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## **Redsun Services Group Limited**

**弘陽服務集團有限公司**

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

**(Stock Code: 1971)**

### **MAJOR TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS**

#### **BACKGROUND**

References are made to the announcements of the Company dated 8 December 2022 and 7 June 2023 respectively in relation to (i) the Existing Parking Space Sales and Leasing Agency Services Framework Agreement; (ii) the Existing Property Management Services Master Framework Agreement; and (iii) the Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement entered into between the Company and Redsun Properties for a term from 1 January 2023 to 31 December 2025.

It is expected that the Group will from time to time continue to enter into transactions of a nature similar to the Existing Continuing Connected Transactions after the expiry of the agreements to which the Existing Continuing Connected Transactions relate. Accordingly, the Group now seeks to enter into relevant new agreements on substantially the same terms and has entered into the (i) the New Parking Space Sales and Leasing Agency Services Framework Agreement; and (ii) the New Property Management Services Master Framework Agreement on 8 December 2025 (after trading hours).

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, Mr. Zeng is the controlling Shareholder. Redsun Properties is indirectly held as to 71.88% by Mr. Zeng. Accordingly, Redsun Properties is an associate of Mr. Zeng and therefore a connected person of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the New Continuing Connected Transactions constitute continuing connected transactions of the Company.

### **The New Parking Space Sales and Leasing Agency Services Framework Agreement**

Although the highest applicable percentage ratios in respect of the aggregated proposed caps of the agency fees and the Refundable Deposits under the New Parking Space Sales and Leasing Agency Services Framework Agreement exceed 100%, the transactions contemplated thereunder does not fall under acquisition of assets and hence, the entering into of the New Parking Space Sales and Leasing Agency Services Framework Agreement and the transactions contemplated thereunder will constitute a major transaction and continuing connected transactions of the Company and are subject to the reporting, annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

### **The New Property Management Services Master Framework Agreement**

Since one or more of the applicable percentage ratios in respect of the proposed annual caps in respect of the Property Management Services under the New Property Management Services Master Framework Agreement for the three years ending 31 December 2028 exceed 25% but are less than 100%, the transactions contemplated under the New Property Management Services Master Framework Agreement constitutes continuing connected transactions of the Company and are subject to the reporting, annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL INFORMATION**

The Company has established the Independent Board Committee to consider whether the Non-exempt Continuing Connected Transactions are entered into on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole. The Company has appointed Ignite Capital (Asia Pacific) Limited as the independent financial adviser to advise the Independent Board Committee and independent Shareholders. The Company will convene a general meeting in due course.

A circular containing, among other things, (i) further details of the Non-exempt Continuing Connected Transactions contemplated and the respective annual caps; (ii) the letter from the independent financial adviser in which the independent financial adviser provides advice and recommendation to the Independent Board Committee; (iii) recommendation from the Independent Board Committee to the independent Shareholders; and (iv) a notice of the general meeting, is expected to be despatched to the Shareholders on or before 5 January 2026, as additional time is required to prepare certain information in the circular.

## INTRODUCTION

References are made to the announcements of the Company dated 8 December 2022 and 7 June 2023 respectively in relation to (i) the Existing Parking Space Sales and Leasing Agency Services Framework Agreement; (ii) the Existing Property Management Services Master Framework Agreement; and (iii) the Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement entered into between the Company and Redsun Properties for a term from 1 January 2023 to 31 December 2025.

It is expected that the Group will from time to time continue to enter into transactions of a nature similar to the Existing Continuing Connected Transactions after the expiry of the agreements to which the Existing Continuing Connected Transactions relate. Accordingly, the Group now seeks to enter into relevant new agreements on substantially the same terms and has entered into the (i) the New Parking Space Sales and Leasing Agency Services Framework Agreement; and (ii) the New Property Management Services Master Framework Agreement on 8 December 2025 (after trading hours).

### **I. New Parking Space Sales and Leasing Agency Services Framework Agreement**

The principal terms of the New Parking Space Sales and Leasing Agency Services Framework Agreement are set out below:

Date: 8 December 2025 (after trading hours)

Parties: (a) the Company (as services provider)  
(b) Redsun Properties (as services recipient)

Term: From 1 January 2026 to 31 December 2028, subject to renewal by mutual agreement of the parties thereto and compliance with the requirements of the Listing Rules and all other applicable laws and regulations.

