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A-LIVING SMART CITY SERVICES CO., LTD.*

雅生活智慧城市服務股份有限公司

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

(Stock Code: 3319)

**PROPOSED DISTRIBUTION OF 2023 INTERIM DIVIDEND
AND
NOTICE OF THE 2023 THIRD EXTRAORDINARY GENERAL MEETING**

Capitalized terms used in this cover page have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the EGM to be held at Conference Room, 33/F, Agile Center, 26 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, PRC on Friday, 8 December 2023 at 3:00 p.m. is set out on pages 9 to 10 of this circular. A form of proxy for the EGM for use by the Shareholders is enclosed with this circular. Such proxy form is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.agileliving.com.cn).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed proxy form in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meeting thereof if they so wish.

* For identification purposes only

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company”	雅生活智慧城市服務股份有限公司 (A-Living Smart City Services Co., Ltd.*), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“EGM”	the 2023 third extraordinary general meeting of the Company to be held and convened at Conference Room, 33/F, Agile Center, 26 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, PRC on Friday, 8 December 2023 at 3:00 p.m. to consider and, if thought fit, approve the ordinary resolution in relation to the proposed distribution of Interim Dividend, or any adjournment thereof
“Group” or “we”	the Company and its subsidiaries
“H Shareholders”	holders of the H Shares
“H Shares”	overseas listed shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK\$ and listed on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Interim Dividend”	the proposed distribution of an interim dividend of RMB0.025 per share (before tax) for the six months ended 30 June 2023
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Main Board”	has the meaning ascribed to it under the Listing Rules
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“%”	per cent.

LETTER FROM THE BOARD

A-LIVING SMART CITY SERVICES CO., LTD.* **雅生活智慧城市服務股份有限公司**

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3319)

Executive Directors:

Mr. Chan Cheuk Hung (*Co-chairman*)

Mr. Huang Fengchao (*Co-chairman*)

Mr. Li Dalong

*(President (General Manager)
and Chief Executive Officer)*

Mr. Chen Siyang (*Vice President*)

Non-Executive Director:

Mr. Xu Yongping

Independent Non-executive Directors:

Mr. Wang Gonghu

Mr. Weng Guoqiang

Mr. Li Jiahe

Registered Office in the PRC:

Management Building, Xingye Road

Agile Garden, Sanxiang Town

Zhongshan

Guangdong Province, PRC

Principal Place of Office in the PRC:

35/F, Agile Center

26 Huaxia Road

Zhujiang New Town

Tianhe District, Guangzhou

Guangdong Province, PRC

Principal Place of Business in Hong Kong:

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

22 November 2023

To the Shareholders

Dear Sir or Madam,

PROPOSED DISTRIBUTION OF 2023 INTERIM DIVIDEND AND NOTICE OF THE 2023 THIRD EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the interim results announcement for the six months ended 30 June 2023 of the Company dated 28 August 2023 in relation to, among others, the proposed Interim Dividend.

The purpose of this circular is to provide you with the notice of the EGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution at the EGM.

LETTER FROM THE BOARD

2. PROPOSED DISTRIBUTION OF 2023 INTERIM DIVIDEND

Ordinary Resolution

To consider and approve the proposed 2023 interim dividend

The Board proposed the distribution of an interim dividend of RMB0.025 per share (before tax) for the six months ended 30 June 2023. The dividend payout ratio will be equivalent to approximately 4.2%, and the amount of which will be subject to the approval of the Shareholders at the EGM. Interim Dividend payable to the shareholders of domestic shares of the Company will be paid in Renminbi, whereas Interim Dividend payable to the shareholders of H Shares will be declared in Renminbi and paid in Hong Kong dollars (except for the holders of H Shares who became Shareholders through the Inter-connected Mechanism for Trading on the Shanghai and Hong Kong Stock Markets and the Inter-connected Mechanism for Trading on the Shenzhen and Hong Kong Stock Markets, whose Interim Dividend will be paid in Renminbi), the exchange rate of which will be calculated based on the average exchange rate of RMB against Hong Kong dollars published by The People's Bank of China five business days prior to the EGM. Subject to the approval of the EGM, the Interim Dividend will be paid on or about Thursday, 18 January 2024.

