DESUN 德商产投服务
创造美好福流生活

Desun Real Estate Investment Services Group Co., Ltd.
德商產投服務集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2270)

MAJOR TRANSACTION IN RELATION TO THE LEASE PROJECT

BACKGROUND

Chengdu Desun, a wholly-owned subsidiary of the Company, received a bid award notice on 23 June 2026 confirming that it had successfully won the bid for the Hongcang Huatian Mansion Project (紅倉•華天大廈項目). The Project is situated at No. 1, Minxing Second Road, Chenghua District, Chengdu, the PRC, with a total gross floor area of 119,846.49 sq.m. (the final area is subject to actual handover). Industrially positioned to cover the full industrial chain of gaming research and development and operation, the Project integrates artificial intelligence with live-stream e-commerce resources to develop the "Artificial Intelligence Gaming Digital Industrial Park" in Southwest China.

LEASE AGREEMENT

Chengdu Desun shall enter into the Lease Agreement with Huatian Culture within 30 days after receiving the bid award notice. The lease term for the Project shall be 15 years (180 months) commencing on the formal handover date of the Leased Property, which includes a rent-free period of 12 months for the fit-out. The rent-charging period shall be 14 years.

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, the entering into of the Lease Agreement by the Lessee will require the Group to recognise the right-of-use assets (classified as investment properties in initial recognition in the Group's consolidated financial statements). Therefore, the entering into of the Lease Agreement will be regarded as an acquisition of asset by the Group under the Listing Rules. It is expected that the fair value of the right-of-use assets recognised by the Group under the Lease Agreement will amount to approximately RMB316.02 million.

As the highest of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the Lease Agreement exceeds 25%, the entering into of the Lease Agreement and the transactions contemplated thereunder constitute a major transaction for the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders or any of their respective associates has a material interest in the Lease Agreement. Thus, no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the entering into of the Lease Agreement and the transaction contemplated thereunder. Pursuant to Rule 14.44 of the Listing Rules, the Lease Agreement and the transaction contemplated thereunder may be approved by the Shareholders by way of written approval without convening a general meeting.

As at the date of this announcement, Sky Donna directly holds 395,135,000 Shares, representing approximately 63.70% of the issued share capital of the Company as at the date of this announcement. As the Company has obtained the written approval from Sky Donna on 23 June 2026, the Company is not required to convene an extraordinary general meeting to approve the entering into of the Lease Agreement and the transaction contemplated thereunder.

GENERAL

A circular containing, among other things, (i) further details of the Lease Agreement; and (ii) such other information as required under the Listing Rules, will be published for the Shareholders' information within fifteen (15) business days after the publication of this announcement, i.e. on or before 15 July 2026.

BACKGROUND

Chengdu Desun, a wholly-owned subsidiary of the Company, received a bid award notice on 23 June 2026 confirming that it had successfully won the bid for the Hongcang Huatian Mansion Project (紅倉•華天大廈項目). The Project is situated at No. 1, Minxing Second Road, Chenghua District, Chengdu, the PRC, with a total gross floor area of 119,846.49 sq.m. (the final area is subject to actual handover). Industrially positioned to cover the full industrial chain of gaming research and development and operation, the Project integrates artificial intelligence with live-stream e-commerce resources to develop the "Artificial Intelligence Gaming Digital Industrial Park" in Southwest China.

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The principal terms of the Lease Agreement are as follows:

Parties	:	(i) Huatian Culture (as the lessor) (ii) Chengdu Desun (as the lessee)
Leased Property	:	The Project is located at No. 1, Minxing Second Road, Chenghua District, Chengdu, the PRC.
Gross Floor Area	:	The total gross floor area of the Project is 119,846.49 sq.m., comprising 58,169.31 sq.m. of office floor area, 18,798.24 sq.m. of commercial floor area, 2,910.03 sq.m. of ancillary premises floor area and 39,968.91 sq.m. of motor vehicle parking space floor area (totalling 891 parking spaces). All particulars shall be subject to the actual handover.
Lease Term	:	The lease term shall be 15 years (180 months) commencing on the formal handover date of the Leased Property, which includes a rent-free period of 12 months for the fit-out. The rent-charging period shall be 14 years.
Usage	:	Chengdu Desun shall use the Leased Property strictly in accordance with the requirements under the Lease Agreement and develop it into an artificial intelligence gaming digital industrial park. Subject to the consent of Huatian Culture, Chengdu Desun shall have the right to sublease or partially sublet the Leased Property.

