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JINMAO PROPERTY SERVICES CO., LIMITED

金茂物業服務發展股份有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00816)

ANNOUNCEMENT CONTINUING CONNECTED TRANSACTION UNDER THE CAR PARKS LEASING FRAMEWORK AGREEMENT

The Board announces that on 1 April 2026 (after trading hours), the Company and China Jinmao entered into the Car Parks Leasing Framework Agreement, pursuant to which the Group, as lessee, will lease the car parks owned by the Jinmao Connected Persons, as lessor, in accordance with the terms and conditions under the Car Parks Leasing Framework Agreement for a term commencing from 1 April 2026 and ending on 31 December 2028.

IMPLICATIONS OF THE LISTING RULES

China Jinmao is the controlling shareholder of the Company, holding approximately 67.28% of the total number of issued shares of the Company as at the date of this announcement, and is therefore a connected person of the Company. Therefore, the transactions contemplated under the Car Parks Leasing Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Given that the highest applicable percentage ratio in respect of the Annual Caps for the Leases under the Car Parks Leasing Framework Agreement was more than 0.1% but less than 5%, the continuing connected transactions contemplated under the Car Parks Leasing Framework Agreement are subject to the reporting, announcement and annual review requirements but are exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

The Board announces that on 1 April 2026 (after trading hours), the Company and China Jinmao entered into the Car Parks Leasing Framework Agreement, pursuant to which the Group, as lessee, will lease the car parks owned by the Jinmao Connected Persons, as lessor, in accordance with the terms and conditions under the Car Parks Leasing Framework Agreement for a term commencing from 1 April 2026 and ending on 31 December 2028.

CAR PARKS LEASING FRAMEWORK AGREEMENT

PRINCIPAL TERMS OF THE CAR PARKS LEASING FRAMEWORK AGREEMENT

Date

1 April 2026

Parties

- (i) The Company
- (ii) China Jinmao

Nature of transactions

Pursuant to the Car Parks Leasing Framework Agreement, the Company (for itself and on behalf of the Group) has agreed that the Group, as lessee, will lease the car parks owned by the Jinmao Connected Persons, as lessor, in accordance with the terms and conditions under the Car Parks Leasing Framework Agreement. The Group leases the car parks for the use of parking-related business, including but not limited to the commencement of sub-leasing of parking spaces to external parties and integrated car park management business.

Pricing

The rent payable by the Group to the Jinmao Connected Persons in respect of the leasing of the car parks under the Car Parks Leasing Framework Agreement has been determined after arm's length negotiations with reference to the following factors: (i) the locations, areas and conditions of the car parks available for leasing to the Group by the Jinmao Connected Persons; (ii) the prevailing market rent levels of comparable car parks of the same category in nearby locations; and (iii) the future expected change in market rent.

The conditions and terms offered by the Jinmao Connected Persons to the Group under the Car Parks Leasing Framework Agreement are no less favorable to the Group than comparable transactions with independent third parties.

Before entering into any specific agreement under the Car Parks Leasing Framework Agreement, the Company will conduct a series of internal review procedures, including project approval assessments and feasibility study analysis. The business unit shall explain the reasonableness and necessity of collaboration with the connected persons and the reasons for cooperation in the interests of the Group as a whole in terms of background and cooperation considerations. Pricing shall be justified by obtaining quotations from at least two independent third parties through enquiry. If there is no comparable independent third party, the business unit shall provide further explanation. The Group will enter into specific agreements with the Jinmao Connected Persons only if the agreements are on normal or better commercial terms and are in the best interests of the Company and the Shareholders as a whole.

Payment

The Group shall enter into a specific agreement with the Jinmao Connected Persons pursuant to the Car Parks Leasing Framework Agreement in respect of each transaction regarding the leasing of the car parks. Subject to the terms and conditions the Car Parks Leasing Framework Agreement, the specific agreement shall set forth the details of settlement methods and payment schedules for the leasing of the car parks.

