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HUIJING HOLDINGS COMPANY LIMITED

滙景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9968)

CONTINUING CONNECTED TRANSACTIONS

- (1) SUPPLEMENTAL AGREEMENT TO THE EXISTING AGREEMENT FOR THE REVISION OF ANNUAL CAP;**
- (2) THE COMMERCIAL PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH DONGGUAN PROPERTY MANAGEMENT;**
- (3) THE SALES CENTRE SUPPORT SERVICES FRAMEWORK AGREEMENT WITH DONGGUAN PROPERTY MANAGEMENT;**
- (4) THE COMMERCIAL OPERATIONAL AND VALUE-ADDED SERVICES FRAMEWORK AGREEMENT WITH DONGGUAN HUISHENG; AND**
- (5) THE PROPERTY AGENCY SERVICES FRAMEWORK AGREEMENT WITH DONGGUAN LEYUAN**

The Board is pleased to announce that on 23 February 2021, the Company entered into (1) the Supplemental Agreement with Dongguan Property Management to revise the Existing 2021 Annual Cap under the Existing Agreement; (2) the Commercial Property Management Services Framework Agreement with Dongguan Property Management in relation to the provision of office support services for the period from 23 February 2021 to 31 December 2021 (both dates inclusive); (3) the Sales Centre Support Services Framework Agreement with Dongguan Property Management in relation to the provision of support services to sales centres for the period from 23 February 2021 to 31 December 2021 (both dates inclusive); (4) the Commercial Operational and Value-added Services Framework Agreement with Dongguan Huisheng in relation to the provision of commercial operational services and commercial value-added services for investment properties for the period from 23 February 2021 to 31 December 2021 (both dates inclusive); and (5) the Property Agency Services Framework Agreement with Dongguan Leyuan in relation to the provision of property sales agency services for the period from 23 February 2021 to 31 December 2021 (both dates inclusive).

LISTING RULES IMPLICATIONS

As Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan are companies wholly and beneficially owned by the Controlling Shareholders, as such, Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan are connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the entering into the Agreements and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Aggregation of the annual caps under Dongguan Ruifeng Management Services Agreement and Commercial Operational and Value-added Services Framework Agreement

As the transactions contemplated under the Dongguan Ruifeng Management Services Agreement, of which the nature is similar to those contemplated under the Commercial Operational and Value-added Services Framework Agreement, will be ongoing for the year ending 31 December 2021, as such the transactions under the Dongguan Ruifeng Management Services Agreement will be completed within the year ending 31 December 2021, which is within a 12-month period from the date of the Commercial Operational and Value-added Services Framework Agreement. In this connection, the Commercial Operational and Value-added Services Framework Agreement with a proposed annual cap of RMB32.0 million for the period ending 31 December 2021 and the Dongguan Ruifeng Management Services Agreement with a proposed annual cap of RMB2.4 million for the period ending 31 December 2021 shall be aggregated as a series of transactions for the Company pursuant to Rule 14A.81 of the Listing Rules. As a result of the aggregation, the aggregate value of the Dongguan Ruifeng Management Services Agreement and Commercial Operational and Value-added Services Framework Agreement for the period ending 31 December 2021 amounts to RMB34.4 million.

Aggregation of the annual caps under Dongguan Property Management Continuing Connected Transactions

While the proposed annual caps are determined separately for each of the (a) the Supplemental Agreement with a proposed annual cap of RMB10.0 million for the period ending 31 December 2021, (b) the Commercial Property Management Services Framework Agreement with a proposed annual cap of RMB8.44 million for the period ending 31 December 2021, and (c) the Sales Centre Support Services Framework Agreement with a proposed annual cap of RMB13.73 million for the period ending 31 December 2021, they have been aggregated under Rule 14A.81 of the Listing Rules. As a result of the aggregation, the aggregate value of the proposed annual caps of the aforesaid agreements for the period ending 31 December 2021 amounts to RMB32.17 million.