Rent	:	For the first lease year, the rent shall be RMB38 per square metre per month for the office area, RMB51 per square metre per month for the commercial area, RMB38 per square metre per month for ancillary premises and RMB200 per parking space per month, representing the reserve rent prices for the Project and also the winning bid prices (including tax) at which Chengdu Desun won the bid through the open tender process conducted for the Project. In arriving at these bid prices, Chengdu Desun made reference to the prevailing market rent levels of comparable properties in Chenghua District, Chengdu. The rent shall increase by 3% every two years commencing from the date of the formal handover of the Leased Property. During the lease term, Chengdu Desun shall bear all expenses incurred in the day-to-day operation of the Leased Property, including but not limited to operation and management fees, property management fees, utility charges (water, electricity and gas), telecommunications fees, network fees, security fees, cleaning fees and all applicable taxes. Under the Lease Agreement, the total rent payable by Chengdu Desun (including the rent-free period) is estimated to be at least approximately RMB451.81 million over the 14-year rent-charging period, calculated on the basis of: (i) the unit rents for the office area, commercial area, ancillary premises, and motor vehicle parking spaces in the first lease year; (ii) a 3% upward adjustment every two lease years; (iii) the assumption that Chengdu Desun's annual industry assessment (as detailed below) for each operational year is rated as "Excellent"; and (iv) the assumed gross floor areas of 58,169.31 sq.m. for office premises, 18,798.24 sq.m. for commercial premises, 2,910.03 sq.m. for ancillary premises, and 39,968.91 sq.m. for car parking spaces (totalling 891 parking spaces). The monthly rent is expected to be funded through the internal resources of the Group.
Fit-out Period	:	A period of 12 months from the date of the formal handover of the Leased Property shall be the fit-out period for Chengdu Desun. Chengdu Desun shall complete all design, renovation and alteration works within the fit-out period and commence formal operations on the day following the expiry of the fit-out period (the fit-out period shall not be extended). Any economic losses arising from Chengdu Desun's failure to complete the renovation and alteration works within the fit-out period shall be borne solely by Chengdu Desun. During the fit-out period, Huatian Culture shall waive the rent payable by Chengdu Desun.

Payment Terms	:	Chengdu Desun shall pay rent on a quarterly (each quarter being three months) basis by reference to each lease year. A lease year means the period commencing on the date of formal handover of the Leased Property and ending on the day preceding the corresponding date of the twelfth consecutive calendar month. Subsequent lease years shall follow in the same manner consecutively. Seventy percent of the quarterly rent shall be prepaid. Commencing from the second lease year, rent shall be paid in advance before use with each quarter serving as a rent payment cycle. Chengdu Desun shall pay in full the rent for the first quarter of the second lease year within 30 days prior to the expiry of the first lease year being the fit-out period. It shall pay in full the rent for the second quarter of the second lease year within 30 days prior to the expiry of the first quarter of the second lease year and so forth.

Rent Settlement	:	The administration committee of Eastern Suburb Memory Art Zone, Chenghua District, Chengdu shall conduct an annual industrial assessment for each operating year in the first quarter of the next operating year following the end of the relevant operating year. The industry assessment for the Project primarily focuses on core indicators such as investment amount, business incubation, annual revenue and commercial branding, and adopts a scoring system. Chengdu Desun shall settle and make up any shortfall in the preferential rent (if applicable) based on the assessment results. The completion time and results of such assessment shall be subject to the written notice issued by the administration committee of Eastern Suburb Memory Art Zone, Chenghua District, Chengdu. The specifics are as follows:

Annual Industrial Assessment Level	**Total Score**	**Annual Preferential Rent Level**
Excellent	≥90 points	Reduced to 70% of the rent for that year
Good	75 (inclusive) — 90 points	Reduced to 85% of the rent for that year
Acceptable	60 (inclusive) — 75 points	No reduction
Unqualified	< 60 points	No reduction

Total rent receivable by Huatian Culture for the operating year = (unit rent (inclusive of tax) for office premises × actual area handed over + unit rent (inclusive of tax) for commercial premises × actual area handed over + unit rent (inclusive of tax) for ancillary premises × actual area handed over + unit rent (inclusive of tax) for motor vehicle parking space × actual number of motor vehicle parking spaces handed over) × 12 months. Where rent rates are adjusted upwards, calculation shall adopt the prevailing updated rent standard.

The amount of rent shortfall receivable by Huatian Culture for the operating year = total rent receivable by Huatian Culture for the operating year × the applicable percentage of rent payable after reduction based on the assessment level — total prepaid rent already paid by Chengdu Desun for the operating year. If Chengdu Desun is rated as "Good/Acceptable/Unqualified" in any Lease Year, it shall, within two months after the completion of the assessment, pay the outstanding rent.

