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## **Ever Sunshine Lifestyle Services Group Limited**

**永升生活服务集团有限公司**

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

**(Stock Code: 1995)**

### **CONTINUING CONNECTED TRANSACTION SALES AGENCY SERVICES FRAMEWORK AGREEMENT**

#### **SALES AGENCY SERVICES FRAMEWORK AGREEMENT**

On 22 March 2019, the Company entered into the Sales Agency Services Framework Agreement with CIFI Holdings, which sets out the principal terms for the provision of sales agency services by the Group to CIFI Group and its associates in respect of unsold residential car parking spaces in the development projects of CIFI Group and its associates for a term commencing from 22 March 2019 to 31 December 2021 (both dates inclusive).

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CIFI Holdings is a substantial shareholder of the Company, interested in approximately 21.48% of the issued share capital of the Company. CIFI Holdings is therefore a connected person of the Company under the Listing Rules. Transactions contemplated under the Sales Agency Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Annual Caps under the Sales Agency Services Framework Agreement exceed 0.1% but less than 5%, the transactions contemplated under the Sales Agency Services Framework Agreement and the Annual Caps are subject to reporting, annual review, announcement requirements under Chapter 14A of the Listing Rules, but exempt from the circular and independent shareholders' approval requirements.

## INTRODUCTION

On 22 March 2019, the Company entered into the Sales Agency Services Framework Agreement with CIFI Holdings, which sets out the principal terms for the provision of sales agency services by the Group to CIFI Group and its associates in respect of unsold residential car parking spaces in the development projects of CIFI Group and its associates.

## THE SALES AGENCY SERVICES FRAMEWORK AGREEMENT

A summary of the principal terms of the Sales Agency Services Framework Agreement is as follows:

- Date:** 22 March 2019
- Parties:** (a) the Company  
(b) CIFI Holdings
- Term:** The Sales Agency Services Framework Agreement shall be effective commencing from the date of the Sales Agency Services Framework Agreement (22 March 2019), and ending on 31 December 2021 (both dates inclusive).
- Subject matter:** Pursuant to the Sales Agency Services Framework Agreement, the Group will provide sales agency services to CIFI Group and its associates in respect of residential car parking spaces which remain unsold after the sales period of the development projects in the PRC of CIFI Group and its associates.
- Price:** For the provision of sales agency services, the Group charges a fixed-rate commission calculated as a percentage of sale price of the relevant car parking spaces.

**Pricing policy:**

Each transaction contemplated under the Sales Agency Services Framework Agreement is to be negotiated on a case-by-case and arm's length basis, in writing and on normal commercial terms or better in the ordinary and usual course of business of the Group. The commission charged shall be determined with reference to the prevailing market price of similar services offered to independent third parties, and shall not be more favourable to CIFI Group and its associates when compared with similar services provided by the Group to independent third parties.

The sales department of the Group will, on a quarterly basis, research on the prevailing market price for the provision of similar services in the vicinity by independent third parties. The sales department of the Group will then evaluate the prices charged by the Group to CIFI Group and its associates by comparing those with the prevailing market price, in order to ensure that the prices payable by CIFI Group and its associates to the Group are on normal commercial terms, or on terms no less favourable than terms available to independent third parties.

**ANNUAL CAPS AND BASIS OF DETERMINATION**

The maximum annual commission payable by CIFI Group and its associates to the Group for the sales agency services under the Sales Agency Services Framework Agreement for each of the financial years ending 31 December 2019, 2020 and 2021 is as follows:

For the year ending 31 December 2019	RMB 29,800,000 (equivalent to approximately HK\$35,058,823.53)
For the year ending 31 December 2020	RMB 29,800,000 (equivalent to approximately HK\$35,058,823.53)
For the year ending 31 December 2021	RMB 29,800,000 (equivalent to approximately HK\$35,058,823.53)

In determining the Annual Caps, the Directors have considered the following:

- (i) no historical amounts available as the Group has not entered into any transactions in respect of agency services for the sale of residential car parking spaces with CIFI Group or its associates previously;
- (ii) the estimated commission for the sales agency services provided by the Group to CIFI Group and its associates for each of the three years ending 31 December 2021, calculated based on the estimated number of development projects of CIFI Group and its associates for which the Group's sales agency services are required and the estimated number of car parking spaces of the relevant development projects available for sale in the market;
- (iii) the prevailing market rate for the provision of sales agency services in the same industry; and
- (iv) the level of difficulty of sales of the residential car parking spaces by the Company with reference to the locations of the development projects of CIFI Group and its associates involved, and the occupancy rate of the development projects.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The Group has provided CIFI Group and its associates with property management services for properties owned by CIFI Group and its associates. The Board believes that the Group could make use of its market information, including but not limited to the demand for car parking spaces by the owners of the surrounding properties, collected through its network of property management offices located in the properties in its provision of property management services to CIFI Group and its associates, in its sales of the unsold car parking spaces in their development projects.

The Directors (including the independent non-executive Directors) consider that the Sales Agency Services Framework Agreement and the transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Company after arm's length negotiations between the Company and CIFI Holdings, and the terms of the Sales Agency Services Framework Agreement are on normal commercial terms or better, and the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CIFI Holdings is a substantial shareholder of the Company, interested in approximately 21.48% of the issued share capital of the Company. CIFI Holdings is therefore a connected person of the Company under the Listing Rules. Transactions contemplated under the Sales Agency Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Annual Caps under the Sales Agency Services Framework Agreement exceed 0.1% but less than 5%, the transactions contemplated under the Sales Agency Services Framework Agreement and the Annual Caps are subject to reporting, annual review, announcement requirements under Chapter 14A of the Listing Rules, but exempt from the circular and independent shareholders' approval requirements.

Since Mr. Lin Zhong, the executive Director, and Mr. Lin Feng, the non-executive Director, as at the date of this announcement, are also controlling shareholders of CIFI Holdings, they as Directors have abstained from voting on the resolutions at the Board meeting approving the Sales Agency Services Framework Agreement and the transactions contemplated thereunder to avoid any conflicts of interest. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Director has a material interest in the Sales Agency Services Framework Agreement and therefore no other Director is required to abstain from voting on the Board meeting in relation to the Sales Agency Services Framework Agreement and the transactions contemplated thereunder.

## **GENERAL INFORMATION**

### **The Company**

The Company is principally engaged in (i) property management services, (ii) value-added services to non-property owners and (iii) community value-added services in the PRC. As part of its community value-added services, the Group provides property agency services to property owners in relation to apartments and car parking spaces.

## **CIFI Holdings**

CIFI Holdings is an exempted company with limited liability incorporated in the Cayman Islands, and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 884). It is principally engaged in the property development and property investment business in the PRC.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expression shall have the following meaning when used herein:

“Annual Caps”	the respective annual caps under the Sale Agency Services Framework Agreements for the three years ending 31 December 2021
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CIFI Group”	CIFI Holdings and its subsidiaries
“CIFI Holdings”	CIFI Holdings (Group) Co. Ltd. (旭輝控股(集團)有限公司), an exempted 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: 884)
“Company”	Ever Sunshine Lifestyle Services Group Limited (永升生活服務集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the Shares are listed on the main board of the Stock Exchange (Stock Code: 1995)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purposes of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Agency Services Framework Agreement”	the sale agency services framework agreement dated 22 March 2019 entered into amongst the Company and CIFI Holdings
“Share(s)”	share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board  
**Ever Sunshine Lifestyle Services Group Limited**  
**LIN Zhong**  
*Chairman*

Hong Kong, 22 March 2019

*For the purposes of illustration only, any amounts denominated in RMB in this announcement are translated into HK\$ at the rate of RMB0.85 = HK\$1. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted of any particular rate at all.*

*As at the date of this announcement, the executive Directors are Mr. LIN Zhong and Mr. ZHOU Hongbin, the non-executive Directors are Mr. LIN Feng and Mr. GE Ming; and the independent non-executive Directors are Mr. MA Yongyi, Mr. WANG Peng and Mr. CHEUNG Wai Chung.*