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Suxin Joyful Life Services Co., Ltd.

蘇新美好生活服務股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2152)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF THE LAND IN SUZHOU, THE PRC
THROUGH PUBLIC TENDER**

Reference is made to the announcement of the Company dated 29 April 2024 in relation to the proposed acquisition of the land use rights of the Land offered for sale by Suzhou Natural Resources and Planning Bureau through public tender (i.e. the Land Acquisition). As at the date of this announcement, the process of the public tender has been completed. The Group was the successful bidder of the Land and the Final Bid Price was RMB49.57 million.

On 21 May 2024 (after trading hours), Suzhou Natural Resources and Planning Bureau and the Company entered into the Agreement pursuant to which the Company has agreed to acquire, and Suzhou Natural Resources and Planning Bureau has agreed to disposed of, the land use rights of the Land.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under Rule 14A.07 of the Listing Rules) in respect of the Land Acquisition exceeds 5% but is less than 25%, the Land Acquisition constitutes a discloseable transaction of the Company and shall be subject to the reporting and announcement requirements but is exempt from circular and independent Shareholders' approval requirements under Chapter 14 of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 29 April 2024 in relation to the proposed acquisition of the land use rights of the Land offered for sale by Suzhou Natural Resources and Planning Bureau through public tender (i.e. the Land Acquisition). As at the date of this announcement, the process of the public tender has been completed. The Group was the successful bidder of the Land and the Final Bid Price was RMB49.57 million.

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THE AGREEMENT

Summary of the principal terms of the Agreement is as follows:

Date

21 May 2024 (after trading hours)

Parties

- (a) Suzhou Natural Resources and Planning Bureau (as the vendor); and
- (b) the Company (as the purchaser).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Suzhou Natural Resources and Planning Bureau is a PRC government bureau and an Independent Third Party as at the date of this announcement.

Assets to be acquired

The Company has agreed to acquire, and Suzhou Natural Resources and Planning Bureau has agreed to dispose of, the land use rights of the Land.

Consideration

The consideration, i.e. the Final Bid Price, being RMB49.57 million, is equivalent to the official initial price of the bid of RMB49.57 million (tax inclusive). The Group considered the bidding price for the Land was fair and reasonable after taking into account, among other things, (i) the official initial price of the bid of RMB49.57 million for the Land set by Suzhou Natural Resources and Planning Bureau; (ii) the current property market conditions in Suzhou District, the PRC and the areas nearby; and (iii) the location and development potential of the Land. No independent valuation has been taken as reference for setting the bidding price.

The consideration for the Land Acquisition will be partly funded by the Net Proceeds and partly by the Group's internal resources.

Payment terms

Pursuant to the Agreement, the consideration for the Land Acquisition shall be payable in the following manner:

- (i) 50% of which shall be payable within three working days from the date of the Agreement; and
- (ii) the remaining 50% of which shall be payable before 8 August 2024.

On 29 April 2024, the Company had already paid a deposit of RMB10 million to Suzhou Natural Resources and Planning Bureau in accordance with its regulations for public tenders, which shall be applied to settle the consideration for the Land Acquisition.

Term of grant of the land use rights and use of the Land

For business and financial, retail and commercial, and catering purposes with a term of 40 years.

The Land

The Land is situated at North of Shishan Road and west of planned land, Shishan Business Innovation Zone, New and High-tech Zone, Suzhou, the PRC (中國蘇州市高新區獅山商務創新區獅山路北、規劃用地西) with a site area of 6,124.1 sq.m.. The Land is designated for commercial use for a term of grant of 40 years, with an overall plot ratio between 1.4 to 1.8.

REASONS FOR AND THE BENEFITS OF THE LAND ACQUISITION

The Land is located at a prime location on Shishan Road, Shishan Business Innovation Zone, New and High-tech Zone, Suzhou, the PRC, adjacent to line 3 of Suzhou Metro, with convenient transportation, mature commercial facilities and abundant leisure resources in the vicinity, and is currently the only land parcel at auction on Shishan Road. The Company intends to develop the Land into office buildings, the size of which matches the Company's development needs for office space.

