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**Roiserv Lifestyle Services Co., Ltd.**

**榮萬家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: 2146)**

**VERY SUBSTANTIAL ACQUISITION  
AND CONNECTED TRANSACTION  
IN RELATION TO THE 2025 DEBTS SETTLEMENT  
FRAMEWORK AGREEMENT**

**BACKGROUND**

Reference is made to the announcement and circular of the Company dated November 16, 2023 and January 12, 2024 respectively in relation to the Debts Settlement Framework Agreement. As disclosed in the circular of the Company dated January 12, 2024, the Group will acquire the relevant settlement properties which shall be offset against receivables of the Group on a dollar-for-dollar basis, and if there are adverse change to any of the settlement properties before offsetting the receivables, the Company will have the discretion to refuse to offset the equivalent debts. As at the date of this announcement, the Group has successfully settled receivables of RMB288,247,149.29 pursuant to the Debts Settlement Framework Agreement. As at December 31, 2024, the remaining balance of receivables in relation to the services rendered under the Master Property Management Services Agreement and the Master Small-Scale Engineering and Related Consultancy Services Agreement were RMB1,262,070,228.11. Based on the aging analysis as of December 31, 2024, RMB425.91 million of the Remaining Balance was due on or before December 31, 2022, RMB411.03 million of the Remaining Balance was due on or before December 31, 2023 and RMB425.13 million of the Remaining Balance was due on or before December 31, 2024. In order to further recover the Remaining Balance, on June 18, 2025 (after trading hours), the Company entered into the 2025 Debts Settlement Framework Agreement with RiseSun Development. Pursuant to the 2025 Debts Settlement Framework Agreement, the Company has conditionally agreed to acquire and RiseSun Development has conditionally agreed to dispose of the Settlement Properties, at an aggregate consideration of RMB1,069,874,840.76 which shall be offset against the Remaining Balance on a dollar-for-dollar basis.

## **LISTING RULES IMPLICATIONS**

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, prior to the acquisition of the Settlement Properties by the Group pursuant to the 2025 Debts Settlement Framework Agreement, RiseSun Development Group had not leased the Settlement Properties to third parties for rental income since completion of development. Therefore, the Settlement Properties were not revenue-generating assets with an identifiable income stream under Rule 14.69(4)(b) of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the acquisition of Settlement Properties as contemplated under the 2025 Debts Settlement Framework Agreement exceeds 100%, the Acquisition constitutes a very substantial acquisition of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Company is owned as to 62.64% by RiseSun Development. As such, RiseSun Development is a controlling shareholder of the Company and thus a connected person of the Company under the Listing Rules. Therefore, the Acquisition constitutes a connected transaction of the Company, and is subject to the reporting, announcement, Independent Shareholders' approval and circular requirements under Chapter 14A of the Listing Rules.

## **GENERAL INFORMATION**

The Company will convene the EGM to approve, among other things, the 2025 Debts Settlement Framework Agreement and the Acquisition. RiseSun Development and its associates will abstain from voting on the relevant resolutions at the EGM.

A circular containing, among other things, (i) further details of the 2025 Debts Settlement Framework Agreement; (ii) the valuation report on the Settlement Properties; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms and conditions of the 2025 Debts Settlement Framework Agreement; (iv) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the terms and conditions of the 2025 Debts Settlement Framework Agreement; and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before July 15, 2025 as additional time is required for the Company to finalise the information to be included in the circular.

