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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Country Garden Services Holdings Company Limited** (碧桂園服務控股有限公司) (the “**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or registered institution or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**COUNTRY GARDEN SERVICES HOLDINGS COMPANY LIMITED**

**碧桂園服務控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6098)**

**PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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Unless the context otherwise requires, capitalised terms used in this cover shall have the same meanings as defined in this circular.

A letter from the Board is set out on pages 5 to 17 of this circular. A notice convening the EGM to be held at Guipan Conference Room, 1/F, Country Garden Holiday Resort, Beijiao Town, Shunde, Foshan, Guangdong Province, the PRC on Tuesday, 9 July 2024 at 3:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.bgyfw.com](http://www.bgyfw.com)).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM if you so wish and in such event, the form of proxy shall be deemed to be revoked.

19 June 2024

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## DEFINITIONS

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

“2020 Share Option Scheme”	the share option scheme adopted by the Company on 28 September 2020;
“2024 Share Option Scheme”	the Company’s share option scheme proposed to be approved and adopted by the Shareholders at the EGM, a summary of the principal terms of which is set out in the Appendix to this circular;
“Adoption Date”	the date on which the 2024 Share Option Scheme is adopted by the ordinary resolution to be passed by the Shareholders at the EGM;
“Articles”	the memorandum and articles of association of the Company (as amended from time to time);
“associate(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Auditors”	means the auditors of the Company for the time being;
“Board”	the board of Directors;
“Business Day”	any day on which licensed banks in Hong Kong are open for business and the Stock Exchange is open for the business of dealing in securities (excluding Saturday and Sunday);
“chief executive”	shall have the meaning ascribed thereto under the Listing Rules;
“close associates”	shall have the meaning ascribed thereto under the Listing Rules;
“Company”	Country Garden Services Holdings Company Limited (碧桂園服務控股有限公司) (Stock code: 6098), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	shall have the meaning as defined under the Listing Rules;

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## DEFINITIONS

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“Consultation Conclusions”	consultation conclusions on the proposed amendments to the Listing Rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022;
“controlling shareholder(s)”	shall have the meaning as defined under the Listing Rules;
“core connected person”	shall have the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held at Guipan Conference Room, 1/F, Country Garden Holiday Resort, Beijiao Town, Shunde, Foshan, Guangdong Province, the PRC on Tuesday, 9 July 2024 at 3:00 p.m. or any adjournment thereof, the notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular, or any adjournment thereof;
“EGM Notice”	the notice of EGM set out on pages EGM-1 to EGM-3 of this circular;
“Eligible Participant(s)”	means (1) any current employee, executive or officer of the Group; or (2) any director (including non-executive directors but excluding independent non-executive directors) of the Group (together, (1) and (2) are referred to as “ <b>Employee Participants</b> ”); and (3) the Service Providers;
“Exercise Price”	the price per Share at which a Grantee may subscribe for Shares upon the exercise of an Option awarded under the 2024 Share Option Scheme;
“Grant Date”	the date of the offer letter, which date must be a Business Day, on which an Offer is made to an Eligible Participant;
“Grantee”	any Eligible Participant who has accepted the Offer in accordance with the terms of the 2024 Share Option Scheme or his Personal Representative(s);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

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## DEFINITIONS

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“Latest Practicable Date”	Wednesday, 12 June 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“Offer”	an offer for the grant of an Option made in accordance with the terms of the 2024 Share Option Scheme;
“Option(s)”	option(s) granted to a grantee pursuant to the 2024 Share Option Scheme;
“Option Period”	in respect of any Option, the Grantee may exercise such Option subject to the terms of the grant provided always that such period shall not be longer than ten (10) years from the date upon which any Option is granted in accordance with the 2024 Share Option 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, is or are entitled to exercise the Option granted to such Grantee;
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Remuneration Committee”	the remuneration committee of the Company;
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all Options to be granted under the 2024 Share Option Scheme and all options and awards to be granted under any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the Adoption Date;
“Service Provider(s)”	persons who provide continuous and recurring services to the Group in its ordinary and usual course of business that are in line with the Group’s long-term development interests and who are any consultants and advisors, distributors, contractors, suppliers, agents and service providers of the Group, but excluding (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity;

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## DEFINITIONS

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“Service Provider Sublimit”	the total number of Shares which may be issued upon exercise in respect of all Options to be granted under the 2024 Share Option Scheme to the Service Providers, must not, in aggregate, exceed 2% of the total number of Shares in issue as at the Adoption Date;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) with a par value of US\$0.0001 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification, or re-construction of the share capital of the Company from time to time);
“Shareholders”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary” or “Subsidiaries”	any subsidiary (as the term is defined in the Listing Rules) of the Company;
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-Backs as approved by the Securities and Futures Commission of Hong Kong, as amended, modified or otherwise supplemented from time to time;
“US\$”	the United States dollar, the lawful currency of the time being of the United States of America;
“Vesting Period”	the minimum period during which an Option must be held by the Grantee before the Option can be exercised;
“%”	per cent.

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LETTER FROM THE BOARD

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**COUNTRY GARDEN SERVICES HOLDINGS COMPANY LIMITED**

**碧桂園服務控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6098)**

*Executive Directors:*

Mr. XU Binhuai (*President*)

Mr. XIAO Hua

*Non-executive Director:*

Ms. YANG Huiyan (*Chairman*)

*Independent Non-executive Directors:*

Mr. MEI Wenjue

Mr. RUI Meng

Mr. CHEN Weiru

Mr. ZHAO Jun

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Headquarters and Principal place  
of business in the PRC:*

West Building of Country Garden office

Beijiao Town

Shunde District, Foshan

Guangdong Province

the PRC

*Principal place of business  
in Hong Kong:*

4th Floor, Ruttonjee House

Ruttonjee Centre

11 Duddell Street

Central

Hong Kong

19 June 2024

*To the Shareholders,*

Dear Sir or Madam,

**PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement dated 3 April 2024 in relation to, among other things, the proposed adoption of the 2024 Share Option Scheme. The purpose of this circular is to provide you with (i) further information on the 2024 Share Option Scheme; and (ii) notice of the EGM to enable you to make an informed decision as to vote for or against the resolutions to be proposed at the EGM.