Upon obtaining approval of the Shareholders at the EGM, the Interim Dividend will be payable to the Shareholders whose names appear on the register of members of the Company as at the close of business on Tuesday, 19 December 2023. For the purpose of determining the entitlement of shareholders of H Shares to the Interim Dividend, the H Shares register of members of the Company will be closed from Thursday, 14 December 2023 to Tuesday, 19 December 2023, both days inclusive, during which period no transfer of H Shares will be registered. In order for shareholders of H Shares to qualify for the proposed Interim Dividend, all properly completed share transfer forms together with the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 13 December 2023.

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) which came into effect on 1 January 2008, and was amended on 24 February 2017 and 29 December 2018, the Provision for Implementation of Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) which took effect on 1 January 2008 and was amended on 23 April 2019, and the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprise to H Shareholders which are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》國稅函[2008]897號), which was promulgated by the State Administration of Taxation and came into effect on 6 November

LETTER FROM THE BOARD

2008, etc., where a PRC domestic enterprise distributes dividends for 2008 and subsequent years for financial periods beginning from 1 January 2008 to non-resident enterprise shareholders, it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the Interim Dividend as enterprise income tax, distribute the Interim Dividend to non-resident enterprise shareholders whose names appear on the H Shares register of members of the Company, i.e. any shareholders who hold H Shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or shareholders of H Shares registered in the name of other organizations and groups. After receiving dividends, the non-resident enterprise shareholders may apply to the relevant tax authorities for enjoying treatment of taxation treaties (arrangement) in person or by proxy or by the Company, and provide information to prove that it is an actual beneficiary under the requirements of such taxation treaties (arrangement). After the tax authorities have verified that there is no error, it shall refund tax difference between the amount of tax levied and the amount of tax payable calculated at the tax rate under the requirements of the relevant taxation treaties (arrangement).

In accordance with requirement of the Circular on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》財稅字[1994]020號)) which was promulgated by the Ministry of Finance and the State Administration of Taxation and came into effect on 13 May 1994, overseas individuals are exempted from the individual income tax for dividends or bonuses received from foreign-invested enterprises. Therefore, as a foreign-invested enterprise, the Company will not withhold PRC individual income tax on behalf of overseas individual shareholders whose names appear on the H Shares register of members of the Company when the Company distributes the dividends.

Interim Dividend for Investors of Southbound Trading

For investors (including enterprises and individuals) investing in the H Shares listed on the Hong Kong Stock Exchange through Shanghai Stock Exchange and Shenzhen Stock Exchange (collectively the “**Southbound Trading**”), the Company has entered into the Agreement on Distribution of Cash Dividends of H shares for Southbound Trading with China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited or the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominees of the investors for Southbound Trading, will receive the cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of Southbound Trading through its depository and clearing system. The cash dividends of the investors of Southbound Trading will be distributed in Renminbi.

LETTER FROM THE BOARD

According to the provisions of the Notice on the Relevant Tax Policies Concerning the Pilot Program of an Interconnected Mechanism for Trading on the Shanghai and Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014] 81號)) and the Notice on the Relevant Tax Policies Concerning the Pilot Program of an Inter-connected Mechanism for Trading on the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016] 127號)), the income tax implications on dividends and bonuses received by Mainland individual investors, Mainland securities investment funds and Mainland enterprise investors are as follows:

- (i) for Mainland individual investors, H share companies shall withhold the individual income tax for these investors at the tax rate of 20% on dividends and bonuses received by them from investing in H Shares listed on the Hong Kong Stock Exchange via Southbound Trading;
- (ii) for dividends and bonuses received by Mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange via Southbound Trading, the individual income tax shall be levied in accordance with the above provisions; and
- (iii) for dividends and bonuses received by Mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange via Southbound Trading, the income tax on the Mainland enterprises shall not be withheld by the H share companies. The tax payable shall be declared and paid by the enterprises. For dividends and bonuses received by the Mainland resident enterprises after holding the H shares for 12 months continuously, the enterprise income tax will be exempted according to laws.

The record date and the date of distribution of cash dividends and other time arrangements for the investors of Southbound Trading will be the same as those for the shareholders of H Shares.

The Interim Dividend was considered and approved by the Board on 28 August 2023 and will be submitted, by way of an ordinary resolution, for the Shareholders' consideration and approval at the EGM.

LETTER FROM THE BOARD

3. EGM AND PROXY ARRANGEMENT

A notice of the EGM is set out on pages 9 to 10 of this circular. The EGM will be convened and held at Conference Room, 33/F, Agile Center, 26 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, PRC on Friday, 8 December 2023 at 3:00 p.m. to consider and, if thought fit, approve the ordinary resolution in relation to the proposed distribution of Interim Dividend by the Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules.