General

As the highest applicable percentage ratio under Rule 14A.78 of the Listing Rules in respect of each of (1) the aggregate value of each of the proposed annual caps under (a) the Supplemental Agreement, (b) the Commercial Property Management Services Framework Agreement, and (c) the Sales Centre Support Services Framework Agreement, (2) the proposed annual cap under the Commercial Operational and Value-added Services Framework Agreement (which is referring to the aggregate value of the annual caps under Dongguan Ruifeng Management Services Agreement and Commercial Operational and Value-added Services Framework Agreement), and (3) the proposed annual cap under the Property Agency Services Framework Agreement exceeds 0.1%, but is less than 5.0%, such transactions contemplated under each of the Agreements are therefore subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. In addition, in respect of the Supplemental Agreement, according to Rule 14A.54 of the Listing Rules, as the Company proposes to revise the Existing 2021 Annual Cap to the Revised 2021 Annual Cap, the Company will be required to re-comply with the announcement requirements. The Board reviews and assesses annual caps under the continuing connected transactions on an ongoing basis and will comply with the relevant rules governing continuing connected transactions under the Listing Rules from time to time.

Mr. Lun RX has abstained from voting on the relevant board resolutions of the Board in relation to the Agreements in accordance with the articles of association of the Company. Other than Mr. Lun RX, none of the other Directors is required to abstain from voting on the relevant board resolutions of the Board in relation to the Agreements.

The Board (including the independent non-executive Directors) is of the view that the Agreements are entered into on an arm's length basis and on normal commercial terms. The terms of the Agreements are fair and reasonable and the transactions contemplated thereunder are in the usual and ordinary course of business of the Group and in the interests of the Company and the Shareholders as a whole.

INTRODUCTION

The Board is pleased to announce that on 23 February 2021, the Company entered into (1) the Supplemental Agreement with Dongguan Property Management to revise the Existing 2021 Annual Cap under the Existing Agreement; (2) the Commercial Property Management Services Framework Agreement with Dongguan Property Management in relation to the provision of office support services for the period from 23 February 2021 to 31 December 2021 (both dates inclusive); (3) the Sales Centre Support Services Framework Agreement with Dongguan Property Management in relation to the provision of support services to the sales centre for the period from 23 February 2021 to 31 December 2021 (both dates inclusive); (4) the Commercial Operational and Value-added Services Framework Agreement with Dongguan Huisheng in relation to the provision of commercial operational services and commercial value-added services for investment properties for the period from 23 February 2021 to 31 December 2021 (both dates inclusive); and (5) the Property Agency Services

Framework Agreement with Dongguan Leyuan in relation to the provision of property sales agency services for the period from 23 February 2021 to 31 December 2021 (both dates inclusive).

THE SUPPLEMENTAL AGREEMENT

The principal terms of the Supplemental Agreement are set out below:

Date: 23 February 2021 (after trading hours)

Parties: (i) the Company; and
(ii) Dongguan Property Management.

Services scope: Pursuant to the Existing Agreement, the services agreed to be provided by Dongguan Property Management to the Group include but not limited to the provision of safety and security services, daily cleaning and hygiene and greening and maintenance services and fire safety management services to the unsold properties.

Term amended: *Annual cap:* the annual cap of the transaction amount for the services procured by the Group from Dongguan Property Management Group pursuant to the Existing Agreement will be increased from RMB8.1 million to RMB10.0 million for the year ending 31 December 2021.

Save as disclosed above, all existing material terms and conditions under the Existing Agreement remain unchanged.

Pricing policy

The service fees shall be determined principally by arm's length commercial negotiations after taking into account factors including the numbers and locations of the projects, the operational costs (including labour costs, material costs, management costs and the mark-up rate, if applicable) with reference to the comparable market price for similar services and similar type of projects of Dongguan Property Management in the market from three service providers, which are independent to the Group, the Directors, the chief executives, the substantial shareholders of the Company or any of its subsidiaries and their respective associates, from time to time.

The above term of the Supplemental Agreement has been incorporated to ensure that the pricing terms are fair and reasonable, on normal commercial terms and shall be no less favourable than those offered by the independent third parties.

Revised 2021 Annual Cap under the Supplemental Agreement

The following table sets out the amount of previous continuing connected transactions between Dongguan Property Management and the Group under the Existing Agreement:

	For the year ended 31 December 2020	For the year ending 31 December 2021
Annual caps	RMB5.2 million	RMB8.1 million
Historical transaction amount	RMB5.1 million	RMB0.4 million (Unaudited) (<i>Note</i>)
Utilisation rate	98.1%	4.9% (<i>Note</i>)

Note: For the one month ended 31 January 2021

The Existing 2021 Annual Cap and the Revised 2021 Annual Cap for the year ending 31 December 2021 are set out below:

	For the year 31 December 2021
Existing 2021 Annual Cap	RMB8.1 million
Revised 2021 Annual Cap	RMB10.0 million