## LETTER FROM THE BOARD

### TERMINATION OF THE 2020 SHARE OPTION SCHEME AND PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME

The 2020 Share Option Scheme was adopted by the Company on 28 September 2020 and is valid and effective for a period of 10 years from the date of adoption. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended with effect from 1 January 2023. In light of the above, the Board has resolved to terminate the 2020 Share Option Scheme, which is conditional upon the passing of the resolution(s) by the Shareholders to approve and adopt the 2024 Share Option Scheme, and propose the adoption of the 2024 Share Option Scheme.

The purpose of the 2024 Share Option Scheme is (i) to motivate the Eligible Participants to work hard for the Group's future development by providing them with an opportunity to acquire the Shares of the Company, thereby promoting long-term stable development of the Group; (ii) to provide the Eligible Participants with incentives and/or rewards for their contributions to the Group; and (iii) to enhance the Group's ability to attract and retain individuals with outstanding skills and extensive experience.

As at the Latest Practicable Date, there were 24,852,000 outstanding options granted but not yet exercised under the 2020 Share Option Scheme. The Board intends to cancel the 24,852,000 outstanding options granted but not yet exercised under the 2020 Share Option Scheme on the same date of and only upon the adoption of the 2024 Share Option Scheme at the EGM. If the 2024 Share Option Scheme is not approved and adopted at the EGM, such outstanding options shall continue to be valid and exercisable in accordance with the provisions of the 2020 Share Option Scheme and their terms of issue.

Category of Grantees	Outstanding but not yet exercised as at the Latest Practicable Date	Exercise Price per share (HK\$)	Grant Date	Exercise Period
<b>Directors</b>				
Mr. Xu Binhuai	1,540,000	50.07	28.09.2020	Vesting date <sup>(1)</sup> — 27/09/2025 <sup>(4)</sup>
Mr. Xiao Hua	860,000	50.07	28.09.2020	Vesting date <sup>(1)</sup> — 27/09/2025 <sup>(4)</sup>
Director's Subtotal	2,400,000			
<b>Employee participants</b>				
	21,332,000	50.07	28.09.2020	Vesting date <sup>(2)</sup> — 27/09/2025 <sup>(4)</sup>
	1,060,000	50.07	30.03.2022	Vesting date <sup>(3)</sup> — 29/03/2027 <sup>(4)</sup>
<b>Service providers*</b>				
	60,000	50.07	28.09.2020	Vesting date <sup>(1)</sup> — 27/09/2025 <sup>(4)</sup>
Sub-total of eligible participants (other than directors)	22,452,000			
Total	<u>24,852,000</u>			



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## LETTER FROM THE BOARD

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*Notes:*

- (1) Subject to the fulfillment of the relevant vesting conditions, (a) as of the date of publication of the audited financial report for the year ending 31 December 2020, 40% of the total number of Shares granted under the share options would vest in the relevant grantees; (b) as of the date of publication of the audited financial report for the year ending 31 December 2021, 30% of the total number of Shares granted under the share options would vest in the relevant grantees; and (c) in respect of the year ending 31 December 2022, 30% of the total number of Shares granted under the share options would vest in the relevant grantees.
- (2) Subject to the fulfillment of the relevant vesting conditions, the vesting dates of 20,932,000 share options (out of 21,332,000 share options) granted by the Company to the employees (other than directors) are as set out in note (1) above, with the remaining 400,000 share options (out of 21,332,000 share options) held by certain employees vesting on the date of publication of the Company's audited report for the relevant financial year, i.e. (a) as of the date of publication of the audited financial report for the year ending 31 December 2021, 40% of the total number of shares granted under the share options would be vested in the relevant grantees; (b) as of the date of publication of the audited financial report for the year ending 31 December 2022, 30% of the total number of shares granted under the share options would be vested in the relevant grantees; and (c) as of the date of publication of the audited financial report for the year ending 31 December 2023, 30% of the total number of shares granted under the shares options would be vested in the relevant grantees.

\* *The service providers, all of whom are consultants to the Company, are persons who have been and continue to be providing services to the Group in the ordinary course of business which are conducive to the long-term development of the Group. For the avoidance of doubt, service providers do not include placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, nor professional service providers who provide assurance, or are required to perform their services with impartiality and objectivity.*

- (3) Subject to the fulfillment of the relevant vesting conditions, the vesting date of 640,000 share options (out of 1,060,000 share options) granted to certain employees is the date of publication of the Company's audited report for the relevant financial year, (a) as of the date of publication of the audited financial report for the year ending 31 December 2021, 40% of the total number of shares granted pursuant to the share options would be vested in the relevant grantees; (b) as of the date of publication of the audited financial report for the year ending 31 December 2022, 30% of the total number of Shares granted pursuant to the share options would be vested in the relevant grantees; and (c) as of the date of publication of the audited financial report for the year ending 31 December 2023, 30% of the total number of Shares granted pursuant to the share options would be vested in the relevant grantees.

The vesting date of 420,000 share options (out of 1,060,000 share options) granted to the remaining employees is the date of publication of the Company's audited report for the relevant financial year, (a) as of the date of publication of the audited financial report for the year ending 31 December 2022, 40% of the total number of Shares granted under the share options would be vested in the relevant grantees; (b) as of the date of publication of the audited financial report for the year ending 31 December 2023, 30% of the total number of Shares granted under the share options would be vested in the relevant grantees; and (c) as of the date of publication of the audited financial report for the year ending 31 December 2024, 30% of the total number of shares granted under the share options will be vested in the relevant grantees.

The reason for part of the options having a vesting period of less than 12 months is that the exercise price (i.e. exercise price of HK\$72.40) of the options for 1,600,000 Shares granted on 23 March 2021 ("**Cancelled Options**") is expensive and thus no longer sufficient to fulfill the purpose of providing incentives and rewards to the grantees for contributing to the Group, and is not conducive to attracting the existing grantees to stay in their positions and make lasting contributions to the development of the Group. Accordingly, both the Remuneration Committee and the Board resolved to approve the cancellation of the then outstanding but not exercised Cancelled Options under the 2020 Share Option Scheme and the granting of an equal number of new share options to the existing grantees ("**Replacement Options**"). The 1,060,000 share options listed above consist of currently outstanding but not exercised 640,000 Replacement Options. For the avoidance of doubt, none of the Cancelled Options is included in the 1,060,000 outstanding but not exercised options (listed above) as the former are no longer exercisable upon cancellation.

- (4) Subject to the vesting conditions being met in accordance with the terms of the 2020 Share Option Scheme and the options not having lapsed, the options are exercisable by the grantees until 27 September 2025 and 29 March 2027 respectively.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the 2024 Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,343,020,336 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the Adoption Date, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the 2024 Share Option Scheme and all options and awards to be granted under any other share scheme(s) of the Company that involve(s) the issuance of new Shares (if any), in aggregate will be 334,302,033 Shares, representing 10% of the total number of Shares in issue as at the Adoption Date.

