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碧桂园服务
COUNTRY GARDEN SERVICES

COUNTRY GARDEN SERVICES HOLDINGS COMPANY LIMITED

碧桂园服务控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6098)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF ENTIRE EQUITY INTEREST IN
WEALTH BEST GLOBAL**

The Board is pleased to announce that, on 20 September 2021 (after trading hours), CG Property Services HK (an indirect wholly-owned subsidiary of the Company) and R&F Property entered into the Equity Transfer Agreement, pursuant to which the Group agreed to acquire Wealth Best Global at a consideration of up to RMB10 billion and thereby indirectly acquiring 100% equity interest held by Wealth Best Global in each of the Target Companies. The Target Companies are comprehensive property management service providers, offering a wide range of property management services and commercial operational services in the PRC.

Upon completion of the Acquisition, the Group will hold 100% equity interest in Wealth Best Global and will indirectly hold 100% equity interest in each of the Target Companies, and Wealth Best Global, R&F Property Services HK, Guangzhou Fuxing and the Target Companies will become subsidiaries of the Group, whose results, assets and liabilities will be consolidated into the accounts of the Group.

LISTING RULES IMPLICATIONS

As one or more applicable percentage ratios in respect of the Equity Transfer Agreement are more than 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that, on 20 September 2021 (after trading hours), CG Property Services HK (an indirect wholly-owned subsidiary of the Company) and R&F Property entered into the Equity Transfer Agreement. The principal terms of the Equity Transfer Agreement are set out as follows:

PRINCIPAL TERMS OF THE EQUITY TRANSFER AGREEMENT

- Date : 20 September 2021 (after trading hours)
- Parties : (1) CG Property Services HK (an indirect wholly-owned subsidiary of the Company, as purchaser);
- (2) R&F Property (as vendor);
- (3) Guarantor I (as guarantor);
- (4) Guarantor II (as guarantor);
- (5) Wealth Best Global;
- (6) Guangzhou Tianli;
- (7) Tianjin Huaxin; and
- (8) Datong Hengfu.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Guarantor I, Guarantor II, and R&F Property and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Wealth Best Global is a direct wholly-owned subsidiary of R&F Property. Wealth Best Global indirectly holds the entire equity interests in Guangzhou Tianli, Tianjin Huaxin and Datong Hengfu through its wholly-owned subsidiaries R&F Property Services HK and Guangzhou Fuxing.

Subject Matter

In accordance with the terms of the Equity Transfer Agreement, CG Property Services HK agreed to acquire 100% equity interest in Wealth Best Global from R&F Property and thereby indirectly acquiring 100% equity interest in each of the Target Companies which are engaged in the provision of property management services in the PRC.

Consideration

The Consideration for the Acquisition comprises (1) the part of up to RMB7 billion (for the existing areas in 2021) and (2) the part of up to RMB3 billion (for the contracts for the future Areas Under Management of 66 million sq.m.), with the total maximum amount of the Consideration of up to RMB10 billion. Such Consideration may be reduced as a result of the failure to meet the conditions to the payment of the Consideration. The Consideration will be funded by internal resources of CG Property Services HK. The Consideration was determined following arm's length negotiations between CG Property Services HK and R&F Property on normal commercial terms, and after taking into account the status of the existing projects under management of the Target Companies, the controlling interest in the Target Companies indirectly held by Wealth Best Global and the following undertakings by R&F Property:

- (1) the Performance Guarantee;
- (2) in addition to the Areas Under Management of 86 million sq.m. agreed to be delivered under the Performance Guarantee, R&F Property and the R&F Property Related Parties have undertaken to deliver (or procure other third parties to deliver) Areas Under Management of 66 million sq.m. to Wealth Best Global or other entities designated by CG Property Services HK; and
- (3) the size of value-added services to non-property owners between the R&F Property Related Parties and Wealth Best Global shall achieve long-term (being for not less than 20 years) continuous stability on the basis of the annual data for 2021 as confirmed by the Parties. The value-added services to non-property owners and its gross profit shall not exceed 50% of annual accounting revenue and total gross profit of Wealth Best Global. Any amount in excess shall not be included in the performance indicators of Wealth Best Global for 2021.

For the avoidance of doubt, the above undertakings by R&F Property does not represent the expected level of future profits, nor does it constitute a profit forecast under Rule 14.61 of the Listing Rules.