Basis of determining the Revised 2021 Annual Cap

The Revised 2021 Annual Cap has been determined with reference to, among others, the following factors:

- (1) the unaudited historical amount of approximately RMB5.1 million settled by the Company for property management services for unsold properties for the year ended 31 December 2020 under the Existing Agreement;
- (2) the current property projects under which had engaged Dongguan Property Management for property management services for unsold properties, and new property projects which are expected to complete in 2021, with reference to the historical unsold rate, projected increase in GFA of unsold property as a result of the Group's expected growth in the number of its property projects and subsequent projected increase for the current property projects;
- (3) the comparable market price by independent third parties on normal commercial terms for providing similar services and guidance rate by relevant government authorities; and
- (4) other factors such as the experience of the management team for the property management services for unsold properties of Dongguan Property Management on the provision of property management services for unsold properties.

Reasons for and benefits of entering into the Supplemental Agreement

With the increase in the number of projects expected to be completed and the demand for services of unsold properties held for sale before they are delivered to the customers in various locations in the PRC such as Guangdong, Hefei, Hunan and Zhejiang provinces, the entering into of the Supplemental Agreement will enable the Group to ensure the readily availability of property management services to the Group and improve the quality and efficiency of the provision of property management services to unsold properties.

Further, Dongguan Property Management is an experienced property management services provider in the PRC. It has also obtained various qualifications such as the ISO19001 Quality Management System Certification in 2016 and was awarded as one of the top 100 property management services provider in the PRC in 2020. The Board believes that the experience of the management team for the property management services for unsold properties of Dongguan Property Management shall provide reliable support to the Group's expansion of property development business.

THE COMMERCIAL PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT

The Commercial Property Management Services Framework Agreement was entered into between the Company and Dongguan Property Management on 23 February 2021 (after trading hours) in relation to the provision of office support services by Dongguan Property Management for the period from 23 February 2021 to 31 December 2021 (both dates inclusive) subject to the annual cap of RMB8.44 million.

The principal terms of the Commercial Property Management Services Framework Agreement are set out below:

Date: 23 February 2021 (after trading hours)

Parties: (i) the Company; and
(ii) Dongguan Property Management.

Commercial property management services: Pursuant to the Commercial Property Management Services Framework Agreement, the services agreed to be provided by Dongguan Property Management to the Group include but not limited to the office support services for the existing and anticipated new office buildings such as in Guangdong, Hunan, Zhejiang and Jiangsu provinces, including property and facilities maintenance, security services, cleaning services, gardening services, public area maintenance, greeting and other property management related services.

Pricing policy:

The service fees shall be determined principally by arm's length commercial negotiations after taking into account factors including the numbers and locations of the projects, the operational costs (including labour costs, material costs, management costs and the mark-up rate, if applicable) with reference to the comparable market price for similar services and similar type of projects of Dongguan Property Management in the market from three service providers, which are independent to the Group, the Directors, the chief executives, the substantial shareholders of the Company or any of its subsidiaries and their respective associates, from time to time.

The above term of the Commercial Property Management Services Framework Agreement has been incorporated to ensure that the pricing terms are fair and reasonable, on normal commercial terms, and shall be no less favourable than those offered by the independent third parties.

Annual cap and its basis:

The annual cap of the service fees under the Commercial Property Management Services Framework Agreement for the period ending 31 December 2021 shall not exceed RMB8.44 million. The service fees are expected to be satisfied by internal resources of the Group.

The annual cap has determined with reference to, among others, the following factors:

- (i) the unaudited historical amount of approximately RMB3.5 million settled by the Company for the office support services in 2020;
- (ii) the anticipated increase in quantity of services for office support services for the period ending 31 December 2021 with reference to the expansion of the Group to new regions such as Zhejiang and Jiangsu provinces, and the anticipated increase in demand of quantity and quality of the existing administrative services of the Group;
- (iii) the comparable market price by independent third parties on normal commercial terms for providing similar services; and
- (iv) other factors such as the experience the management team for the commercial property management services of Dongguan Property Management in provision of office support services.

Historical transaction amount under the Commercial Property Management Services Framework Agreement

The unaudited historical transaction amount that the Group settled with Dongguan Property Management for the provision of office support services for the year ended 31 December 2020 was approximately RMB3.5 million.

