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**Xi'an Kingfar Property Services Co., Ltd.**  
**西安經發物業股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1354)**

**CONTINUING CONNECTED TRANSACTIONS  
KINGFAR SUPPLY CHAIN PROCUREMENT  
FRAMEWORK AGREEMENT**

**PROCUREMENT FRAMEWORK AGREEMENT**

The Board announces that on 30 October 2025, Jiatai Property, a wholly-owned subsidiary of the Company, entered into the Procurement Framework Agreement with Kingfar Supply Chain, pursuant to which Jiatai Property Group agrees to procure certain food ingredients from Kingfar Supply Chain from 1 November 2025 to 31 December 2025.

**IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, Kingfar Supply Chain is wholly owned by Kingfar Group, one of the controlling shareholders (as defined under the Listing Rules) of the Company. Therefore, Kingfar Supply Chain is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Procurement Framework Agreement and the transaction contemplated thereunder constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the continuing connected transactions under the Procurement Framework Agreement is more than 0.1% but less than 5%, and such transactions are conducted on normal commercial terms, they are exempt from the Company's independent shareholders' approval requirement, but are subject to the announcement, annual reporting and annual review requirements under Chapter 14A of the Listing Rules.

## PROCUREMENT FRAMEWORK AGREEMENT

The principal terms of the Procurement Framework Agreement are as follows:

**Date:** 30 October 2025

**Parties:**

- (1) Jiatai Property; and
- (2) Kingfar Supply Chain, a company incorporated in accordance with the laws of the PRC, a wholly-owned subsidiary of Kingfar Group, and a connected person of the Company under the Listing Rules.

**Nature of transactions:** According to the Procurement Framework Agreement, Jiatai Property Group agrees to procure certain food ingredients, such as meat, from Kingfar Supply Chain during the term of the Procurement Framework Agreement.

Jiatai Property and Kingfar Supply Chain will enter into purchase orders setting out specific terms. Kingfar Supply Chain shall provide the goods in accordance with Jiatai Property Group's requirements, including but not limited to specific types of food ingredients, requirements on delivery timeliness, and requirements on quality standards and food safety, which will be specified in individual purchase orders.

**Term:** The term of the Procurement Framework Agreement is from 1 November 2025 to 31 December 2025, unless it is terminated earlier by mutual agreement of both parties, with either party required to give the other party not less than 30 days' written notice prior to such termination.

**Pricing and other terms:** Jiatai Property and Kingfar Supply Chain will enter into separate purchase orders which will set out the specific terms (including the specific prices, validity period of quotations and payment terms) according to the principles provided in the Procurement Framework Agreement.

The price of the goods to be procured by Jiatai Property Group shall be no less favourable than the market price of such goods at the time when the individual purchase order is entered into. Meanwhile, the price of the goods to be procured by Jiatai Property Group shall also not be worse than those to be provided by other Independent Third Parties providing the same or similar goods.

The price of the goods shall be determined (i) in accordance with the market price of goods of the same type and quality at the same time at the local first-level wholesale market at the place of delivery; (ii) in accordance with the price of the same type and quality released by relevant product market information websites at the same time; or (iii) in case (i) and (ii) are infeasible, by both parties to the Procurement Framework Agreement on fair and reasonable basis and on normal commercial terms and credit terms, in according with the aforementioned pricing principles.

The price determined through the aforementioned methods shall remain valid for a certain period (e.g., one week or one month, which shall be agreed upon in the individual purchase orders). During the validity period of quotations, if there is a significant change in the market price of the goods to be supplied, either party may request a renegotiation of the price.

The payment time and method shall be fixed by both parties in the individual purchase orders. The transactions will normally be settled in the form of cash payment on a monthly basis and shall be consistent with the payment terms in the market.

### **Historical Transaction Value and Proposed Annual Cap**

There is no historical transaction amounts with respect to the procurement of food ingredients by the Jiatai Property Group from the Kingfar Supply Chain.

The proposed annual cap for the transactions contemplated under the Procurement Framework Agreement for the period from the effective date (i.e., 1 November 2025) to 31 December 2025 is RMB9,000,000.