Terms of Payment for Consideration

The Consideration for the Acquisition will be paid by CG Property Services HK in cash in two phases (four instalments in total). Phase 1 involves RMB7 billion, which shall be paid in three instalments, with the first instalment of RMB2 billion, the second instalment of RMB3 billion and the third instalment of RMB2 billion. Phase 2 refers to the fourth instalment of RMB3 billion. The Consideration shall be settled in Hong Kong dollars. The central parity rate of RMB against Hong Kong dollars officially released by the People's Bank of China on 17 September 2021 shall be adopted as the exchange rate for the Phase 1 Consideration, while the central parity rate of RMB against Hong Kong dollars officially released by the People's Bank of China on the Business Day immediate preceding the date of payment shall be adopted as the exchange rate for the Phase 2 Consideration.

The Parties opened the Custody Account with the Custody Bank on 17 September 2021, and CG Property Services HK has deposited the First Instalment of Consideration into the account.

Phase 1 — First Instalment of Consideration

CG Property Services HK shall procure the Custody Bank to pay to R&F Property an amount equivalent to the First Instalment of Consideration in Hong Kong dollars in full upon execution of the Equity Transfer Agreement.

Phase 1 — Second Instalment of Consideration

CG Property Services HK shall pay into the Custody Account an amount equivalent to the Second Instalment of Consideration in Hong Kong dollars within one Business Day from the date on which the approval document for the Acquisition issued by the anti-trust authority in the PRC has been obtained. Within three Working Days from the date on which the First Instalment of Consideration has been paid and CG Property Services HK has made the deposit into the Custody Account, the Parties shall jointly complete the following:

- (1) the execution of all documents for the transfer of the Target Shares held by R&F Property to CG Property Services HK;
- (2) the inclusion of CG Property Services HK in the register of members of Wealth Best Global and the issuance of the relevant share certificate; and
- (3) the filing for registration of the directors, supervisors and legal representative of the Wealth Best Global Group appointed by CG Property Services HK and the completion of the filing of the articles of association capable of being searched and certified with the competent registration authority.

On the date of fulfilment of the conditions precedent above, CG Property Services HK shall procure the Custody Bank to pay to R&F Property the Second Instalment of Consideration on the same date.

Upon completion of payment of the Second Instalment of Consideration, R&F Property and Wealth Best Global shall complete the following:

- (1) within 10 days following the payment of the Second Instalment of Consideration, R&F Property shall hand over all seals, all electronic keys and keys to storage places of various paper documents of Wealth Best Global to CG Property Services HK;
- (2) R&F Property and Wealth Best Global shall complete the handover of the rights to manage the property projects under management as specified in the Equity Transfer Agreement before 10 January 2022; and
- (3) CG Property Services HK shall send working groups to Wealth Best Global and the Target Companies for the commencement of takeover of the day-to-day management of Wealth Best Global and the Target Companies before 10 January 2022.

Phase 1 — Third Instalment of Consideration

Within one Business Day following the date on which the Guarantors negotiate with CG Property Services HK and complete the agreed protection measures as stated in the section headed “*Principal Terms of the Equity Transfer Agreement — Compensation and Guarantee for the Continuity of Related Business*” below, CG Property Services HK shall pay an amount equivalent to the Third Instalment of Consideration in Hong Kong dollars to R&F Property.

If R&F Property fails to complete the work for the execution of new property management contracts to replace existing ones and the licensing of trademarks before the payment by CG Property Services HK of the Third Instalment of Consideration, CG Property Services HK has the right to temporarily withhold RMB500 million in the Third Instalment of Consideration, which shall be paid to R&F Property within one Business Day upon completion of aforesaid work.

Phase 2 — Fourth Instalment of Consideration

The Parties shall jointly appoint an accounting firm to conduct an annual audit of Wealth Best Global for 2021, which shall be completed before 28 February 2022 to determine whether the audited Net Profit After NRI and accounting revenue for 2021 and the Areas Under Management and total Contracted Areas as at 31 December 2021 of Wealth Best Global have met the Performance Guarantee and make the adjustments stated in the section “*Principal Terms of the Equity Transfer Agreement — Consideration Adjustment*” below. The Reduction Amount (if any) shall be deducted by CG Property Services HK from the Phase 2 Consideration.