		Operating year shall mean the lease period commencing on the date of expiry of the fit-out period of the Leased Property and ending on the day immediately preceding the date which corresponds to such date of expiry in the twelfth calendar month thereafter, and each subsequent operational year shall be construed on the same basis.
Lease Deposit	:	The lease deposit shall be an amount equivalent to four months of the initial rent (inclusive of tax) for the Leased Property. Chengdu Desun shall pay the lease deposit to Huatian Culture within 30 days after the signing of the Lease Agreement. Huatian Culture shall issue a payment receipt to Chengdu Desun upon receipt of the lease deposit. The lease deposit may be paid in the form of bank transfer, cash payment, or bank guarantee. Upon termination of the contract, provided that Chengdu Desun has not breached the contract and has fully settled outstanding charges for water, electricity and other utilities, the remaining lease deposit shall be refunded by Huatian Culture to Chengdu Desun without interest within 30 days upon Chengdu Desun's complete vacating of the Leased Property.
Amendment, Rescission and Termination of the Lease Agreement	:	The Lease Agreement may be amended, rescinded or terminated upon the occurrence of certain events, including but not limited to mutual agreement between the parties; Huatian Culture being unable to provide the Leased Property, or the Leased Property provided not complying with the Lease Agreement and seriously affecting Chengdu Desun's use thereof; the occurrence of circumstances under the Lease Agreement entitling Huatian Culture to unilaterally terminate the contract; the Lease Agreement being unable to be performed due to force majeure, and other similar circumstances. If Chengdu Desun is assessed as Unqualified in two annual industrial assessments (the completion time and assessment results shall be subject to the written notice issued by the administration committee of Eastern Suburb Memory Art Zone, Chenghua District, Chengdu), it shall vacate the Leased Property within 6 months upon receipt of the written notice from the administration committee of Eastern Suburb Memory Art Zone, Chenghua District, Chengdu, hand over the management materials of the Leased Property to Huatian Culture, and compensate Huatian Culture for losses, including but not limited to rent for the fit-out period and interest thereon. Chengdu Desun shall also assume all rights and obligations, and bear all related liabilities, arising from its dealings with any third parties.

Default : During the lease term, if any circumstance occurs that gives Huatian Culture the right to unilaterally terminate the Lease Agreement, and the results of the industrial assessments for all preceding operating years are Excellent or Good, Chengdu Desun shall pay liquidated damages to Huatian Culture in an amount equal to 10% of the total rent for the then-current operating year, and Huatian Culture shall also have the right to unilaterally terminate the Lease Agreement and take back the Leased Property. If Huatian Culture exercises such unilateral termination right, Huatian Culture shall have the right to forfeit the lease deposit, and Chengdu Desun shall pay the fit-out-period rent previously waived/enjoyed, together with interest thereon, in proportion to the ratio of the remaining lease term to the total lease term under the Lease Agreement, and shall also pay any outstanding accrued rent based on the actual lease term.

If (i) Chengdu Desun receives an Unqualified rating in two annual industrial assessments, or (ii) any circumstance occurs that gives Huatian Culture the right to unilaterally terminate the Lease Agreement and the results of the industrial assessments for the preceding operating years include a rating of Acceptable or Unqualified, then Chengdu Desun shall pay liquidated damages to Huatian Culture in an amount equal to 10% of the total rent for the then-current operating year, and Huatian Culture shall have the right to unilaterally terminate the Lease Agreement and take back the Leased Property. If Huatian Culture exercises such unilateral termination right, Huatian Culture shall have the right to forfeit the lease deposit, and Chengdu Desun shall pay the 12 months' fit-out-period rent previously waived/enjoyed, together with interest thereon, and shall also pay any outstanding accrued rent based on the actual lease term.

REASONS FOR AND BENEFITS OF THE LEASE AGREEMENT

The Company has been deeply engaged in asset operation and management for many years, covering property services, investment promotion and operation, office leasing and other fields, and has accumulated extensive industry experience and professional operational capabilities. The tender project is located in Eastern Suburb Memory Zone, Chenghua District, the core urban area. It enjoys a prime location with a strong cultural and creative industry atmosphere. Adjacent to metro stations and the central expressway, the site boasts convenient transportation and holds remarkable locational value and strategic significance. If the Project proceeds smoothly, it will not only generate steady and recurring operating income for the Company, but also serve as an exemplary benchmark for integrated industrial and commercial complexes. This will further enhance the Company's brand influence and market reputation, attract more high-quality partners and clients, and fuel the long-term sustainable development of the enterprise.

Accordingly, the Board is of the view that the Lease Agreement has been entered into in the ordinary and usual course of the Group's business on normal commercial terms which are fair and reasonable and are in the interests of the Group and its Shareholders as a whole.

INFORMATION ON RELEVANT PARTIES TO THE LEASE AGREEMENT

The Group

The Group is an urban core asset operator, which is principally engaged in three business segments: property services, asset operation services and investment and development.