Reasons for and benefits of entering into the Commercial Property Management Services Framework Agreement

With the expansion of the Group to new regions such as Zhejiang and Jiangsu provinces, and the anticipated increase in demand for the existing administrative services of the Group, it would be more efficient to engage an external service provider to assist the Group with the administrative and office support services and the entering into of the Commercial Property Management Services Framework Agreement will enable to Group to secure the supply and improve the efficiency and quality of administrative and office support services. Based on the established long-term cooperation relationship with Dongguan Property Management, as compared to other services providers who are independent third parties, Dongguan Property Management generally maintains better and more efficient communication with the Group and more thorough understanding of the Group's requirements of the services needed.

THE SALES CENTRE SUPPORT SERVICES FRAMEWORK AGREEMENT

The Sales Centre Support Services Framework Agreement was entered into between the Company and Dongguan Property Management on 23 February 2021 (after trading hours) in relation to the provision of support services for the sales centre by Dongguan Property Management for the period from 23 February 2021 to 31 December 2021 (both dates inclusive) subject to the annual cap of RMB13.73 million.

The principal terms of the Sales Centre Support Services Framework Agreement are set out below:

Date: 23 February 2021 (after trading hours)

Parties: (i) the Company; and
(ii) Dongguan Property Management.

Management services: Pursuant to the Sales Centre Support Services Framework Agreement, the sales centre support services agreed to be provided by Dongguan Property Management to the Group include but not limited to the provision of cleaning and security, customer reception and other relevant support services in sales office, showrooms, display units and club houses in various locations in the PRC, depending on the location of the property projects on project based.

Pricing policy:

The service fees shall be determined principally by arm's length commercial negotiations after taking into account factors including the numbers and locations of the management projects, the operational costs (including labour costs, material costs, management costs and the mark-up rate, if applicable) with reference to the comparable market price for similar services and similar type of projects of Dongguan Property Management in the market from three service providers, which are independent to the Group, the Directors, the chief executives, the substantial shareholders of the Company or any of its subsidiaries and their respective associates, from time to time.

The above term of the Sales Centre Support Services Framework Agreement has been incorporated to ensure that the pricing terms are fair and reasonable, on normal commercial terms, and shall be no less favourable than those offered by the independent third parties.

Annual cap and its basis:

The annual cap of the service fees under the Sales Centre Support Services Framework Agreement for the period ending 31 December 2021 shall not exceed RMB13.73 million. The service fees are expected to be satisfied by internal resources of the Group.

The annual cap has been determined with reference to, among others, the following factors:

- (i) the unaudited historical amount of approximately RMB3.5 million settled by the Company for the sales centre support services in 2020;
- (ii) the sales centre of existing projects and new property development projects for the period ending 31 December 2021 with reference to the size, geographical locations, facilities and human resources allocation of the relevant display units, sales offices and clubhouse;
- (iii) the comparable market price by independent third parties on normal commercial terms for providing similar services; and
- (iv) other factors such as the experience of the management team for the sale centre support services of Dongguan Property Management and the need of the Company to improve its efficiency on marketing operation.

Historical transaction amount under the Sales Centre Support Services Framework Agreement

The unaudited historical transaction amount that the Group settled with Dongguan Property Management for the provision of sales centre support services for the year ended 31 December 2020 was approximately RMB3.5 million.

Reasons for and benefits of entering into the Sales Centre Support Services Framework Agreement

With the increase in the scale and complexity of works of sale centres which will be involved in the upcoming projects as well as the continuous development of the new projects, the entering into of the Sales Centre Support Services Framework Agreement will enable to Group to improve the quality and efficiency of support service in the sales centre, and better focus on the implementation of its market strategy, promotion activities and management of external intermediary resources. Based on the established long-term cooperation relationship with Dongguan Property Management, as compared to other services providers who are independent third parties, Dongguan Property Management generally maintains better and more efficient communication with the Group and more thorough understanding of the Group's requirements of the services needed.

THE COMMERCIAL OPERATIONAL AND VALUE-ADDED SERVICES FRAMEWORK AGREEMENT

The Commercial Operational and Value-added Services Framework Agreement was entered into between the Company and Dongguan Huisheng on 23 February 2021 (after trading hours) in relation to the provision of commercial operational services and other value-added services for investment properties held by the Group by Dongguan Huisheng for the period from 23 February 2021 to 31 December 2021 (both dates inclusive) subject to the annual cap of RMB32.0 million.

The principal terms of the Commercial Operational and Value-added Services Framework Agreement are set out below:

Date: 23 February 2021 (after trading hours)

Parties: (i) the Company; and
(ii) Dongguan Huisheng.