In addition to the Areas Under Management of 86 million sq.m. agreed to be delivered under the Performance Guarantee, R&F Property and the R&F Property Related Parties shall deliver Areas Under Management of 66 million sq.m. to Wealth Best Global or other entities designated by CG Property Services HK for a total consideration of RMB3 billion. The Fourth Instalment of Consideration shall be payable in instalments after CG Property Services HK has paid the Third Instalment of Consideration. The Parties shall conduct inventory taking on a monthly basis to determine the part of the Fourth Instalment of Consideration payable in the month according to the monthly inventory taking results.

$$\text{Consideration payable for each month} = \frac{\text{Areas delivered in the month}}{\text{66 million sq.m.}} \times \frac{\text{RMB3 billion}}{\text{66 million sq.m.}}$$

The contracted unit price of the Areas Under Management transferred to CG Property Services HK shall meet the following requirements:

- (1) for residential properties, it shall be not lower than the average local market unit price for the properties within the same business type category and in the same area in principle; and
- (2) for commercial properties, if the R&F Property Related Parties own local projects within the same business type category in the same area, it shall be determined with reference to the average market unit price for the projects of the R&F Property Related Parties. If there is no local project owned by the R&F Property Related Parties within the same business category, it shall be not lower than the average market unit price for the projects within the same business type category in the same area.

The part of the Fourth Instalment of Consideration payable by CG Property Services HK for a month shall be utilized first to offset the balance with related parties as stated in the section headed “*Principal Terms of the Equity Transfer Agreement — Handling of balance with related parties*” below.

Handling of Relevant Matters of Wealth Best Global Group

Renewal and extension of property service contracts

Wealth Best Global Group shall complete the execution of new property service contracts to replace the existing ones in accordance with the requirements under the Equity Transfer Agreement within a reasonable period of time following the payment of the First Instalment of Consideration.

Handling of Assets of Wealth Best Global

Before the Closing Date, R&F Property will not distribute the profits of R&F Property or reduce the registered capital of Wealth Best Global, and R&F Property and the R&F Property Related Parties undertake that the balance of current accounts due to Wealth Best Global Group will not exceed RMB610 million.

Handling of balance with related parties

The amount due to Wealth Best Global Group by R&F Property and the R&F Property Related Parties not exceeding RMB610 million shall be offset with the Fourth Instalment of Consideration.

If the aforesaid amount of RMB610 million due to Wealth Best Global Group by R&F Property and the R&F Property Related Parties has not been fully settled through offsetting as at 30 June 2024, R&F Property shall make up for the shortfall within 20 Working Days following the determination of the amount outstanding. For the excess of the amount due to Wealth Best Global Group by R&F Property and the R&F Property Related Parties over such RMB610 million, CG Property Services HK has the right to either offset such amount with each instalment of the Consideration or request R&F Property and the R&F Property Related Parties to pay such amount.

Pledge and Guarantee

Guangzhou Fuxing has pledged the 70% equity interest in Guangzhou Tianli held by it in favor of an agent designated by CG Property Services HK to guarantee the payment by R&F Properties to CG Property Services HK of the First Instalment of Consideration as agreed in the Equity Transfer Agreement. The term of guarantee shall commence on the effective date of the Equity Transfer Agreement, and end on the date of expiry of the two-year period following the expiry of the term of the guaranteed debts.

To guarantee the full performance by R&F Property and the R&F Property Related Parties of their obligations and responsibilities under the Equity Transfer Agreement, the Guarantors have agreed to provide a joint and several guarantee when the total accumulated obligations and responsibilities of R&F Property and the R&F Property Related Parties have exceeded RMB100 million and to provide a general guarantee when the total accumulated obligations and responsibilities of R&F Property and the R&F Property Related Parties have not exceeded RMB100 million. The term of guarantee shall commence on the effective date of the Equity Transfer Agreement, and end on the date of expiry of the two-year period following the expiry of the term for performance of the obligations within the scope of guarantee.

Closing

The closing date of the Equity Transfer Agreement shall be the date on which the Parties have executed the equity transfer instrument for the Target Shares, the register of members of Wealth Best Global has been amended and a new share certificate has been issued by Wealth Best Global to CG Property Services HK (the “**Closing Date**”).