Scope of services:

- (a) Members of the Group shall provide Parking Space Sales and Leasing Agency Services to Redsun Properties in respect of the unsold parking spaces owned by Redsun Properties.
- (b) Members of the Group shall pay to members of Redsun Properties Group the Refundable Deposits in an amount equal to sales reserve prices of the relevant parking spaces (in the case of the unsold parking spaces) in connection with the Parking Space Sales and Leasing Agency Services contemplated under the New Parking Space Sales and Leasing Agency Services Framework Agreement.

Definitive service agreements will be entered into between the relevant members of the Group and Redsun Properties and its associates for the provision of the Parking Space Sales and Leasing Agency Services and the payment of Refundable Deposits in respect of the unsold parking spaces owned by Redsun Properties and its associates. Each definitive agreement will set out the relevant services to be provided by the relevant members of the Group to Redsun Properties and its associates and the service fees, as well as the associated Refundable Deposits. The definitive service agreements may only contain provisions which are in all material respects consistent with the binding principles, guidelines, terms and conditions set out in the New Parking Space Sales and Leasing Agency Services Framework Agreement.

Pricing policy:

- (a) The agency fees for the provision of Parking Space Sales and Leasing Agency Services in respect of unsold parking spaces shall be calculated based on the following:

Sales/leasing agency fee = contract prices of the sales/leasing of the subject parking spaces x agreed rate of agency fee

The contract prices of the sales/leasing of the subject parking spaces shall be determined with reference to the prevailing market price charged by other independent third party services providers to Redsun Properties and its associates in respect of comparable locations. The rate of the sales/leasing agency fee in respect of the parking spaces of each specific project is subject to the relevant definitive agreements to be entered into between the relevant members of the Group and Redsun Properties and its associates, and shall be determined after arm's length negotiations between the relevant parties with reference to prevailing market price taking into account of prices charged by independent third parties services providers in respect of comparable services and locations.

- (b) With respect to the unsold parking spaces, the amount of the Refundable Deposits shall be equal to total sales reserve price of such unsold parking spaces, which is a unified standard of Redsun Properties applicable to the refundable deposits payable by an independent third party to them in respect of the same services and is in line with the industry practices. The total sales reserve price is calculated according to the formula below:

$$\begin{array}{ccccc} \text{Total selling/} & & \text{sales reserve} & & \text{number of unsold} \\ \text{sales reserve} & & \text{price of each} & & \text{parking spaces} \\ \text{price} & = & \text{unsold parking} & * & \text{under the relevant} \\ & & \text{space} & & \text{definitive sales} \\ & & & & \text{agency services} \\ & & & & \text{agreement(s)} \end{array}$$

The sales reserve price for the unsold parking spaces is determined with reference to (i) the popularity of the unsold parking spaces; (ii) the real estate market condition and the scope of services provided; and (iii) the location of the unsold parking spaces.

Other terms:

With respect to the unsold parking spaces, the Refundable Deposits shall be refunded to the Group as follows:

- (a) for the parking spaces sold by the Group, the amount of the Refundable Deposits shall be set-off by the total sales reserve price for such parking spaces received by the Group;
- (b) for the parking spaces failed to be sold by the Group, the Refundable Deposits shall be refunded in full in 30 working days after the expiration of the New Parking Space Sales and Leasing Agency Services Framework Agreement on 31 December 2028 or on the date(s) as agreed by parties under the relevant definitive sales agency services agreement(s) (whichever is earlier).

The transactions contemplated under the New Parking Space Sales and Leasing Agency Services Framework Agreement shall be on normal commercial terms, on terms no more favorable than those offered to independent third party services providers in respect of comparable services and on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### ***Reasons for and Benefits of the Transaction***

Since most of the parking space developed or held by Redsun Properties are within the scope of the Group's projects under management, and the Group keep the daily communication and contact with potential customers (owners and tenants) of such parking spaces, which has certain advantages in obtaining the relevant market information of such parking spaces and that such business can bring more revenue and diversified business development to the Group, the Group decides to enter into the New Parking Space Sales and Leasing Agency Services Framework Agreement. Further, the Group agreed to, based on business situation, pay the Refundable Deposits to the Redsun Properties Group in anticipation of the continuation of such types of services, which is believed to be conducive for the Group to ensure a stable income stream and enhance profitability as a whole since the Group would be able to obtain the exclusive right to provide the Parking Space Sales and Leasing Agency Services. In addition, the refund mechanism for the Refundable Deposits has been agreed by the parties and explicitly provided under the New Parking Space Sales and Leasing Agency Services Framework Agreements, therefore, the Company believes that the risks in respect of the recoverability of the Refundable Deposits are controllable by the Group.

