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If you have sold or transferred all your shares in **Midea Real Estate Holding Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

PROPOSALS FOR

(1) GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES

(2) RE-ELECTION OF DIRECTORS

**(3) ADOPTION OF THE 2024 SHARE OPTION SCHEME AND
TERMINATION OF THE 2020 SHARE OPTION SCHEME**

**(4) ADOPTION OF THE 2024 SHARE AWARD SCHEME AND
TERMINATION OF THE 2021 SHARE AWARD SCHEME**

AND

NOTICE OF ANNUAL GENERAL MEETING

A notice convening an Annual General Meeting to be held on 24 May 2024 at 11:00 a.m. with a combination of (a) a physical meeting at 30/F, Tower 4, Midea Real Estate Plaza, No. 1 Chengde Road, Beijiao Town, Shunde District, Foshan City, Guangdong Province, the PRC; and (b) an online virtual meeting through the Tricor e-Meeting System is set out on pages ii to iv of this circular. A form of proxy is also enclosed. Whether or not you are able to attend and vote at the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the meeting or any adjournment thereof should you so wish.

29 April 2024

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ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

The Company will implement the following arrangements at the Annual General Meeting:

(1) DATE, TIME AND CONDUCT OF THE ANNUAL GENERAL MEETING

The Annual General Meeting will be conducted on 24 May 2024 at 11:00 a.m. with a combination of (a) a physical meeting at 30/F, Tower 4, Midea Real Estate Plaza, No. 1 Chengde Road, Beijiao Town, Shunde District, Foshan City, Guangdong Province, the PRC; and (b) an online virtual meeting through the Tricor e-Meeting System, which can be accessed with a smart phone, tablet device, computer or any device installed with the relevant app where all Shareholders can participate and raise questions at the Annual General Meeting.

(2) VOTE AT THE ANNUAL GENERAL MEETING

Shareholders who wish to attend the Annual General Meeting and exercise their voting rights can be achieved in one of the following ways:

- (a) attend the Annual General Meeting in person and vote through the Tricor e-Meeting System via a smart phone or designated mobile device at the Annual General Meeting venue; or
- (b) attend and vote at the Annual General Meeting through the Tricor e-Meeting System which enables live streaming and interactive platform for question-and-answer and submit their voting online; or
- (c) appoint the chairman of the Annual General Meeting or other person as your proxy to vote on your behalf. Your proxy's authority and instruction will be revoked if you attend and vote in person at the Annual General Meeting or via the Tricor e-Meeting System.

(3) QUESTIONS AT OR PRIOR TO THE ANNUAL GENERAL MEETING

Shareholders can raise questions at the Annual General Meeting physically, or through the Tricor e-Meeting System, or send their questions by email to is-enquiries@vistra.com no later than 11:00 a.m. on 22 May 2024, if they have any questions about the relevant resolutions or about the Company, or any matter for communication with the Board. The Company will endeavour to reply to the questions at the Annual General Meeting.

(4) REGISTERED SHAREHOLDERS

Whether or not registered Shareholders who wish to attend and vote at the Annual General Meeting physically, or through the Tricor e-Meeting System, each registered Shareholder's login username and password, together with the instructions to access the Tricor e-Meeting System, will be included in a separate notification letter to registered Shareholders which will be despatched with this circular.

ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

(5) NON-REGISTERED SHAREHOLDERS

Non-registered Shareholders who wish to attend and vote at the Annual General Meeting physically, or through the Tricor e-Meeting System should (a) contact and instruct their banks, brokers, custodians, nominees or HKSCC Nominees Limited (together the “**Intermediary**”) (through which the shares of the Company are held on their behalves) to appoint themselves or other persons as proxies to join the Annual General Meeting physically, or through the Tricor e-Meeting System; and (b) provide their full name, e-mail addresses and number of Shares held to their Intermediary before the time limit required by the relevant Intermediary.

Relevant information to access the Tricor e-Meeting System will then be sent by the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited to the e-mail addresses provided by the non-registered Shareholders.

(6) APPOINTMENT OF PROXY

Whether or not you are able to attend and vote at the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the meeting or any adjournment thereof should you so wish.

Registered Shareholders submitting the form of proxy are requested to provide a valid email address of their proxy (except for the appointment of the chairman of the Annual General Meeting as their proxy) for the proxy to receive the login username and password, together with relevant instructions to participate in person or online via the Tricor e-Meeting System.

Non-registered Shareholders should contact their Intermediary as soon as possible for assistance in the appointment of proxy.

To ensure that your vote is counted if you are unable to vote on the day of the Annual General Meeting, the Company encourages Shareholders to appoint the chairman of the Annual General Meeting as their proxy to exercise their right to vote at the Annual General Meeting in accordance with their instructions and to return their form of proxy to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof (as the case may be).

ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

(7) GENERAL

Registered and non-registered Shareholders, and their proxies, should keep the login details of the Tricor e-Meeting System in safe custody for use at the Annual General Meeting and should not disclose them to anyone else. Neither the Company nor its agents assume any obligation or liability whatsoever in connection with the transmission of the login details or any use of the login details for voting or otherwise.

Shareholders and proxies are recommended to check the Company's website at <http://www.mideadc.com> and the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> for future announcements and updates on the Annual General Meeting arrangements, if any.

If Shareholders have any questions relating to the Annual General Meeting, please contact the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays) as follows:

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong
Telephone: (852) 2980 1333
Email: is-enquiries@vistra.com

DEFINITIONS

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

“2020 Share Option Scheme”	the share option scheme approved and adopted by the shareholders of the Company at the Company’s annual general meeting held on 29 May 2020, which is valid and effective for a period of 10 years commencing on 29 May 2020 and ending on 28 May 2030
“2021 Share Award Scheme”	the restricted share award scheme managed by independent trustees was approved and adopted by the Board on 22 April 2021, which is valid and effective for a period of 10 years commencing on 22 April 2021 and ending on 21 April 2031
“2024 Share Award Scheme”	the share award scheme proposed to be adopted by the Company, a summary of the principal terms is set out in Appendix IV to this circular
“2024 Share Option Scheme”	the share option scheme proposed to be adopted by the Company, a summary of the principal terms is set out in Appendix III to this circular
“2024 Share Schemes”	collectively, the 2024 Share Award Scheme and the 2024 Share Option Scheme
“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, Accounting and Financial Reporting Council transaction levy and any other applicable costs) on the vesting of an Award pursuant to the 2024 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”	the date on which the 2024 Share Schemes are conditionally adopted by resolutions of the Shareholders at the Annual General Meeting
“Allotment Date”	the date on which Shares are allotted and issued to a Grantee pursuant to exercise of the Share Options under the 2024 Share Option Scheme

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“Annual General Meeting”	the annual general meeting of the Company to be held on 24 May 2024 at 11:00 a.m. with a combination of (a) a physical meeting at 30/F, Tower 4, Midea Real Estate Plaza, No. 1 Chengde Road, Beijiao Town, Shunde District, Foshan City, Guangdong Province, the PRC; and (b) an online virtual meeting through the Tricor e-Meeting System, the notice of which is set out on pages 57 to 63 of this circular, and any adjournment thereof
“Applicable Laws”	any applicable laws and regulations of Hong Kong or other relevant jurisdictions (including but not limited to the Listing Rules)
“Articles of Association”	the amended and restated memorandum and articles of association of the Company (as amended from time to time)
“associate(s)”	shall have the meaning ascribed to it from time to time in the Listing Rules
“Audit Committee”	the audit committee of the Board
“Auditor”	the auditor of the Company for the time being
“Award Share(s)”	the Shares granted under the Share Award
“Bankruptcy”	<p>in respect of any Grantee, any of the following events:</p> <ul style="list-style-type: none">(i) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the assets or undertakings of the Grantee (being a corporation);(ii) the Grantee (being a corporation) has ceased or suspended payment of its debts (within a meaning of section 178 of the C(WUMP)O), become unable to pay its debts or otherwise become insolvent;(iii) there is unsatisfied judgment, order or award outstanding against the Grantee or the Board has reason to believe that the Grantee is unable to pay or to have no reasonable prospect of being able to pay his debts;(iv) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in sub-paragraphs (i), (ii) and (iii) above; or

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(v) a bankruptcy order has been made against the Grantee or any director or shareholder of the Grantee (being a corporation) in any jurisdiction

“Board”	the board of Directors of the Company and, in respect of the 2024 Share Schemes, its duly authorised committee
“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities
“Buy-back Mandate”	a general mandate to be granted to the Directors to buy-back Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution to approve such mandate, details of which are set out in the proposed ordinary resolution numbered 6 of the notice of Annual General Meeting
“chief executive(s)”	shall have the meaning ascribed to it from time to time in the Listing Rules
“close associate(s)”	shall have the meaning ascribed to it from time to time in the Listing Rules
“Companies Law”	the Companies Act of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“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 from time to time in the Listing Rules
“controlling shareholder(s)”	shall have the meaning ascribed to it from time to time in the Listing Rules
“core connected person(s)”	shall have the meaning ascribed to it from time to time in the Listing Rules

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“Culpable Termination”	the termination of the Grantee’s employment or early termination of the Grantee’s contractual engagement with the Group on the grounds that he has been guilty of serious misconduct, including but not limited to (i) material negligence or derelict in his duties; (ii) any act in breach of relevant local laws or regulations or the Articles of Association; (iii) conviction of criminal offence involving his integrity or honesty; (iv) during his employment, he has accepted or asked for bribes, committed graft and embezzlement, or has disclosed operational or technical secrets of the Group, or has engaged in connected transactions which damage the interests and reputation of the Group, or has acted otherwise that would have material adverse effects on the image of the Group and result in loss to the Group (as sufficiently proved by a Group member); or (v) any violation of the Group’s internal rules and regulations
“C(WUMP)O”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Director(s)”	the director(s) of the Company
“Disability” or “Disabled”	shall have the meaning as defined under the long-term disability policy (if any) of the relevant company to which the Grantee provides services regardless of whether the Grantee is covered by such policy. In the event the relevant company to which the Grantee provides services does not have a long-term disability policy in place, “ Disability ” or “ Disabled ” shall mean that a Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. A Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Board in its discretion
“Eligible Participant(s)”	any Employee Participant

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“Employee Participant(s)”	a director (including executive, non-executive and independent non-executive director) or an employee (whether full time or part time) of any member of the Group (including persons who are granted Share Options or Share Awards under the 2024 Share Option Scheme and the 2024 Share Award Scheme, respectively, as an inducement to enter into employment contracts with such companies)
“Exercise Period”	in respect of any particular Share Option, the period within which a Grantee may exercise the Share Option pursuant to the terms and conditions of the 2024 Share Option Scheme to be notified by the Board to each Grantee which the Board may in its absolute discretion determine, save that such period shall not be more than ten (10) years from the Grant Date
“Exercise Price”	the price per Share at which a Grantee may subscribe for Shares upon the exercise of the Share Options pursuant to the terms and conditions of the 2024 Share Option Scheme
“Existing Share Schemes”	collectively, the 2020 Share Option Scheme and the 2021 Share Award Scheme
“Grant Date”	the date (which shall be a Business Day) on which the grant of an Offer is made to an Eligible Participant
“Grantee(s)”	any Eligible Participant who accepts an Offer pursuant to the terms and conditions of the 2024 Share Schemes or (where the context permits) the Personal Representative of that Eligible Participant (being an individual)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution to approve such mandate, details of which are set out in the proposed ordinary resolution numbered 5 of the notice of Annual General Meeting
“Latest Practicable Date”	19 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented, or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“Offer”	an offer of the grant of the Share Option and/or Share Award Share by the Company to an Eligible Participant pursuant to the terms and conditions of the 2024 Share Schemes
“Offer Letter”	a letter, in such form as the Board may from time to time determine, granting an Offer to an Eligible Participant pursuant to the terms and conditions of the 2024 Share Schemes
“Other Schemes”	(i) in respect of the 2024 Share Option Scheme, schemes adopted by the Company involving the issue or grant of share options or award shares or similar rights over new Shares by the Company, other than the 2024 Share Option Scheme; and (ii) in respect of the 2024 Share Award Scheme, schemes adopted by the Company involving the issue or grant of share options or award shares or similar rights over new Shares by the Company, other than the 2024 Share Award Scheme
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise any Share Option and/or Award Share granted to such Grantee (to the extent not already exercised)
“PRC”	People’s Republic of China
“Refreshed Limit”	shall have the meaning as defined under paragraph 7(c) of Appendix III and paragraph 7(c) of Appendix IV, as the context so required
“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
“Remuneration Committee”	the remuneration committee of the Board