Commercial operational and value-added services:

Dongguan Huisheng is commissioned to provide the commercial operational services and value-added services for various investment properties in connection with the management projects of (i) Huijing City in Houjie in Dongguan, the PRC; (ii) Huijing City in Zhangmutou in Dongguan, the PRC; and (iii) Huijing City in Hefei, the PRC (the “**Three Huijing City**”) which are held by the Group. Pursuant to the Commercial Operational and Value-added Services Framework Agreement, the services agreed to be provided by Dongguan Huisheng to the Group include but not limited to the (i) commercial operational services such as shopping mall operational management, promotion and marketing, security and logistics and maintaining good relationships with tenants and customers; and (ii) value-added services, such as market positioning of potential customers and tenants, selection of style of decoration and layout for the Three Huijing City.

Pricing policy:

The service fees shall be determined principally by arm’s length commercial negotiations after taking into account factors including conditions of the “Three Huijing City”, the operational costs (including labour costs, material costs, management costs and the mark-up rate, if applicable) with reference to the comparable market price for providing similar services of Dongguan Huisheng in the market from three service providers, which are independent to the Group, the Directors, the chief executives, the substantial shareholders of the Company or any of its subsidiaries and their respective associates.

The above term of the Commercial Operational and Value-added Services Framework Agreement has been designed to ensure that the pricing terms are fair and reasonable, on normal commercial terms, and shall be no less favourable than those offered by the independent third parties.

Annual cap and its basis:

The annual cap of the service fees under the Commercial Operational and Value-added Services Framework Agreement for the period ending 31 December 2021 shall not exceed RMB32.0 million. The service fees are expected to be satisfied by internal resources of the Group.

The annual cap is determined with reference to, among others, the following factors:

- (i) the unaudited historical amount of approximately RMB3.4 million settled by the Company for the provision of relevant services for the investment properties in 2020;
- (ii) the estimated demand of the Company for commercial operational services and value-added services for the period ending 31 December 2021;

- (iii) the comparable market price by independent third parties on normal commercial terms for providing similar services; and
- (iv) other factors such as the experience of Dongguan Huisheng's senior management and the Company's expansion plans on investment properties.

Historical transaction amount under the Commercial Operational and Value-added Services Framework Agreement

The unaudited historical transaction amount that the Group settled with Dongguan Huisheng for the provision of commercial operational services and value-added services for investment properties for the year ended 31 December 2020 was approximately RMB3.4 million.

Reasons for and benefits of entering into the Commercial Operational and Value-added Services Framework Agreement

Dongguan Huisheng is a commercial operational services provider in Dongguan, senior management of Dongguan Huisheng are from listed commercial real estate groups in the PRC and possessed rich experience of providing commercial operational services and value-added services. With the development plan of the Group's investment properties in Dongguan and Hefei for the brand of "Huijing City", the entering into of the Commercial Operational and Value-added Services Framework Agreement will enable to Group to engage professional party with commercial property operational experience to better operate the Group's investment properties, increase the Group's revenue from leasing of the investment properties by promoting the "Huijing City" brand, improve the brand awareness and influence and enhance the Group's competitiveness as a whole.

THE PROPERTY AGENCY SERVICES FRAMEWORK AGREEMENT

The Property Agency Services Framework Agreement was entered into between the Company and Dongguan Leyuan on 23 February 2021 (after trading hours) in relation to the provision of property sales agency services by Dongguan Leyuan for the period from 23 February 2021 to 31 December 2021 (both dates inclusive) subject to the annual cap of RMB180 million.

The principal terms of the Property Agency Services Framework Agreement are set out below:

Date: 23 February 2021 (after trading hours)

Parties: (i) the Company; and
(ii) Dongguan Leyuan.

Property agency services:

Dongguan Leyuan is commissioned to provide various property sales agency services in connection with the projects of the existing and anticipated new projects in 2021. Pursuant to the Property Agency Services Framework Agreement, the services agreed to be provided by Dongguan Leyuan to the Group include but not limited to the following:

- providing market analysis report of the project location;
- cooperating with the Group to formulate various sales activities and marketing plans as well as assisting the Group to carry out advertising promotion activities; and
- establishing a professional sales team to be responsible for the sales of each of the real estate projects of the Group. The property sales agency services are non-exclusive.