The proposed annual cap in respect of the purchase of food ingredients under the Procurement Framework Agreement as set out above was determined by the Board after considering the following factors including (i) the estimated quantity of relevant food ingredients required by Jiatai Property Group for November and December in 2025, taking into account that (a) the purpose of procuring such food ingredients is to provide value-added food ingredients delivery services to certain schools, and (b) the relatively stable number of students in these schools during such period and the corresponding relatively stable demand for these food ingredients; and (ii) the recent market prices of the relevant food ingredients and also the market prices during the same period last year, which refer to local market wholesale prices and are aligned with the guiding prices of relevant regulatory authorities. At the same time, it is expected that the prices of these relevant food ingredients will not fluctuate significantly during the relatively short two-month period.

Taking into account the above factors, the Directors (including the independent non-executive Directors) are of the view that the proposed annual cap for the transactions contemplated under the Procurement Framework Agreement is fairly and reasonably determined.

### **Internal Control Procedures**

To ensure the relevant terms provided by Kingfar Supply Chain under the Procurement Framework Agreement are no less favorable than those available from Independent Third Parties and the annual cap of the transactions under the Procurement Framework Agreement is not exceeded, the Group's internal control system includes procedures specifically for monitoring continuing connected transactions which include the following steps: (i) the entering into and monitoring of continuing connected transactions are to be conducted in accordance with the Group's internal control manual; (ii) the Group will collect real-time statistics of the continuing connected transactions under the Procurement Framework Agreement on a regular basis and monitor such transactions through the Group's internal online system to ensure the approved annual cap is not exceeded; (iii) the Group collects market information and keep track of the latest changes in the industry on a monthly basis, especially the purchase prices of similar goods through different sources, including at least two market quotations from other Independent Third Party suppliers and/or reputable industry sources, on an ongoing basis; (iv) the independent non-executive Directors conduct an annual review with respect to the continuing connected transactions throughout the preceding financial year to ensure that the transactions are entered into on normal commercial terms, are fair and reasonable, and are carried out pursuant to the terms of the relevant agreements governing the continuing connected transactions and in the interest of the shareholders of the Company as a whole; and (v) the auditors of the Company review the statistics of the continuing connected transactions on an annual basis in compliance with the annual reporting and review requirements under the Listing Rules. By implementing the above procedures, the Directors consider that the Company has established sufficient internal control measures to ensure the transactions under the Procurement Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

### **Reasons for and Benefits of the Entering into the Procurement Framework Agreement**

In line with the Group's diversified development strategy and to break through its revenue growth bottleneck, Jiatai Property is actively advancing various value-added service businesses. Among these, providing food ingredients delivery service to certain schools is one of the core initiatives, which will further enhance the sustainable operational capacity of Jiatai Property and enable the Group to optimize and upgrade its business structure and ultimately drive its revenue growth. By entering into the Procurement Framework Agreement with Kingfar Supply Chain, Jiatai Property will obtain a relatively stable supply of relevant goods and competitive procurement prices. Furthermore, this cooperation will enable Jiatai Property to strengthen quality control and improve the overall standard of its services.

## **CONFIRMATION OF THE BOARD**

The Board has considered and approved the resolution in relation to the Procurement Framework Agreement. None of the Directors has any material interests in the transactions under the Procurement Framework Agreement or is required to abstain from voting on the relevant Board resolution. The Board (including independent non-executive directors) is of the view that the transactions under the Procurement Framework Agreement are (i) fair and reasonable; (ii) on normal commercial terms or better in the ordinary and usual course of business of the Group; and (iii) in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, Kingfar Supply Chain is wholly owned by Kingfar Group, one of the controlling shareholders (as defined under the Listing Rules) of the Company. Therefore, Kingfar Supply Chain is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Procurement Framework Agreement and the transaction contemplated thereunder constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the continuing connected transaction under the Procurement Framework Agreement is more than 0.1% but less than 5%, and such transactions are conducted on normal commercial terms, they are exempt from the Company's independent shareholders' approval requirement, but are subject to the announcement, annual reporting and annual review requirements under Chapter 14A of the Listing Rules.

## **INFORMATION OF PARTIES TO THE PROCUREMENT FRAMEWORK AGREEMENT**

The Company and its subsidiaries are principally engaged in the provision of city services, residential property management services and commercial property management services in the PRC.