## **BACKGROUND**

Reference is made to the announcement and circular of the Company dated November 16, 2023 and January 12, 2024 respectively in relation to the Debts Settlement Framework Agreement. As disclosed in the circular of the Company dated January 12, 2024, the Group will acquire the relevant settlement properties which shall be offset against receivables of the Group on a dollar-for-dollar basis, and if there are adverse change to any of the settlement properties before offsetting the receivables, the Company will have the discretion to refuse to offset the equivalent debts. As at the date of this announcement, the Group has successfully settled receivables of RMB288,247,149.29 pursuant to the Debts Settlement Framework Agreement. As at December 31, 2024, the remaining balance of receivables in relation to the services rendered under the Master Property Management Services Agreement and the Master Small-Scale Engineering and Related Consultancy Services Agreement were RMB1,262,070,228.11. Based on the aging analysis as of December 31, 2024, RMB425.91 million of the Remaining Balance was due on or before December 31, 2022, RMB411.03 million of the Remaining Balance was due on or before December 31, 2023 and RMB425.13 million of the Remaining Balance was due on or before December 31, 2024. In order to further recover the Remaining Balance, on June 18, 2025 (after trading hours), the Company entered into the 2025 Debts Settlement Framework Agreement with RiseSun Development. Pursuant to the 2025 Debts Settlement Framework Agreement, the Company has conditionally agreed to acquire and RiseSun Development has conditionally agreed to dispose of the Settlement Properties, at an aggregate consideration of RMB1,069,874,840.76 which shall be offset against the Remaining Balance on a dollar-for-dollar basis.

## **2025 DEBTS SETTLEMENT FRAMEWORK AGREEMENT**

The principal terms of the 2025 Debts Settlement Framework Agreements are set out below:

### **Date**

June 18, 2025

### **Parties**

The Company (on behalf of members of the Group); and

RiseSun Development (on behalf of members of RiseSun Development Group)

## Subject matter

The Company has conditionally agreed to acquire, and RiseSun Development has conditionally agreed to sell, (i) a total of 12,689 parking spaces in the PRC, 29 of which in Anhui Province, 228 of which in Guangdong Province, 2,376 of which in Hebei Province, 10 of which in Henan Province, 799 of which in Hunan Province, 3,221 of which in Jiangsu Province, 2,196 of which in Liaoning Province, 39 of which in Inner Mongolia Autonomous Region, 1,606 of which in Shandong Province, 103 of which in Shanxi Province, 4 of which in Shaanxi Province, 270 of which in Sichuan Province, 146 of which in Tianjin Municipality, 50 of which in Zhejiang Province, and 1,612 of which in Chongqing Municipality; (ii) a total of 5,479 storage units in the PRC (with a total GFA of approximately 36,169.17 sq.m. in aggregate), including 5,051 units in Anhui Province, 52 units in Hebei Province, 342 units in Jiangsu Province and 34 units in Shandong Province; and (iii) a total of 112 residential, apartment and commercial units in the PRC (with a total GFA of approximately 25,945.44 sq.m. in aggregate), including 5 units in Anhui Province, 1 unit in Guangdong Province, 39 units in Hebei Province, 9 units in Henan Province, 7 units in Jiangsu Province, 26 units in Liaoning Province, 3 units in Shandong Province, 2 units in Shanxi Province, 3 units in Shaanxi Province and 17 units in Chongqing Municipality.

The acquisition of the Settlement Properties pursuant to the 2025 Debts Settlement Framework Agreement will be carried out by way of: (i) (with respect to the target storage units and parking spaces in respect of which the direct transfer of property ownership right is not available under the PRC laws and regulations) an assignment of the right of use, including the right to occupy, use, benefit from and dispose of the storage units and parking spaces; or (ii) (with respect to the target residential, apartment and commercial units) a direct transfer of the property ownership right.

In the PRC, trading in storage units and parking spaces can be carried out by the assignment of right of use in the storage units or parking spaces where the direct transfer of property ownership right is not available under the PRC laws and regulations, for example, existing PRC policies currently only allow the assignment of right of use in some non-air raid shelter parking spaces instead of transfer of property ownership right. If the direct transfer of the property ownership right in the target storage units and parking spaces are allowed under the PRC laws and regulations in the future (for example, due to any relaxation of the existing PRC laws and regulations), RiseSun Development Group shall actively cooperate with the Group to carry out the transfer of property ownership right in such storage units or target parking spaces.