Pricing policy:

The service fees shall be determined principally by arm's length commercial negotiations after taking into account factors including the numbers and locations of the projects, the charging standards for similar agency services in the market from three service providers, which are independent to the Group, the Directors, the chief executives, the substantial shareholders of the Company or any of its subsidiaries and their respective associates.

The above term of the Property Agency Services Framework Agreement has been designed to ensure that the pricing terms are fair and reasonable, on normal commercial terms, and shall be no less favourable than those offered by the independent third parties.

Annual cap and its basis:

The annual cap of the service fees under the Property Agency Services Framework Agreement for the period ending 31 December 2021 shall not exceed RMB180 million. The service fees are expected to be satisfied by internal resources of the Group.

The annual cap is determined with reference to the following factors:

- (i) the unaudited historical amount of approximately RMB3.1 million settled by the Company for the property agency services in 2020;
- (ii) the estimated quantity of service for property agency services received by the Group for the period ending 31 December 2021;
- (iii) the comparable market price by independent third parties on normal commercial terms for providing similar services; and

- (iv) other factors such as the experience of Dongguan Leyuan in the provision of property agency services and the change of Company's marketing strategy.

Historical transaction amount under the Property Agency Services Framework Agreement

The unaudited historical transaction amount that the Group settled with Dongguan Leyuan for the provision of property sales agency services for the year ended 31 December 2020 was approximately RMB3.1 million.

Reasons for and benefits of entering into the Property Agency Services Framework Agreement

With the increase in the number of real estate projects and the recent market trend of engaging professional parties who have external intermediary resources to optimize the marketing channels, the entering into of the Property Agency Services Framework Agreement will enable to Group to adapt to the new market changes and engage professional party to improve the marketing efficiency, optimize sales and enhance the Group's competitiveness as a whole.

Further, Dongguan Leyuan is an experienced property sales agency services provider in Dongguan, with its staff having the experience of working in the listed Chinese real estate companies. It also has outstanding external intermediary resources. The Board believes that the experience of Dongguan Leyuan shall provide reliable support to the Group's expansion of property development business.

DIRECTORS' VIEW

The Board (including the independent non-executive Directors) is of the view that the Agreements are entered into on an arm's length basis and on normal commercial terms. The terms of the Agreements are fair and reasonable and the transactions contemplated thereunder are in the usual and ordinary course of business of the Group and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

In order to ensure that the terms of the relevant services provided under the Agreements are no less favourable than those available from independent third parties, the Group has adopted the following measures:

- (i) where applicable and commercially sensible, the Group will continue to request Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan to provide their respective services through a bidding process, on arm's length basis and on the best available terms, with reference to the prevailing market prices;
- (ii) the evaluation committee of the Company, comprising the head of procurement department of the Company, the executive Director and an independent non-executive Director, will ensure the prices and terms of services offered by the connected persons are fair and no less favourable than those offered by independent third parties when

procuring services. An independent mechanism with the following features will be used to govern and monitor the tender process and selection mechanism for the potential bidders:

- (a) the Company will publish a tender announcement on the newspaper and/or information network designated by the competent authorities to invite unspecified potential bidders or issue tender invitations to potential bidders, at least three of whom should be independent third parties;
 - (b) where the connected persons are among the potential bidders, the procurement department of the Company will conduct an in-depth evaluation on all potential services suppliers who will each be assessed on areas including but not limited to, service fees, service quality and quality control system; and
 - (c) the evaluation assessment report will be submitted to the evaluation committee for final review. The connected persons will only be selected if they are considered to have competitive advantages in the provision of the relevant services.
- (iii) as part of the internal control procedures, the implementation of the Agreements and the actual number and amount of services provided by each of Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan will be monitored and reviewed by the Board (including the independent non-executive Directors) and the senior management on a regular basis, with reference to terms of similar transactions with the independent third parties;
- (iv) the Director(s) and/or the Shareholder(s) with an interest in the relevant transaction(s) shall abstain from voting in respect of the resolution(s);
- (v) the Group shall use its best endeavours to comply with the relevant reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules for the continuing connected transactions;
- (vi) The Company will engage the Company's auditor to review the connected transactions between the Group and each of Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan to ensure that the continuing connected transactions contemplated under the respective Agreements have been conducted in accordance with the Listing Rules;
- (vii) the Group will duly disclose in the annual reports and accounts the transactions of provision of services by each of Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan during each financial period, together with the conclusions (with basis) drawn by the independent non-executive Directors whether the transactions are conducted on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; and
- (viii) the finance department will review and monitor the continuing connected transactions conducted by the Group under the Agreements for each financial year, the content of which includes the amount and usage of annual cap, and report to the Board. One of the assessment objectives is to ensure the annual caps of the continuing connected

transactions will not be exceeded and that the continuing connected transactions under the Agreements have been conducted in accordance with the pricing policies or mechanism under the respective agreements.