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“Returned Shares”	such Award Shares and their Related Income which are not vested and/or are forfeited in accordance with the terms of the 2024 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 2024 Share Award Scheme
“RMB”	renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the total of new Shares which may be allotted and issued upon exercise of all share options and share awards to be granted under the 2024 Share Schemes (and other share scheme(s) of the Company), which shall not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date or the date of approval of the Refreshed Limit, whichever is the latest
“Selected Participant(s)”	any Eligible Participant approved for participation in the 2024 Share Award Scheme on the relevant Grant Date pursuant to the 2024 Share Award Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Award(s)”	an award granted by the Board to the Eligible 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 2024 Share Award Scheme, together with any Related Income attributable to such award
“Share Option(s)”	a right to subscribe for Shares granted by the Board pursuant to the terms and conditions of the 2024 Share Option Scheme
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of HK\$1.00 each (or of such other nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	shall have the meaning ascribed to it from time to time in the Listing Rules

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“substantial shareholder(s)”	shall have the meaning ascribed to it from time to time in the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“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)
“Trust(s)”	the trust(s) constituted by the Trust Deed(s) to service the 2024 Share Award Scheme
“Trustee(s)”	the trustee(s) appointed by the Company from time to time for the purpose of the Trust(s)
“Vesting Date”	in respect of any particular Award Share, the date within which a Grantee may vest the Award Share pursuant to the terms and conditions of the 2024 Share Award Scheme to be notified by the Board to each Grantee which the Board may in its absolute discretion determine
“%”	per cent



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)

Executive Directors

Mr. Hao Hengle (Chairman)

Mr. Wang Quanhui

Mr. Lin Ge

Mr. Zhang Ziliang

Non-executive Directors

Mr. He Jianfeng

Mr. Zhao Jun

Independent Non-executive Directors

Mr. Tan Jinsong

Mr. O'Yang Wiley

Mr. Lu Qi

Registered Office

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

Principal Place of Business and

Head Office in the Mainland China

34/F, Tower 4, Midea Real Estate Plaza

No. 1 Chengde Road, Beijiao Town

Shunde District, Foshan City

Guangdong Province, the PRC

Principal Place of Business in

Hong Kong, China

Suites 3906–3910, 39/F, Tower 6

The Gateway, Harbour City

No. 9 Canton Road

Tsim Sha Tsui

Kowloon

Hong Kong

29 April 2024

To the Shareholders

Dear Sir/Madam

PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF THE 2024 SHARE OPTION SCHEME AND
TERMINATION OF THE 2020 SHARE OPTION SCHEME
(4) ADOPTION OF THE 2024 SHARE AWARD SCHEME AND
TERMINATION OF THE 2021 SHARE AWARD SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. The resolutions to be proposed at the Annual General Meeting are in respect of (i) the granting to the Directors of the Issue Mandate, the Buy-back Mandate and the extension of the Issue Mandate; (ii) the re-election of Directors; (iii) the adoption of the 2024 Share Option Scheme and the termination of the 2020 Share Option Scheme; and (iv) the adoption of the 2024 Share Award Scheme and the termination of the 2021 Share Award Scheme.

2. PROPOSED ISSUE MANDATE, BUY-BACK MANDATE AND EXTENSION OF ISSUE MANDATE

By resolutions passed by the Shareholders on 22 May 2023, the Directors were granted general mandates to issue Shares and to buy-back Shares, respectively. Such mandates will lapse at the conclusion of the forthcoming Annual General Meeting. In order to give the Company the flexibility to issue new Shares and to buy-back Shares if and when appropriate, ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of the following mandates to the Directors:

2.1 Issue Mandate

At the Annual General Meeting, an ordinary resolution will be proposed for Shareholders to consider and, if thought fit, approve the grant of the Issue Mandate to enable the Directors to exercise the power of the Company to issue, allot and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the resolution. Details of the Issue Mandate are set out in the proposed ordinary resolution numbered 5 of the notice of Annual General Meeting.

As at the Latest Practicable Date, a total of 1,435,411,483 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or bought-back by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 287,082,296 Shares.

2.2 Buy-back Mandate

At the Annual General Meeting, an ordinary resolution will also be proposed for Shareholders to consider and, if thought fit, approve the grant of the Buy-back Mandate to enable the Directors to exercise the power of the Company to buy-back Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the resolution. Details of the Buy-back Mandate are set out in the proposed ordinary resolution numbered 6 of the notice of Annual General Meeting.

LETTER FROM THE BOARD

An explanatory statement, as required by the Listing Rules to provide to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Buy-back Mandate at the Annual General Meeting, is set out in Appendix I to this circular.

2.3 Extension of the Issue Mandate

In addition, an ordinary resolution will be proposed at the Annual General Meeting for Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate to enable the Directors to issue new Shares by adding to it the number of Shares bought-back under the Buy-back Mandate. Details of the extension of the Issue Mandate are set out in the proposed ordinary resolution numbered 7 of the notice of Annual General Meeting.

The Issue Mandate, the Buy-back Mandate and the extension of the Issue Mandate would expire at the earliest of: (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the Articles of Association; or (iii) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

3. PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consisted of nine Directors, namely:

Executive Directors	Date of appointment as a Director
Mr. Hao Hengle	29 November 2017
Mr. Wang Quanhui	4 June 2021
Mr. Lin Ge	15 May 2018
Mr. Zhang Ziliang	25 March 2022
Non-executive Directors	
Mr. He Jianfeng	15 May 2018
Mr. Zhao Jun	29 November 2017
Independent non-executive Directors	
Mr. Tan Jinsong	11 October 2018
Mr. O'Yang Wiley	11 October 2018
Mr. Lu Qi	11 October 2018

According to Article 108(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

LETTER FROM THE BOARD

At the Annual General Meeting, Mr. Wang Quanhui, Mr. Zhao Jun and Mr. Lu Qi will retire and offer themselves for re-election in accordance with Article 108(a) of the Articles of Association.

Recommendation of the Nomination Committee

The Nomination Committee had assessed and reviewed Mr. Lu Qi's annual written confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that he remains independent. The Nomination Committee and the Board consider that Mr. Lu Qi, being a professor and dean at the School of Architecture of Guangzhou City University of Technology (廣州城市理工學院) (formerly known as Guangzhou College of South China University of Technology (華南理工大學廣州學院)) in the PRC, is able to complement the professional background of the composition of the Board in terms of expertise in architectural design. The Nomination Committee and the Board also consider that Mr. Lu Qi has the relevant working experiences necessary for serving as an independent non-executive Director. Based on the biographical details disclosed to the Company, Mr. Lu Qi does not hold seven or more listed company directorships.

In addition, the Nomination Committee had evaluated the performance of each of the retiring Directors during the year ended 31 December 2023 and found each of them is valuable to the Board. In reviewing the structure of the Board, the Nomination Committee had also considered a range of diversity perspectives including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, as set out in the board diversity policy of the Company for nominating talented and capable person(s) to lead the Company.

Accordingly, the Board, on the recommendation of the Nomination Committee, proposed that the above retiring Directors, namely Mr. Wang Quanhui, Mr. Zhao Jun and Mr. Lu Qi, will stand for re-election as Directors at the Annual General Meeting.

Particulars of the above retiring Directors proposed to be re-elected at the Annual General Meeting that are required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

4. PROPOSED ADOPTION OF THE 2024 SHARE SCHEMES

4.1 The Existing Share Schemes

With effect from 1 January 2023, Chapter 17 of the Listing Rules has been amended and it applies to both share option schemes and share award schemes. In this connection, there are certain changes to Chapter 17 of the Listing Rules that would eventually entail substantial revisions to the 2020 Share Option Scheme and the 2021 Share Award Scheme.

In view of such amendments, the Company proposes to terminate the 2020 Share Option Scheme and the 2021 Share Award Scheme, and to adopt the 2024 Share Option Scheme and the 2024 Share Award Scheme subject to the approval by the Shareholders at the Annual General Meeting to be convened by the Company.

LETTER FROM THE BOARD

The 2020 Share Option Scheme

The 2020 Share Option Scheme was adopted by the Company at the Company's annual general meeting held on 29 May 2020 and is valid for a period of 10 years commencing from the date of adoption and ending on 28 May 2030, subject to early termination, and in such event, no further share options may be granted but in all other respects the terms of the 2020 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any share options granted prior thereto. All outstanding share options granted prior to such termination and not then exercised shall continue to be in full force and effect in accordance with the 2020 Share Option Scheme.

The Board had granted 66,660,000 share options to 193 Eligible Participants at an exercise price of HK\$18.376 per Share on 22 April 2021 under the 2020 Share Option Scheme. Subject to satisfaction of the vesting conditions including the achievement of performance targets, the first tranche of 40% share options shall be exercisable from 22 April 2023 to 21 April 2027, the second tranche of 40% share options shall be exercisable from 22 April 2024 to 21 April 2027 and the third tranche of 20% share options shall be exercisable from 22 April 2025 to 21 April 2027. Please refer to the Company's announcement dated 22 April 2021 for details.

Details of the outstanding share options under the 2020 Share Option Scheme as at the Latest Practicable Date are as follows:

Category	Grant Date	Number of Outstanding Share Options as at the Latest Practicable Date	Approximate percentage of shareholding as at the Latest Practicable Date	Vesting Period
Directors of the Company in aggregate	22 April 2021	6,622,000	0.46%	The first tranche of 40% share options shall be exercisable from 22 April 2023 to 21 April 2027, the second tranche of 40% share options shall be exercisable from 22 April 2024 to 21 April 2027 and the third tranche of 20% share options shall be exercisable from 22 April 2025 to 21 April 2027.
Employees of the Group in aggregate (excluding the Directors of the Company)	22 April 2021	19,327,000	1.35%	
Total		<u>25,949,000</u>	<u>1.81%</u>	

LETTER FROM THE BOARD

The Company has no present intention of granting any further share options under the 2020 Share Option Scheme during the period from the Latest Practicable Date to the date of the Annual General Meeting.

The 2021 Share Award Scheme

The 2021 Share Award Scheme managed by the independent trustees was approved and adopted by the Board on 22 April 2021 and is valid for a period of 10 years commencing from the date of adoption and ending on 21 April 2031, subject to early termination, and in such event, no further share award may be granted but in all other respects the terms of the 2021 Share Award Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of any share awards granted thereunder. All outstanding share award granted and subsisting prior to such termination shall continue to be in full force and effect in accordance with the 2021 Share Award Scheme.

The Board had granted 5,225,000 award shares at nil consideration to 31 Eligible Participants on 22 April 2021, 8,932,500 award shares at nil consideration to 423 Eligible Participants on 13 May 2022 and 4,770,000 award shares at nil consideration to 25 Eligible Participants on 12 May 2023 under the 2021 Share Award Scheme, which shall be vested subject to satisfaction of the vesting conditions, including the achievement of performance targets as determined by the Board. Please refer to the Company's announcements dated 22 April 2021, 13 May 2022 and 12 May 2023 for details.

The Board has on 27 March 2024 determined a total of 4,770,000 award shares granted on 12 May 2023 which shall be lapsed as the vesting conditions were not satisfied. As at the Latest Practicable Date, there is no outstanding award share under the 2021 Share Award Scheme.

The Company has no present intention of granting any further award shares under the 2021 Share Award Scheme during the period from the Latest Practicable Date to the date of the Annual General Meeting.

Save for the 2020 Share Option Scheme and the 2021 Share Award Scheme, the Company had no other subsisting share schemes which have not been expired as at the Latest Practicable Date.

Each of the 2020 Share Option Scheme and the 2021 Share Award Scheme will constitute a share scheme under Chapter 17 of the Listing Rules.

LETTER FROM THE BOARD

4.2 The 2024 Share Schemes

Reasons for the adoption of the 2024 Share Schemes

The Board proposes the adoption of the 2024 Share Schemes, which will be valid and effective for a period of ten (10) years commencing on the Adoption Date.