As at the Latest Practicable Date, the Company had not granted or proposed to grant or intended to grant any Options under the 2024 Share Option Scheme. As at the Latest Practicable Date, the Company had not proposed to grant or intended to grant any further options under the 2020 Share Option Scheme.

### **Explanation of the terms of the 2024 Share Option Scheme**

A summary of the principal terms of the 2024 Share Option Scheme is set out in the Appendix to this circular. This serves as a summary of the terms of the 2024 Share Option Scheme but does not constitute the full terms of the same. A copy of the 2024 Share Option 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 EGM and is also available for inspection at the EGM.

The Company believes that the inclusion of Employee Participants in the 2024 Share Option Scheme provides flexibility to the Company as a means of incentivizing or rewarding persons of the Group to contribute to its long-term success. The criteria of selection of the Eligible Participants, Vesting Period, Exercise Price and clawback mechanism of the 2024 Share Option Scheme are fair and reasonable, which are generally in line with the market practice.

### **Eligible Participants**

Eligible Participants include the Employee Participants and the Service Providers. In determining the basis of eligibility of each Eligible Participant, the Board will take into account (i) experience in the Group's business; (ii) length of service with the Group; (iii) the extent of the Eligible Participant's actual involvement and/or co-operation with the Group and the duration of the Eligible Participant's co-operative relationship with the Group (in the event that the Eligible Participant is a service provider to the Group); (iv) the extent to which the Eligible Participant has played a role in, and given, support, assistance, guidance, advice, endeavours and contributions to the success of the Group; and (v) the extent of potential support, assistance, guidance, advice, endeavours or contribution that the Eligible Participant may give or make to the success of the Group in the future.

In determining the basis of eligibility of each Employee Participant, the factors in assessing whether any individual is eligible to participate in the 2024 Share Option Scheme include (a) their professional skills, knowledge and experience; (b) their individual performance; (c) their time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; (d) the length of their engagement with the Group; and (e) their individual contributions or potential contributions towards the development and growth of the Group.

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## LETTER FROM THE BOARD

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In determining the basis of eligibility of each Service Provider, their eligibility will be considered on a case by case basis and the factors in assessing whether such Service Provider is eligible to participate in this Scheme include: (a) the individual performance, professional skills and experience of the relevant Service Providers; (b) the length of their business relationship with the Group; (c) the materiality and nature of their business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (d) the track record of the quality of services provided to and/or co-operated with the Group and the scale of business dealings between the Service Provider and the Group, taking into account, among other things, actual or expected changes in financial indicators such as the share of revenue or profit of the Group attributable or potentially attributable to the Service Provider.

Service Providers will be further divided into two categories, namely (a) consultants and advisors and (b) distributors, contractors, suppliers, agents and service providers.

***(a) Consultants and advisors***

This category refers to independent consultants and advisors who provide the Group with consulting services, advisory services and/or other professional services in relation to the Group's strategic planning and corporate management, marketing, business development and empowerment, service quality improvement, product design and development, production or commercialization, and capital market services and help maintain or enhance the competitiveness of the Group by introducing new customers or business opportunities to the Group and/or applying its expertise and/or knowledge in the above areas.

The Board shall, in its absolute discretion, take into account, among others: (i) the skill knowledge and expertise of the relevant consultant and/or adviser including its capability and technical know-how; (ii) its experience and network in the relevant industry; (iii) its professional knowledge and capabilities; (iv) the frequency of collaboration and length of business relationship with the Group; (v) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties and the relevant replacement costs); (vi) the background, reputation and track record of the relevant consultant and/or adviser in terms of the quality of services provided to and/or cooperation with the Group; (vii) the potential and/or actual contribution to the business affairs of the Group, and in particular, whether such consultant and/or adviser could bring positive impacts to the Group's business, such as strategic planning, business development and empowerment, service improvement, product development or commercialization, actual or expected revenue or profit increase, or cost reduction caused or brought about by the services provided by the consultant and/or adviser; and (viii) the synergy between the relevant consultant and/or adviser and the Group.

***(b) Distributors, contractors, suppliers, agents and service providers***

This category mainly includes third-party suppliers that provide services or products to the Group, as well as third-party agents, distributors and contractors that sell products to the Group, such as (i) suppliers of human resource management services, labour dispatch and outsourcing services that provide the required service personnel to customers in the Group's main business; landscaping engineering service providers; and suppliers of facilities, equipment, vehicles, supplies, tools and consumables required during the service process; (ii) the Group's suppliers, distributors, agents, and contractors that provide local consumer products related to daily life services to customers; (iii) suppliers of elevator

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## LETTER FROM THE BOARD

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product installation and supporting services among the Group's value-added services to non-property owners; (iv) the Group's professional service providers for hotel management services and hotel property management services; and (v) the Group's business management service providers that provide business operation services to customers.

The Board shall, in its absolute discretion, take into account: (i) the scale of business dealings of the respective supplier, contractor, distributor or agent with the Group; (ii) the performance and track record of the respective supplier, contractor, distributor or agent and its ability to deliver quality services or products; (iii) the length of the business relationship with the Group; (iv) the materiality and nature of the business relationship with the Group (such as whether the services of the respective supplier, contractor, distributor or agent is related to the core business of the Group); (v) the benefit and strategic value brought by the respective supplier, contractor, distributor or agent to the development and future prospect of the Group; (vi) the potential and/or actual contribution to the business affairs of the Group by the respective supplier, contractor, distributor or agent, and in particular, whether such parties could bring positive impacts to the Group's business, such as cost reduction, revenue or profit increase caused or brought about by the products, services provided or the business resources introduced; and (vii) the synergy between the respective supplier, contractor, distributor or agent and the Group.

In assessing whether the services provided by the Service Provider to the Group are on a continuing and recurring basis and in its ordinary and usual course of business, the Board will take into consideration (a) the length and type of services provided and the recurrences and regularity of such services including but not limited to the term of the contract of the Service Provider, whether the services are provided on a daily, weekly or monthly basis and the number of hours of services provided within the term; (b) the nature of the services provided to the Group by the Service Provider; and (c) whether such services form part of or are directly ancillary to the businesses conducted by the Group of which is in a revenue generating nature.