GENERAL INFORMATION

The Company and the Group

The principal activity of the Company is investment holding. The Group is an established integrated residential and commercial property developer in the PRC, focusing in Guangdong and Hunan provinces.

Dongguan Property Management

Dongguan Property Management is principally engaged in provision of property management services, sales centre support services and commercial property management services. It is beneficially owned as to 60% by Ms. Chan and as to 40% by Mr. Lun RX.

Dongguan Huisheng

Dongguan Huisheng is principally engaged in provision of commercial operational and value-added services. It is ultimately and beneficially owned as to 100% by Mr. Lun RX.

Dongguan Leyuan

Dongguan Leyuan is principally engaged in provision of property sales agency services. It is ultimately and beneficially owned as to 100% by Mr. Lun RX.

LISTING RULES IMPLICATIONS

As Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan are companies wholly and beneficially owned by the Controlling Shareholders, as such, Dongguan Property Management, Dongguan Huisheng and Dongguan Leyuan are the connected persons under Chapter 14A of the Listing Rules. Accordingly, and the entering into the Agreements and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Aggregation of the annual caps under Dongguan Ruifeng Management Services Agreement and Commercial Operational and Value-added Services Framework Agreement

As the transactions contemplated under the Dongguan Ruifeng Management Services Agreement, of which the nature is similar to those contemplated under the Commercial Operational and Value-added Services Framework Agreement, will be ongoing for the year ending 31 December 2021, as such the transactions under the Dongguan Ruifeng Management Services Agreement will be completed within the year ending 31 December 2021, which is within a 12-month period from the date of the Commercial Operational and Value-added Services Framework Agreement. In this connection, the Commercial Operational and Value-added Services Framework Agreement with a proposed annual cap of RMB32.0 million for the period ending 31 December 2021 and the Dongguan Ruifeng Management Services Agreement with a proposed annual cap of RMB2.4 million for the

period ending 31 December 2021 shall be aggregated as a series of transactions for the Company pursuant to Rule 14A.81 of the Listing Rules. As a result of the aggregation, the aggregate value of the Dongguan Ruifeng Management Services Agreement and Commercial Operational and Value-added Services Framework Agreement for the period ending 31 December 2021 amounts to RMB34.4 million.

Aggregation of the annual caps under Dongguan Property Management Continuing Connected Transactions

While the proposed annual caps are determined separately for each of the (a) the Supplemental Agreement with a proposed annual cap of RMB10.0 million for the period ending 31 December 2021, (b) the Commercial Property Management Services Framework Agreement with a proposed annual cap of RMB8.44 million for the period ending 31 December 2021, and (c) the Sales Centre Support Services Framework Agreement with a proposed annual cap of RMB13.73 million for the period ending 31 December 2021, they have been aggregated under Rule 14A.81 of the Listing Rules. As a result of the aggregation, the aggregate value of the proposed annual caps of the aforesaid agreements for the period ending 31 December 2021 amounts to RMB32.17 million.

General

As the highest applicable percentage ratio under Rule 14A.78 of the Listing Rule in respect of (1) the aggregate value of each of the proposed annual caps under (a) the Supplemental Agreement, (b) the Commercial Property Management Services Framework Agreement, and (c) the Sales Centre Support Services Framework Agreement, (2) the proposed annual cap under the Commercial Operational and Value-added Services Framework Agreement (which is referring to the aggregate value of the annual caps under Dongguan Ruifeng Management Services Agreement and Commercial Operational and Value-added Services Framework Agreement), and (3) the proposed annual cap under the Property Agency Services Framework Agreement exceeds 0.1%, but is less than 5.0%, such transactions contemplated under each of the Agreements are therefore subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. In addition, in respect of the Supplemental Agreement, according to Rule 14A.54 of the Listing Rules, as the Company proposes to revise the Existing 2021 Annual Cap to the Revised 2021 Annual Cap, the Company will be required to re-comply with the announcement requirements. The Board reviews and assesses annual caps under the continuing connected transactions on an ongoing basis and will comply with the relevant rules governing continuing connected transactions under the Listing Rules from time to time.