The purposes of the 2024 Share Schemes are to enable the Group to (a) recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group (whether directly or indirectly), remunerate the best possible quality of the Eligible Participants, and attract, retain and motivate the Eligible Participants to continue to contribute to the growth and development of the Group; and (b) provide Eligible Participants with direct economic benefits in order to maintain a long term relationship between the Group and the Eligible Participants.

Scope of Eligible Participants

The Eligible Participants of the 2024 Share Scheme comprise any Employee Participant (including independent non-executive Directors).

In determining the basis of eligibility of each Eligible Participant, the Board shall take into account of factors including but not limited to the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group, the individual performance, time commitment, responsibilities or employment conditions with reference to the prevailing market practice and industry standard and the individual contribution or potential contribution to the development and future growth of the Group.

As at the Latest Practicable Date, the Company had not formulated any concrete plan or present intention to grant any Share Options or Share Awards to the independent non-executive Directors under the 2024 Share Option Scheme and the 2024 Share Award Scheme. However, having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of shareholders and all Board members, including the independent non-executive Directors; and (ii) it is common to include independent non-executive Directors as eligible persons of the share incentive schemes among public companies, the Board believes the inclusion of independent non-executive Directors as participants of the 2024 Share Option Scheme and the 2024 Share Award Scheme and the flexibility to grant share options or share awards to the independent non-executive Directors in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

LETTER FROM THE BOARD

The Company is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of the Share Options or the Share Awards for the following reasons: (i) the independent non-executive Directors will continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) approval by independent Shareholders will be required if any Share Option and/or any Share Award is to be granted to an independent non-executive Director or any of his associates would result in the total number of new Shares issued and to be issued in respect of all Share Options and Share Awards and share options and share awards under any other schemes to such person in any twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue; and (iii) the Board will be mindful of the recommended best practice E.1.9 of the corporate governance code set out in Appendix C1 to the Listing Rules that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors when considering any future grants of Share Options and Share Awards to the independent non-executive Directors.

Scheme Mandate Limit

As at the Latest Practicable Date, there were 1,435,411,483 Shares in issue. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the Annual General Meeting and after the resolutions regarding the proposed adoption of the 2024 Share Schemes are passed at the Annual General Meeting, the total number of Shares which may be issued in respect of all Share Options and Share Awards that may be granted under the 2024 Share Schemes and all share options and all share awards that may be granted under any Other Schemes would be no more than 143,541,148 Shares, representing no more than approximately 10% of the total number of Shares in issue as at the Adoption Date.

Given that (i) the outstanding share options and share awards granted under the 2020 Share Option Scheme and the 2021 Share Award Scheme, respectively, were historical grants made by the Company; and (ii) the terms and conditions of such outstanding share options and share awards will remain unchanged, such outstanding share options and share awards will not be counted towards the Scheme Mandate Limit.

Vesting Period

To ensure the practicability in fully attaining the purpose of the 2024 Share Schemes, the Board and the Remuneration Committee are of the view that (i) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the holders of the Share Options and Share Awards, which are set out in the paragraph headed “10. VESTING PERIOD” in the Appendix III and in the paragraph headed “12. VESTING PERIOD” in the Appendix IV to this circular; (ii) there is a need for the Company to retain flexibility in certain cases to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, to provide for succession planning and

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the effective transition of employee responsibilities and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified; and (iii) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances.

Hence, the Board and the Remuneration Committee are of the view that the shorter vesting period prescribed in the paragraph headed “10. VESTING PERIOD” in the Appendix III and in the paragraph headed “12. VESTING PERIOD” in the Appendix IV to this circular is in line with the market practice and is appropriate and aligns with the purpose of the 2024 Share Schemes.

Basis of determining the exercise price of Share Options

Grantees to whom Share Options shall be granted, are entitled to subscribe for the number of Shares at the exercise price as determined on the Grant Date. The basis for determining the exercise price is also specified in the rules of the 2024 Share Option Scheme and is summarised under paragraph headed “12. EXERCISE PRICE” in the Appendix III to this circular. The value of the Share Options is linked to the future Share price, which in turn depends on the performance of the Company. Further, the Share Options are typically granted with other long-term incentives such as performance conditions to holistically support attraction, motivation and retention considerations. The Board considers that such basis will serve to drive long-term focus and shareholder value creation and encourage the Eligible Participants to acquire proprietary interests in the Company.

Unless the Board determines otherwise, no purchase price is to be paid by the Eligible Participants upon vesting of the Share Awards under the 2024 Share Award Scheme.

Performance Targets and Clawback Mechanism

Vesting of Share Options and Share Awards will be subject to performance targets, if any, to be satisfied by the Eligible Participants as determined by the Board or the Remuneration Committee from time to time. The performance targets may comprise a mixture of attaining satisfactory key performance indicators components (such as the business performance and financial performance of the Group or departmental and individual performance based on the annual performance assessment results) which may vary among the Eligible Participants. The finance department of the Company shall be responsible for compiling a performance appraisal report on statistics relating Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group’s performance appraisal results and the individual performance appraisal results, which will be submitted to the Board and/or the

LETTER FROM THE BOARD

Remuneration Committee for consideration and approval. For the avoidance of doubt, the performance targets are not applicable to independent non-executive Directors.

Upon the occurrence of certain events in relation to an Eligible Participant, no further Share Options or Share Awards may be granted to such Eligible Participant and the Share Options and Share Awards granted to such Eligible Participant shall be clawed back and such Share Options and Share Awards shall lapse accordingly on the date as determined by the Board (if such Share Options and Share Awards are unvested). In addition, where a Share Option granted to an Eligible Participant has been vested and already exercised, or where a Share Award granted to an Eligible Participant has already been vested, at the time when the Eligible Participant's Share Options or Share Awards are clawed back, the Eligible Participant shall return, by the Board's determination at its sole and absolute discretion, either (i) the exact number of the relevant vested and clawed back underlying Shares in respect of such Share Options or Share Awards, or (ii) the monetary amount equivalent to the value of the relevant underlying Shares of the Share Options or Share Awards (I) on the grant date, (II) on the date of vesting of the relevant Share Options or Share Awards, or (III) on the date of such clawback.

For details of the clawback mechanism of the 2024 Share Schemes, please refer to the paragraph headed "11. CLAWBACK" in the Appendix III and the paragraph headed "14. CLAWBACK" in the Appendix IV to this circular.

The Board believes that the aforesaid measures will provide the Board with more flexibility in setting the terms and conditions of the Share Options and Share Awards under particular circumstances of each grant and facilitate the Board's aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

Voting rights of the trustee of the 2024 Share Award Scheme

Trustee(s) will be appointed to administer the 2024 Share Award Scheme. The trustee(s) holding unvested Shares of the 2024 Share Award Scheme, whether directly or indirectly, shall abstain from voting on matters that require shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

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Conditions precedent of the 2024 Share Schemes

The adoption of the 2024 Share Option Scheme is conditional upon:

- (a) the passing of Resolutions 8(a) to 8(b) as set out in the notice of the Annual General Meeting in relation to the 2024 Share Option Scheme by the Shareholders at the Annual General Meeting; and
- (b) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Share Options in accordance with the terms and conditions of the 2024 Share Option Scheme.

The adoption of the 2024 Share Award Scheme is conditional upon:

- (a) the passing of Resolutions 9(a) to 9(b) as set out in the notice of the Annual General Meeting in relation to the 2024 Share Award Scheme by the Shareholders at the Annual General Meeting; and
- (b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares which may be allotted and issued by the Company in respect of any Share Awards to be granted in accordance with the terms and conditions of the 2024 Share Award Scheme.

General

No trustee has been appointed or is intended to be appointed for the purpose of the 2024 Share Option Scheme, and the Board will be responsible for administering the 2024 Share Option Scheme.

None of the Directors is a trustee of the 2024 Share Award Scheme nor has a direct or indirect interest in the trustees of the 2024 Share Award Schemes.

As at the Latest Practicable Date, the Company had not granted any Share Options or Share Awards under the 2024 Share Schemes.

A summary of the principal rules of the 2024 Share Schemes is set out in Appendix III and Appendix IV to this circular. A copy of each of the 2024 Share Schemes will be made available for inspection at the Annual General Meeting and will be published on the websites of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the Company at <http://www.mideadc.com> for not less than 14 days before the date of the Annual General Meeting.

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Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of all Share Options and/or Share Awards to be granted under the 2024 Share Schemes.

As at the Latest Practicable Date, no Shareholder had a material interest in the adoption of the 2024 Share Schemes. As such, no Shareholder is required to abstain from voting on the resolution(s) in relation thereto.

5. ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 57 to 63 of this circular and a form of proxy is also enclosed. Whether or not you are able to attend and vote at the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the meeting or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions to be proposed at the Annual General Meeting will be voted by poll.

As at Latest Practicable Date, there were 1,435,411,483 Shares in issue, among which, 4,770,000 Shares were held in trust by the independent trustees appointed by the Company for the purpose to service the 2021 Share Award Scheme. The independent trustees shall not exercise the voting rights in respect of any Shares held in trust. Save as aforesaid, no Shareholder is required under the Listing Rules to abstain from voting at the Annual General Meeting.

An announcement will be made by the Company following the conclusion of the Annual General Meeting to inform you of the results of the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. CLOSURE OF REGISTER OF MEMBERS

The Board has on 27 March 2024 announced its recommendation of a final dividend of HK\$0.36 per share for the year ended 31 December 2023. Subject to the approval of the Shareholders at the Annual General Meeting and the compliance with the Cayman Companies Act, the final dividend will be payable in cash on or about 15 July 2024 to the shareholders whose names appear on the register of members of the Company on 5 June 2024.

For the purpose of ascertaining the shareholders' rights of attending and voting at the Annual General Meeting, the register of members of the Company will be closed from 20 May 2024 to 24 May 2024, both days inclusive, during which period no transfer of shares shall be effected. In order to be entitled to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 17 May 2024.

For the purpose of determining the identity of shareholders who are entitled to the proposed final dividend, the register of members of the Company will be closed from 3 June 2024 to 5 June 2024, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 31 May 2024.

7. DOCUMENTS ON DISPLAY

Copies of the 2024 Share Option Scheme and the 2024 Share Award Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the Annual General Meeting. In addition, such copies will be made available for inspection at the Annual General Meeting.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

9. RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the proposed grant of the Issue Mandate, Buy-back Mandate and the extension of the Issue Mandate, the proposed re-election of Directors, and the adoption of the 2024 Share Option Scheme and the 2024 Share Award Scheme (including the Scheme Mandate Limit) and the termination of the 2020 Share Option Scheme and the 2021 Share Award Scheme are beneficial to and in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of each of the relevant proposed resolutions at the Annual General Meeting.

Yours faithfully

By order of the Board

Midea Real Estate Holding Limited

Hao Hengle

Chairman, Executive Director and President

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Buy-back Mandate and should be read in conjunction with the Letter from the Board on pages 9 to 22 of this circular.

1. SHARE CAPITAL

As at Latest Practicable Date, there were a total of 1,435,411,483 Shares in issue.

Subject to the passing of the proposed resolution granting the Buy-back Mandate and on the basis that no further Shares will be issued or bought-back prior to the Annual General Meeting, the Company will be allowed under the Buy-back Mandate to buy-back a maximum of 143,541,148 Shares which represents approximately 10% of the total number of Shares in issue as at the Latest Practicable Date.

2. REASONS FOR BUY-BACKS

Although the Directors have no present intention of repurchasing any Shares, they believe the flexibility afforded by the Buy-back Mandate would be beneficial to the Company and the Shareholders as a whole.

