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COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

FURTHER ANNOUNCEMENT DISCLOSEABLE TRANSACTION

Reference is made to the announcement of Country Garden Holdings Company Limited (the “**Company**”) dated 14 December 2023 (the “**Announcement**”) in relation to the Disposal. Unless the context requires otherwise, capitalised terms shall bear the same meaning as defined in the Announcement.

As set out in the Announcement, the Consideration for the Disposal of RMB3,068,518,970 was determined after arm’s length negotiations between the parties to the Agreement with reference to the prevailing industry outlook, the nature of operations and current financial conditions of the Target Group, the historical valuations by independent third parties (the “**Valuations**”) and comparable market values.

The Board would like to provide further information about the Valuations.

THE VALUATIONS

The Company has engaged an independent professional valuer (the “**Valuer**”) to conduct the Valuations on the fair values of the Target Shares.

As advised by the Valuer, the Valuations were prepared in accordance with the applicable requirements and standards, including but not limited to the International Valuation Standard. The Valuations were principally based on the below assumptions:

- the sustainable development of the business of the Target Group;
- no significant changes in existing political, legal, technological, financial or economic conditions that may adversely affect the Target Group's business; and
- the performance of the relevant agreements.

As confirmed by the Valuer, the Valuations have been conducted primarily based on market approach for the following reasons:

- the cost approach is not considered applicable as it does not take into account the future earning potential of the Target Company;
- while the income approach takes into account future income, it relies on a large number of assumptions and estimates, and the assessment results may be sensitive to some of these factors and are only one of the predicted outcome scenarios; and
- the market approach was adopted as the Target Company is engaged in commercial property management industry, which means that a number of comparable companies with similar business can be located in the market to benchmark the value of the Target Company.

Therefore, after having considered the generally accepted business enterprise valuation approaches, the Valuer is of the view that it would be appropriate to adopt the market approach as the primary valuation approach in the Valuations.

Having considered (i) the rationale of the Valuer in selecting market approach over cost approach and income approach as the primary valuation approach; (ii) that the Valuations were prepared by the Valuer in accordance with the applicable requirements and standards; and (iii) that the Valuer had considered the generally accepted business enterprise valuation approaches and the circumstances of the Target Company before rejecting the use of cost approach and income approach, the Board is of the view that the adoption of market approach for the Valuations is fair and reasonable.

The key input and parameters adopted in the latest Valuation and its outcome are as follows:

Valuation date	30 June 2023
Annual net profits (<i>RMB million</i>)	7,452
PE ratio ^{Note 1}	22.58
DLOM (Discounts For Lack Of Marketability)	11.56 or 18.95, as applicable
Valuation outcome ^{Note 2} (<i>RMB million</i>)	3,269.52
(<i>U.S. dollars in million</i>)	456

Notes:

- 1: The PE ratio was determined with reference to the PE ratios of comparable companies, all of which are in the commercial property management industry and listed on the Stock Exchange.
- 2: Taking also into consideration the repurchase option and future dividends.

This announcement is supplemental to and should be read in conjunction with the Announcement.

By order of the Board
Country Garden Holdings Company Limited
MO Bin
President and Executive Director

Foshan, Guangdong Province, the PRC, 3 January 2024

As of the date of this announcement, the executive directors of the Company are Ms. YANG Huiyan (Chairman), Mr. MO Bin (President), Ms. YANG Ziying, Dr. CHENG Guangyu, Ms. WU Bijun and Mr. SU Baiyuan. The non-executive director of the Company is Mr. CHEN Chong. The independent non-executive directors of the Company are Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung and Mr. TO Yau Kwok.