All of the undistributed profit up to 30 June 2021 and all interests and profits generated thereafter shall continue to be retained by Wealth Best Global Group, and shall belong to CG Property Services HK following the Closing Date. During the period from the execution of the Equity Transfer Agreement to the Closing Date, R&F Property shall not distribute or otherwise dispose of the assets of Wealth Best Global Group other than for the purpose of normal day-to-day operation.

Performance Guarantee

R&F Property has undertaken that the audited Net Profit After NRI and accounting revenue of Wealth Best Global for 2021 shall not be less than RMB500 million and RMB4.2 billion, respectively, and its Areas Under Management and total Contracted Areas as at 31 December 2021 shall not be less than 86 million sq.m. and 127 million sq.m., respectively (the “**Performance Guarantee**”).

For the avoidance of doubt, the Performance Guarantee made by R&F Property does not represent the expected level of future profits of Wealth Best Global, nor does it constitute a profit forecast under Rule 14.61 of the Listing Rules.

Consideration Adjustment

If the financial data of Wealth Best Global in 2021 fails to meet any financial indicator specified in the Performance Guarantee, the Phase 1 Consideration shall be reduced in accordance with the following:

- (1) If the audited Net Profit After NRI for 2021 is less than RMB500 million, the Phase 1 Consideration shall be reduced pro-rata to the difference between RMB500 million and the actual audited Net Profit After NRI.
- (2) If the accounting revenue for 2021 is less than RMB4.2 billion, the Phase 1 Consideration shall be reduced pro-rata to the difference between RMB4.2 billion and the actual accounting revenue for 2021.
- (3) If the total Areas Under Management as at 31 December 2021 is less than 86 million sq.m., the Phase 1 Consideration shall be reduced pro-rata to the difference between 86 million sq.m. and the actual total Areas Under Management as at 31 December 2021.
- (4) If the total Contracted Areas as at 31 December 2021 are less than 127 million sq.m., the Phase 1 Consideration shall be reduced pro-rata to the difference between 127 million sq.m. and the actual total Contracted Areas as at 31 December 2021.

If Wealth Best Global fails to meet more than one financial indicators agreed in the Performance Guarantee, the Reduction Amount shall be the highest of those calculated in accordance with the formulas above.

The Reduction Amount (if any) shall be deducted by CG Property Services HK from the Phase 2 Consideration.

Compensation and Guarantee for the Continuity of Related Business

To guarantee that the size of value-added services to non-property owners between the R&F Property Related Parties and Wealth Best Global shall achieve long-term (being for not less than 20 years) continuous stability on the basis of the annual data for 2021 as confirmed by the Parties, the Guarantors have agreed to calculate and pay a compensation for each financial year to CG Property Services HK in accordance with the mutually-agreed standard within 20 Working Days following the confirmation by the Parties.

To guarantee the payment of the aforesaid compensation, the Guarantors have jointly undertaken to negotiate with CG Property Services HK about the guarantee measures approved by it before CG Property Services HK pays the Third Instalment of Consideration. The measures will not be conditions precedent to the Acquisition and the Second Instalment of Consideration, nor will they be conditions precedent to the undertakings including the investment transition period and the execution of new property management agreements as agreed in the Equity Transfer Agreement and the handover of management rights following 31 December 2021.

Non-Competition

Within five years from the Closing Date, R&F Property, the Guarantors and the companies directly or indirectly controlled by them shall not directly or indirectly engage in any act which may compete with or is detrimental to the operation and management of Wealth Best Global following the closing of the Acquisition.

Termination and Resolution of Disputes

If the Acquisition is not approved by the anti-trust law enforcement authority in the PRC, each of the Parties may unilaterally terminate the Equity Transfer Agreement since the date of notification of disapproval, which does not constitute a breach of any party.

If the Equity Transfer Agreement is terminated or cancelled following the date of execution of the Equity Transfer Agreement, R&F Property shall pay the Consideration paid in full to the Custody Account within the agreed period. CG Property Services HK shall complete the transfer of the Target Shares back to R&F Property (if the Target Shares have been transferred) and the procedures for the change of directors and supervisors etc. (if changed) of Wealth Best Global, withdraw the persons appointed by CG Property Services HK (if appointed) and return the information of Wealth Best Global to R&F Property (if handed over). R&F Property shall immediately cause the Custody Bank to return the Consideration already paid to CG Property Services HK after CG Property Services HK has completed the aforesaid matters.