Share buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

3. FUNDING OF BUY-BACKS

The Company is empowered by its Articles of Association to buy-back its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the Listing Rules, the Cayman Companies Act and other applicable laws. The Directors may not buy-back the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

As compared with the position as at 31 December 2023, being the date to which its latest audited consolidated financial statements were made up, the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company if the Buy-back Mandate were to be exercised in full. The Directors do not intend to exercise the Buy-back Mandate to such an extent as would have a material adverse effect on the working capital or the gearing position of the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Main Board of the Stock Exchange in each of the twelve months preceding the date of this circular were as follows:

Month	Highest Price HK\$	Lowest Price HK\$
2023		
April	10.02	9.35
May	9.35	6.78
June	7.55	6.84
July	8.10	6.45
August	7.85	6.58
September	8.07	5.96
October	6.28	5.35
November	6.36	5.42
December	5.90	5.16
2024		
January	5.19	3.93
February	4.84	4.09
March	4.38	3.83
April (up to the Latest Practicable Date)	3.88	3.55

5. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If, on the exercise of the power to buy-back Shares pursuant to the Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following are the Shareholders who were interested in 5% or more of the issued share capital of the Company, according to the register of interests required to be kept by the Company under section 336 of the SFO:

Name	Capacity	Number of shares held	Approximate percentage of shareholding	Approximate percentage of shareholding if the Buy-back Mandate is exercised in full
Midea Development Holding (BVI) Limited	Beneficial owner	1,097,029,727	76.43%	84.92%
Ms. Lu Deyan (Note 1)	Interests of controlled corporations	1,164,606,463	81.13%	90.15%
Mr. He Xiangjian (Note 2)	Interest held jointly with another person	1,164,606,463	81.13%	90.15%
Mr. He Jianfeng (Note 3)	Interest of spouse	1,164,606,463	81.13%	90.15%

Notes:

1. Ms. Lu Deyan (“**Ms. Lu**”) holds the entire equity interest in each of Midea Development Holding (BVI) Limited (“**Midea Development (BVI)**”), Midea Ever Company Limited (“**Midea Ever**”) and Midea Field Company Limited (“**Midea Field**”), and these companies in turn hold 1,097,029,727, 30,000,000 and 37,576,736 Shares, respectively. Therefore, Ms. Lu is deemed to be interested in the Shares held by Midea Development (BVI), Midea Ever and Midea Field by virtue of the SFO.
2. Mr. He Xiangjian (“**Mr. He**”) and Ms. Lu are parties acting-in-concert. Therefore, Mr. He is deemed to be interested in Ms. Lu’s interest in the Company by virtue of the SFO and is a controlling shareholder of the Company. However, as confirmed by Mr. He and Ms. Lu in the deed of acting-in-concert dated 14 May 2018 entered into between Mr. He and Ms. Lu, Mr. He does not hold any economic interest (including the right to dividend) in the Group.
3. Mr. He Jianfeng, a non-executive Director, is the spouse of Ms. Lu. Therefore, Mr. He Jianfeng is deemed to be interested in Ms. Lu’s interest in the Company by virtue of the SFO and is a controlling shareholder of the Company.

In the event that the Buy-back Mandate was exercised in full and on the basis that no further Shares are issued, the interests of each of the above Shareholders would be increased to approximately the percentages as set out opposite their respective names in the table above. In the opinion of the Directors, such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not intend to exercise the power to buy-back Shares to such extent that would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no intention to exercise the Buy-back Mandate to such extent that would result in the amount of Shares held by the public being reduced to less than 16.01% of the issued share capital of the Company, that is the minimum public float requirement prescribed in the conditions imposed by the Stock Exchange in the waiver from strict compliance with Rule 8.08(1) of the Listing Rules granted to the Company. For details on the waiver, please refer to the prospectus of the Company dated 28 September 2018.

6. SHARE BUY-BACKS MADE BY THE COMPANY

No Share had been bought-back by the Company (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

7. GENERAL

The Board will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Buy-back Mandate if such Buy-back Mandate is approved by the Shareholders.

No core connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-back Mandate is approved by the Shareholders.

The Board confirms that neither this explanatory statement nor the proposed share buy-backs contemplated hereunder has any unusual features.

The biographical details of the retiring Directors who are eligible for re-election at the Annual General Meeting are set out below:

1. **Mr. Wang Quanhui** (王全輝), aged 50, has been appointed as an executive Director and vice president of the Company since 4 June 2021. Mr. Wang is primarily responsible for the property development and operation in the Yuegui region. Since joining the Group in June 2001, Mr. Wang has served various positions in Midea Real Estate Group Limited (美的置業集團有限公司), the principal subsidiary of the Company, including: (i) director; (ii) general manager of the city company; (iii) general manager of the North China regional company; (iv) vice president and general manager of the Central regional company; and (v) vice president and general manager of the Yuegui regional company.

Mr. Wang graduated from Shijiazhuang School of Economics (石家莊經濟學院) (currently known as Hebei GEO University (河北地質大學)) in the PRC in July 1997 in accounting and obtained a master's degree in Business Administration from Northwest University (西北大學) in the PRC in June 2014. Mr. Wang has been an intermediate accountant accredited by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部) since September 2003.

As at the Latest Practicable Date, Mr. Wang has interests in 1,354,000 Shares and 770,000 share options granted under the 2020 Share Option Scheme, representing approximately 0.15% of shareholding in total within the meaning of Part XV of the SFO.

Mr. Wang has entered into a service contract with the Company for a term of three years subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. The service contract can be terminated by either party giving one month's prior notice in writing. Under the service contract, Mr. Wang is entitled to receive director's emoluments and a discretionary bonus per annum which would be determined by reference to various factors such as duties and responsibilities of Mr. Wang and the Group's performance for the financial year concerned. Mr. Wang received emoluments of approximately RMB2,812,000 for the year ended 31 December 2023 for his various management positions held in the Group. Any future emoluments to be paid to Mr. Wang shall be determined and approved by the Remuneration Committee based on the responsibilities and performance of Mr. Wang and prevailing market conditions and will be disclosed in due course.

2. **Mr. Zhao Jun** (趙軍), aged 48, has been a Director since 29 November 2017 and was re-designated as a non-executive Director on 15 May 2018. He is also a member of each of the Audit Committee and Remuneration Committee. Mr. Zhao is primarily responsible for providing strategic advice and recommendations on the operations and management of the Group. Since joining the Group in November 2012, Mr. Zhao has been the vice chairman of Midea Real Estate Group Limited (美的置業集團有限公司), the principal subsidiary of the Company, and also assumed multiple directorships in other subsidiaries of the Company, including Midea Construction (Hong Kong) Limited (美的建業(香港)有限公司).

Mr. Zhao is the executive president of Midea Holding Co., Ltd. (美的控股有限公司), a connected person of the Company. He has also served as the supervisor of Midea Group Co., Ltd. (美的集團股份有限公司) (Shenzhen Stock Exchange: 000333), a connected person of the Company, and a director of Guangzhou SiE Consulting Co., Ltd. (廣州賽意信息科技股份有限公司) (Shenzhen Stock Exchange: 300687). Mr. Zhao graduated from Northeastern University at Qinhuangdao (東北大學秦皇島分校) in the PRC with a bachelor's degree of Economics in Accounting Studies. He graduated from The Chinese University of Hong Kong with a master's degree in Accounting, and from China Europe International Business School (中歐國際工商學院) in the PRC with a master's degree in Business Administration. Mr. Zhao is a certified public accountant conferred by the Treasury Certified Public Accountants Examination Committee (財政部註冊會計師考試委員會).

As at the Latest Practicable Date, Mr. Zhao has interests in 1,000,000 Shares and 770,000 share options granted under the 2020 Share Option Scheme, representing approximately 0.12% of shareholding in total within the meaning of Part XV of the SFO.

Mr. Zhao has entered into a letter of appointment with the Company for a term of three years subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. The letter of appointment can be terminated by either party giving one month's prior notice in writing. Under the letter of appointment, Mr. Zhao is not entitled to any director's fee. Any future emoluments to be paid to Mr. Zhao shall be determined and approved by the Remuneration Committee based on the responsibilities and performance of Mr. Zhao and prevailing market conditions and will be disclosed in due course.

3. **Mr. Lu Qi** (陸琦), aged 68, has been appointed as an independent non-executive Director on 15 May 2018 with effect from 11 October 2018. He is also a member of each of the Remuneration Committee and Nomination Committee. He is primarily responsible for providing independent advice on the operations and management of the Group.

Mr. Lu has served as a professor and dean at the School of Architecture of Guangzhou City University of Technology (廣州城市理工學院) (formerly known as Guangzhou College of South China University of Technology (華南理工大學廣州學院)) in the PRC. Prior to that, he was a professor at the School of Architecture of South China University of Technology (華南理工大學) and worked at the Architectural Design and Research Institute of Guangdong Province (廣東省建築設計研究院) and served as the deputy chief architect. From April 2015 to January 2019, Mr. Lu served as an independent director in Huayuan Landscape Architecture Co., Ltd. (廣州華苑園林股份有限公司), a company that focuses on providing engineering and construction services, where he was primarily responsible for providing independent landscape advice on the operations and management of the company. Mr. Lu graduated from the School of Architectural and Engineering of Chongqing Jianzhu University (重慶建築工程學院) (currently known as the Faculty of Architecture and Urban Planning of Chongqing University (重慶大學建築城規學院)) in the PRC with a bachelor's degree of Engineering in Architectural Studies. He further obtained a doctoral degree of Engineering in Architectural History and Theories from South China University of Technology (華南理工大學) in the PRC. Mr. Lu is a Guangdong provincial senior architect (professor grade) conferred by Guangdong Province Personnel Department (廣東省人事廳). He has also served as a principal member of the Residential Architecture Academic Committee of the Architectural Society of China (中國建築學會民居建築學術委員會) and a president of the Ancient and Traditional Architecture Branch (古建與傳統建築分會) of the Guangdong Engineering Investigation and Design Industry Association (廣東省工程勘察設計行業協會).

Mr. Lu has entered into a letter of appointment with the Company for a term of three years subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. The letter of appointment can be terminated by either party giving one month's prior notice in writing. Mr. Lu received a director's fee of HK\$200,028 for the year ended 31 December 2023. The director's fee is subject to annual review and recommendation by the Remuneration Committee and determined and approved by the Board with reference to salaries paid by comparable companies, the Company's remuneration policy and the Director's time commitment, performance and responsibilities within the Group.

GENERAL

None of the Directors to be re-elected has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

Save as disclosed above, each of the Directors to be re-elected (i) had no other relationship with any Directors or members of the senior management or substantial or controlling shareholder of the Company as of the Latest Practicable Date; and (ii) did not hold any other directorship in listed companies in the three years prior to the Latest Practicable Date or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, none of the Directors to be re-elected have any interests or short positions in the Shares or underlying shares of the Company which are discloseable under Part XV of the SFO.

Save as disclosed above, there is no other information relating to the Directors to be re-elected that should be disclosed under Rule 13.51(2) of the Listing Rules nor any other matter that needs to be brought to the attention of the Shareholders.

The following is a summary of the principal terms of the 2024 Share Option Scheme proposed to be approved by the Shareholders at the Annual General Meeting. It does not form part of, nor is it intended to be part of, the rules of the 2024 Share Option Scheme.

1. PURPOSES OF THE 2024 SHARE OPTION SCHEME

The purposes of the 2024 Share Option Scheme are to enable the Group to (a) recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group (whether directly or indirectly), remunerate the best possible quality of the Eligible Participants, and attract, retain and motivate the Eligible Participants to continue to contribute to the growth and development of the Group; and (b) provide Eligible Participants with direct economic benefits in order to maintain a long term relationship between the Group and the Eligible Participants.

2. APPROVAL CONDITIONS

The 2024 Share Option Scheme shall take effect upon the satisfaction of the following conditions:

- (a) the passing of the necessary resolution(s) by the Shareholders at general meeting as required by the Articles of Association for approving the adoption of the 2024 Share Option Scheme and authorising the Directors to grant Share Options to subscribe for the Shares under the 2024 Share Option Scheme and to allot, issue and deal with the Shares pursuant to the exercise of any Share Options to be granted under the 2024 Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Share Options in accordance with the terms and conditions of the 2024 Share Option Scheme.

3. DURATION AND ADMINISTRATION

The 2024 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date. However, the Company may by resolution at general meeting or the Board may at any time terminate the 2024 Share Option Scheme. Upon the expiry or termination of the 2024 Share Option Scheme, no further Share Options may be offered or granted under the 2024 Share Option Scheme but the provisions of the 2024 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Share Options granted prior thereto.

The 2024 Share Option Scheme shall be subject to the administration of the Board, whose decision shall be final, conclusive and binding on all parties.

4. WHO MAY JOIN AND BASIS FOR DETERMINING ELIGIBILITY

The Board shall have the absolute discretion to determine whether a person is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, which may include any Employee Participant.

