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**MIDEA REAL ESTATE HOLDING LIMITED**  
**美的置業控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 3990)**

**GRANT OF AWARD SHARES PURSUANT TO  
2021 SHARE AWARD SCHEME**

**GRANT OF AWARD SHARES**

Reference is made to the Company's announcement dated 22 April 2021 in respect of the adoption of the 2021 Share Award Scheme.

On 12 May 2023, the Board has granted 4,770,000 Award Shares at nil consideration to Selected Participants under the 2021 Share Award Scheme, subject to their acceptance and the vesting conditions. Among the 25 Selected Participants, 4 of them who are granted a total of 1,540,000 Award Shares are connected persons of the Company.

**LISTING RULES IMPLICATIONS**

Each of the Connected Selected Participants is a Director and is therefore a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the grant of Award Shares to each of the Connected Selected Participants constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. However, no new Shares will be allotted and issued upon vesting and settlement of such Award Shares granted to the Connected Selected Participants. As the Award Shares were granted to the Connected Selected Participants pursuant to their respective service contract with the Company and which form part of their respective remuneration package under their respective service contract, the grant of Award Shares to each of the Connected Selected Participants is exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rules 14A.73(6) and Rule 14A.95 of the Listing Rules.

Further announcement will be made in the event that new Shares are allotted and issued in satisfaction of the Awards granted to the Non-Connected Selected Participants.

## GRANT OF AWARD SHARES

Reference is made to the Company's announcement dated 22 April 2021 in respect of the adoption of the 2021 Share Award Scheme.

On 12 May 2023, the Board has granted 4,770,000 Award Shares to 25 Selected Participants under the 2021 Share Award Scheme, subject to their acceptance and the vesting conditions. A summary of such grant is set out below:

Grant Date	:	12 May 2023
Purposes and objectives	:	The purpose of the grant is to (i) recognise and acknowledge the contributions that Eligible Persons have made to the Group, remunerate the best possible quality of the Eligible Persons, and attract, retain and motivate the Eligible Persons to continue to contribute to the growth and development of the Group; and (ii) provide Eligible Persons with direct economic benefits in order to maintain a long term relationship between the Group and the Eligible Persons.
Number of Award Shares granted	:	4,770,000 Award Shares
Purchase price of Award Shares granted	:	Nil consideration
Closing price of the Shares on the Grant Date	:	HK\$8.59 per Share
Vesting conditions, performance targets and the Vesting Date:	:	The Award Shares granted to each Grantee shall be vested on the Business Day not less than 12 months from the Grant Date (or such other date as determined by the Board), subject to satisfaction of the following vesting conditions in part or in full as determined by the Board. Satisfaction of the vesting conditions is determined based on (i) achievement of certain financial performance targets, such as the return on invested capital with reference to the audited consolidated financial statements of the Company for the year ending 31 December 2023; (ii) the performance assessment results of the respective employing companies of which the Grantees relate; and (iii) the

personal appraisal results of the Grantees taking into account indicators including but not limited to contributions and length of service to the Group. In case the vesting conditions are not satisfied in part or in full, the relevant portion of the Award Shares granted will lapse.

Clawback mechanism : Without prejudice to the terms of the 2021 Share Award Scheme, in the following events, any Award Shares granted to the Grantee which are not yet vested shall immediately lapse, unless otherwise determined by the Board at its sole and absolute discretion:

- (i) the Grantee breaches any provision of the 2021 Share Award Scheme or the relevant grant letter;
- (ii) termination of the Grantee’s employment due to a “Culpable Termination” (as defined in the 2021 Share Award Scheme); or
- (iii) the Grantee violates any provisions of the articles of association or constitutional documents of the Company and/or the relevant member of the Group.

Financial assistance : There is no arrangement for the Group to provide any financial assistance to the Grantees to facilitate the purchase of Shares under the 2021 Share Award Scheme.

Among the total 4,770,000 Award Shares granted, 1,540,000 Award Shares were granted to 4 Directors and 3,230,000 Award Shares were granted to employees of the Group. None of the Grantees is a related entity participant of the Company or a service provider of the Group. Details of the grant are set out below:

<b>Connected Selected Participants</b>	<b>Capacity</b>	<b>Number of Award Shares</b>
Mr. Hao Hengle	Executive Director	700,000
Mr. Wang Quanhui	Executive Director	280,000
Mr. Lin Ge	Executive Director	280,000
Mr. Zhang Ziliang	Executive Director	280,000
		<b>1,540,000</b>

## Non-Connected Selected Participants

Employees other than Directors	3,230,000
<b>Total</b>	<b>4,770,000</b>

In relation to the 1,540,000 Award Shares granted to the Connected Selected Participants, the Board shall:

- (i) procure the Trustee to (a) purchase existing Shares on the market out of cash contributed by the Group to be held on trust for the Connected Selected Participants until such Award Shares are vested with such Connected Selected Participants; and/or (b) apply any Returned Shares held in the Trust to the extent that such Returned Shares do not comprise of and are not derived from new Shares allotted and issued to the Trustee; or
- (ii) to the extent where it is in the reasonable opinion of the Company not practicable for the Connected Selected Participants to receive the Award Shares due to legal or regulatory restrictions or otherwise with respect to the Connected Selected Participants' ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Connected Selected Participants, direct and procure the Trustee to sell the number of Award Shares on such dates and in such manner as the Board shall in its absolute discretion determine and pay the Connected Selected Participants the proceeds arising from such sale based on the Actual Selling Price of the Shares in cash.