If the Third Instalment of Consideration has been paid and the Target Shares have been transferred to CG Property Services HK, the transaction shall not be terminated in principle, unless the Parties agreed to terminate the transaction.

INFORMATION OF WEALTH BEST GLOBAL GROUP

Wealth Best Global is a company with limited liability established in accordance with the laws of the British Virgin Islands on 19 October 2020 and is principally engaged in investment holding. It holds 100% equity interest in R&F Property Services HK.

R&F Property Services HK is a company with limited liability established in accordance with the laws of Hong Kong and is principally engaged in investment holding. It holds 100% equity interest in Guangzhou Fuxing.

Guangzhou Fuxing is a company with limited liability established in accordance with the laws of the PRC and is principally engaged in investment holding. It holds 100% equity interest in each of Guangzhou Tianli, Tianjin Huaxin and Datong Hengfu.

Guangzhou Tianli is a company with limited liability established in accordance with the laws of the PRC and is principally engaged in the provision of property management services in the PRC.

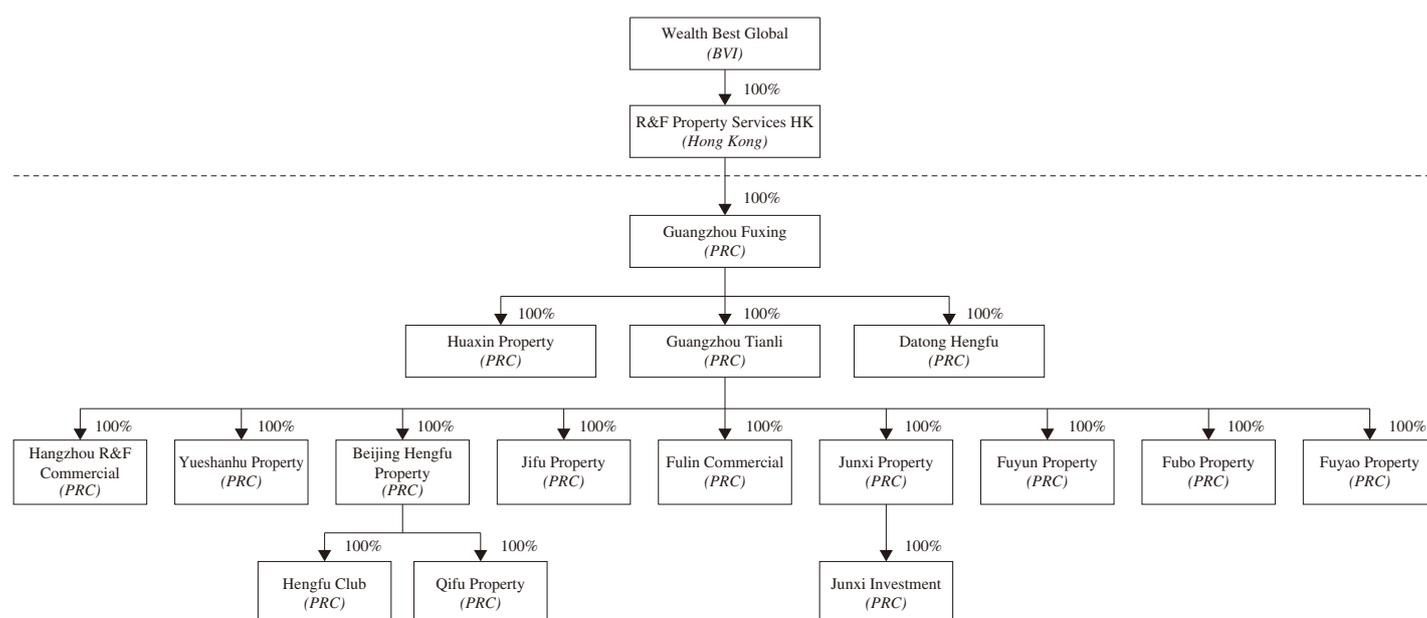
Tianjin Huaxin is a company with limited liability established in accordance with the laws of the PRC.

Datong Hengfu is a company with limited liability established in accordance with the laws of the PRC.

Wealth Best Global's residential property management services and commercial property management services are provided through the Operating Entities.

The principal business activities of Guangzhou Tianli Group, Tianjin Huaxin and Datong Hengfu include the provision of property management services, the operation of recreation clubs and the provision of construction services in the PRC.