In determining the basis of eligibility of each Eligible Participant, the Board shall take into account of factors including but not limited to the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group, the individual performance, time commitment, responsibilities or employment conditions with reference to the prevailing market practice and industry standard and the individual contribution or potential contribution to the development and future growth of the Group.

Subject to the terms and conditions of the 2024 Share Option Scheme, the Board shall be entitled at any time on a Business Day within a period of ten (10) years commencing on the Adoption Date to make an Offer or Offers to any Eligible Participant(s) as the Board may in its absolute discretion select.

5. RESTRICTION ON THE TIMING OF GRANT OF SHARE OPTIONS

A grant of the Share Option shall not be made after inside information (as defined under the SFO) has come to knowledge of the Board until (and including) the trading day after such inside information has been announced by the Company pursuant to the relevant requirements of the Applicable Laws. In particular, no Share Option shall be granted during the period commencing 30 days immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's annual, half-year, quarterly or other interim period results (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish an announcement of its annual or half-year, or quarterly or other interim period results (whether or not required under the Listing Rules), and ending on the date of actual publication of the results announcement, and where the Share Option is granted to a Director:
 - (i) no Share Option shall be granted during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
 - (ii) no Share Option shall be granted during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly (if any) or half-year period up to the publication date of the results.

6. OFFER AND ACCEPTANCE OF SHARE OPTIONS

Subject to the terms and conditions of the 2024 Share Option Scheme, the Board shall be entitled at any time on a Business Day within a period of ten (10) years commencing on the Adoption Date to make an Offer or Offers to any Eligible Participant(s) as the Board may in its absolute discretion select. Such Offer may, on a case-by-case basis and at the Board's discretion, include any conditions, restrictions or limitations in addition to those expressly set forth in the 2024 Share Option Scheme as it may think fit including:

- (a) vesting period and conditions, restrictions or limitations relating to the achievement of targets. The performance targets may comprise a mixture of attaining satisfactory financial targets and management targets which shall be determined based on the (i) performance of the Group; (ii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Grantee; and/or (iii) individual performance. For example, performance targets may be set in terms of sales, revenue, cash flow, cash collection, return on investment, commencement and completion of projects, customer satisfaction metrics or such other parameters or matters relevant to the roles and responsibilities of the relevant Grantee. The finance department of the Company shall be responsible for compiling a performance appraisal report on statistics relating Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance appraisal results and the individual performance appraisal results, which will be submitted to the Board and/or the Remuneration Committee for consideration and approval. For the avoidance of doubt, the performance targets are not applicable to independent non-executive Directors;
- (b) clawback mechanism for the Company to recover or withhold any remuneration (which may include Share Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances; and
- (c) if applicable, the satisfactory performance of certain obligations by the Grantee as the Board may determine from time to time.

The Share Option shall be deemed to have been granted and accepted when the Company receives a duplicate Offer Letter duly signed from the Grantee together with a remittance of HK\$1.00 or RMB1.00 (or such other nominal sum in any currency as the Board may determine) in favour of the Company as consideration for the grant within twenty-eight (28) days after the date of the Offer Letter or such other period as the Board determines. Such remittance shall in no circumstances be refundable. Once accepted, the Share Option shall be deemed to have been granted as from the date on which it was offered to the relevant Eligible Participant. No Offer shall be capable of or open for acceptance after the expiry of ten (10) years from the Adoption Date. Any offer to grant Share Option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral

multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the Share Option. To the extent that the offer to grant Share Option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined and lapsed automatically without notice.

The exercise of any Share Options shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company (if applicable).

7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (a) Subject to sub-paragraphs (b), (c) and (d) below, the maximum number of new Shares which may be issued upon exercise of all Share Options to be granted under the 2024 Share Option Scheme and all share options and share awards to be granted under any Other Schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the date of approval of the 2024 Share Option Scheme (the “**Scheme Mandate Limit**”) or the date of approval of the Refreshed Limit, whichever is the latest. Share options or share award lapsed in accordance with the terms of the 2024 Share Option Scheme or the Other Schemes will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (b) The Company may seek approval by the Shareholders in general meeting for “refreshing” the Scheme Mandate Limit after three (3) years from the date of shareholders’ approval for the last refreshment (or the Adoption Date). Any “refreshment” within any three (3) year period must be approved by the Shareholders subject to the following provisions:
 - (i) any controlling shareholders and their associates (or if there is no controlling shareholder of the Company, Directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under sub-paragraphs (a) and (b) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

- (c) Subject to sub-paragraph (d) below, the total number of new Shares which may be issued in respect of all Share Options to be granted under the 2024 Share Option Scheme and all share options and share awards to be granted under any Other Schemes under the Scheme Mandate Limit as “refreshed” must not, in aggregate, exceed 10% of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Limit**”). Upon such renewal, all Share Options granted under the 2024 Share Option Scheme and all share options and share awards granted under any Other Schemes (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the 2024 Share Option Scheme or any Other Schemes) prior to the approval of such renewal shall not be counted for the purpose of calculating the Refreshed Limit. A circular must be sent to the Shareholders containing such relevant information from time to time as required by the Listing Rules in connection with the general meeting at which their approval is sought.
- (d) The Company may seek separate approval by the Shareholders at general meeting to grant Share Options beyond the Scheme Mandate Limit or the Refreshed Limit provided that the Share Options in excess of the Scheme Mandate Limit or the Refreshed Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing such relevant information from time to time as required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.

8. MAXIMUM NUMBER OF SHARE OPTIONS TO ANY ONE INDIVIDUAL

The maximum number of new Shares issued and to be issued upon exercise of the Share Options already granted or to be granted to each Eligible Participant under the 2024 Share Option Scheme and all share options and share awards granted under any Other Schemes to such Eligible Participant (excluding any share options or share awards lapsed in accordance with the terms of the 2024 Share Option Scheme or any Other Schemes) in any twelve (12) month period up to and including the date of such grant shall not exceed 1% in aggregate of the Shares in issue as at the date of such grant. Any grant of further Share Options above this limit shall be subject to the following requirements:

- (a) approval of the Shareholders at general meeting, with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person of the Company) abstaining from voting;
- (b) a circular in relation to the proposal for such further grant having been sent by the Company to its Shareholders with such information from time to time as required by the Listing Rules; and
- (c) the number and terms (including the Exercise Price) of the Share Options to be granted to such proposed Grantee shall be fixed before the Shareholders’ approval mentioned in (a) above.

9. GRANT OF SHARE OPTIONS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY OF THEIR RESPECTIVE ASSOCIATES

Any grant of Share Options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of such Share Options).

If the Board is to grant Share Options to a substantial shareholder of the Company or an independent non-executive Director or their respective associates which would result in the new Shares issued and to be issued in respect of all Share Options and share options and share awards under any Other Schemes (excluding any share options and share awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12) months' period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue or such percentage as prescribed by the Listing Rules from time to time, such further grant of Share Options must be approved by the Shareholders. The Company must send a circular to the Shareholders containing such information as required under the Applicable Laws (including Rule 17.04 of the Listing Rules). The relevant Grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. Any vote taken at the meeting to approve the grant of such Share Options must be taken on a poll in accordance with the Listing Rules.

10. VESTING PERIOD

A Share Option must be held for at least twelve (12) months from the grant date before such Share Option can be exercised, except that at the Board's sole and absolute discretion, a shorter vesting period may be granted to an Employee Participant in the following circumstances:

- (a) grants of "make-whole" share options to new joiners to replace the share awards or share options they forfeited when leaving their previous employers;
- (b) grants with performance-based vesting conditions provided in the 2024 Share Option Scheme or as specified in the Offer Letter in lieu of time-based vesting criteria;
- (c) grants of Share Options that are made in batches during a year due to administrative or compliance requirements which may be subject to any changes made to the applicable laws, regulations and rules in the jurisdictions which the Employee Participants and the Group are subject to and not connected with the performance of the relevant Employee Participant, which include Share Options that should have been granted earlier if not for such administrative or compliance requirements but had to wait for subsequent batch, in which case the vesting period may be shortened to reflect the time from which the Share Options would have been granted if not for such administrative or compliance requirements, which allows flexibility for the Company to reward Employee Participants in case of delays due to administrative or compliance requirements;

- (d) grants with a mixed or accelerated vesting schedule such as where the Share Options may vest evenly over a period of twelve (12) months, or where the Share Options may vest by several batches with the first batch to vest within twelve (12) months of the grant date and the last batch to vest twelve (12) months after the grant date; or
- (e) grants with a total vesting and holding period of more than twelve (12) months.

11. CLAWBACK

Upon the occurrence of any of the following events (as solely determined by the Board) in relation to a Grantee, no further Share Options shall be granted to such Grantee and the Share Options granted to such Grantee shall be clawed back and such Options shall lapse accordingly on the date as determined by the Board (if such Share Options are unvested):

- (a) the Grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance;
- (b) the Grantee has contravened the relevant laws and regulations of any Applicable Laws or the provisions of the articles of association of any member of the Group;
- (c) the Grantee has, during his tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of any member of the Group;
- (d) the Grantee has failed to discharge, or failed to discharge properly, his duties or fail to comply with the Company's internal policies, adhere to the terms of his employment agreement, or demonstrate a satisfactory level of performance and thereby resulting in serious loss in assets to any member of the Group and other serious and adverse consequences;
- (e) the Grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission of Hong Kong or has been convicted of any criminal offence; or
- (f) the Grantee has failed to comply with any non-compete covenants or restrictive covenants or any terms and conditions of a similar effect applicable to the Grantee (if any) pursuant to any internal guideline(s) adopted by the Company (as amended, supplemented or modified from time to time).

Where a Share Option granted to any Grantees has vested but not yet exercised at the time when such Share Option is clawed back pursuant to paragraph 11, the relevant Share Option shall automatically lapse on the date as determined by the Board and shall no longer be exercisable.

Where a Share Option granted to any Grantee has vested and already exercised at the time when such Share Option is clawed back pursuant to paragraph 11, the Grantee shall return to the Company, as determined by the Board at its sole and absolute discretion, either (i) the exact number of the relevant vested and clawed back underlying Shares in respect of such Share Option, or (ii) the monetary amount equivalent to the Value of the relevant underlying Share(s) of the Share Option (I) on the grant date, (II) on the date of vesting of the relevant Share Option or (III) on the date of such clawback.

For the purpose of paragraph 11, “Value” of one share of the relevant underlying shares of the Share Options is the average closing price of one ordinary share of the Company as stated in the Stock Exchange’s daily quotations sheets for the five (5) business days immediately preceding the relevant date of determination (being the grant date, the date of vesting or the date of clawback, as applicable).

12. EXERCISE PRICE

The Exercise Price in respect of any particular Share Option shall be a price determined by the Board and stated in the Offer Letter, and shall be at least the higher of:

- (a) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the grant date of the Offer, which must be a Business Day;
- (b) the average of the closing prices of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five (5) Business Days immediately preceding the grant date of the Offer; and
- (c) the nominal value of a Share prevailing on the grant date of the Offer.

13. EXERCISE OF SHARE OPTIONS

Subject to the other terms and conditions of the Offer, sufficient authorised share capital being available, and any other reasonable actions required by the Board, the Share Option may be exercised in whole or in part by the Grantee or his Personal Representative (if applicable) within the relevant Exercise Period, being such period as determined and notified by the Board to the Grantee which shall not be more than ten (10) years from the Grant Date.

Subject to the restrictions stated in the foregoing paragraph, the Grantee shall give notice in writing to the Company stating that the Share Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Exercise Price and any applicable taxes for the Shares in respect of which the notice is given. Any notice given without such relevant remittance in full shall be invalid. Within twenty-eight (28) Business Days (excluding any period(s) of closure of the Company’s share registers) after receipt of the notice together with remittance of the relevant Exercise Price in full and, where appropriate, receipt of the certificate given by the Auditor or an independent financial adviser under sub-paragraph 16(c) below, the Company shall allot and issue the relevant number of Shares to the Grantee credited as fully paid and issue to the Grantee or the Personal Representative (if applicable) a share certificate in respect of the Shares so allotted and issued.