### ***Historical transaction amounts***

The table below sets forth the historical transaction amounts of (i) the total agency fees paid by Redsun Properties and its associates to the Group; and (ii) the historical Refundable Deposits paid by the Group to the Redsun Properties Group for the two years ended 31 December 2024 and 10 months ended 31 October 2025 under the Existing Parking Space Sales and Leasing Agency Services Framework Agreement (as supplemented by the Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement):

	<b>Actual amount incurred (<i>in RMB'000</i>)</b>		
		<b>For the period from</b>	
	<b>For the year ended 31 December 2023</b>	<b>For the year ended 31 December 2024</b>	<b>1 January 2025 to 31 October 2025</b>
The total agency fees paid by Redsun Properties and its associates to the Group	3,340	2,136	1,780
Maximum daily balance of the Refundable Deposits	282,459	287,914	299,746

As far as the Directors are aware, it is expected that the actual amount for the year ending 31 December 2025 will not exceed the respective annual caps under the Existing Parking Space Sales and Leasing Agency Services Framework Agreement (as supplemented by the Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement).

### ***Proposed annual caps and basis of determination for annual caps***

Taking into account the changes in the parking space sales/leasing market and the increase in the size of Redsun Properties' parking space assets, the Group, after renegotiation with Redsun Properties, has confirmed a change in the parking space sales business model since 2023, mainly providing parking space sales/leasing agency services for various projects of Redsun Properties and its associates, such as the formulation and promotion of parking space sales/leasing plans, etc., entering into sales/leasing agency service contracts with Redsun Properties and its associates, and settling the sales/leasing agency fees with Redsun Properties and its associates upon completion of the sales/leasing of the parking spaces.

The proposed annual caps for (i) the expected maximum aggregate agency fees to be charged by the Group to Redsun Properties and its associates; and (ii) the Refundable Deposits to be paid by the Group to the Redsun Properties Group for the three years ending 31 December 2028 under the New Parking Space Sales and Leasing Agency Services Framework Agreement and the basis of determination for such annual caps are set out as follows:

	<b>For the year ending 31 December 2026 (RMB'000)</b>	<b>For the year ending 31 December 2027 (RMB'000)</b>	<b>For the year ending 31 December 2028 (RMB'000)</b>
Expected maximum aggregate agency fees to be charged by the Group to Redsun Properties and its associates pursuant to the New Parking Space Sales and Leasing Agency Services Framework Agreement	15,200	15,200	15,200
Maximum daily balance of the Refundable Deposits	<u>304,002</u>	<u>304,002</u>	<u>304,002</u>
	<u><u>319,202</u></u>	<u><u>319,202</u></u>	<u><u>319,202</u></u>

The annual caps for the agency fees under the New Parking Space Sales and Leasing Agency Services Framework Agreement are determined based on the estimated transaction amount for the provision of Parking Space Sales and Leasing Agency Services by the Group to Redsun Properties and its associates for each of the three years ending 31 December 2028, which were determined with reference to:

- (i) the projected number in respect of the parking spaces owned by Redsun Properties and its associates for which the Group was expected to be engaged to provide parking space sales and leasing agency service based on arm's length negotiations between the Group and Redsun Properties and its associates as at 31 December 2025;
- (ii) the estimated contract prices of the sales/leasing for the parking spaces held and to be held by Redsun Properties and its associates; and
- (iii) the rate of agency fee based on arm's length negotiations between the Group and Redsun Properties and its associates with reference to prevailing market price taking into account of prices and rates charged by independent third parties services providers in respect of comparable services and locations.



Meanwhile, in arriving at the abovementioned proposed annual caps for the Refundable Deposits, the Directors have taken into account, among others:

- (i) the amount and balance of historical Refundable Deposits during the relevant period;
- (ii) the estimated value of the unsold parking spaces of Redsun Properties Group available for sale by the Group as an agent for the three years ending 31 December 2028; and
- (iii) the cash flow and working capital of the Group.