SHAREHOLDING STRUCTURE OF WEALTH BEST GLOBAL GROUP



FINANCIAL INFORMATION OF WEALTH BEST GLOBAL GROUP

The unaudited consolidated net assets of Wealth Best Global as at 30 June 2021 were approximately RMB428 million. Guangzhou Fuxing acquired the entire equity interest in Datong Hengfu, Tianjin Huaxin and Guangzhou Tianli Group during the period from December 2019 to April 2020. Upon completion of the reorganization of Wealth Best Global Group in April 2021, Wealth Best Global, R&F Property HK and Guangzhou Fuxing have become the holding companies of the Operating Entities of its group. As none of Wealth Best Global, R&F Property HK and Guangzhou Fuxing has carried out any substantive business themselves, therefore, the revenue of Wealth Best Global Group for the two years ended 31 December 2020 was generated by the business operated by the Operating Entities within the Wealth Best Global Group in the PRC.

The unaudited consolidated net profits of Wealth Best Global Group for the two years ended 31 December 2020 are as follows:

	For the year ended 31 December	
	2020	2019
	(unaudited)	(unaudited)
	<i>RMB'000</i>	
Net profit before taxation	317,041	85,770
Net profit after taxation	239,751	63,830

FINANCIAL EFFECTS OF THE ACQUISITION

Upon completion of the Acquisition, the Group will hold 100% equity interest in Wealth Best Global and indirectly hold 100% equity interest in each of the Target Companies, and Wealth Best Global, R&F Property Services HK, Guangzhou Fuxing and each of the Target Companies will become subsidiaries of the Group, whose results, assets and liabilities will be consolidated into the accounts of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

R&F Property (holding and through Wealth Best Global Group) is a leading comprehensive property management service provider in the PRC, offering a wide range of high-quality property management services and commercial operational services. R&F Property was ranked 11th among the “2021 Top 100 Property Management Companies in China”[#]. R&F Property, through its only wholly-owned subsidiary Wealth Best Global, indirectly holds 100% equity interest in Guangzhou Tianli and its subsidiaries, Tianjin Huaxin and Datong Hengfu and provides all residential property management services and commercial property management services.

R&F Property has strong property management and commercial operational capabilities, has played an important role in setting the standards for commercial operational services in the PRC, and is a frontrunner in integrated management services of urban renewal projects. It is principally engaged in providing diversified services through two business lines: residential property management services and commercial property management services. Its diverse property portfolio comprises residential and commercial properties, which primarily include retail properties, office buildings and serviced apartments. As at 31 December 2020, R&F Property managed 552 projects located in 102 cities across 26 provinces, autonomous regions and municipalities in the PRC with a total GFA under management of 69.4 million sq.m., comprising residential properties with a GFA under management of 58.1 million sq.m. and commercial properties with a GFA under management of 11.2 million sq.m..

The Acquisition will supplement the business of the Group, strengthen the Group’s advantages in certain areas (mainly in first-tier, new first-tier and second-tier cities in the PRC), further expand the business scale and coverage of the Group, improve the regional economies of scale of the Company, and facilitate the development of the commercial property management business of the Group. The Acquisition will also enhance the Group’s influence and competitiveness in the market, contribute to its long-term steady growth and help the Group consolidate its leading position in the industry.

[#] According to the list of “2021 Top 100 Property Management Companies in China”* (2021中國物業服務百強企業) jointly issued by China Index Academy and China Real Estate TOP10 Research Group on 22 April 2021.

The Directors (including independent non-executive Directors) are of the view that the terms of the Equity Transfer Agreement and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole. As none of the Directors has a material interest in the Equity Transfer Agreement and the transaction contemplated thereunder, none of the Directors has to abstain from voting on the relevant resolution of the Board approving the Equity Transfer Agreement and the transaction contemplated thereunder.

LISTING RULES IMPLICATIONS

As one or more applicable percentage ratios in respect of the Equity Transfer Agreement are more than 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INFORMATION OF THE PARTIES

The Company is an investment holding company and a leading service provider in comprehensive property management in the PRC with residential property as its major focus. Its subsidiaries are principally engaged in property management services, community value-added services, value-added services to non-property owners, “Three Supplies and Property Management” businesses, city services and commercial operational services.

