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**CIFI Holdings (Group) Co. Ltd.**  
**旭輝控股(集團)有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 00884)**

**SUPPLEMENTAL ANNOUNCEMENT  
IN RELATION TO  
CONTINUING CONNECTED TRANSACTIONS UNDER  
MERCHANDISE PROCUREMENT FRAMEWORK AGREEMENT**

Reference is made to the announcement of CIFI Holdings (Group) Co. Ltd. (the “**Company**”) dated 22 April 2021 in relation to the Merchandise Procurement Framework Agreement with Ever Sunshine Lifestyle, pursuant to which the Group agrees to purchase from Ever Sunshine Lifestyle Group, and Ever Sunshine Lifestyle Group agrees to procure for the Group, the Relevant Goods needed from time to time in the ordinary course of property development of the Group and for the property projects of the Group for a term commencing from 22 April 2021 to 31 December 2023 (both days inclusive) (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

In addition to the information disclosed in the Announcement, the Company would like to provide the following details regarding the pricing policies and procedure in relation to the Merchandise Procurement Framework Agreement and the transactions contemplated thereunder.

**PRICING POLICIES**

Before entering into of any specific agreement in respect of the Relevant Goods to be procured and the incidental services under the Merchandise Procurement Framework Agreement, the Group will determine the prices payable to Ever Sunshine Lifestyle Group on arm’s length basis with reference to the following factors:

- (1) the prices for the Relevant Goods chargeable by Ever Sunshine Lifestyle Group will be determined with reference to the prevailing market price of same or comparable goods, which is determined through pricing procedure conducted by the procurement department of the Group as stated in the paragraph headed “Pricing Procedure” in this announcement; and

- (2) as informed by Ever Sunshine Lifestyle Group, the mark-up rate to be received by Ever Sunshine Lifestyle Group in respect of the Relevant Goods to be procured and the incidental services under the Merchandise Procurement Framework Agreement would not exceed 30%. The prices of the Relevant Goods, taking into account the said mark-up rate, are not more than the price level at which the Group can obtain from suppliers who are independent third parties for purchase of the same or comparable goods.

## **PRICING PROCEDURE**

In addition, the Group adopts the following procedures to ascertain the fairness and reasonableness of the prices payable by the Group under the Merchandise Procurement Framework Agreement:

- (1) periodic price researches will be conducted by the procurement department of the Group to obtain the prices of goods offered by at least three independent third parties in the market for same or comparable goods supplied under the Merchandise Procurement Framework Agreement;
- (2) the procurement department of the Group will also regularly update the market prices for the purpose of considering if the prices charged for specific transactions are fair and reasonable and in accordance with the Group's pricing policies; and
- (3) should there be any material discrepancies between the price charged by Ever Sunshine Lifestyle Group and that charged by independent third parties, the price chargeable by Ever Sunshine Lifestyle Group will be adjusted accordingly, and the Group will then assess whether the price of Relevant Goods, after adjustment, is fair and reasonable compared with that offered by independent third parties.

By order of the Board  
**CIFI Holdings (Group) Co. Ltd.**  
**LIN Zhong**  
*Chairman*

Hong Kong, 3 June 2021

*As at the date of this announcement, the Board comprises Mr. LIN Zhong, Mr. LIN Wei, Mr. LIN Feng, Mr. CHEN Dongbiao and Mr. YANG Xin as executive Directors; Mr. WANG Wei as non-executive Director; and Mr. GU Yunchang, Mr. ZHANG Yongyue and Mr. TAN Wee Seng as independent non-executive Directors.*