Jiatai Property is principally engaged in the provision of property management services and relevant value-added services for facilities such as industrial parks, bonded zones, industrial plants, and office buildings in Xi'an City in the PRC. As at the date of this announcement, Jiatai Property is wholly owned by the Company, whose controlling shareholders (as defined under the Listing Rules) are Kingfar Group and Kingfar Holdings. As at the date of this announcement, Kingfar Group is owned as to approximately 96.29% by Kingfar Holdings, and Kingfar Holdings is wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會).

Kingfar Supply Chain is mainly engaged in the procurement, logistics, and sales of a wide range of products, including steel, energy products, non-ferrous metals, communication equipment, chemical products, and agricultural by-products. As at the date of this announcement, Kingfar Supply Chain is wholly owned by Kingfar Group. As at the date of this announcement, Kingfar Group is owned as to approximately 96.29% by Kingfar Holdings, and Kingfar Holdings is wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會).

## **DEFINITIONS**

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

|                                |   |
|--------------------------------|---|
| “Board”                        | the board of directors of the Company   |
| “Company”                      | Xi'an Kingfar Property Services Co., Ltd. (西安經發物業股份有限公司), a joint stock company incorporated in the People's Republic of China with limited liability and the H Shares of which are listed on the Main Board of the Stock Exchange        |
| “Director(s)”                  | the director(s) of the Company  |
| “Group”                        | the Company and its subsidiaries  |
| “Independent Third Party(ies)” | an individual(s) or a company(ies), who or which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules |
| “Jiatai Property”              | Xi'an Jiatai Property Management Service Co., Ltd. (西安加泰物業管理服務有限公司), a company established in the PRC with limited liability on 1 July 2004 and a wholly-owned subsidiary of the Company  |
| “Jiatai Property Group”        | Jiatai Property and its branches, subsidiaries and any new subsidiaries that Jiatai Property may establish in the future  |

|                                   |  |
|-----------------------------------|--|
| “Kingfar Group”                   | Xi'an Kingfar Group Co., Ltd. (西安經發集團有限責任公司), a company established in the PRC with limited liability on 5 September 2001 and one of the controlling shareholders (as defined under the Listing Rules) of the Company, which is owned as to approximately 96.29% by Kingfar Holdings, and approximately 3.71% by Shaanxi Financial Asset Management Co., Ltd. (陝西金融資產管理股份有限公司), an Independent Third Party |
| “Kingfar Holdings”                | Xi'an Kingfar Holdings (Group) Co., Ltd. (西安經發控股(集團)有限公司), a company established in the PRC with limited liability on 4 May 2010 and one of the controlling shareholders (as defined under the Listing Rules) of the Company, which is wholly owned by the Management Committee of Xi'an Economic and Technology Development Zone (西安經濟技術開發區管理委員會)   |
| “Kingfar Supply Chain”            | Xi'an Kingfar Supply Chain Operation Trading Co., Ltd. (西安經發供應鏈運營貿易有限公司), a company established in the PRC with limited liability on 27 September 2009 and a wholly-owned subsidiary of Kingfar Group  |
| “Listing Rules”                   | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “PRC”                             | the People's Republic of China, and for the sole purpose of this announcement only, shall exclude Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan  |
| “Procurement Framework Agreement” | the framework agreement on certain food ingredients procurement entered into between Jiatai Property and Kingfar Supply Chain on 30 October 2025   |
| “RMB”                             | Renminbi, the lawful currency of the PRC   |
| “Stock Exchange”                  | The Stock Exchange of Hong Kong Limited  |
| “%”                               | percentage   |

By Order of the Board  
**Xi'an Kingfar Property Services Co., Ltd.**  
**Mr. Wu Suozheng**  
*Chairman of the Board and Executive Director*

Hong Kong, 30 October 2025

*As of the date of this announcement, the Board comprises: (i) Mr. Wu Suozheng, Mr. Sun Qi and Mr. Cheng Hongrang as executive Directors; (ii) Mr. Zhao Junping, Mr. Yang Gang and Ms. Li Lingxiao as non-executive Directors; and (iii) Mr. Lam Siu Wing, Dr. Jiang Li and Mr. Cao Yang as independent non-executive Directors.*