The Directors are of the view that the categories of the Service Providers are in line with the business needs of the Group and that the criteria for their selection align with the purpose of the 2024 Share Option Scheme. Apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from non-employees (including the Service Providers) who have contributed to the Group or may contribute to the Group. Grant of Options to the Service Providers would not only align the interest of the Group with such Eligible Participants, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in the business of the Group; and (ii) maintaining a stable and long term relationship with the Group. Through the grant of Options, the interest of such Eligible Participants will align with that of the Group in promoting the growth and development of the Group's business, which is desirable and necessary from a commercial perspective and helps maintain or enhance the competitiveness of the Group. Having considered the above factors, the independent non-executive Directors share the view that the inclusion of Service Providers as Eligible Participants aligns with the purpose of the 2024 Share Option Scheme and long-term interest of the Company and its shareholders.

In respect of the Service Providers, the Group has, in its ordinary and usual course of business, worked closely with certain Service Providers (including but not limited to consultants, distributors, contractors, suppliers, agents) which are important to the success of the Group. The Company appreciates the participation and contributions made by our business partners and would like to give them share-based incentives as and when appropriate so as to, among other things, motivate them to achieve higher performance targets, provide a higher quality of services, which will in turn further increase the Group's revenue.

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## LETTER FROM THE BOARD

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The Directors (including independent non-executive Directors) consider that, the proposed categories of Service Providers are consistent with the Company's business needs and industry practice, and the selection criteria and option terms in respect of the Service Providers are consistent with the purpose of the 2024 Share Option Scheme for the following reasons:

(a) The Group's grant of Options to Service Providers is in line with the nature of the industry and the practice of the market participants of the industry.

The major business sectors of the Group include (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) the "Three Supplies and Property Management" businesses, (v) city services, and (vi) commercial operational services, which constitute part of our comprehensive services we provide to customers that cover the full range of the value chain in property management. A large number of service personnel with professional capabilities, service experience and good service quality are needed to ensure and improve the Company's service quality and maintain core competitiveness. On the other hand, one of the important factors affecting the Group's ability to maintain or increase current profitability includes the Group's strict control of operating costs (especially labour costs). Therefore, it can strengthen the binding with service providers that provide high-quality and low-cost human resources and suppliers of facilities and supplies required for services by granting them Options to form a long-term, stable and positive cooperative relationship, which is particularly important for the Company to control operating costs.

In addition, the Group provides various professional segmented services and requires experts and experienced service providers in their respective segments to provide professional services to ensure service quality.

The professional segmented services include (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) the "Three Supplies and Property Management" businesses, (v) city services and (vi) commercial operational services.

(i) *Property management services*

The Group provides a range of property management services to owners, residents and property developers, including security, cleaning, greening, landscaping and maintenance services, etc., and employs experienced service providers in order to achieve the objective of enhancing service quality and customer satisfaction. For example, in order to ensure the safe use and prolong the service life of public facilities and equipment in the management community, the Group employs professional electrical and mechanical companies to carry out inspections, maintenance and reporting of incidents and repairs. In order to ensure the public area cleaning services in the community, the Group hires professional cleaning companies to carry out public area cleaning services, garbage removal, etc.

(ii) *Community value-added services*

The Group provides community value-added services to property owners, including the provision of home delivery services, community media services, local life services, etc., in order to provide property owners with a full range of community life services. For example, the Group employs professional local advertising and media companies to provide community media services to establish a deep connection between consumers and brands; the Group has entered into partnership with a number of renowned consumer goods suppliers to jointly provide consumers with high quality products and services.

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## LETTER FROM THE BOARD

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*(iii) Value-added services to non-property owners*

Value-added services to non-property owners include the provision of cleaning, landscaping and maintenance services as well as installation of elevator products, ancillary services and other services to property developers at the pre-delivery stage. The Group engages professional landscaping engineering service providers to provide landscaping services and professional elevator product installation and ancillary services providers to provide services.

*(iv) Commercial operational services*

The Group provides full chain services such as business planning consultation, investment promotion, operation and planning services for shopping centers, community businesses and offices, and engages a number of experienced professional business management service providers to provide business planning, operation and management services.

In addition, in the property management services, community value-added services, value-added services to non-property owners as well as the “Three Supplies and Property Management” businesses and city services businesses, a large number of service personnel with professional experience and good service quality are required. The Group thus has engaged a number of human resources providers that can provide quality human resources at low prices and supplies for provisions of relevant services and facilities in order to strengthen the control of the Group’s operating costs while ensuring the quality of the services.

Moreover, the Group’s provision of the Company’s products (such as consumer goods related to local life services and new products of property robots) to customers requires distributors, contractors and agents who have an in-depth understanding of current relevant consumer goods markets and industry trends, as well as local sales channels and customer resources, to assist the Group in increasing market share and improving the Group’s performance.

After reviewing the share option schemes adopted by the market participants of the property sector from July 2023 to May 2024, the Group note that certain market participants of the industry include similar categories of service providers including but not limited to suppliers of services in property management, development, marketing, design, renovation and consultancy in their share option schemes and/or share award schemes. The Board (including the independent non-executive Directors) is of the view that the inclusion of Service Providers in the 2024 Share Option Scheme is appropriate and necessary from commercial perspective and helps maintain and enhance the Group’s competitiveness.

(b) The Group cooperates with independent consultants and advisors who provide the Group with consulting services, advisory services and/or other professional services in relation to the Group’s strategic planning and corporate management, marketing, business development and empowerment, service quality improvement, product design and development, production or commercialization, and capital market services. Such Service Providers play an important role in providing insights into the Group’s business strategy, operations, management and development by contributing their professional knowledge, rich experience and extensive network in relevant fields, and providing suggestions for the Group’s business development.



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## LETTER FROM THE BOARD

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(c) The purpose of the 2024 Share Option Scheme is, among other things, to incentivize Eligible Participants to contribute to the future development of the Group. The Directors (including independent non-executive Directors) are of the view that, the granting of options to Service Providers will align their long-term interests with those of the Group and Shareholders, while maintaining the necessary flexibility to allow the Board to exercise its discretion in determining which Service Providers have or will provide substantial value to or have or will play an important role in the Group's long-term growth and development. Accordingly, the Directors (including the independent non-executive Directors) consider that it is fair and reasonable to include the Service Providers as Eligible Participants of the 2024 Share Option Scheme.