In relation to the 3,230,000 Award Shares granted to the Non-Connected Selected Participants, the Award Shares shall be satisfied by the Company by: (i) transfer of Award Shares which shall comprise (a) new Shares to be allotted and issued to the Trustee (which holds the same on behalf of the Grantees) by the Company under the general or specific mandate sought from the shareholders of the Company in its general meeting; (b) existing Shares to be purchased by the Trustee on the market; and/or (c) any Returned Shares held in the Trust; or (ii) payment of the Actual Selling Price in cash as the Board shall determine in accordance with the 2021 Share Award Scheme.

The grant of Award Shares to each of the Connected Selected Participants has been approved by the Company's Remuneration Committee and the Board (including but not limited to the independent non-executive Directors), save that none of the Connected Selected Participants was involved in deciding the grant of the Award Shares to himself.

After the above grant of the Award Shares, the number of Shares available for future grant under the scheme mandate limit of the 2021 Share Award Scheme is 109,758,200 Shares.

The 2021 Share Award Scheme was approved and adopted by the Board on 22 April 2021 which is before the effective date of the new Chapter 17 of the Listing Rules. Hence, this announcement is made in accordance with the transitional arrangements for existing share schemes under the new Chapter 17 of the Listing Rules.

## **LISTING RULES IMPLICATIONS**

Each of the Connected Selected Participants is a Director and is therefore a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the grant of Award Shares to each of the Connected Selected Participants constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. However, no new Shares will be allotted and issued upon vesting and settlement of such Award Shares granted to the Connected Selected Participants. As the Award Shares were granted to the Connected Selected Participants pursuant to their respective service contract with the Company and which form part of their respective remuneration package under their respective service contract, the grant of Award Shares to each of the Connected Selected Participants is exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rules 14A.73(6) and Rule 14A.95 of the Listing Rules.

Further announcement will be made in the event that new Shares are allotted and issued in satisfaction of the Awards granted to the Non-Connected Selected Participants.

## **DEFINITIONS**

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

“2021 Share Award Scheme”	the restricted share award scheme in its present or any amended form as adopted by the Company on the Adoption Date or as otherwise altered in accordance with the 2021 Share Award Scheme, subject to the requirements under the Listing Rules;
“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, Stock Exchange trading fee, Securities and Futures Commission transaction levy, Financial Reporting Council transaction levy and any other applicable costs) on the vesting of an Award pursuant to the 2021 Share Award Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company, the consideration receivable under the related scheme or offer;

“Adoption Date”	means 22 April 2021 (the date on which the 2021 Share Award Scheme was adopted by the Board);
“Award(s)”	an award granted by the Board to the Selected Participants which may be settled in the form of transfer of the Award Shares or payment of the Actual Selling Price in cash as the Board may determine in accordance with the 2021 Share Award Scheme, together with any Related Income attributable to such award;
“Award Share(s)”	the Shares granted under the Award;
“Board”	the board of directors of the Company or a duly authorised committee thereof;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Company”	Midea Real Estate Holding Limited (美的置業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 29 November 2017, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3990);
“connected person(s)”	shall have the meaning ascribed to it in the Listing Rules;
“Connected Selected Participant(s)”	a Selected Participant who is a connected person;
“Director(s)”	the director(s) of the Company;
“Eligible Person(s)”	means the following persons: <ul style="list-style-type: none"> <li>(i) any director or proposed director of any member of the Group; and</li> <li>(ii) any management, key technician, officer, manager and employee of any member of the Group,</li> </ul> <p>however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the 2021 Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2021 Share Award Scheme and such individual shall therefore be excluded from the term Eligible Person;</p>

“Grant Date”	the date (which shall be a Business Day) on which the grant of an Award is made to a Selected Participant;
“Grantee(s)”	a Selected Participant who has accepted the grant of an Award;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, supplemented or otherwise modified from time to time;
“Non-Connected Selected Participant(s)”	a Selected Participant who is not a connected person;
“Related Income”	in relation to a Share, all income derived from the Share (including but not limited to, any bonus Shares and scrip Shares, cash dividends and cash distributions received in respect of that Share), but, for the avoidance of doubt, excluding any nil-paid rights, bonus warrants, options and/or non-cash and non-scrip distribution or proceeds of sale of the same;
“Returned Shares”	such Award Shares and their Related Income which are not vested and/or are forfeited in accordance with the terms of the 2021 Share Award Scheme, or such Shares being deemed to be Returned Shares, or the Related Income of any Returned Shares, under the terms of the rules of the 2021 Share Award Scheme;
“Selected Participant(s)”	any Eligible Person approved for participation in the 2021 Share Award Scheme on the relevant Grant Date;
“Share(s)”	ordinary share(s) of nominal value of HK\$1.00 each (or of such other nominal value as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	shall have the meaning ascribed to it in the Listing Rules;
“Trust(s)”	the trust(s) constituted by the Trust Deed(s) to service the 2021 Share Award Scheme;
“Trust Deed(s)”	the trust deed(s) entered or to be entered into between the Company and the Trustee(s) (as may be restated, supplemented and amended from time to time);

“Trustee(s)” the trustee(s) appointed by the Company from time to time for the purpose of the Trust(s); and

“Vesting Date(s)” the date(s), as determined from time to time by the Board, on which the Award is to vest in the relevant Grantee as set out in the relevant award letter.

By order of the Board

**Midea Real Estate Holding Limited**

**Hao Hengle**

Chairman, Executive Director and President

Hong Kong, 12 May 2023

As at the date of this announcement, the executive directors of the Company are Mr. Hao Hengle, Mr. Wang Quanhui, Mr. Lin Ge and Mr. Zhang Ziliang; the non-executive directors of the Company are Mr. He Jianfeng and Mr. Zhao Jun; and the independent non-executive directors of the Company are Mr. Tan Jinsong, Mr. O’Yang Wiley and Mr. Lu Qi.