The 2025 Debts Settlement Framework Agreement is a framework agreement which contains the principles, mechanisms and terms and conditions upon which the parties thereto are to carry out the transactions respectively. Following the signing of the 2025 Debts Settlement Framework Agreement, (i) each vendor (being a relevant member of RiseSun Development Group) and the respective purchaser (being a member of the Group) shall separately enter into an asset transfer agreement or a right of use transfer agreement (as the case may be) and relevant ancillary documents (collectively, the “**Underlying Agreement(s)**”) for the purpose of (a) registration of transfer of property ownership right; or (b) effecting the assignment of the right of use, in the Settlement Properties; and (ii) the Company and RiseSun Development shall procure its relevant subsidiary or associate to, enter into a settlement agreement (the “**Settlement Agreement(s)**”) in the form satisfactory to the Group, pursuant to which the consideration for the relevant acquisition payable by members of the Group shall be offset against the Remaining Balance on a dollar-for-dollar basis.

## **Consideration, basis of determination of the consideration and payment terms**

The aggregate consideration for the acquisition of Settlement Properties is RMB1,069,874,840.76. It was agreed by the Company and RiseSun Development under the 2025 Debts Settlement Framework Agreement that the consideration for the acquisition of Settlement Properties payable by the Group shall be offset against the Remaining Balance on a dollar-for-dollar basis, and thus no separate cash payment will be made by the Group to RiseSun Development Group.

The consideration for the acquisition of Settlement Properties was determined after arm's length negotiations between the Company and RiseSun Development with reference to, among others, (i) the valuation of the Settlement Properties as at April 30, 2025 in the aggregate amount of RMB1,075,506,060.00, conducted by an independent valuer in the PRC using market approach; (ii) the prevailing market prices for the property projects of which the Settlement Properties form part; (iii) the prevailing market prices for the comparable assets in the proximity; (iv) the prevailing property market conditions; and (v) the reasons and benefits as more particularized in the paragraphs headed "Reasons for and Benefits of the 2025 Debts Settlement Framework Agreement" below.

## **Conditions Precedent**

The offsetting of the Remaining Balance is subject to the fulfilment or waiver (as the case may be) of the following conditions:

- (i) completion of legal due diligence on the Settlement Properties by the Group with the results thereof being satisfactory to the Group;
- (ii) all representations, warranties and undertakings made by RiseSun Development Group to the Group under the 2025 Debts Settlement Framework Agreement, the Underlying Agreements and the Settlement Agreements being true, accurate and complete;
- (iii) the Underlying Agreements and the Settlement Agreements having been signed by the relevant parties and taken effect and remaining in full force;
- (iv) all necessary internal authorisations and approvals in relation to the 2025 Debts Settlement Framework Agreement having been obtained by the Group, including the approval by the Independent Shareholders as required under the Listing Rules;
- (v) all necessary internal authorisations and approvals in relation to the 2025 Debts Settlement Framework Agreement having been obtained by RiseSun Development Group; and
- (vi) if applicable, all necessary governmental and regulatory approvals in relation to the 2025 Debts Settlement Framework Agreement having been obtained.

Except for the conditions precedent as set out in sub-paragraphs (iii) to (vi) above which are not waivable, other conditions precedent as set out above are waivable by the Group. As at the date of this announcement, none of the conditions precedent has been fulfilled.

## **Delivery and completion**

The relevant vendors shall cooperate with the relevant purchasers to apply for the change of registration for the Settlement Properties within 30 business days upon the fulfilment of above conditions precedent (or waived, if applicable).

Should there be adverse change to any of the Settlement Properties before offsetting the Remaining Balance, the Company will have the discretion to refuse to offset the equivalent debts. The Company will refuse to offset the equivalent debts if the Settlement Properties (i) were frozen or seized by the PRC court or government authorities; (ii) were involved in litigations and claimed by other parties so that the transfer of property ownership right or right of use to the Group is not practical; and (iii) were in view of the Company that they no longer enjoys a satisfactory sales conditions based on market research.