(d) The Company has granted options to service providers under the 2020 Share Option Scheme. On 28 September 2020, the Company granted a total of 9,600,000 options to four consultants, representing 0.35% of the total number of Shares in issue as at the date of adoption of the 2020 Share Option Scheme. These grantees have many years of experience in property management, corporate management, mergers and acquisitions, investments, etc and extensive relationships and networks in the industry. They helped to identify potential projects and beneficial business cooperation opportunities for the Company. The grantees do not include placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions nor professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity.

Through the grant of options to the service providers under the 2020 Share Option Scheme, the Directors have been able to recognize the contribution of the Service Providers in all aspects of the Group's operations and principal business and the value they bring to the Group, which have supported the long-term development of the Group. Accordingly, the Directors (including the independent non-executive Directors) are of the view that the inclusion of Service Providers under the 2024 Share Option Scheme is in line with the Company's track record of granting options and will continue to motivate high caliber individuals to contribute to and provide long-term growth and support to the Group.

Given the above, the Directors (including independent non-executive Directors) believe that the inclusion of Service Providers in the 2024 Share Option Scheme is consistent with the purpose of the scheme and in the long-term interests of the Company and its Shareholders, and the proposed categories of Service Providers are in line with the Company's business needs and the practice of the market participants of the industry, and the selection criteria for Eligible Participants and the discretion given to the Board to impose different terms and conditions on the Options are also consistent with the purpose of the 2024 Share Option Scheme.

The total Service Provider Sublimit shall not exceed 2% of the total number of issued shares as of the adoption date of the 2024 Share Option Scheme, i.e. 66,860,406 shares (please refer to paragraph 7 of the Appendix to this circular for further details).

The basis for determining the Service Provider Sublimit is that (i) the potential dilution effect arising from the grant of Options to the Service Providers; (ii) the importance of striking a balance between achieving the purpose of the 2024 Share Option Scheme and protecting the Shareholders from the dilution effect from granting a substantial number of options to the Service Providers; (iii) the scope and extent of use of services provided by the Service Providers in the Group's businesses; (iv) the expected contribution to the development and growth of the Company attributable to the Service Providers; and (v) the Company expects that a majority of the Options will be granted to the Employee Participants and as such there is a need to reserve a larger portion of the Scheme Mandate Limit for grants

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to the Employee Participants. Taking into account that following the termination of the 2020 Share Option Scheme, other than the 2024 Share Option Scheme, there are no other share plans for new Shares or the Group's employment practices, and the fact that the Service Providers have contributed to the long-term growth of the Group's business, the Board (including the independent non-executive Directors) consider that, the Service Provider Sublimit is appropriate and reasonable given the nature of the Group's business needs, and such limit provides the Group with the flexibility to provide equity awards (rather than expending cash resources in the form of monetary consideration) to reward and cooperate with persons who are not employees or senior staff of the Group but may have special expertise, capabilities or business resources in their fields or may provide valuable expertise and services to the Group, which is consistent with the purpose of the 2024 Share Option Scheme. Given the above, the Board (including the independent non-executive Directors) consider that, the Service Provider Sublimit of 2% will provide a sufficient number of Shares as an incentive to Service Providers without causing undue dilution to existing Shareholders, while allowing the Board to grant options to clearly identified categories of Service Providers. This will benefit the Company.

For the avoidance of doubt, Service Providers shall exclude placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity.

For the avoidance of doubt, no grant of any Options by the Company shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or the Directors of any applicable securities laws and regulations in any jurisdiction.

### **Vesting Period**

Save for the circumstances prescribed in paragraph 5 of Appendix to this circular where the Board may at its discretion grant a shorter Vesting Period, the Vesting Period shall not be less than twelve (12) months. For example, the Board may in circumstances as prescribed in paragraph 5 of the Appendix and at its discretion grant Options with a mixed or accelerated vesting schedule, such as where the Options may vest evenly over a period of twelve (12) months, as part of competitive terms and conditions to induce valuable talent to join the Group, reward exceptional performers with accelerated vesting, motivate exceptional performers based on performance metrics rather than time where justified the purpose of the 2024 Share Option Scheme.

The Board and the Remuneration Committee consider that:

- (i) there are circumstances (as set forth in circumstances prescribed in paragraph 5 of Appendix to this circular) in which strict adherence to the twelve (12) month vesting requirement would not be fair to Eligible Participants;
- (ii) the Company is required to retain the flexibility to offer accelerated vesting period incentives to high performers or under special circumstances, if justified, to facilitate succession planning and the effective transition of employee responsibilities, and to appropriately reward high performers with accelerated vesting or vesting that is justified under special circumstances; and



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## LETTER FROM THE BOARD

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- (iii) the Company should be able to develop its own strategy for recruiting and retaining talent in response to changing market conditions and industry competition, and should have the flexibility to impose vesting conditions on a case-by-case basis (e.g. performance-based vesting conditions as opposed to time-based vesting criteria) to meet the objectives of the 2024 Share Option Scheme to attract and retain people with outstanding skills and rich experience and to motivate Eligible Participants to work hard for the future development of the Group.

This is in line with the objective of the 2024 Share Option Scheme to attract and retain people with outstanding skills and rich experience, to motivate Eligible Participants to strive for the Group's future development, and to promote the Group's long-term stable development.

### **Performance targets**

Save as determined by the Board and provided in the offer letter, the 2024 Share Option Scheme does not stipulate any performance target that the Grantee is required to achieve before the relevant Option can be exercised. However, the 2024 Share Option Scheme gives the Board discretion to impose such conditions on the Options where appropriate. The Directors consider that it may not always be appropriate to impose such conditions particularly when one of the purposes of granting the Options is to remunerate or compensate Eligible Participants for past contributions. The Directors consider it more beneficial to the Company to retain the flexibility to determine whether such conditions are appropriate in light of the particular circumstances of each grant. The Directors are of the view that it is generally desirable for the Board to specify in the offer letter at the time of grant of the relevant Option any performance targets to be achieved by the Grantee before an Option may be vested. It may not always be appropriate to impose performance targets, particularly when the purpose of granting share options includes providing incentives and/or rewards to participants. The Board may, at its discretion, impose any conditions (including performance targets, if any) that must be satisfied before an Option may be vested. The Board is of the view that it is impractical to specify a common set of performance targets in the rules of the 2024 Share Option Scheme as each participant will have different roles to play and contribute to the Group in different ways and new performance targets may be considered and/or imposed in light of the development of the industry and the macro environment, and that providing the Board with more flexibility in setting the terms and conditions of the Options in the particular circumstances of each grant of an Option, the Board will be able to provide meaningful incentives to attract and retain talented and high caliber individuals who are valuable to the development of the Group and will be beneficial to the Group and the Shareholders as a whole. This helps to place the Group in a better position to attract human resources that are valuable to the long-term growth and development of the Group.