CG Property Services HK is an indirect wholly-owned subsidiary of the Company and its subsidiaries are principally engaged in the provision of property management services, community value-added services, value-added services to non-property owners, “Three Supplies and Property Management” businesses, city services and commercial operational services.

R&F Property is a company with limited liability established in accordance with the laws of the Cayman Islands and is principally engaged in investment holding. As at the date of this announcement, the ultimate owners of R&F Property are Guarantor I, Guarantor II and Mr. Chen Sze Lok (a third party independent of the Company and its connected persons), which indirectly hold approximately 46.48%, approximately 46.48% and approximately 7.05% equity interest in R&F Property, respectively.

Guarantor I is a Chinese citizen and an ultimate beneficial owner of Wealth Best Global as at the date of this announcement.

Guarantor II is a Chinese citizen and an ultimate beneficial owner of Wealth Best Global as at the date of this announcement.

The respective companies of Guarantor I and Guarantor II holding the equity interest in R&F Property have jointly appointed J.P. Morgan Securities (Asia Pacific) Limited as their financial advisor in the Acquisition.

DEFINITIONS

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

“Acquisition”	the acquisition of the Target Shares by CG Property Services HK from R&F Property in accordance with the Equity Transfer Agreement
“Areas Under Management”	the gross floor areas under actual management under the property management contracts
“Beijing Hengfu Property”	Beijing Hengfu Property Services Co., Ltd. * (北京恆富物業服務有限公司), a company with limited liability established under the laws of the PRC
“Board”	the board of directors of the Company
“Business Days”	the working days of banks in Hong Kong
“CG Property Services HK”	Country Garden Property Services HK Holdings Company Limited (碧桂園物業香港控股有限公司), a company with limited liability established under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company
“Closing Date”	has the meanings ascribed to it in the section headed “ <i>Principal Terms of the Equity Transfer Agreement — Closing</i> ” in this announcement
“Company”	Country Garden Services Holdings Company Limited (碧桂園服務控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6098)
“connected person”	has the meanings ascribed to it under the Listing Rules
“Consideration”	the maximum total consideration for the Acquisition of up to RMB10 billion
“Consideration Adjustment”	the consideration adjustment arising from R&F Property’s failure to fulfill the Performance Guarantee stated in the section headed “ <i>Principal Terms of the Equity Transfer Agreement — Consideration Adjustment</i> ” in this announcement
“Contracted Areas”	the areas for management agreed in the property management contracts

“Custody Account”	the account opened by the Parties with the Custody Bank for the payment of the Consideration
“Custody Bank”	JP Morgan Chase Bank, N.A., Hong Kong Branch, which, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, is a third party independent of the Company and its connected persons
“Datong Hengfu”	Datong Hengfu Property Services Co., Ltd. * (大同恆富物業服務有限公司), a company with limited liability established under the laws of the PRC
“Director(s)”	director(s) of the Company
“Equity Transfer Agreement”	the equity transfer agreement dated 20 September 2021 entered into between CG Property Services HK and R&F Property in relation to the Acquisition
“First Instalment of Consideration”	RMB2 billion
“Fourth Instalment of Consideration”	RMB3 billion
“Fubo Property”	Guangzhou Fubo Property Services Co., Ltd. * (廣州富博物業服務有限公司), a company with limited liability established under the laws of the PRC
“Fulin Commercial”	Guangzhou Fulin Commercial Operation Co., Ltd. * (廣州富鄰商業運營有限公司), a company with limited liability established under the laws of the PRC
“Fuyao Property”	Guangzhou Fuyao Property Services Co., Ltd. * (廣州富耀物業服務有限公司), a company with limited liability established under the laws of the PRC
“Fuyun Property”	Guangzhou Fuyun Property Services Co., Ltd. * (廣州富雲物業服務有限公司), a company with limited liability established under the laws of the PRC
“Group”	the Company and its subsidiaries