## **II. New Property Management Services Master Framework Agreement**

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

Date: 8 December 2025 (after trading hours)

Parties: (a) the Company (as services provider)  
(b) Redsun Properties (as services recipient)

Term: From 1 January 2026 to 31 December 2028, subject to renewal by mutual agreement of the parties thereto and compliance with the requirements of the Listing Rules and all other applicable laws and regulations.

Scope of services: (a) **Pre-delivery property management and related services**

Members of the Group shall provide pre-delivery property management and related services to Redsun Properties and its associates, including but not limited to planning and design, equipment selection, inspection for each unit, cleaning, gardening, maintenance of public order and security in the phases of property preparation, general layout as well as construction drawings, execution, completion and delivery period in respect of the property projects of Redsun Properties and its associates.

**(b) Display units and property sales venues management services**

Members of the Group shall provide management and related services to the display units and property sales venues of the property projects during the sales period of the property projects of Redsun Properties and its associates, including but not limited to cleaning, gardening, maintenance of public order and security services to the aforesaid venue.

**(c) Pre-delivery property management services for unsold properties**

Members of the Group shall provide pre-delivery property management services to Redsun Properties and its associates for unsold properties (including car parking spaces), including but not limited to security, cleaning, gardening, repair and maintenance.

**(d) Housing repair management services**

Members of the Group shall provide routine maintenance and repair management services to the Properties under warranty sold by Redsun Properties and its Associates, including but not limited to housing safety management, housing repair plan management, housing repair quality management, housing repair budget management, housing repair tender management, housing repair cost management, housing repair factor management, housing repair construction management and housing repair construction supervision services.

Definitive service agreements will be entered into between the relevant members of the Group and Redsun Properties and its associates for the provision of the Property Management Services. Each definitive agreement will set out the relevant services to be provided by the relevant members of the Group to Redsun Properties and its associates and the service fees. The definitive service agreements may only contain provisions which are in all material respects consistent with the binding principles, guidelines, terms and conditions set out in the New Property Management Services Master Framework Agreement.

Pricing policy:

The relevant members of the Group shall, where they are selected following the relevant tender processes and other quotation procedures for selection of services providers, provide management and related services to Redsun Properties and its associates according to the tender and quotation documents and definitive management services agreements to be entered into between relevant members of the Group and Redsun Properties and its associates from time to time.

The management fees payable by Redsun Properties and its associates shall be determined based on arm's length negotiation between Redsun Properties and its associates and members of the Group, with reference to a wide range of factors including but not limited to (i) nature, age, infrastructure features, geographical location and neighborhood profile of the relevant properties; (ii) prevailing market price charged by other independent third party services providers to Redsun Properties and its associates in respect of comparable services; and (iii) any applicable rates recommended by the relevant government authorities.

The transactions contemplated under the New Property Management Services Master Framework Agreement shall be on normal commercial terms, on terms no more favorable than those offered to independent third party services providers in respect of comparable services and on terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

### ***Reasons for and Benefits of the Transaction***

The Group has been providing quality property management services to Redsun Properties and its associates for many years and therefore the parties are more familiar with each other in respects of communication, coordination and service standards, which have certain advantage. As the Existing Property Management Services Master Framework Agreement entered into between the Group and Redsun Properties in 2022 will expire on 31 December 2025, the Group decides to enter into the New Property Management Services Master Framework Agreement so that the Group will continue to provide property management services to Redsun Properties and its associates and create certain synergies accordingly. Through providing services to the owners and owners' committees of properties developed by Redsun Properties and its associates and other property developers, the Group enhances its brand image and recognition, which will in turn promote its property management business.

### ***Historical transaction amounts***

The table below sets forth the historical transaction amounts of transactions under the Existing Property Management Services Master Framework Agreement:

	<b>Actual amount incurred (<i>in RMB'000</i>)</b>		
	<b>For the period from</b>		
	<b>For the year ended 31 December 2023</b>	<b>For the year ended 31 December 2024</b>	<b>1 January 2025 to 31 October 2025</b>
The total service fees paid by Redsun Properties and its associates to the Group	159,131	79,756	56,705

As far as the Directors are aware, it is expected that the actual amount for the year ending 31 December 2025 will not exceed the annual cap under the Existing Property Management Services Master Framework Agreement.