Nevertheless, if a performance-based target/condition will be imposed, such performance-based conditions include, but are not limited to, key performance indicators in respect of the Group as a whole, its principal business and operations, geographic markets, and/or individual performance of Eligible Participants, such as profits, operating cash flow, profitability, managed area, operating profit margin, customer dimension competitiveness, product competitiveness, market share, customer satisfaction indicators and such other criteria as the Board may determine from time to time.

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## LETTER FROM THE BOARD

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The Company has established a standardized performance appraisal system to evaluate the performance and contribution of Eligible Participants to the Group, including:

- (a) the financial performance (e.g. operating margin, cash flow, revenue, profit) of the business for which the Eligible Participant is responsible;
- (b) the operational performance of the business for which the Eligible Participant is responsible (e.g. productivity, product line metrics, market power, operational power composite metrics, customer satisfaction, customer reputation, dimension of customer competitiveness, etc.); and
- (c) the financial performance of the Group as a whole and of the applicable businesses (e.g. revenue of the Company, net profit attributable to Shareholders, operating cash flow).

Under the standardized performance appraisal system, the Board shall be responsible for assessing the performance of directors, senior management and certain Employee Participants and the Human Resources Management Department shall be responsible for assessing the performance of the remaining Employee Participants. Service Providers shall be assessed by the relevant business departments corresponding to the services provided by such Service Providers and the Human Resources Management Department (in respect of certain consultants and advisors), and the results will be ultimately assessed by the president of the Company and the Chairman of the Board. Assessment of all Eligible Participants shall be conducted yearly or periodically as appropriate (for example, every 24 or 36 months). The length of assessment is determined based on the role of the Eligible Participants and the nature of business in which it is involved.

### **Exercise Price**

The Exercise Price shall be a price determined by the Board at its absolute discretion subject to a minimum amount set out in the provisions of the 2024 Share Option Scheme, and the Board may specify in the offer letter at the grant of the relevant Option the performance targets or other vesting condition that need to be achieved by a Grantee and/or the clawback mechanism for the Company to recover or withhold any Options granted to any Eligible Participants.

### **Clawback mechanism**

Save for the clawback mechanisms in the event of (i) the Grantee fails to effectively perform its duties or is involved in serious misconduct or dereliction of duty; (ii) significant errors or material misstatements in the Company's financial statements; or (iii) if the Option is linked to any performance targets and the Directors are of the opinion that there occur any circumstances that show or lead to any of the prescribed performance targets having been assessed or calculated in a materially inaccurate manner, there is no clawback mechanism for the Company to recover or withhold any Options granted to any Eligible Participant.

However, the Board may at its absolute discretion cancel an Option granted but not exercised in accordance with the provisions of the 2024 Share Option Scheme. Circumstances for such cancellation may include 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.

Accordingly, the Board and the Remuneration Committee are of the view that the relevant terms of the 2024 Share Option Scheme are appropriate and align with the purpose of the 2024 Share Option Scheme.

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## LETTER FROM THE BOARD

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### CLOSURE OF REGISTER OF MEMBERS

The forthcoming EGM is scheduled to be held on Tuesday, 9 July 2024. To determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 4 July 2024 to Tuesday, 9 July 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the EGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 3 July 2024.

### EGM

A notice convening the EGM is set out on pages EGM-1 to EGM-3 in this circular, at which an ordinary resolution will be proposed to seek for the approval of the adoption of the 2024 Share Option Scheme by Shareholders. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting in the EGM.

The register of members of the Company will be closed from Thursday, 4 July 2024 to Tuesday, 9 July 2024, both days inclusive. During such period, no transfer of Shares will be registered. The record date for determining the eligibility to attend the meeting will be on Thursday, 4 July 2024. In order to be eligible for attending the meeting, all completed transfer forms accomplished by the relevant share certificates must be lodged with the Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 3 July 2024.

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of 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. Therefore, all resolutions as set out in the notice convening the EGM will be voted by poll and, after being verified by the scrutineer, the results of the poll will be published in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATIONS

The Directors consider that the proposed adoption of the 2024 Share Option Scheme is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM and as set out in the EGM Notice.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors of the issuer 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.

Yours faithfully,  
For and on behalf of the Board  
**Country Garden Services Holdings Company Limited**  
**XU Binhuai**  
*President and Executive Director*

*The following is a summary of the principal rules of the 2024 Share Option Scheme but does not form part of, nor was it intended to be, part of the 2024 Share Option Scheme nor should it be taken as affecting the interpretation of the 2024 Share Option Scheme.*

**1.      PURPOSE OF THE 2024 SHARE OPTION SCHEME**

The purpose of the 2024 Share Option Scheme is (i) to motivate the Eligible Participants to work hard for the Group's future development by providing them with an opportunity to acquire the Shares of the Company, thereby promoting long-term stable development of the Group; (ii) to provide the Eligible Participants with incentives and/or rewards for their contributions to the Group; and (iii) to enhance the Group's ability to attract and retain individuals with outstanding skills and extensive experience

**2.      ADMINISTRATION OF THE 2024 SHARE OPTION SCHEME**

The 2024 Share Option Scheme shall be administered by the Board, which shall have the authority over all aspects of the 2024 Share Option Scheme. The Board may, through a resolution, delegate any or all powers to administer the 2024 Share Option Scheme to any director(s), including the power to select Eligible Participants to be offered Options under the 2024 Share Option Scheme and the determination of the number and terms of such Options.

**3.      ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY OF THE PARTICIPANTS OF THE 2024 SHARE OPTION SCHEME**

Eligible Participants for the 2024 Share Option Scheme include the Employee Participants and the Service Providers.

In determining the basis of eligibility of each Eligible Participant, the Board will take into account (i) experience in the Group's business; (ii) length of service with the Group; (iii) the extent of the Eligible Participant's actual involvement and/or co-operation with the Group and the duration of the Eligible Participant's co-operative relationship with the Group (in the event that the Eligible Participant is a service provider to the Group); (iv) the extent to which the Eligible Participant has played a role in, and given, support, assistance, guidance, advice, endeavours and contributions to the success of the Group; and (v) the extent of potential support, assistance, guidance, advice, endeavours or contribution that the Eligible Participant may give or make to the success of the Group in the future.

