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SUPPLEMENTAL JOINT ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO

PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT

Reference is made to the joint announcement of GSFG and GSLG dated 31 December 2020 (the “**Announcement**”) in relation to the Property Management Services Framework Agreement entered into between Baoxin Holdings and Shenzhen Jixiang. Unless otherwise specified, capitalised terms used herein shall have the same meaning ascribed to them in the Announcement.

In addition to the information as set forth in the Announcement, GSFG and GSLG wish to provide their respective shareholders and potential investors with additional information in relation to the Property Management Services Framework Agreement.

Basis of Determination of the Property Management Services Fees

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 Baoxin Holdings Group;
- (b) the size and location of the relevant projects;

- (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), Baoxin Holdings Group will obtain quotations and payment terms of similar or comparable services from 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.

The GSFG Directors and the GSLG Directors (including the independent non-executive directors of each of GSFG and GSLG and excluding Mr. Yao Jianhui, who has abstained from voting on the resolutions of board of directors of each of GSFG and GSLG for the approval of the Property Management Services Framework Agreement and the transactions contemplated thereunder) are of the view that 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 are in the interest of GSFG and GSLG and their respective shareholders as a whole.

Payment Terms for the Services

Depending on the nature of the Services, the Property Management Services Fees will be payable by Baoxin Holdings Group on the monthly, quarterly, half-yearly or yearly basis. 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 Baoxin Holdings Group and Shenzhen Jixiang which shall follow the terms and principles under the Property Management Services Framework Agreement.

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

By Order of the Board of
Glory Sun Land Group Limited
Yao Jianhui
Chairman

Hong Kong, 7 January 2021

As at the date of this announcement, GSFSG'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.

As at the date of this announcement, GSLG's executive directors are Mr. Yao Jianhui, Mr. Zhang Xiaodong and Ms. Xia Lingjie; the non-executive director is Ms. Zhan Yushan; and the independent non-executive directors are Ms. He Suying, Dr. Tang Lai Wah and Mr. Wong Chun Bong.