14. RESTRICTIONS ON EXERCISE OF SHARE OPTIONS

Subject to the Applicable Laws and as provided in the 2024 Share Option Scheme, the Share Options may be exercised by the Grantee at any time during the applicable Exercise Period, provided that, unless otherwise determined to the contrary by the Board:

- (a) in the event of the Grantee ceasing to be an Eligible Participant due to retirement as determined by the Board, then:
 - (i) he may exercise the Share Options (to the extent exercisable and not already exercised) either in full or in part until the earlier of the expiry of (x) the Exercise Period; and (y) six (6) months following his retirement, or such longer period as the Board may determine; and
 - (ii) the Share Options that have not become exercisable will lapse automatically on the date of retirement of the Grantee as determined by the Board;
- (b) in the event that the Grantee ceasing to be an Eligible Participant due to the reasons of a Group member (including but not limited to layoff or change of business), and the Grantee is not dismissed due to Culpable Termination, then:
 - (i) he may exercise the Share Options (to the extent exercisable and not already exercised) either in full or in part until the earlier of the expiry of (x) the Exercise Period; and (y) six (6) months following his cessation of employment, or such longer period as the Board may determine; and
 - (ii) the Share Options that have not become exercisable will lapse automatically on the date of cessation of employment of the Grantee as determined by the Board;
- (c) in the event of death of the Grantee (being an individual) or the Grantee (being an individual) ceasing to be an Eligible Participant by reason of Disability, then:
 - (i) his Personal Representative(s) may exercise the Share Options (to the extent exercisable and not already exercised) either in full or in part until the earlier of the expiry of (x) the Exercise Period; and (y) twelve (12) months following the date on which, as the case may be, (A) the Personal Representative(s) is granted an authorisation letter (which is issued by the relevant Group member confirming death of the Grantee) or (B) the Grantee becomes Disabled, or such longer period as the Board may determine; and
 - (ii) the Share Options that have not become exercisable will lapse automatically on the date on which, as the case may be, (A) the Personal Representative(s) is granted the authorisation letter or (B) the Grantee becomes Disabled;

- (d) in the event of the Grantee ceasing to be an Eligible Participant for any reasons other than his death or Disability, Bankruptcy or Culpable Termination of the Eligible Participant or in the circumstances as described in sub-paragraphs (a), (b), (c) above, and unless otherwise determined by the Board, then the limitations to the Exercise Period and exercise rights of the Share Options in sub-paragraphs (b)(i) and (b)(ii) above apply;
- (e) in the event of a compromise or arrangement between the Company and its members and/or creditors, pursuant to the Companies Law, is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice (together with a notice of the existence of the provisions of this sub-paragraph) to all the Grantees (or his Personal Representative(s)) on the same day as it despatches to members and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and each Grantee (or his Personal Representative(s)) shall be entitled to exercise his Share Options (to the extent not already exercised) in full or in part (but shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective) at any time prior to 12 noon (Hong Kong time) on the business day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. Upon such compromise or arrangement becoming effective, all Share Options shall lapse except insofar as previously exercised under the 2024 Share Option Scheme. The Company may require the Grantee (or his Personal Representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise of the Share Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement;
- (f) if a general offer (whether by way of take-over offer or share buy-back offer or otherwise in like manner (other than by way of scheme of arrangement pursuant to sub-paragraph (g) below) is made to all the holders of Shares and the Grantees (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), and the same having been approved in accordance with Applicable Laws and regulatory requirements becomes, or is declared unconditional, the Grantee (or his Personal Representative(s)) shall be entitled to exercise his Share Options (to the extent not already exercised) in full at any time within fourteen (14) days after the date on which such general offer becomes or is declared unconditional; and

- (g) if an offer is made to all the holders of Shares by way of a scheme of arrangement and such scheme of arrangement has been approved by the necessary number of holders of Shares and the Grantees (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror) at the requisite meetings prior to the expiry date of the relevant Share Option, notwithstanding any other terms on which the Share Option was granted, the Grantee may by notice in writing after the meetings and up to the record date for determining entitlements under such scheme of arrangement exercise the Share Option in full or in part, and to the extent that it has not been so exercised, the right to exercise the Share Option shall terminate immediately on the record date for determining entitlements under such scheme of arrangement.

15. LAPSE OF SHARE OPTION

The Share Option (to the extent not already exercised) shall lapse and not be exercisable on the earliest of:

- (a) the expiry of the Exercise Period;
- (b) the breach of the terms under paragraph 18 below;
- (c) the expiry of any of the periods referred to sub-paragraphs 14(a) to 14(g) above;
- (d) the date of commencement of the winding-up of the Company;
- (e) the date on which the relevant Eligible Participant ceases to be eligible by reason of Culpable Termination;
- (f) the occurrence of Bankruptcy of the Grantee, unless otherwise determined to the contrary by the Board; and
- (g) the date on which the Grantee commits a breach of any terms or conditions attached to the grant of the Share Option, unless otherwise determined to the contrary by the Board.

16. REORGANISATION OF CAPITAL STRUCTURE

- (a) In the event of any alteration in the capital structure of the Company while any Share Option remains exercisable, whether by way of a capitalisation issue, rights issue, subdivision or consolidation of Shares, or a reduction of share capital of the Company, the Board shall determine and direct that such corresponding adjustments be made in:
 - (i) the number of Shares subject to the Share Options so far as unexercised; and/or
 - (ii) the Exercise Price; and/or
 - (iii) the terms of the Share Options; and/or

(iv) the number of Shares subject to the 2024 Share Option Scheme.

For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment.

(b) Any adjustments required under sub-paragraph 16(a) above must be made in accordance with the following requirements:

(i) the adjustments must give a Grantee the same proportion of the equity capital, rounded to the nearest whole number, as that to which that Grantee was previously entitled, but no such adjustments may be made to the extent that Shares would be issued at less than their nominal value;

(ii) the adjustments must be made in accordance with the Applicable Laws and any other requirements or guidance by the Stock Exchange, if applicable;

(iii) if the Company conducts a consolidation or subdivision of the Shares after the date of approval of the 2024 Share Option Scheme, the maximum number of Shares that may be issued upon exercise of all Share Options to be granted under the 2024 Share Option Scheme and all share options and share awards to be granted under any Other Schemes under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(iv) if the Company conducts a consolidation or subdivision of the Shares after the date of approval of the renewal of the Scheme Mandate Limit by Shareholders at general meeting, the maximum number of Shares that may be issued upon exercise of all Share Options to be granted under the 2024 Share Option Scheme and all share options and share awards to be granted under any Other Schemes under the Refreshed Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

(c) In respect of any adjustments required under sub-paragraph 16(a) above (other than any made on a capitalisation issue), the Auditor or an independent financial adviser appointed by the Company must certify to the Directors in writing that the adjustments satisfy the requirements set out under sub-paragraph 16(b) above. In giving the certificate, the Auditor or the independent financial adviser appointed by the Company shall be deemed to be acting as expert and not as arbitrator and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected. The costs of the Auditor or the independent financial adviser appointed by the Company for the purpose of and in connection with the 2024 Share Option Scheme shall be borne by the Company.

17. RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of the Share Options shall be subject to all the provisions of the Articles of Association and the Applicable Laws in force as at the Allotment Date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the Allotment Date and accordingly shall entitle the holder to the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to other fully-paid Shares in issue on or after the Allotment Date. Share Options do not carry any right to vote at general meetings, or any dividend, transfer or other rights (including those arising on the winding-up of the Company).

18. RIGHTS ARE PERSONAL TO GRANTEE

The Share Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Share Option, except for the transmission of the Share Option on the death of the Grantee or the Grantee becoming Disabled according to the terms of the 2024 Share Option Scheme and Applicable Laws or where a waiver has been granted by the Stock Exchange. Any breach of the foregoing shall cause the relevant Share Option to lapse automatically and entitle the Company to cancel any outstanding Share Option or part thereof granted to such Eligible Participant.

19. ALTERATION OF THE 2024 SHARE OPTION SCHEME

The 2024 Share Option Scheme may be altered in any respect by resolution of the Board save for the following alterations which may be effected only with the prior approval of the Shareholders at general meeting:

- (a) any alterations of the terms and conditions of the 2024 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees or prospective Grantees;
- (b) any change to the terms of Share Options granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Share Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) except where such alterations take effect automatically under the existing terms of the 2024 Share Option Scheme; and
- (c) any change to the authority of the Board in relation to any alterations to the terms of the 2024 Share Option Scheme,

provided always that the amended terms of the 2024 Share Option Scheme must continue to comply with the relevant provisions of the Listing Rules (including Chapter 17 of the Listing Rules) and any other Applicable Laws.

20. TERMINATION

The Company by resolution at general meeting or the Board may at any time terminate the operation of the 2024 Share Option Scheme and in such event, no further Share Options may be offered or granted under the 2024 Share Option Scheme but the provisions of the 2024 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Share Options granted prior to the termination or otherwise as may be required in accordance with the terms and conditions of the 2024 Share Option Scheme.

21. CANCELLATION

Any Share Option may be cancelled in whole or in part and at any time if agreed between the Company and the relevant Grantee. If the Share Option is cancelled and a new Share Option is proposed to be issued to the same Grantee, the issue of such new Share Option may only be made under a scheme with available unissued Share Options (excluding for this purpose all cancelled Share Options) within the limits referred to in paragraph 7 above. In other words, Share Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

22. DISCLOSURE IN ANNUAL AND INTERIM REPORTS

The Board shall procure that details of the 2024 Share Option Scheme are disclosed in the Company's annual and interim reports in compliance with the Listing Rules.

The following is a summary of the principal terms of the 2024 Share Award Scheme proposed to be approved by the Shareholders at the Annual General Meeting. It does not form part of, nor is it intended to be part of, the rules of the 2024 Share Award Scheme.

1. PURPOSES OF THE 2024 SHARE AWARD SCHEME

The purposes of the 2024 Share Award Scheme are to enable the Group to (a) recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group (whether directly or indirectly), remunerate the best possible quality of the Eligible Participants, and attract, retain and motivate the Eligible Participants to continue to contribute to the growth and development of the Group; and (b) provide Eligible Participants with direct economic benefits in order to maintain a long term relationship between the Group and the Eligible Participants.

2. APPROVAL CONDITIONS

The 2024 Share Award Scheme shall take effect upon the satisfaction of the following conditions:

- (a) the passing of the necessary resolution(s) by the Shareholders at general meeting as required by the Articles of Association for approving the adoption of the 2024 Share Award Scheme and authorising the Directors to grant the Award Shares under the 2024 Share Award Scheme and to allot, issue and deal with the Shares in respect of any Share Awards to be granted pursuant to the 2024 Share Award Scheme; and
- (b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares which may be allotted and issued by the Company in respect of any Share Awards to be granted in accordance with the terms and conditions of the 2024 Share Award Scheme.

3. DURATION AND ADMINISTRATION

The 2024 Share Award Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date. However, the Company may by resolution at general meeting or the Board may at any time terminate the 2024 Share Award Scheme. Upon the expiry or termination of the 2024 Share Award Scheme, no further Share Awards may be offered or granted under the 2024 Share Award Scheme but the provisions of the 2024 Share Award Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of any Share Awards granted prior thereto.

The 2024 Share Award Scheme shall be subject to the administration of the Board, whose decision shall be final, conclusive and binding on all parties.

4. WHO MAY JOIN AND BASIS FOR DETERMINING ELIGIBILITY

The Board shall have the absolute discretion to determine whether a person is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, which may include any Employee Participant.

In determining the basis of eligibility of each Eligible Participant, the Board shall take into account of factors including but not limited to the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group, the individual performance, time commitment, responsibilities or employment conditions with reference to the prevailing market practice and industry standard and the individual contribution or potential contribution to the development and future growth of the Group.