Chengdu Desun

Chengdu Desun (formerly known as Chengdu Fuyue Corporation Management Consultant Co. Ltd.* (成都福悦企業管理諮詢有限公司) at the time of establishment) is a company incorporated in the PRC on 12 March 2021 and an indirect wholly-owned subsidiary of the Company. Chengdu Desun is principally engaged in, among other things, property management, real estate brokerage, real estate appraisal, real estate consulting and information consulting services.

Huatian Culture

Huatian Culture is a company incorporated in the PRC on 10 May 2017. Huatian Culture is principally engaged in property management, construction engineering, real estate development and operations, non-residential real estate leasing and land remediation services. As at the date of this announcement, Huatian Culture is wholly owned by Chengdu Chenghua Urban Renewal Group Co., Ltd.* (成都成華城市更新集團有限責任公司) ("**Chengdu Chenghua Urban Renewal**"), which is in turn wholly owned by Chengdu Chenghua Development Group Co., Ltd.* (成都市成華發展集團有限責任公司)

("**Chengdu Chenghua Development**"). The State-owned Assets Supervision and Administration Bureau of Chenghua District, Chengdu, and the Finance Department of Sichuan Province hold 90% and 10% of the equity interests in Chengdu Chenghua Development, respectively. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Huatian Culture and its ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, the entering into of the Lease Agreement by the Lessee will require the Group to recognise the right-of-use assets (classified as investment properties in initial recognition in the Group's consolidated financial statements). Therefore, the entering into of the Lease Agreement will be regarded as an acquisition of asset by the Group under the Listing Rules. It is expected that the fair value of the right-of-use assets recognised by the Group under the Lease Agreement will amount to approximately RMB316.02 million.

As the highest of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the Lease Agreement exceeds 25%, the entering into of the Lease Agreement and the transactions contemplated thereunder constitute a major transaction for the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders or any of their respective associates has a material interest in the Lease Agreement. Thus, no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the entering into of the Lease Agreement and the transaction contemplated thereunder. Pursuant to Rule 14.44 of the Listing Rules, the Lease Agreement and the transaction contemplated thereunder may be approved by the Shareholders by way of written approval without convening a general meeting.

As at the date of this announcement, Sky Donna Holding Limited ("**Sky Donna**") directly holds 395,135,000 Shares, representing approximately 63.70% of the issued share capital of the Company as at the date of this announcement. As the Company has obtained the written approval from Sky Donna on 23 June 2026, the Company is not required to convene an extraordinary general meeting to approve the entering into of the Lease Agreement and the transactions contemplated thereunder.

GENERAL

A circular containing, among other things, (i) further details of the Lease Agreement; and (ii) such other information as required under the Listing Rules, will be published for the Shareholders' information within fifteen (15) business days after the publication of this announcement, i.e. on or before 15 July 2026.

DEFINITIONS

"Board"	the board of Directors
"Chengdu Desun"	Chengdu Desun Real Estate Investment Enterprise Management Group Co., Ltd.* (成都德商產投企業管理集團有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Company"	Desun Real Estate Investment Services Group Co., Ltd. (德商產投服務集團有限公司), 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: 2270)
"Director(s)"	the director(s) of the Company
"fit-out period"	a period of twelve months starting from the date of formal handover of the Leased Property shall be the fit-out period for Chengdu Desun. Chengdu Desun shall complete all design and renovation works within such period and commence formal operation on the day immediately following the expiry thereof. The fit-out period shall not be extended
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Huatian Culture"	Chengdu Huatian Culture Tourism Development Co., Ltd.* (成都華天文化旅遊開發有限責任公司)
"Independent Third Party(ies)"	third party(ies) independent of and not connected with the Company and connected person(s) of the Company
"Lease Agreement"	the lease agreement entered into between Chengdu Desun and Huatian Culture
"Leased Property"	the Hongcang Huatian Mansion located at No. 1, Minxing Second Road, Chenghua District, Chengdu, the PRC
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

"Project"	the Hongcang Huatian Mansion Project (紅倉•華天大廈項目) with a total gross floor area of 119,846.49 sq.m., subject to actual handover in all respects
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	share(s) of US$0.0001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"sq.m."	square meter
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By order of the Board
Desun Real Estate Investment Services Group Co., Ltd.
Zhang Zhicheng
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 23 June 2026

As at the date of this announcement, the executive Directors are Mr. Zhang Zhicheng, Ms. Wan Hong, Mr. Liu Jun, Mr. Shao Jiazhen and Ms. Zhu Na, the non-executive Director is Mr. Zou Kang, and the independent non-executive Directors are Mr. Fang Liqiang, Mr. Chen Di and Mr. Yan Hong.

* *For identification purpose only*