“Guangzhou Fuxing”	Guangzhou Fuxing Investment Consulting Co., Ltd. * (廣州富星投資諮詢有限公司), a company with limited liability established under the laws of the PRC
“Guangzhou Tianli”	Guangzhou Tianli Property Development Co., Ltd. * (廣州天力物業發展有限公司), a company with limited liability established under the laws of the PRC
“Guangzhou Tianli Group”	collectively, Guangzhou Tianli, Hangzhou R&F Commercial, Yueshanhu Property, Beijing Hengfu Property, Hengfu Club, Qifu Property, Jifu Property, Fulin Commercial, Junxi Property, Junxi Investment, Fuyun Property, Fubo Property and Fuyao Property
“Guarantor I”	Mr. Li Sze Lim (李思廉先生)
“Guarantor II”	Mr. Zhang Li (張力先生)
“Guarantors”	collectively, Guarantor I and Guarantor II
“Hangzhou R&F Commercial”	Hangzhou R&F Commercial Services Co., Ltd. * (杭州富力商業服務有限公司), a company with limited liability established under the laws of the PRC
“Hengfu Club”	Beijing Hengfu Recreation Club Co., Ltd. * (北京恆富休閒俱樂部有限公司), a company with limited liability established under the laws of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jifu Property”	Urumqi Jifu Property Services Co., Ltd. * (烏魯木齊極富物業服務有限公司), a company with limited liability established under the laws of the PRC
“Junxi Investment”	Longmen Junxi Investment Co., Ltd. * (龍門縣駿熹投資有限公司)
“Junxi Property”	Guangzhou Junxi Property Management Co., Ltd. * (廣州市駿熹物業管理有限公司), a company with limited liability established under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Profit After NRI”	net profit after deducting non-recurring gains and losses and minority interests

“Operating Entities”	Guangzhou Tianli Group, Tianjin Huaxin and Datong Hengfu
“Parties”	collectively, CG Property Services HK and R&F Property
“percentage ratio”	has the meanings ascribed to it under the Listing Rules
“Performance Guarantee”	has the meanings ascribed to it in the section headed “ <i>Principal Terms of the Equity Transfer Agreement — Performance Guarantee</i> ” in this announcement
“Phase 1 Consideration”	collectively, the First Instalment of Consideration, the Second Instalment of Consideration and the Third Instalment of Consideration
“Phase 2 Consideration”	the Fourth Instalment of Consideration
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Qifu Property”	Lanzhou Qifu Property Services Co., Ltd. * (蘭州啟富物業服務有限公司), a company with limited liability established under the laws of the PRC
“R&F Property”	R&F Property Services Group Company Limited (富力物業服務集團有限公司), a company with limited liability established under the laws of the Cayman Islands
“R&F Property Related Parties”	companies directly or indirectly controlled by R&F Property and/or the Guarantors
“R&F Property Services HK”	R&F Property Services Group HK Company Limited (富力物業服務集團香港有限公司), a company with limited liability established under the laws of Hong Kong
“Reduction Amount”	the amount of reduction in the Consideration arising from R&F Property’s failure to achieve the Performance Guarantee described in the section headed “ <i>Principal Terms of the Equity Transfer Agreement — Consideration Adjustment</i> ” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Second Instalment of Consideration”	RMB3 billion
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company(ies)”	Guangzhou Tianli Group, Tianjin Huaxin and Datong Hengfu (or any of them)
“Target Shares”	100% equity interest in Wealth Best Global
“Third Instalment of Consideration”	RBM2 billion
“Tianjin Huaxin”	Tianjin Huaxin Property Management Co., Ltd. * (天津華信物業管理有限公司), a company with limited liability established under the laws of the PRC
“Wealth Best Global”	Wealth Best Global Limited (富良環球有限公司), a company with limited liability established under the laws of the British Virgin Islands
“Wealth Best Global Group”	collectively, Wealth Best Global, R&F Property Services HK, Guangzhou Fuxing, Guangzhou Tianli Group, Tianjin Huaxin and Datong Hengfu
“Working Days”	the statutory working days in the PRC
“Yueshanhu Property”	Minhou Yueshanhu Property Co., Ltd. * (閩侯縣悅山湖物業有限公司), a company with limited liability established under the laws of the PRC
“%”	per cent

By order of the Board
Country Garden Services Holdings Company Limited
LI Changjiang
President and Executive Director

Foshan, China, 20 September 2021

As of the date of this announcement, the executive Directors are Mr. LI Changjiang (President), Mr. XIAO Hua and Mr. GUO Zhanjun. The non-executive Directors are Ms. YANG Huiyan (Chairman), Mr. YANG Zhicheng and Ms. WU Bijun. The independent non-executive Directors are Mr. MEI Wenjue, Mr. RUI Meng and Mr. CHEN Weiru.

* *For identification purpose only*