5. GRANT OF AWARD SHARES

- (a) Subject to the terms and conditions of the 2024 Share Award Scheme, the Board may, during a period of ten (10) years commencing on the Adoption Date, at its absolute discretion, grant a Selected Participant an Award of such number of Shares which shall be subject to such conditions as may be determined by the Board in its absolute discretion.
- (b) The Company shall issue a letter to each Selected Participant in such form as the Board may from time to time determine (the "**Award Letter**"), specifying the Grant Date, the number of Award Shares underlying the Share Awards, the vesting dates and such other criteria, conditions, restrictions or limitations in relation thereto in addition to those expressly set forth in the 2024 Share Award Scheme as it may think fit and such further details as the Board may consider necessary including (without prejudice to the generality of the foregoing):
 - (i) vesting period and conditions, restrictions or limitations relating to the achievement of targets. The performance targets may comprise a mixture of attaining satisfactory financial targets and management targets which shall be determined based on the (i) performance of the Group; (ii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Grantee; and/or (iii) individual performance. For example, performance targets may be set in terms of sales, revenue, cash flow, cash collection, return on investment, commencement and completion of projects, customer satisfaction metrics or such other parameters or matters relevant to the roles and responsibilities of the relevant Grantee. The finance department of the Company shall be responsible for compiling a performance appraisal report on statistics relating Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance appraisal results and the individual performance appraisal results, which will be submitted to the Board and/or the Remuneration Committee for consideration and approval. For the avoidance of doubt, the performance targets are not applicable to independent non-executive Directors;

- (ii) clawback mechanism for the Company to recover or withhold any remuneration (which may include Share Awards granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances; and
 - (iii) if applicable, the satisfactory performance of certain obligations by the Grantee as the Board may determine from time to time.
- (c) A Share Award is accepted by the Selected Participants when the Company receives from the relevant Selected Participant:
- (i) a duly completed and executed duplicate of the Offer Letter; or
 - (ii) an agreement in such electronic form as may be prescribed by the Company from time to time,

and a remittance of the sum of HK\$1.00 or RMB1.00 (or such other nominal sum in any currency as the Board may determine) consideration for the grant of the Share Award within the time period stipulated in the Award Letter and in the absence of such provisions, within twenty-eight (28) days after the Grant Date. Such remittance is not refundable under any circumstances.

6. RESTRICTION ON THE TIMING OF GRANT OF SHARE AWARDS

No grant of the Share Award shall be made, no Shares or payment shall be made to the Trustees, and no directions or recommendation to acquire Shares shall be given to the Trustees, under the 2024 Share Award Scheme:

- (a) where the Company is in possession of inside information (as defined under the SFO) until (and including) the trading day after such inside information has been announced by the Company pursuant to the relevant requirements of the Applicable Laws. In particular, no such actions should be taken during the period commencing 30 days immediately preceding the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's annual, half-year, quarterly or other interim period results (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to publish an announcement of its annual or half-year, or quarterly or other interim period results (whether or not required under the Listing Rules),

and ending on the date of actual publication of the results announcement; or

- (b) where dealings by the Selected Participants are prohibited under any code or requirement of the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers) or any other applicable laws or regulations from time to time.

7. MAXIMUM NUMBER OF SHARES TO BE GRANTED

- (a) Subject to sub-paragraphs (b), (c) and (d) below, the maximum number of new Shares which may be allotted and issued in respect of all Share Awards to be granted under the 2024 Share Award Scheme and all share options and share awards to be granted under any Other Schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the Adoption Date (the “**Scheme Mandate Limit**”) or the date of approval of the Refreshed Limit, whichever is the latest. Share awards or share options lapsed in accordance with the terms of the 2024 Share Award Scheme or the Other Schemes will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (b) The Company may seek approval by the Shareholders in general meeting for “refreshing” the Scheme Mandate Limit after three (3) years from the date of shareholders’ approval for the last refreshment (or the Adoption Date). Any “refreshment” within any three (3) year period must be approved by the Shareholders subject to the following provisions:
 - (i) any controlling shareholders and their associates (or if there is no controlling shareholder of the Company, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under sub-paragraphs (a) and (b) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

- (c) Subject to sub-paragraph (d) below, the total number of new Shares which may be issued in respect of all Share Awards to be granted under the 2024 Share Award Scheme and all share options and share awards to be granted under any Other Schemes under the Scheme Mandate Limit as “refreshed” must not, in aggregate, exceed 10 % of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Limit**”). Upon such renewal, all Share Awards granted under the 2024 Share Award Scheme and all share options and share awards granted under any Other Schemes (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the 2024 Share Award Scheme or Other Schemes) prior to the approval of such renewal shall not be counted for the purpose of calculating the Refreshed Limit. A circular must be sent to the Shareholders containing such relevant information from time to time as required by the Listing Rules in connection with the general meeting at which their approval is sought.
- (d) The Company may seek separate approval by the Shareholders at general meeting to grant Share Awards beyond the Scheme Mandate Limit or the Refreshed Limit provided that the Share Awards in excess of the Scheme Mandate Limit or the Refreshed Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing such relevant information from time to time as required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.

8. MAXIMUM NUMBER OF SHARE AWARDS TO ANY ONE INDIVIDUAL

The maximum number of new Shares granted or to be granted to each Eligible Participant under the 2024 Share Award Scheme and all share options and share awards granted under any Other Schemes to such Eligible Participant (excluding any share options or share awards lapsed in accordance with the terms of the 2024 Share Award Scheme or any Other Schemes) in any twelve (12) month period up to and including the date of such grant shall not exceed 1% in aggregate of the Shares in issue as at the date of such grant, unless such grant is separately approved by the Shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person of the Company) abstaining from voting in accordance with Rule 17.03D(1) of the Listing Rules.

9. GRANT OF SHARE AWARDS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY OF THEIR RESPECTIVE ASSOCIATES

Any grant of Share Awards to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of such Share Awards).

- (a) If the Board is to grant Share Awards of new Shares to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the new Shares issued and to be issued in respect of all share awards granted (regardless of under the 2024 Share Award Scheme or any Other Schemes but excluding any awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue or such percentage as prescribed by the Listing Rules from time to time; or
- (b) If the Board is to grant Share Awards of new Shares to a substantial shareholder of the Company or an independent non-executive Director or their respective associates which would result in the new Shares issued and to be issued in respect of all Share Awards and all share options and share awards under any Other Schemes granted (excluding any share options and share awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue or such percentage as prescribed by the Listing Rules from time to time,

such further grant of Share Awards of new Shares must be approved by the Shareholders. The Company must send a circular to the Shareholders containing such information as required under the Applicable Laws (including Rule 17.04 of the Listing Rules). The relevant Grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. Any vote taken at the meeting to approve the grant of such Share Awards must be taken on a poll in accordance with the Listing Rules.

10. APPOINTMENT OF TRUSTEE AND MAINTENANCE OF TRUST

The Board may appoint a Trustee to assist with the administration and vesting of the Share Awards granted pursuant to the 2024 Share Award Scheme. The Company may at any time, but in any event at least three months prior to the Vesting Date of any Award Shares and the Related Income, and after having regard to the requirement under paragraph 6 above:

- (i) allot and issue such number of Shares to the Trustee as approved by the Board under the Scheme Mandate Limit or the Refreshed Limit granted or to be granted by the Shareholders at general meetings of the Company from time to time for future share awards; and/or
- (ii) pay to the Trustee such monies in such amount as approved by the Board, and may give directions or a recommendation to the Trustee to apply such monies, paid or already held as part of the funds of the Trust to acquire such number of Shares on the market and/or to pay the Related Income; and/or
- (iii) apply any Returned Shares held in the Trust,

to satisfy in full the Award Shares and the Related Income which are vested and/or which shall be vested shortly.

11. SETTLEMENT AND/OR PAYMENT OF AWARD

- (a) Upon the satisfaction of conditions including without limitation, the vesting of the Share Award and the Related Income, the Board may at its absolute discretion to either:
 - (i) direct and procure the Trustee to release the Award Shares and the Related Income to the Grantees by transferring the number of Award Shares and the Related Income to the Grantees in such manner as determined by the Board in its absolute discretion from time to time; or
 - (ii) to the extent where it is in the reasonable opinion of the Company not practicable for the Grantee to receive the Award Shares and any securities forming part of the Related Income (if any) due to legal or regulatory restrictions or otherwise with respect to the Grantee's ability to receive the Share Award in Shares or securities or the Trustee's ability to give effect to any such transfer to the Grantee, direct and procure the Trustee to sell the number of Award Shares and the securities forming part of the Related Income (if any) on such dates and in such manner as the Board shall in its absolute discretion determine and pay the Grantee the proceeds arising from such sale based on the Actual Selling Price of the Shares and the securities and the Related Income in cash as set out in a vesting notice.

12. VESTING PERIOD

The vesting period in respect of a Share Award for new Shares held by the Eligible Participant must be at least twelve (12) months, except that at the Board's sole and absolute discretion, a shorter vesting period may be granted to an Employee Participant in the following circumstances:

- (a) grants of "make-whole" share awards to new joiners to replace the share awards or share options they forfeited when leaving their previous employers;
- (b) grants with performance-based vesting conditions provided in the 2024 Share Award Scheme or as specified in the Offer Letter in lieu of time-based vesting criteria;
- (c) grants of Share Awards that are made in batches during a year due to administrative or compliance requirements which may be subject to any changes made to the applicable laws, regulations and rules in the jurisdictions which the Employee Participants and the Group are subject to and not connected with the performance of the relevant Employee Participants, which include Share Awards that should have been granted earlier if not for such administrative or compliance requirements but had to wait for subsequent batch, in which case the vesting period may be shortened to reflect the time from which the Share Awards would have been granted if not for such administrative or compliance requirements, which allows flexibility for the Company to reward Employee Participants in case of delays due to administrative or compliance requirements;
- (d) grants with a mixed or accelerated vesting schedule such as where the Share Awards may vest evenly over a period of twelve (12) months, or where the Share Awards may vest by several batches with the first batch to vest within twelve (12) months of the Grant Date and the last batch to vest twelve (12) months after the Grant Date; or
- (e) grants with a total vesting and holding period of more than twelve (12) months.

13. INTEREST IN THE ASSETS OF THE TRUST

For avoidance of doubt:

- (a) a Grantee shall only have a contingent right to receive either the Award Shares or the Actual Selling Price, and the Related Income upon the vesting of such Share Award in accordance with the 2024 Share Award Scheme; and
- (b) the Trustee and the Grantee shall not exercise the voting rights in respect of any Shares and any other securities (if any) held under the Trust (including but not limited to the Award Shares, any Returned Shares, any bonus Shares, any scrip Shares and any non-cash and non-scrip distribution received in respect of that Award Share). The Trustee holding unvested shares under the 2024 Share Award Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

14. CLAWBACK

Upon the occurrence of any of the following events (as solely determined by the Board) in relation to a Grantee, no further Share Awards shall be granted to such Grantee and the Share Awards already granted to such Grantee shall be clawed back and such Share Awards shall lapse accordingly on the date as determined by the Board (if such Share Awards are unvested):

- (a) the Grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance;
- (b) the Grantee has contravened the relevant laws and regulations of any Applicable Laws or the provisions of the articles of association of any member of the Group;
- (c) the Grantee has, during his tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of any member of the Group;
- (d) the Grantee has failed to discharge, or failed to discharge properly, his duties or fail to comply with the Company's internal policies, adhere to the terms of his employment agreement, or demonstrate a satisfactory level of performance and thereby resulting in serious loss in assets to any member of the Group and other serious and adverse consequences;
- (e) the Grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission of Hong Kong or has been convicted of any criminal offence; or
- (f) the Grantee has failed to comply with any non-compete covenants or restrictive covenants or any terms and conditions of a similar effect applicable to the Grantee (if any) pursuant to any internal guideline(s) adopted by the Company (as amended, supplemented or modified from time to time).

Where a Share Award (or any part thereof) granted to a Grantee has already been vested at the time when such Share Award is clawed back pursuant to this paragraph 14, the Grantee shall return, by the Board's determination at its sole and absolute discretion, either (i) the exact number of vested and clawed back Share(s), (ii) the monetary amount equivalent to the Value of the relevant Share(s) (I) on the Grant Date, (II) on the Vesting Date, or (III) on the date of such clawback.

Where a Share Award (or any part thereof) granted to a Grantee is unvested at the time when such Share Award is clawed back pursuant to this paragraph 14, such Share Award (or any part thereof) subject to clawback will lapse on the date as determined by the Board and the relevant Shares will not vest on the relevant Vesting Date and the relevant Shares will not be counted for the purpose of the Scheme Mandate Limit.

For the purpose of this paragraph 14, “Value” of the relevant Share(s) is the average closing price of the Share(s) as stated in the Stock Exchange’s daily quotations sheets for the five (5) Business Days immediately preceding the relevant date of determination (being the Grant Date, the Vesting Date or the date of clawback, as applicable).