### ***Proposed annual caps and basis of determination for annual caps***

The proposed annual caps for the transactions contemplated under the New Property Management Services Master Framework Agreement for the three years ending 31 December 2028 and the basis of determination for such annual caps are set out as follows:

	<b>For the year ending 31 December 2026 (RMB'000)</b>	<b>For the year ending 31 December 2027 (RMB'000)</b>	<b>For the year ending 31 December 2028 (RMB'000)</b>
Expected maximum aggregate service fees paid by Redsun Properties and its associates to the Group pursuant to the New Property Management Services Master Framework Agreement	102,051	96,598	95,029

The annual caps under the New Property Management Services Master Framework Agreement are determined with reference to the following factors:

- (i) the historical transaction amounts in respect of the Property Management Services between Redsun Properties and its associates and the Group;
- (ii) the total GFA of properties developed by Redsun Properties and its associates under the management of the Group and the properties under development held by Redsun Properties and its associates to be managed by the Group based on existing service contracts as at 31 December 2025;
- (iii) the land bank held by Redsun Properties and its associates as at 31 December 2025 and its projected changes for the next three years based on publicly available information;
- (iv) the estimated service fee to be charged by the Group in respect of pre-delivery property management and related services, display units and property sales venues management services and pre-delivery property management services for unsold properties based on historical amount and existing contracts; and
- (v) the expected unoccupied rate for property units and car parking spaces under the management of the Group based on historical amount.

## **INTERNAL CONTROL**

The Group has implemented the following internal control measures for monitoring the pricing and other terms of the continuing connected transactions, including the transactions contemplated under the New Continuing Connected Transactions and for ensuring that the transactions conducted under such agreements will be entered into based on normal commercial terms:

- (1) Before entering into the continuing connected transactions of the Group, the procurement department of the Group will review and verify whether the price is fair and reasonable. In addition, if the pricing terms in respect of the relevant agreement are applied for the first time or the pricing terms are different from those applied previously, the cost management department of the Group also reviews the above works conducted by the procurement department when settling the agreements.

- (2) The financial management department of the Group is mainly responsible for reviewing and monitoring the continuing connected transactions to ensure that the annual caps of the relevant continuing connected transactions would not be exceeded and are implemented pursuant to the pricing policy or mechanism under the respective framework agreements. The financial management department of the Group will consult the internal control units of the Group, external lawyers and compliance adviser regarding compliance issues of the continuing connected transactions.
- (3) The financial management department of the Group will prepare an annual report to the supervisor of the financial management department of the Group. The supervisor of the financial management department will report to the audit committee of the Group and submit a confirmation letter to the audit committee, confirming the continuing connected transactions of the Group (which are subject to the annual review and disclosure requirements under the Listing Rules) are all (a) entered into in the ordinary and usual course of business of the Group; (b) entered into on normal commercial terms or better; and (c) pursuant to the relevant agreements governing such transactions, entered into on the basis that the terms are fair and reasonable and are in the interests of the Shareholders as a whole; and the internal monitoring procedures of the Group regarding continuing connected transactions are adequate and effective in ensuring such transactions are conducted in such manner stated above. The audit committee will consider on such basis.

The Board is of the view that the above internal control measures can ensure that the continuing connected transactions of the Group under the New Continuing Connected Transactions are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## **INFORMATION ON THE RELEVANT PARTIES**

### **The Group**

The Group is a well-recognized comprehensive community service provider in Jiangsu Province, the PRC. It is principally engaged in the provision of property management services, value-added services to non-property owners and community value-added services.

### **Redsun Properties**

Redsun Properties is a comprehensive property developer established in the Yangtze River Delta region and operating in the PRC, focusing on the development of residential properties and the development, operation and management of commercial and comprehensive properties.

