Company
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)



“Stock Exchange”                   The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”                 has the meaning ascribed to it under the Listing Rules

“%”                                     per cent

By Order of the Board of  
**Glory Sun Financial Group Limited**  
**Yao Jianhui**  
*Chairman and Chief Executive Officer*

Hong Kong, 14 April 2021

*As at the date of this announcement, the Company’s executive directors are Mr. Yao Jianhui, Mr. Lau Wan Po, Mr. Li Minbin and Mr. Huang Wei; the non-executive director is Mr. Zhang Chi; and the independent non-executive directors are Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew, and Mr. Lee Kwan Hung, Eddie.*

*For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.19 has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such a rate or at any other rates.*

*The English translation of the Chinese name(s) in this announcement, where indicated with #, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*