## **INFORMATION ON THE SETTLEMENT PROPERTIES**

The Settlement Properties comprise (i) a total of 12,689 parking spaces in the PRC, 29 of which in Anhui Province, 228 of which in Guangdong Province, 2,376 of which in Hebei Province, 10 of which in Henan Province, 799 of which in Hunan Province, 3,221 of which in Jiangsu Province, 2,196 of which in Liaoning Province, 39 of which in Inner Mongolia Autonomous Region, 1,606 of which in Shandong Province, 103 of which in Shanxi Province, 4 of which in Shaanxi Province, 270 of which in Sichuan Province, 146 of which in Tianjin Municipality, 50 of which in Zhejiang Province, and 1,612 of which in Chongqing Municipality; (ii) a total of 5,479 storage units in the PRC (with a total GFA of approximately 36,169.17 sq.m. in aggregate), including 5,051 units in Anhui Province, 52 units in Hebei Province, 342 units in Jiangsu Province and 34 units in Shandong Province; and (iii) a total of 112 residential, apartment and commercial units in the PRC (with a total GFA of approximately 25,945.44 sq.m.), including 5 units in Anhui Province, 1 unit in Guangdong Province, 39 units in Hebei Province, 9 units in Henan Province, 7 units in Jiangsu Province, 26 units in Liaoning Province, 3 units in Shandong Province, 2 units in Shanxi Province, 3 units in Shaanxi Province and 17 units in Chongqing Municipality. The property rights of and/or rights to use the Settlement Properties, as the case may be, are held by RiseSun Development Group. The Settlement Properties belong to 83 property projects, among which, 11 projects were completed during the period from July 2012 to August 2015, 29 projects were completed during the period from January 2016 to December 2020, 40 projects were completed during the period from February 2021 to January 2025, and 3 projects are currently under development but not yet completed. As the principal business of RiseSun Development is property development and sale of property, whose primarily targets are to sell all its properties instead of holding them as investment properties for subsequent capital appreciation or rent income, the Settlement Properties have been retained as inventories since the completion of its development by RiseSun Development Group, and have not been leased out, therefore, there was no rental income or profit generated from the Settlement Properties. As at April 30, 2025, the carrying value of the Settlement Properties was approximately RMB967,176,685.96, which was the total development cost paid by RiseSun Development Group.

The Settlement Properties were selected by the Company after considering that (i) all of the property projects are currently under the management of the Group, thus Group has a better understanding of the need of the residents who are potential purchasers and will have sufficient resources to sell the Settlement Properties; (ii) the Settlement Properties are primarily located in the Bohai Rim, Midwest, Pearl River Delta and Yangtze River Delta regions in the PRC, which enjoys large population and continuous inflow of population; and (iii) all of the property projects enjoy the convenient transportation and good local reputation thus have a relatively high occupancy rate.

## **FINANCIAL EFFECT OF THE ACQUISITION OF SETTLEMENT PROPERTIES**

Upon the completion of the Acquisition, it is expected that the Settlement Properties will be classified as inventories of the Group, so that the inventories of the Group will be increased by approximately RMB1,070 million. Such amount of inventories is recognised based on the Acquisition cost for the Settlement Properties, being approximately RMB1,070 million. Meanwhile, as the consideration payable by the Group for the Acquisition will be offset against the Remaining Balance on a dollar-for-dollar basis, the Group's accounts receivables will then be reduced by approximately RMB1,070 million. It is expected that the subsequent resale of the Settlement Properties will lead to an increase in the Group's revenue and cash inflow.

## **REASONS FOR AND BENEFITS OF THE 2025 DEBTS SETTLEMENT FRAMEWORK AGREEMENT**

The Group has been providing, among others, property management services and small-scale engineering and related consultancy services to RiseSun Development Group since 2000. Like other PRC property developers, RiseSun Development Group has suffered from the property market downturn and credit and liquidity crunch, and therefore unable to settle the relevant receivables. In order to collect the outstanding receivables, on November 16, 2023 (after trading hours), the Company entered into the Debts Settlement Framework Agreement with RiseSun Development. Pursuant to the Debts Settlement Framework Agreement, the Company has conditionally agreed to acquire and RiseSun Development has conditionally agreed to dispose of the relevant settlement properties, at an aggregate consideration of RMB567,857,855.55 which shall be offset against the relevant receivables on a dollar-for-dollar basis and if there are adverse change to any of the settlement properties before offsetting the receivables, the Company will have the discretion to refuse to offset the equivalent debts. As some of the settlement properties are seized or freezed by the government or PRC court shortly after the effective date of the Debts Settlement Framework Agreement and the Group has also voluntarily refused to settle some of the settlement properties which in view of the Group no longer enjoys a satisfactory sales conditions based on market research, the Group has only successfully settled the receivables of RMB288,247,149.29 pursuant to the Debts Settlement Framework Agreement. In respect of the properties transferred pursuant to the Debts Settlement Framework Agreement, the Group has successfully disposed of properties of RMB9,220,488 as at the date of this announcement.