## **DIRECTORS' CONFIRMATION**

The Directors (excluding the independent non-executive Directors on the Non-exempt Continuing Connected Transactions, who will form their view after taking into account recommendations of an independent financial adviser) are of the view that the terms of each of the New Continuing Connected Transactions were determined through arm's length negotiations amongst the parties thereto, are based on normal commercial terms, and that the entering into of the New Continuing Connected Transactions is in the ordinary and usual course of business of the Group, and together with the proposed annual caps under each of the New Continuing Connected Transactions, are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Since Redsun Properties is an associate of Mr. Zeng, Mr. Zeng Junkai, the son of Mr. Zeng and a non-executive Director, was deemed to have material interests in, and has abstained from voting on, the resolutions passed by the Board to approve (i) the New Parking Space Sales and Leasing Agency Services Framework Agreement; and (ii) the New Property Management Services Master Framework Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has any material interest in, or was required to abstain from voting on the resolutions passed by the Board to approve each of the New Continuing Connected Transactions and their respective proposed annual caps.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, Mr. Zeng is the controlling Shareholder. Redsun Properties is indirectly held as to 71.88% by Mr. Zeng. Accordingly, Redsun Properties is an associate of Mr. Zeng and therefore a connected person of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the New Continuing Connected Transactions constitute continuing connected transactions of the Company.

### **The New Parking Space Sales and Leasing Agency Services Framework Agreement**

Although the highest applicable percentage ratios in respect of the aggregated proposed caps of the agency fees and the Refundable Deposits under the New Parking Space Sales and Leasing Agency Services Framework Agreement exceed 100%, the transactions contemplated thereunder does not fall under acquisition of assets and hence, the entering into of the New Parking Space Sales and Leasing Agency Services Framework Agreement and the transactions contemplated thereunder will constitute a major transaction and continuing connected transactions of the Company and are subject to the reporting, annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

## **The New Property Management Services Master Framework Agreement**

Since one or more of the applicable percentage ratios in respect of the proposed annual caps in respect of the Property Management Services under the New Property Management Services Master Framework Agreement for the three years ending 31 December 2028 exceed 25% but are less than 100%, the transactions contemplated under the New Property Management Services Master Framework Agreement constitutes continuing connected transactions of the Company and are subject to the reporting, annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In order to ensure the compliance of the requirements of Chapter 14A of the Listing Rules, during the period from 1 January 2026 to the date when the independent Shareholders' approval is obtained, the amount payable by the parties pursuant to the Non-exempt Continuing Connected Transactions is expected to fall below the de minimis threshold as stipulated under Rule 14A.76(2) of the Listing Rules, therefore such transactions will be exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules for continuing connected transactions and such information will be disclosed in the poll results announcement to be published for the EGM.

## **GENERAL INFORMATION**

In view of the above, the Company will seek the approval of the independent Shareholders in relation to the transactions contemplated under the Non-exempt Continuing Connected Transactions. Ordinary resolutions will be proposed at the EGM to approve by way of poll the Non-exempt Continuing Connected Transactions and their respective annual caps.

As at the date of this announcement, Redsun Services Group (Holdings) Limited is a controlling Shareholder, directly holding approximately 72.77% of the entire issued share capital of the Company. Redsun Services Group (Holdings) Limited is wholly owned by Hong Yang Group Company Limited, which in turn is wholly owned by Hong Yang International Limited, which in turn is owned as to 50% and 50% by Hong Yang Group (Holdings) Limited (a company wholly owned by Mr. Zeng) and Mr. Zeng Huansha, respectively. Accordingly, Redsun Services Group (Holdings) Limited and its associates will be required to abstain from voting on the ordinary resolutions to be proposed at the EGM in respect of the Non-exempt Continuing Connected Transactions and their respective annual caps.



The Company has established the Independent Board Committee to consider whether the Non-exempt Continuing Connected Transactions are entered into on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole. The Company has appointed Ignite Capital (Asia Pacific) Limited as the independent financial adviser to advise the Independent Board Committee and independent Shareholders. The Company will convene a general meeting in due course.

A circular containing, among other things, (i) further details of the Non-exempt Continuing Connected Transactions contemplated and the respective annual caps; (ii) the letter from the independent financial adviser in which the independent financial adviser provides advice and recommendation to the Independent Board Committee; (iii) recommendation from the Independent Board Committee to the independent Shareholders; and (iv) a notice of the general meeting, is expected to be despatched to the Shareholders on or before 5 January 2026, as additional time is required to prepare certain information in the circular.