For Employee Participants, assessing factors include without limitation: (a) their professional skills, knowledge and experience; (b) their individual performance; (c) their time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; (d) the length of their engagement with the Group; and (e) their individual contributions or potential contributions towards the development and growth of the Group.

For each category of Service Providers, the factors in assessing whether such Service Provider is eligible to participate in the 2024 Share Option Scheme include, in particular: (a) the individual performance of the relevant Service Providers; (b) the length of their business relationship with the Group; (c) the materiality and nature of their business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (d) the track record of the quality of services provided to and/or co-operated with the Group and the scale of business dealings between the Service Provider and the Group, taking into account, among other things, actual or expected changes in financial indicators such as the share of

revenue or profit of the Group attributable or potentially attributable to the Service Provider. For the avoidance of doubt, Service Providers shall exclude placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity. Further, with respect to the eligibility of each category of the Service Providers, the Board will, on a case-by-case basis, specifically consider the following factors:

Service Providers will be further divided into two categories, namely (a) consultants and advisors and (b) distributors, contractors, suppliers, agents and service providers.

**(a) Consultants and advisors**

This category refers to independent consultants and advisors who provide the Group with consulting services, advisory services and/or other professional services in relation to the Group's strategic planning and corporate management, marketing, business development and empowerment, service quality improvement, product design and development, production or commercialization, and capital market services and help maintain or enhance the competitiveness of the Group by introducing new customers or business opportunities to the Group and/or applying its expertise and/or knowledge in the above areas.

The Board shall, in its absolute discretion, take into account, among others: (i) the skill knowledge and expertise of the relevant consultant and/or adviser including its capability and technical know-how; (ii) its experience and network in the relevant industry; (iii) its professional knowledge and capabilities; (iv) the frequency of collaboration and length of business relationship with the Group; (v) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties and the relevant replacement costs); (vi) the background, reputation and track record of the relevant consultant and/or adviser in terms of the quality of services provided to and/or cooperation with the Group; (vii) the potential and/or actual contribution to the business affairs of the Group, and in particular, whether such consultant and/or adviser could bring positive impacts to the Group's business, such as strategic planning, business development and empowerment, service improvement, product development or commercialization, actual or expected revenue or profit increase, or cost reduction caused or brought about by the services provided by the consultant and/or adviser; and (viii) the synergy between the relevant consultant and/or adviser and the Group.

**(b) Distributors, contractors, suppliers, agents and service providers**

This category mainly includes third-party suppliers that provide services or products to the Group, as well as third-party agents, distributors and contractors that sell products to the Group, such as (i) suppliers of human resource management services, labour dispatch and outsourcing services that provide the required service personnel to customers in the Group's main business; landscaping engineering service providers; and suppliers of facilities, equipment, vehicles, supplies, tools and consumables required during the service process; (ii) the Group's suppliers, distributors, agents, and contractors that provide local consumer products related to daily life services to customers; (iii) suppliers of elevator product installation and supporting services among the Group's value-added services to non-property owners; (iv) the Group's professional service providers for hotel management services and hotel property management services; and (v) the Group's business management service providers that provide business operation services to customers.

The Board shall, in its absolute discretion, take into account: (i) the scale of business dealings of the respective supplier, contractor, distributor or agent with the Group; (ii) the performance and track

record of the respective supplier, contractor, distributor or agent and its ability to deliver quality services or products; (iii) the length of the business relationship with the Group; (iv) the materiality and nature of the business relationship with the Group (such as whether the services of the respective supplier, contractor, distributor or agent is related to the core business of the Group); (v) the benefit and strategic value brought by the respective supplier, contractor, distributor or agent to the development and future prospect of the Group; (vi) the potential and/or actual contribution to the business affairs of the Group by the respective supplier, contractor, distributor or agent, and in particular, whether such parties could bring positive impacts to the Group's business, such as cost reduction, revenue or profit increase caused or brought about by the products, services provided or the business resources introduced; and (vii) the synergy between the respective supplier, contractor, distributor or agent and the Group.

#### **4. GRANT AND ACCEPTANCE OF OPTIONS**

- a) The Board shall, subject to and in accordance with the provisions of the 2024 Share Option Scheme and the Listing Rules, be entitled (but shall not be bound), from time to time on any Business Day, to make an Offer to any Eligible Participant as it may in its absolute discretion select.
- b) The terms (including but not limited to Vesting Period, performance target or other vesting condition, Exercise Price and Option Period) and the number of Options shall be determined by the Board or its delegates.
- c) An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine either generally or on a case-by-case basis specifying the terms and number of Options in respect of which the Offer is made and shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including his Personal Representative(s)) for a period of thirty (30) days inclusive of, and from the Grant Date, provided that no such Offer shall be open for acceptance after the termination of the 2024 Share Option Scheme.
- d) An Offer shall be deemed to have been accepted by an Eligible Participant when the duplicate offer letter constituting acceptance of the Offer is duly signed by the Eligible Participant, together with a payment in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Payment of consideration for the grant shall in no circumstances be refundable.
- e) To the extent that the Offer is not accepted within the stated period, it will be deemed to have been irrevocably declined.

#### **5. VESTING PERIOD AND PERFORMANCE TARGETS**

Save for the circumstances prescribed below, an Option must be held by the Grantee for at least twelve (12) months before the Option can be exercised.

The Board may at its discretion grant a shorter Vesting Period to an Employee Participant in the following circumstances:

- a) grants of "make-whole" share options to new joiners to replace the share options or awards they forfeited when leaving their previous employers;



- b) grants of options with performance-based vesting conditions in lieu of time-based vesting criteria;
- c) grants of Options that are made in batches during a year for administrative and compliance reasons. They may include share options that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an option would have been granted;
- d) grants of Options with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months;
- e) grants of Options with a total vesting and holding period of more than twelve (12) months; and
- f) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event including circumstances set out in paragraphs 14 to 16 below. In those circumstances the vesting of share options may accelerate.

The Board may at its discretion specify any condition in the offer letter of the grant of the relevant Option which must be satisfied before an Option may be vested. Save as otherwise determined by the Board on a case-by-case basis and set out in the offer letter of the grant of the relevant Option at the discretion of the Board, there is no performance target or other vesting condition which must be achieved before an Option can be vested under the terms of the 2024 Share Option Scheme. Performance-based vesting conditions that may be imposed include but not limited to key performance indicators in respect of the Group as a whole, its principal businesses and operations, geographic markets and/or individual performance of Eligible Participants, such as profits, operating cash flow, profitability, managed area, operating profit margin, customer dimension competitiveness, product competitiveness, market share, customer satisfaction indicators and such other criteria as the Board may determine from time to time.