With continuous efforts, the Group had reached an agreement with RiseSun Development Group to enter into the 2025 Debts Settlement Framework Agreement to settle the Remaining Balance. The property transfers contemplated under the 2025 Debts Settlement Framework Agreement would allow the Group to immediately recover the relevant debts. Upon completion of the 2025 Debts Settlement Framework Agreement, the Group will gradually sell the Settlement Properties to third-party purchasers in the market for cash. The Group intends to dispose of the Settlement Properties either to the owners or tenants of the Group's properties under management or by identifying suitable third parties in the open market. In recent years, as China's urbanization process has continued to advance, the population agglomeration effect of city clusters has increased significantly. The economic vitality of key cities has led to a continuous inflow of population, which, coupled with the optimization of housing policies to promote the efficient allocation of resources, has resulted in a steady increase in the actual occupancy rate of residential units. (i) After purchasing a residential property, residents usually allocate private vehicles based on their family travel needs, which in turn drives up the demand for ancillary parking spaces. (ii) The Chinese government has been vigorously promoting new energy vehicles through policy incentives such as vehicle purchase subsidies and tax exemptions, as well as large-scale construction of charging infrastructure and technological iterations, which have significantly stimulated residents' willingness to purchase new energy vehicles. The rigid demand for fixed charging spaces for such vehicles further strengthens the market value of the residential property parking spaces. (iii) As a professional property management service provider, the Group has the ability to accurately identify the demand of owners for parking spaces based on its experience in vehicle management in the projects under its management. (iv) In order to efficiently revitalize the existing assets, a professional sales team has been formed to set up a real estate brokerage department, with core members possessing years of experience in real estate sales, which can specifically promote the disposal of the Settlement Properties. (v) The Group is also considering selling the Settlement Properties, such as parking spaces, to downstream suppliers by way of offsetting the debts in the future, so as to further advance the disposal of the Settlement Properties. Storage units are typically located in the basements of residential buildings and are primarily used by homeowners or residents to store idle items, expand living space, or pursue personal hobbies. Due to their lower price per square meter compared to residential units in the same location, they can serve as a conducive supplementary to residential properties for homebuyers. Should the disposal of the Settlement Properties constitute notifiable transactions or connected transactions to the Group under the Listing Rules in the future, the Company will comply with the relevant requirements under the Listing Rules.

In respect of any further transaction to be conducted pursuant to the Master Property Management Services Agreement and Master Small-Scale Engineering and Related Consultancy Services Agreement, before entering into the specific agreements under the Master Property Management Services Agreement and Master Small-Scale Engineering and Related Consultancy Services Agreement, the Company will (i) conduct financial due diligence on the liquidity and payment capacity of the relevant members of RiseSun Development Group; (ii) conduct legal due diligence on the legal disputes involved by such members of RiseSun Development Group; and (iii) require advanced payment arrangement where practicable. If the Company is of the view that such member of RiseSun Development Group was involved in material legal disputes or of restricted liquidity, the Company will not enter into the specific agreements with such member of RiseSun Development Group. Despite the effort made by the Group, since 1 January 2025 and as at the date of this announcement, amount of RMB68.8 million is due under the Master Property Management Services Agreement and Master Small-Scale Engineering and Related Consultancy Services Agreement, among which, RMB35.5 million has been paid in accordance with the relevant terms. In respect of the unpaid amount, the Group is actively communicating and maintaining constructive dialogue with RiseSun Development Group and will consider to take all necessary legal measures to recover the unpaid amount in accordance with the relevant terms.