## **DEFINITIONS**

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Redsun Services Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1971)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened to consider, among other things, the ordinary resolutions to be proposed to approve the Non-exempt Continuing Connected Transactions

“Existing Continuing Connected Transactions”	collectively, (i) the Existing Parking Space Sales and Leasing Agency Services Framework Agreement (as supplemented by the Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement); and (ii) the Existing Property Management Services Master Framework Agreement
“Existing Parking Space Sales and Leasing Agency Services Framework Agreement”	the existing parking space sales and leasing agency services framework agreement dated 8 December 2022 entered into between the Company and Redsun Properties in relation to the provision of parking space sales and leasing agency services by the Group to Redsun Properties and its associates for a term from 1 January 2023 to 31 December 2025
“Existing Property Management Services Master Framework Agreement”	the existing property management services master framework agreement dated 8 December 2022 entered into between the Company and Redsun Properties in relation to the provision of property management services by the Group to Redsun Properties and its associates for a term from 1 January 2023 to 31 December 2025
“Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement”	the existing supplemental parking space sales and leasing agency services framework agreement dated 7 June 2023 entered into between the Company (for itself and on behalf of its subsidiaries) and Redsun Properties (for itself and on behalf of its subsidiaries and associates) in relation to, among other things, the payment of Refundable Deposits in connection with the Parking Space Sales and Leasing Agency Services under the Existing Parking Space Sales and Leasing Agency Services Framework Agreement for a term from 1 January 2023 to 31 December 2025
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Yang Group Company”	Hong Yang Group Company Limited (弘陽集團有限公司), a limited liability company incorporated in Hong Kong on 22 October 2003, and a controlling Shareholder

“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors (namely, Ms. Wang Fen, Mr. Li Xiaohang and Mr. Zhao Xianbo) established for the purpose of reviewing the Non-exempt Continuing Connected Transactions
“independent third party(ies)”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Zeng”	Mr. Zeng Huansha (曾煥沙), founder of the Group and a controlling Shareholder
“New Continuing Connected Transactions”	collectively, (i) the New Parking Space Sales and Leasing Agency Services Framework Agreement; and (ii) the New Property Management Services Master Framework Agreement
“New Parking Space Sales and Leasing Agency Services Framework Agreement”	the parking space sales and leasing agency services framework agreement dated 8 December 2025 entered into between the Company and Redsun Properties in relation to the provision of parking space sales and leasing agency services by the Group to Redsun Properties and its associates for a term from 1 January 2026 to 31 December 2028
“New Property Management Services Master Framework Agreement”	the property management services master framework agreement dated 8 December 2025 entered into between the Company and Redsun Properties in relation to the provision of property management services by the Group to Redsun Properties and its associates for a term from 1 January 2026 to 31 December 2028
“Non-exempt Continuing Connected Transactions”	the transactions contemplated under the New Parking Space Sales and Leasing Agency Services Framework Agreement and the New Property Management Services Master Framework Agreement
“Parking Space Sales and Leasing Agency Services”	the services to be provided by the Group to Redsun Properties Group as contemplated under the New Parking Space Sales and Leasing Agency Services Framework Agreement, the details of which are set out in the paragraph headed “The New Parking Space Sales and Leasing Agency Services Framework Agreement – Scope of Services”

“PRC”	the People’s Republic of China
“Property Management Services”	the scope of services contemplated to be provided by members of the Group to Redsun Properties and its associates under the New Property Management Services Master Framework Agreement, as described in the paragraph headed “The New Property Management Services Master Framework Agreement – Scope of Services”
“Redsun Properties”	Redsun Properties Group Limited (弘陽地產集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 21 December 2017, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1996)
“Redsun Properties Group”	Redsun Properties and its subsidiaries
“Refundable Deposits”	the refundable deposits paid or to be paid to relevant members of Redsun Properties Group in connection with the Parking Space Sales and Leasing Agency Services pursuant to the Existing Parking Space Sales and Leasing Agency Services Framework Agreement (as supplemented by the Existing Supplemental Parking Space Sales and Leasing Agency Services Framework Agreement) and the New Parking Space Sales and Leasing Agency Services Framework Agreement (as the case may be)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board  
**Redsun Services Group Limited**  
**Zeng Junkai**  
*Chairman*

Hong Kong, 8 December 2025

*As at the date of this announcement, Mr. Zeng Junkai is the non-executive Director; Mr. Chen Yichun is the executive Director; and Ms. Wang Fen, Mr. Li Xiaohang and Mr. Zhao Xianbo are the independent non-executive Directors.*