The Company's self-owned office space currently is located on Shishan Road in the central business district (CBD) of Suzhou New and High-tech Zone, with very limited office resources available for leasing. The Company foresees that land parcels on Shishan Road available for auction in the future with a similar size to the Land will be even more scarce. With the continuous expansion of business and growth in the number of employees, the Company's existing office space is no longer sufficient to meet its development needs. As a company deeply rooted in Suzhou New and High-tech Zone, by acquiring land and developing new office buildings in such area, the Company will be able to expand its property portfolio and improve its operational efficiency by pooling its resources and optimizing the use of space. In addition, office space expansion is also in line with the Company's long-term strategy, which will be conducive to attract more talents, cooperation partners and customers, and maintain the Company's competitive edge by providing a more attractive working environment. The office buildings located in the core area of the CBD will enhance the Company's brand reputation, bring potential asset appreciation and create greater financial return for the Company and the Shareholders.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Purchaser and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Group

The Company together with its subsidiaries are providers of comprehensive city services and property management services to a wide variety of properties in the PRC, including (i) city services offered to local governments and public authorities to satisfy local residents' daily living needs and improve their living standards and experience; (ii) commercial property management services offered to industrial parks, office buildings, apartments and commercial complexes; and (iii) residential property management service.

Suzhou Natural Resources and Planning Bureau

Suzhou Natural Resources and Planning Bureau, a PRC government bureau, is the vendor of the Land and is responsible for the related work of the transfer of the Land, including information disclosure, data review, confirmation of transaction eligibility, and signing of the land use rights grant contract in respect of the sale of the Land.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under Rule 14A.07 of the Listing Rules) in respect of the Land Acquisition exceeds 5% but is less than 25%, the Land Acquisition constitutes a discloseable transaction of the Company and shall be subject to the reporting and announcement requirements but is exempt from circular and independent Shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agreement”	the grant of land use rights contract dated 21 May 2024 entered into between Suzhou Natural Resources and Planning Bureau and the Company in relation to the Land Acquisition
“associate(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Suxin Joyful Life Services Co., Ltd. (蘇新美好生活服務股份有限公司), a joint stock company with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2152)
“connected person(s)”	shall have the same meaning as ascribed to it under the Listing Rules

“controlling shareholder(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Final Bid Price”	the final bid price for the Land Acquisition pursuant to the Agreement, being RMB49.57 million
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Land”	land parcel no. Su Land 2024-WG-S03 (蘇地2024-WG-S03號) with a site area of 6,124.1 sq.m. located at New and High-Tech Zone, Suzhou, Jiangsu Province, the PRC
“Land Acquisition”	the acquisition of the land use rights of the Land through public tender from Suzhou Natural Resources and Planning Bureau
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Net Proceeds”	the total net proceeds raised by the Company from the Global Offering which amounted to approximately HK\$176.3 million after deducting the underwriting commission and other expenses
“Online Transfer System”	蘇州國有建設用地使用權網上出讓系統 (Suzhou state-owned construction land use right online transfer system*)
“plot ratio”	the ratio of the gross floor area (excluding floor area below ground) of all buildings to their site area
“PRC”	the People’s Republic of China

“Public Tender Announcement”	the public tender announcement published on the website of the Online Transfer System on 8 April 2024 in respect of the Proposed Land Acquisition
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	Shareholder(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suzhou Natural Resources and Planning Bureau”	蘇州市自然資源和規劃局 (Suzhou Natural Resources and Planning Bureau*), a PRC government bureau
“%”	per cent.

* *For identification purpose only.*

By order of the Board
Suxin Joyful Life Services Co., Ltd.
Cui Xiaodong
Chairman

Suzhou, the People’s Republic of China, 21 May 2024

As at the date of this announcement, the executive directors of the Company are Mr. Cui Xiaodong, Mr. Zhou Jun and Ms. Zhou Lijuan; the non-executive directors of the Company are Ms. Li Xin, Mr. Cao Bin and Mr. Zhang Jun; and the independent non-executive directors of the Company are Ms. Zhou Yun, Ms. Xin Zhu and Mr. Liu Xin.