The Company has been taking active measures to collect the Remaining Balance after the relevant amount fell due, including but not limited to (i) repeatedly sending demand letters requesting the repayment; (ii) arranging on-site collection staff attending offices of default members of RiseSun Development Group to urge the repayment; (iii) requesting relevant default members of RiseSun Development Group to seek consent from the relevant government authorities in the PRC in settling the relevant overdue receivables in cash; and (iv) filing litigation against the relevant default members of RiseSun Development Group or applying to the court for freezing the properties of such member. Despite the above measures were taken, the Group was still unable to recover all outstanding receivables from RiseSun Development Group due to the following reasons: (i) in most cases, it is practically impossible for certain default members of RiseSun Development Group to settle the outstanding Receivables in cash with the Company without the prior consent of the relevant government authorities in the PRC as regulated under the policy of “Guaranteed Delivery”. In fact, the relevant defaulted members of RiseSun Development Group had sought such consent, but was unable to obtain any consent from the relevant government authorities in the PRC given the prevailing market conditions; and (ii) in respect of the litigation, it is impracticable for the Company to file hundreds of litigations against different default members of RiseSun Development Group as it would generally take more than a year for the court proceeding and it is also very costly to pursue this option. Even if the judgment has been made in favour of the Company, the principal assets of such default members of RiseSun Development Group available for enforcement are still properties and in some situation, they may leave few properties to be enforced against considering that there are many other creditors who are also suing against such default member. As a result, the 2025 Debts Settlement Framework Agreement is a better method to settle the Remaining Balance as it gives an opportunity to the Group to timely select and acquire the sellable assets of RiseSun Development Group without incurring large amount of administrative costs. The entering into of the 2025 Debts Settlement Framework Agreement would allow the Company to recover Remaining Balance, and that Settlement Properties were valued by an independent valuer with the valuation amount of RMB1,075,506,060.00, which is more than the debt settlement amount of RMB1,069,874,840.76 under the 2025 Debts Settlement Framework Agreement. The transactions contemplated under the 2025 Debts Settlement Framework Agreement would enable the Group to sell out the Settlement Properties in future which will bring cashflow to the Group. This is conducive to resolving the Group’s receivables risk and is in the interests of the Shareholders. As of the date of the 2025 Debts Settlement Framework Agreement, in respect of the Unsettled Balance amounted to RMB192 million, the Company has been actively communicating and maintaining constructive dialogue with RiseSun Development Group. The Company will continue to monitor the liquidity of RiseSun Development Group and shall take all necessary legal measures to recover the Unsettled Balance in cash. Meanwhile, if the Company aware there are any other assets of RiseSun Development Group with value available, the Company will consider to reach another debt settlement agreement with RiseSun Development Group to settle the Unsettled Balance.

Despite the downturn of PRC property industry since 2021, the PRC government has been continuous issuing the economic policy to support the property industry and the macro-economy. In response to the situation, the Political Bureau of the Chinese Communist Party Central Committee has held the meeting in September 2024 and proposed to promote the real estate market to stop the downturn and stabilize market, and it also launched the combined policies of “four cancellations, four reductions, and two increases” in order to promote demand and healthy development of the real estate industry which includes (i) cancelling purchase restrictions, cancelling sales restrictions, cancelling price limits, and cancelling the standards for ordinary and non-ordinary residential houses; (ii) reducing the interest rate of housing provident fund loans by 0.25%, reducing the down payment ratio of housing loans, reducing the interest rate of existing loans and reducing the tax and fee burden of purchasing house; and (iii) increasing monetary settlement for an additional one million old house renovation and increasing the credit scale of “white list” projects to RMB4 trillion. In November 2024, Ministry of Finance, State Administration of Taxation, and Ministry of Housing and Urban-Rural Development of the PRC issued a number of tax policies to promote the stable and healthy development of the real estate market. Subsequently, local governments in China followed up and introduced local supporting measures, such as loosening purchase restrictions, promoting sales of existing house, and optimizing provident fund policy. The impact of policy has initially emerged with transaction volumes in certain cities in PRC rebounding and housing prices stopped falling month-on-month. It is expected that the Chinese government will further introduce policies to promote the healthy development of the real estate industry and the real estate industry and market demand will gradually recover in the next ten years. Having considered the above factors, the expected timeline for the sales of the Settlement Properties and the unsold properties transferred under the Debts Settlement Framework Agreement are as follows:

<b>For the year ended December 31,</b>	<b>Value of realization (RMB'million)</b>
2025	40
2026	60
2027	85
2028	115
2029	130
2030	130
2031	150
2032	150
2033	160
2034	160
2035	169

Before the Settlement Properties were sold out, the Company will also consider to lease the Settlement Properties to residents of the projects under management of the Group. In respect of the owners and tenants living at the projects under its management, the Group is able to utilise its information, service and technological advantages to prioritize and effectively interact with the potential customers, and is able to promote the lease of the Settlement Properties to them in a more effective manner. The Group has an existing real estate brokerage agency business unit. As at the Latest Practicable Date, the Group has a agency team consisting of more than 45 employees national-wide covering the full spectrum of marketing, agency and sales. Half of them have more than 5 years' experience in property brokerage. For the year ended December 31, 2024, the agency team of the Group has successfully completed leases of over 10,000 parking spaces. Through its existing real estate brokerage agency business unit, and leverage on its agency team, the Company believes it has deeper understanding of customers' actual needs, and can fully utilise the advantages of the property's "one-stop" service to lease out the unsold Settlement Properties.

In view of the above, the Directors (excluding the independent non-executive Directors whose view will be expressed after considering the advice from the Independent Financial Adviser) consider that, despite the 2025 Debts Settlement Framework Agreement is not entered into during the ordinary and usual course of business of the Group, the terms of the 2025 Debts Settlement Framework Agreement are on normal commercial terms and are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE GROUP AND RISESUN DEVELOPMENT GROUP**

### **The Group**

The Company is a joint stock company established in the PRC with limited liability, and the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2146). The Company and its subsidiaries are principally engaged in (i) community services; (ii) commercial services; (iii) urban services; and (iv) peripheral services.

### **RiseSun Development Group**

RiseSun Development is a joint stock company with limited liability established in the PRC on December 30, 1996, and is listed on the Shenzhen Stock Exchange (stock code: 002146). RiseSun Development is one of the controlling shareholders of the Company. RiseSun Development and its subsidiaries are principally engaged in real estate development.

## **LISTING RULES IMPLICATIONS**

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, prior to the acquisition of the Settlement Properties by the Group pursuant to the 2025 Debts Settlement Framework Agreement, RiseSun Development Group had not leased the Settlement Properties to third parties for rental income since completion of development. Therefore, the Settlement Properties were not revenue-generating assets with an identifiable income stream under Rule 14.69(4)(b) of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the acquisition of Settlement Properties as contemplated under the 2025 Debts Settlement Framework Agreement exceeds 100%, the Acquisition constitutes a very substantial acquisition of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Company is owned as to 62.64% by RiseSun Development. As such, RiseSun Development is a controlling shareholder of the Company and thus a connected person of the Company under the Listing Rules. Therefore, the Acquisition constitutes a connected transaction of the Company, and is subject to the reporting, announcement, Independent Shareholders' approval and circular requirements under Chapter 14A of the Listing Rules.

## **BOARD APPROVAL**

As at the date of this announcement, RiseSun Development is owned as to 12.88% by Mr. Geng Jianming, who is the brother of Mr. Geng Jianfu, the executive Director and chairman of the Board. Mr. Geng Jianfu is therefore considered to have a material interest in the transactions contemplated under the 2025 Debts Settlement Framework Agreement. Mr. Geng Jianfu has abstained from voting on the relevant resolutions at the Board meeting convened to consider, among other things, the 2025 Debts Settlement Framework Agreement.

Save as disclosed above, no Director has a material interest in the 2025 Debts Settlement Framework Agreement or has abstained from voting on the relevant Board resolution approving the 2025 Debts Settlement Framework Agreement.

## **GENERAL INFORMATION**

The Company will convene the EGM to approve, among other things, the 2025 Debts Settlement Framework Agreement and the Acquisition. RiseSun Development and its associates will abstain from voting on the relevant resolutions at the EGM.