Mr. Lun RX has abstained from voting on the relevant board resolutions of the Board in relation to the Agreements in accordance with the articles of association of the Company. Other than Mr. Lun RX, none of the other Directors is required to abstain from voting on the relevant board resolutions of the Board in relation to the Agreements.

DEFINITIONS

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

“Agreements”	the Supplemental Agreement, the Commercial Property Management Services Framework Agreement, Sales Centre Support Services Framework Agreement, Commercial Operational and Value-added Services Framework Agreement and Property Agency Services Framework Agreement, collectively;
“Board”	the board of the Directors;
“Commercial Operational and Value-added Services Framework Agreement”	the services framework agreement dated 23 February 2021 entered into between the Company and Dongguan Huisheng in relation to the provision of commercial operational and commercial value-added services for the property projects of the Company;
“Commercial Property Management Services Framework Agreement”	the services framework agreement dated 23 February 2021 entered into between the Company and Dongguan Property Management in relation to the provision of office support services for the property projects of the Company;
“Company”	Huijing Holdings Company Limited (滙景控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 9 January 2019, 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 Shareholders”	Ms. Chan and Mr. Lun RX
“Director(s)”	the director(s) of the Company;
“Dongguan Huisheng”	Dongguan Huisheng Commercial Management Co., Ltd.* (東莞市滙昇商業經營管理有限公司), a company established in the PRC with limited liability;
“Dongguan Leyuan”	Dongguan Leyuan Technology Co., Ltd* (東莞市樂源科技有限公司), a company established in the PRC with limited liability;
“Dongguan Property Management”	Dongguan Huijing Property Management Company Limited* (東莞市滙景物業服務有限公司), a company established in the PRC with limited liability;

“Dongguan Property Management Continuing Connected Transactions”	the continuing connected transactions to be entered into between Dongguan Property Management and the Company pursuant to the Supplemental Agreement, the Commercial Property Management Services Framework Agreement and the Sales Centre Support Services Framework Agreement;
“Dongguan Property Management Group”	Dongguan Property Management and its subsidiaries;
“Dongguan Ruifeng”	Dongguan Ruifeng Commercial Management Limited* (東莞市瑞豐商業管理有限公司), a company established in the PRC with limited liability;
“Dongguan Ruifeng Management Services Agreement”	the management services agreement dated 1 January 2019 entered into between Huijing Group Limited (滙景集團有限公司) and Dongguan Ruifeng in relation to the provision of management services to Huijing Group Limited;
“Existing 2021 Annual Cap”	not exceeding RMB8.1 million for the year ending 31 December 2021;
“Existing Agreement”	the services framework agreement dated 11 December 2019 entered into between the Company and Dongguan Property Management in relation to the provision of property management service for the property projects of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Ms. Chan”	Ms. Chan Hau Wan (陳巧雲), a controlling shareholder and the spouse of Mr. Lun RX;
“Mr. Lun RX”	Mr. Lun Ruixiang (倫瑞祥), a non-executive Director, a controlling shareholder and chairman of the Board. He is the spouse of Ms. Chan;
“PRC”	the People’s Republic of China;
“Property Agency Services Framework Agreement”	the services framework agreement dated 23 February 2021 entered into between the Company and Dongguan Leyuan in relation to the provision of property sales agency service for the property projects of the Company;

“Revised 2021 Annual Cap”	not exceeding RMB10.0 million for the year ending 31 December 2021;
“RMB”	Renminbi, the lawful currency of the People’s Republic of China;
“Sales Centre Support Services Framework Agreement”	the services framework agreement dated 23 February 2021 entered into between the Company and Dongguan Property Management in relation to the provision of sales centre support services for the property projects of the Company;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Agreement”	the supplemental agreement dated 23 February 2021 entered into between the Company and Dongguan Property Management in relation to the revision of the Existing Agreement; and
“%”	per cent.

By order of the Board
Huijing Holdings Company Limited
Lun Zhao Ming
Executive Director

Hong Kong, 23 February 2021

As at the date of this announcement, the Board comprises Mr. Lun Zhao Ming, Mr. Lau Kam Kwok Dickson and Mr. Lu Peijun as Executive Directors, Mr. Lun Ruixiang as a Non-executive Director, and Ms. Chiu Lai Kuen Susanna, Mr. Hung Wan Shun Stephen and Ms. Lin Yanna as Independent Non-executive Directors.

* *For identification purposes only.*