15. CESSATION AS AN ELIGIBLE PERSON

- (a) Unless the Board determines otherwise at its absolute discretion, in the event that the Grantee ceases to be an Eligible Participant at any time prior to the Vesting Date (if any) by reason of:
- (i) resignation of the Grantee’s employment with the Group, any outstanding Share Award not yet vested shall lapse on the date when the resignation becomes effective;
 - (ii) termination of the Grantee’s employment or early termination of the contractual engagement with the Group due to a Culpable Termination, any outstanding Share Award not yet vested shall lapse on the date the Grantee ceases to be an employee or officer of the relevant member of the Group;
 - (iii) winding-up of any member of the Group in which the Grantee is employed or is contractually engaged;
 - (iv) death or Disability of the Grantee, any outstanding Share Award not yet vested shall lapse on the date of the Grantee’s death or on the date which he suffered a Disability, as the case may be; or
 - (v) the occurrence of Bankruptcy of the Grantee, any outstanding Share Award not yet vested shall lapse on such occurrence.
- (b) If a Grantee ceases to be an Eligible Participant for reasons or events other than provided under the 2024 Share Award Scheme, then, all outstanding Share Award not yet vested shall be forfeited on his ceasing to be an Eligible Participant unless the Board determines otherwise at its absolute discretion.

16. RIGHTS UPON CHANGE IN CONTROL

If an event of change in control of the Company occurs, whether by way of offer, merger, privatisation by way of a scheme of arrangement, in respect of Award Shares and the Related Income, all the outstanding Share Award will immediately vest on the date when such change of control event becomes or is declared unconditional or at an earlier date as determined by the Board at its sole discretion.

17. REORGANISATION OF CAPITAL STRUCTURE

- (a) In the event of any alteration in the capital structure of the Company whilst any Share Award remains unvested, and such event arises from a capitalisation issue, rights issue, consolidation or sub-division of Shares, or a reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party), the Board shall determine and make alterations to the number of Shares to be granted subject to the Share Award so far as unvested. All fractional Shares (if any) arising out of such alteration in the capital structure of the Company in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant vesting date. The Trustee shall hold the Returned Shares to be applied in accordance with the provisions of the rules of the 2024 Share Award Scheme for the purpose of the 2024 Share Award Scheme.
- (b) Any such alteration shall be subject to a written confirmation from an independent financial adviser or the Company's auditors to the Directors, either generally or as regard any particular Selected Participant, to have given the Selected Participants the same proportion (or rights in respect of the same proportion) of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled, provided that no such adjustments shall be made to the extent that a Share would be issued at less than its nominal value. The capacity of the independent financial adviser or the Company's auditors (as the case may be) in this clause is that of experts and not of arbitrators and their confirmation shall, in the absence of manifest error, be final and binding on the Company and the Selected Participant.

18. TRANSFERABILITY AND OTHER RIGHTS TO AWARD SHARES

Any Share Award granted hereunder but not yet vested shall be personal to the Grantee to whom it is made and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Share Award, or enter into any agreement to do so. Any breach of the foregoing shall cause the relevant Share Award to lapse automatically and entitle the Company to cancel any outstanding Share Award or part thereof granted to such Eligible Participant.

19. ALTERATION OF THE 2024 SHARE AWARD SCHEME

Except for the provisions the amendment of which requires Shareholders' approval pursuant to the Listing Rules, the 2024 Share Award Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Grantee hereunder except:

- (a) where the consent in writing of the Grantees is obtained amounting to three-fourths in nominal value of all Award Shares held by the Trustee on that date; or

- (b) with the sanction of a resolution at a meeting of the Grantees passed by not less than three-fourths of the votes cast by the Grantees entitled to vote at the meeting.

Any alterations to the terms and conditions of the 2024 Share Award Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Selected Participants or prospective Selected Participants must be approved by the Shareholders at general meeting.

In respect of any proposed amendment in relation to the terms of Share Awards granted to a Selected Participant, it must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Share Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors, and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2024 Share Award Scheme.

The amended terms of the 2024 Share Award Scheme or the Award Shares must comply with all applicable laws, rules and regulations (including without limitation Chapter 17 of the Listing Rules).

20. TERMINATION

The Company by resolution at general meeting or the Board may at any time terminate the operation of the 2024 Share Award Scheme and in such event, no further Share Awards may be offered or granted under the 2024 Share Award Scheme but the provisions of the 2024 Share Award Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Share Awards granted prior to the termination or otherwise as may be required in accordance with the terms and conditions of the 2024 Share Award Scheme.

21. CANCELLATION

The Board in its sole discretion may cancel an Award Share granted but remained unvested with the approval of the Grantee of such Award Share in certain circumstances, including where it is necessary to comply with the laws in the jurisdictions in which the Eligible Participants and the Company are subject to, or in order to comply with the requirements of any securities exchange.

For the avoidance of doubt, where the Company cancels Share Awards granted to a Grantee and makes a new grant to the same Grantee, such new grant may only be made with available Scheme Mandate Limit approved by the Shareholders as referred to in Rule 17.03B or Rule 17.03C of the Listing Rules, and that Share Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

22. DISCLOSURE IN ANNUAL AND INTERIM REPORTS

The Board shall procure that details of the 2024 Share Award Scheme are disclosed in the Company's annual and interim reports in compliance with the Listing Rules.



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)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of Midea Real Estate Holding Limited (the “**Company**”) will be held on 24 May 2024 at 11:00 a.m. with a combination of (a) a physical meeting at 30/F, Tower 4, Midea Real Estate Plaza, No. 1 Chengde Road, Beijiao Town, Shunde District, Foshan City, Guangdong Province, the PRC; and (b) an online virtual meeting through the Tricor e-Meeting System for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the Company’s directors (the “**Directors**”) and the Company’s auditor for the year ended 31 December 2023.
2. To declare a final dividend of HK\$0.36 per ordinary share for the year ended 31 December 2023.
3. (a) To re-elect Mr. Wang Quanhui as an executive Director of the Company.
(b) To re-elect Mr. Zhao Jun as a non-executive Director of the Company.
(c) To re-elect Mr. Lu Qi as an independent non-executive Director of the Company.
(d) To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
4. To re-appoint PricewaterhouseCoopers as the Company’s auditor and authorise the Board to fix their remuneration.

As ordinary business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

5. “**THAT** there be granted to the Directors an unconditional general mandate to allot, issue and deal with additional shares of the Company (the “**Share(s)**”) and to make or grant offers, agreements, options and other securities in respect thereof, subject to the following conditions:
 - (a) such mandate shall not extend beyond the Relevant Period (as defined below) save that the Directors may during the Relevant Period make or grant offers, agreements, options and other securities which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the memorandum and articles of association of the Company; (iii) the issue of Shares upon the exercise of share options or the vesting of award shares granted under any share scheme adopted from time to time in compliance with Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”); or (iv) an issue of Shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into Shares, shall not exceed 20% of the total number of Shares in issue at the date of passing of this resolution (subject to adjustment in the case of a share consolidation or subdivision after the passing of this resolution) and the said approval shall be limited accordingly; and

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the memorandum and articles of association of the Company; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors made to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** there be granted to the Directors an unconditional general mandate to buy-back Shares, and **THAT** the exercise by the Directors of all powers of the Company to buy-back Shares subject to and in accordance with all applicable laws, rules and regulations be and is hereby generally and unconditionally approved, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period (as defined below);
 - (b) such mandate shall authorise the Directors to procure the Company to buy-back Shares at such prices as the Directors may at their discretion determine;
 - (c) the total number of Shares bought-back or agreed to be bought-back by the Company pursuant to paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of Shares in issue at the date of passing of this resolution (subject to adjustment in the case of a share consolidation or subdivision after the passing of this resolution) and the said approval shall be limited accordingly; and
 - (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the memorandum and articles of association of the Company; and
 - (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
7. “**THAT**, conditional upon the passing of resolutions numbered 5 and 6 above, the total number of Shares which are bought-back by the Company pursuant to and in accordance with resolution numbered 6 above shall be added to the total number of Shares which may be allotted or agreed, conditionally or unconditionally, to be allotted by the Directors pursuant to and in accordance with resolution numbered 5 above.”

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

8. **“THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) granting the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued pursuant to the exercise of share options which may be granted under the share option scheme (the **“2024 Share Option Scheme”**), the rules of which are contained in the document marked **“A”** produced to the meeting and signed by the chairman of the meeting for the purposes of identification, the 2024 Share Option Scheme be and is hereby approved and adopted and the Directors be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Option Scheme, including without limitation:
 - (i) to administer and grant share options to participants eligible under the 2024 Share Option Scheme;
 - (ii) to modify and/or amend the 2024 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Option Scheme relating to modification and/or amendment and the requirements of the Listing Rules;
 - (iii) to allot, issue and deal with from time to time such number of Shares as may be required to be allotted, issued and dealt with pursuant to the exercise of the share options under the 2024 Share Option Scheme and subject to the Listing Rules;
 - (iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for the listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options granted under the 2024 Share Option Scheme; and
 - (v) to consent, if they so deem fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2024 Share Option Scheme; and
- (b) subject to paragraph 8(a) hereinabove, the share option scheme adopted by the Company on 29 May 2020 be and is terminated with effect upon the adoption of the 2024 Share Option Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

9. “THAT:

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued pursuant to the vesting of the award shares which may be granted under the share award scheme (the “**2024 Share Award Scheme**”), the rules of which are contained in the document marked “B” produced to the meeting and signed by the chairman of the meeting for the purposes of identification, the 2024 Share Award Scheme be and is hereby approved and adopted and the Directors be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Award Scheme, including without limitation:
- (i) to administer and grant award shares to participants eligible under the 2024 Share Award Scheme;
 - (ii) to modify and/or amend the 2024 Share Award Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Award Scheme relating to modification and/or amendment and the requirements of the Listing Rules;
 - (iii) to allot, issue and deal with from time to time such number of Shares as may be required to be allotted, issued and dealt with pursuant to the vesting of the award shares under the 2024 Share Award Scheme and subject to the Listing Rules;
 - (iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for the listing of, and permission to deal in, any shares in the Company which may hereafter from time to time be allotted and issued pursuant to the vesting of the award shares granted under the 2024 Share Award Scheme; and
 - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2024 Share Award Scheme; and
- (b) subject to paragraphs 9(a) hereinabove, the share award scheme adopted by the Company on 22 April 2021 be and is terminated with effect upon the adoption of the 2024 Share Award Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

(10) “**THAT**, the Scheme Mandate Limit (as defined in the 2024 Share Option Scheme and the 2024 Share Award Scheme) on the total number of Shares which may be issued in respect of all share options and share awards to be granted under the 2024 Share Option Scheme, the 2024 Share Award Scheme and any other share schemes of the Company (i.e. 10% of the Shares in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the Directors be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Directors may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”

By order of the Board
Midea Real Estate Holding Limited
Hao Hengle
Chairman, Executive Director and President

Hong Kong, 29 April 2024

Notes:

1. A shareholder of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy needs not be a Shareholder.
2. To be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the above meeting or any adjourned meeting. The proxy form can be downloaded from the website of the Company at <http://www.mideadc.com> or the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk>.
3. Delivery of an instrument appointing a proxy shall not preclude a Shareholder from attending and voting at the meeting or poll concerned. The instrument of proxy shall be valid as well for any adjournment of the above meeting.
4. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether electronically or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. For the purpose of ascertaining the shareholders’ rights of attending and voting at the meeting, the register of members of the Company will be closed from 20 May 2024 to 24 May 2024, both days inclusive, during which period no transfer of shares shall be effected. In order to be entitled to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 17 May 2024.
6. For the purpose of determining the identity of shareholders who are entitled to the proposed final dividend, the register of members of the Company will be closed from 3 June 2024 to 5 June 2024, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 31 May 2024.

NOTICE OF ANNUAL GENERAL MEETING

7. Details of the arrangements at the Annual General Meeting, please refer to pages ii to iv of the Company's circular dated 29 April 2024.
8. Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in this notice will be taken by poll at the above meeting.
9. If a tropical cyclone warning signal no. 8 or above or "extreme conditions" caused by super typhoons or a black rainstorm warning is in force at or after 9:00 a.m. on the date of the Annual General Meeting, the meeting will be postponed or adjourned to such date, time and place as the Board may decide and announce by issuing further announcement.