The Company has established the Independent Board Committee to provide advice to the Independent Shareholders on the 2025 Debts Settlement Framework Agreement and the Acquisition, and to provide advice to Independent Shareholders on how to vote at the EGM. Pelican Financial Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on terms and conditions of the 2025 Debts Settlement Framework Agreement and the Acquisition.

A circular containing, among other things, (i) further details of the 2025 Debts Settlement Framework Agreement; (ii) the valuation report on the Settlement Properties; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms and conditions of the 2025 Debts Settlement Framework Agreement; (iv) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the terms and conditions of the 2025 Debts Settlement Framework Agreement; and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before July 15, 2025 as additional time is required for the Company to finalise the information to be included in the circular.

## DEFINITIONS

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

“2025 Debts Settlement Framework Agreement”	the debts settlement framework agreement dated June 18, 2025 entered into between the Company and RiseSun Development
“Acquisition”	the acquisition of the Settlement Properties pursuant to the terms of the 2025 Debts Settlement Framework Agreement
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Roiserv Lifestyle Services Co., Ltd. (榮萬家生活服務股份有限公司), a joint stock company established in the PRC with limited liability and the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2146)
“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
“Debts Settlement Framework Agreement”	the debts settlement framework agreement dated November 16, 2023 entered into between the Company and RiseSun Development
“Directors”	the directors of the Company
“Domestic Share(s)”	the ordinary share(s) in the capital of the Company issued by the Company in PRC, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC natural persons or entities consolidated under the relevant laws of the PRC
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if appropriate, to approve the 2025 Debts Settlement Framework Agreement
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, to advise the Independent Shareholders in respect of the 2025 Debts Settlement Framework Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	Pelican Financial Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity as permitted under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2025 Debts Settlement Framework Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders who are not required to abstain from voting at the EGM for the relevant resolution with respect to the 2025 Debts Settlement Framework Agreement
“Independent Third Party(ies)”	a person, or in the case of a company, the company and its ultimate beneficial owner(s), who is independent of and not connected with the Company and its subsidiaries and its connected persons and its ultimate beneficial owner(s) or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Master Property Management Services Agreement”	the master property management services agreement dated December 18, 2020 entered into between the Company and RiseSun Development which was renewed on March 2, 2023
“Master Small-Scale Engineering and Related Consultancy Services Agreement”	The master small-scale engineering and related consultancy services agreement dated December 18, 2020 entered into between the Company and RiseSun Development which was renewed on March 2, 2023
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Remaining Balance”	the remaining balance of receivables in relation to the services rendered under the Master Property Management Services Agreement and the Master Small-Scale Engineering and Related Consultancy Services Agreement were RMB1,262,070,228.11

“RiseSun Development”	RiseSun Real Estate Development Co., Ltd.* (榮盛房地產發展股份有限公司) (formerly known as RiseSun Property Development Co., Ltd.* (廊坊開發區榮盛房地產開發有限公司)), a joint stock company with limited liability established in the PRC on December 30, 1996, listed on the Shenzhen Stock Exchange (stock code: 002146)
“RiseSun Development Group”	RiseSun Development and its subsidiaries and associates (excluding the Group)
“RMB”	Renminbi, the lawful currency of the PRC
“Settlement Properties”	12,689 parking spaces, 5,479 storage units and 112 residential, apartment and commercial units to be acquired by the Group under the 2025 Debts Settlement Framework Agreement
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Domestic Shares and the H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“sq. m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unsettled Balance”	the balance of RMB192 million out of the Remaining Balance which will remain unsettled upon completion of the Acquisition
“%”	per cent

By order of the Board  
**Roiserv Lifestyle Services Co., Ltd.**  
**Geng Jianfu**  
*Chairman and Executive Director*

Langfang, the PRC, June 18, 2025

*As at the date of this announcement, the executive Directors are Mr. Geng Jianfu, Ms. Liu Hongxia and Mr. Long Xiaokang; the non-executive Director is Mr. Zhang Wenge; and the independent non-executive Directors are Mr. Jin Wenhui, Mr. Xu Shaohong Alex and Mr. Tang Yishu.*