Term

The Car Parks Leasing Framework Agreement shall take effect from 1 April 2026 and expire on 31 December 2028.

Proposed caps and factors taken into account in determining caps

In accordance with HKFRS 16 “Leases”, the Group is required to recognize a right-of-use asset and a lease liability, which are measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate in the year of entering into the lease where the Group acts as a lessee. Correspondingly, the Group will set an annual cap for the total value of right-of-use assets relating to leases expected to be entered into by the Group as a lessee in each period/year under Car Parks Leasing Framework Agreement (“**Total Annual Cap for Right-of-use Assets**”).

In addition, the annual caps for other short-term lease payments will be recognized as expenses. Correspondingly, the Group will set an annual cap for other short-term lease payments relating to leases expected to be entered into by the Group as a lessee in each period/year under Car Parks Leasing Framework Agreement (“**Total Annual Cap for Lease Payments**”).

The Company’s estimate of the proposed Annual Caps for the Leases under the Car Parks Leasing Framework Agreement for the period from 1 April 2026 to 31 December 2026, the year ending 31 December 2027 and the year ending 31 December 2028, is set out below:

	For the period from 1 April 2026 to 31 December 2026 <i>RMB’000</i>	For the year ending 31 December 2027 <i>RMB’000</i>	For the year ending 31 December 2028 <i>RMB’000</i>
Total Annual Cap for Right-of-use Assets	70,000	70,000	70,000
Total Annual Cap for Lease Payments	15,000	20,000	25,000

The following factors were considered in arriving at the Annual Caps for the Leases: (i) prevailing market rent levels of approximately RMB150 to RMB300 per parking space per month; (ii) expected demand for car park leasing under the relevant business development plans, estimated at approximately 2,000 to 6,000 leased parking spaces; and (iii) expected future changes in market rent of 2% to 5% per annum.

INTERNAL CONTROL PROCEDURES AND CORPORATE GOVERNANCE MEASURES

The Group has adopted the following internal control and corporate governance measures to ensure that the terms of the Group’s transactions with the Jinmao Connected Persons under the Car Parks Leasing Framework Agreement are fair and reasonable and not prejudicial to the interests of the Company and independent Shareholders:

- (i) the Board (including the independent non-executive Directors) will be responsible for reviewing and evaluating the terms of the Car Parks Leasing Framework Agreement for the continuing connected transactions (including any renewal thereof), in particular the pricing principles and the Annual Caps for the Leases, to ensure that such terms are fair and reasonable to the Group and compliant with relevant laws and regulations, the Group’s internal policies and the Listing Rules;

- (ii) the business department of the Company will oversee the monitoring, collection and evaluation of historical transaction prices and market data, including but not limited to the market practices and prevailing market rates for the provision of similar services relating to the leasing of the car parks in comparable locations;
- (iii) when determining the fees under the specific agreement, the Group will make reference to the prevailing market conditions and practices by utilising the market data collected by the business department as mentioned in the preceding paragraph, as well as the pricing and terms offered to the Group by independent third parties for similar transactions, to ensure that the terms and conditions under the specific agreement are fair and reasonable and are no less favorable to the Group than those offered by independent third parties for comparable services. Specifically, the business department of each regional center of the Group is responsible for the initial pricing of the fees payable by the Group to the Jinmao Connected Persons with respect to the projects within the region after taking into account the aforementioned factors, which will then be submitted to the headquarters of the Group for final review and approval;
- (iv) various internal departments of the Company (including but not limited to the finance department and legal department) will regularly monitor the implementation of the continuing connected transactions contemplated under the Car Parks Leasing Framework Agreement and keep track of the aggregate transaction amounts under each specific agreement on a monthly basis, to ensure that the pricing principles and the Annual Caps for the Leases contained therein are complied with;
- (v) the independent non-executive Directors will conduct an annual review of the continuing connected transactions under the Car Parks Leasing Framework Agreement and provide an annual confirmation as to whether these transactions are conducted on normal commercial terms or better, and according to the agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole; and
- (vi) the Company's external auditors will also conduct an annual review of the continuing connected transactions under the Car Parks Leasing Framework Agreement, including the pricing policies and the Annual Caps for the Leases.