The proxy form of the EGM is also enclosed in this circular.

For the purpose of determining the eligibility of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 5 December 2023 to Friday, 8 December 2023, both days inclusive, during which period no transfer of the H Shares will be registered. In order to qualify for attending and voting at EGM, shareholders of H Shares whose transfer documents have not been registered are required to deposit all properly completed share transfer forms together with the relevant share certificates to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 4 December 2023.

If you intend to appoint a proxy to attend the EGM, you are required to complete the accompanying proxy form in accordance with the instructions printed thereon and return it by personal delivery or by post not less than 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof. For shareholders of H Shares, the proxy form should be returned to the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. For shareholders of Domestic Shares, the proxy form should be returned to the Company's principal place of office in the PRC at 35th Floor, Agile Center, 26 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, PRC. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

4. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to the proposed resolution at the EGM.

To the best of the knowledge and belief of the Directors and having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the relevant resolution to be proposed at the EGM.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Board considers that the resolution proposed at the EGM is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the proposed resolution at the EGM.

Yours faithfully,

By order of the Board

A-Living Smart City Services Co., Ltd.

Chan Cheuk Hung/Huang Fengchao

Co-chairman

* *For identification purposes only*

NOTICE OF EGM

A-LIVING SMART CITY SERVICES CO., LTD.*

雅生活智慧城市服務股份有限公司

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

(Stock Code: 3319)

NOTICE OF THE 2023 THIRD EXTRAORDINARY GENERAL MEETING TO BE HELD ON 8 DECEMBER 2023

NOTICE IS HEREBY GIVEN that the 2023 third extraordinary general meeting (the “EGM”) of A-Living Smart City Services Co., Ltd. (the “Company”) will be held at Conference Room, 33/F, Agile Center, 26 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, PRC on Friday, 8 December 2023 at 3:00 p.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

1. To consider and approve an interim dividend of RMB0.025 per share (before tax) during the six months ended 30 June 2023.

By order of the Board
A-Living Smart City Services Co., Ltd.
Chan Cheuk Hung/Huang Fengchao
Co-chairman

Hong Kong, 22 November 2023

As at the date of this circular, the Board comprises eight members, being Mr. Chan Cheuk Hung[^] (Co-chairman), Mr. Huang Fengchao[^] (Co-chairman), Mr. Li Dalong[^] (President (General Manager) and Chief Executive Officer), Mr. Chen Siyang[^] (Vice President), Mr. Xu Yongping^{^^}, Mr. Wang Gonghu^{^^^}, Mr. Weng Guoqiang^{^^^} and Mr. Li Jiahe^{^^^}.

[^] *Executive Directors*

^{^^} *Non-executive Director*

^{^^^} *Independent Non-executive Directors*

* *For identification purposes only*

NOTICE OF EGM

Notes:

1. The resolution at the EGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company (<http://www.agileliving.com.cn>) in accordance with the Listing Rules.
2. All shareholders of the Company are eligible for attending the EGM. Any shareholder of the Company entitled to attend and vote at the EGM convened by the above notice is entitled to appoint a proxy or more than one proxy to attend the EGM and vote instead of him/her. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant proxy form. Every shareholder of the Company present in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be completed and returned to (i) the Company’s principal place of office in the People’s Republic of China (the “**PRC**”) at 35th Floor, Agile Center, 26 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province, the PRC (for shareholders of Domestic Shares) or (ii) the Company’s H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for shareholders of H Shares) not less than 24 hours before the time appointed for the EGM. Completion and return of the proxy form will not preclude a shareholder of the Company from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish.
4. For the purpose of determining the eligibility of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 5 December 2023 to Friday, 8 December 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, shareholders of H Shares whose transfer documents have not been registered are required to submit the share certificates together with the properly completed share transfer forms to the Company’s H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 4 December 2023 for registration. Shareholders of H Shares who are registered with Tricor Investor Services Limited on or before the aforementioned date are entitled to attend the EGM.
5. The EGM is expected to take no more than half a day. Shareholders who attend the EGM (in person or by proxy) shall bear their own travelling and accommodation expenses. Shareholders may contact the Investor Relations Department of the Company at (852) 2740 8921 or ir@agileliving.com.cn for any enquiries in respect of the EGM.