The Board considers that the internal control procedures and corporate governance measures adopted by the Group in relation to the continuing connected transactions between the Group and the Jinmao Connected Persons are appropriate and sufficient, and that such procedures and measures are adequate to assure Shareholders that the Company will properly monitor the continuing connected transactions.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAR PARKS LEASING FRAMEWORK AGREEMENT

The Company entered into the Car Parks Leasing Framework Agreement with China Jinmao, which is conducive to leveraging our professional advantages in property management services, taking over the operational functions of the car parks and enriching our service offerings and sources

of income. As a property management service provider, the Company maintains in-depth on-site involvement in projects while leveraging the existing property management service teams at the relevant projects to reduce marginal management costs. This will further optimize the division of rights and responsibilities with parties involved in projects, thereby enhancing management efficiency and improving asset operational effectiveness.

The Directors (including the independent non-executive Directors) are of the view that the Car Parks Leasing Framework Agreement has been entered into in the ordinary course of the Group's business on normal commercial terms after arm's length negotiation, and that the terms of the transactions contemplated under the Car Parks Leasing Framework Agreement, as well as the Annual Caps for the Leases, are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

As Mr. Cui Yan and Ms. QIAO Xiaojie, non-executive Directors of the Company, are directors or employees of China Jinmao, they are deemed to have material interests in the transactions under the Car Parks Leasing Framework Agreement and have abstained from voting on the Board resolutions approving the transactions under the Car Parks Leasing Framework Agreement. Save as disclosed above, no other Directors have material interests in the transactions under the Car Parks Leasing Framework Agreement and are required to abstain from voting on the relevant Board.

INFORMATION ON THE GROUP AND CHINA JINMAO

The Group is a fast-growing upscale property management and city operation service provider in the PRC, and is principally engaged in the provision of property management services, value-added services to non-property owners and community value-added services.

China Jinmao is a large-scale developer and operator of quality real estate projects in the PRC, and is the platform enterprise of Sinochem Holdings. China Jinmao is principally engaged in city operations, property development, services and building technology, commercial leasing, retail operations and hotel operations. The shares of China Jinmao are listed on the Stock Exchange (stock code: 00817).

IMPLICATIONS OF THE LISTING RULES

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DEFINITIONS

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

“Annual Caps for the Leases”	Total Annual Cap for Right-of-use Assets and Total Annual Cap for Lease Payments
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Car Parks Leasing Framework Agreement”	the Car Parks Leasing Framework Agreement dated 1 April 2026 entered into by and between the Company and Jinmao Connected Persons
“China Jinmao”	China Jinmao Holdings Group Limited (中國金茂控股集團有限公司), a company incorporated in Hong Kong with limited liability and the immediate controlling shareholder of the Company, the shares of which are listed on the Stock Exchange (stock code: 00817)
“Company”	Jinmao Property Services Co., Limited (金茂物業服務發展股份有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 00816)
“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 director(s) of the Company
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinmao Connected Persons”	China Jinmao and its associates (for the avoidance of doubt, excluding the Group)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC
“Shareholder(s)”	holder(s) of ordinary share(s) of the Company
“Sinochem Holdings”	Sinochem Holdings Corporation Ltd. (中國中化控股有限責任公司), a state-owned enterprise incorporated in the PRC, which is wholly owned by the SASAC and the ultimate holding company of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

By order of the Board
Jinmao Property Services Co., Limited
Song Liuyi
Chairman

Hong Kong, 1 April 2026

As at the date of this announcement, the executive Directors are Mr. Song Liuyi (Chairman), Mr. Li Yulong and Mr. Zhao Jinlong; the non-executive Directors are Mr. Cui Yan and Ms. Qiao Xiaojie; and the independent non-executive Directors are Dr. Chen Jieping, Dr. Han Jian and Mr. Sincere Wong.