## **6. EXERCISE OF OPTIONS AND EXERCISE PRICE OF SHARES**

An Option may be exercisable in whole or in part in the circumstances and in the manner as set out in the 2024 Share Option Scheme by the Grantee (or, as the case may be, his Personal Representative(s)) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised. Each of such notice must be accompanied by a payment for the full amount of the Exercise Price for the Shares in respect of which the notice is given. Within twenty-eight (28) days after receipt of the notice and the payment and, where appropriate, receipt of the Auditors' or independent financial adviser's certificate, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee.

The Exercise Price shall be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:

- a) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the Grant Date, which must be a Business Day; and
- b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive Business Days immediately preceding the Grant Date.

#### 7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- a) The total number of Shares which may be issued in respect of all Options which may be granted at any time under the 2024 Share Option Scheme together with options and awards which may be granted under any other share schemes for the time being of the Company shall not exceed such number of Shares as equivalent to 10% of the issued share capital of the Company as at the date of approval of the 2024 Share Option Scheme (the “**Scheme Mandate Limit**”). As at the Adoption Date, the total number of Shares issuable under the Scheme Mandate Limit is 334,302,033 Shares, representing approximately 10% of the issued share capital of the Company as at the Adoption Date. Options lapsed in accordance with the terms of the 2024 Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- b) Subject to **Paragraph 7(a)**, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme to the Service Providers must not, in aggregate, exceed 2% of the total number of Shares in issue as at the Adoption Date unless shareholders’ approval has been obtained pursuant to **Paragraphs 7(c)** below (“**Service Provider Sublimit**”). Options lapsed in accordance with the terms of the 2024 Share Option Scheme shall not be regarded as utilised for the purpose of calculating the Service Provider Sublimit.
- c) The Company may seek approval of the Shareholders in a general meeting to refresh the Scheme Mandate Limit and the Service Provider Sublimit under the 2024 Share Option Scheme after three (3) years from the Adoption Date (or the date of Shareholders’ approval for the last refreshment). However, the total number of Shares which may be issued upon exercise of all options and awards to be granted under the 2024 Share Option Scheme and any other schemes of the Company under the limit as “refreshed” must not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. For the purposes of seeking approval of the Shareholders under this sub-paragraph 7(c), the Company must send a circular to its Shareholders containing the information required under the Listing Rules. Any refreshment of the Scheme Mandate Limit to be made within three (3) years from the Adoption Date (or the date of Shareholders’ approval for the last refreshment) shall be subject to independent Shareholders’ approval. For the purpose of this sub-paragraph 7(c), independent Shareholders refer to Shareholders other than controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates (as defined in the Listing Rules)).



**8. GRANT OF OPTIONS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY OF THEIR ASSOCIATES**

- a) Any grant of Options to any of the Directors, chief executive of the Company or Substantial Shareholder, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director whose associate is the proposed Grantee of the Option (if any)) and the Remuneration Committee.
- b) Where any grant of Options to a Substantial Shareholder or any of its associates or any of the associates of any independent non-executive Director would result in the Shares issued and to be issued in respect of all options and awards granted and to be granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12) months period up to and including the date of such grant representing in aggregate over 0.1% of the total issued Shares, such further grant of Options must be approved by the Shareholders in general meeting of the Company in the manner set out below. The Company must send a circular to the Shareholders. The Grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting. The Company must comply with the requirements under Listing Rules 13.40, 13.41 and 13.42.
- c) A circular must be prepared by the Company explaining the proposed grant, containing, among other matters, (i) details of the number and terms of the Options to be granted to each Eligible Participant, which must be fixed before Shareholders' meeting. In respect of any Options to be granted, the date of board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the exercise price under Listing Rule 17.03E; and (ii) the views of the independent non-executive Directors (excluding any independent non-executive Director who and whose associate is a Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting.
- d) Any change in the terms of Options granted to an Eligible Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by shareholders of the Company in the manner as set out in Listing Rule 17.04(4) if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the 2024 Share Option Scheme).
- e) Any grant of Options to any of the Service Providers must be approved by the Board and the Remuneration Committee (excluding any member of the Remuneration Committee who proposed the Grantee of the Option (if any)).

**9. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT**

For any twelve (12)-month period up to and including the Grant Date, the aggregate number of Shares issued and to be issued in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) shall not in aggregate exceed 1% of the total number of Shares in issue as at the Grant Date. Where the grant of Options to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) would result in the number of Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Participants in the twelve (12)-month period up to and including the Grant Date representing in aggregate in excess of 1% of the total number of Shares in issue as at the Grant Date, such grant of Options shall be separately approved by the Shareholders in general meeting with such Eligible Participant and his close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted (and options previously granted to such Eligible Participant in such twelve (12)-month period), the purpose of granting Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms (including the Exercise Price) of Options to be granted to such Eligible Participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the Grant Date for the purpose of calculating the Exercise Price.

**10. TIME OF EXERCISE OF OPTIONS**

An Option may (and may only) be exercised by the Grantee at any time or times during the Option Period subject to any provisions for early termination contained in the 2024 Share Option Scheme. The Option Period shall not exceed the period of ten (10) years from the Grant Date and shall be determined by the Board in its absolute discretion to the Grantee in the offer letter.

**11. RIGHTS ARE PERSONAL TO GRANTEES**

An 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 (legal or beneficial) in favour of any third party over or in relation to any Option or enter into any agreement so to do (though the Grantee may designate an agent to register the shares issued under 2024 Share Option Scheme in the name of the Personal Representative). Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Option or any part thereof granted to such Grantee to the extent not already exercised.

**12. RIGHTS ON DEATH, ILL-HEALTH OR RETIREMENT**

In the event of an Eligible Participant of a natural person ceasing to be an Eligible Participant by reason of death or disability or transfer of employment prior to the full exercise of the Share options, the Eligible Participant or his Personal Representative, where applicable, may exercise the Options (1) on or before the last day of the 3 month period after the Grantee's death or upon confirmation by the Board of serious disability, as the case may be, within the year vested but not yet exercised, and (2) before the expiry of the Option Period, whichever is earlier. Any effective Options that are not exercised by the end of this period will lapse.

### **13. EVENTS OF MISCONDUCT AND OTHERS**

In the event the Grantee shall cease to be an Eligible Participant when any one of the following events happen and upon the verification by the Company:

- a) the Grantee has been guilty of any act of serious misconduct, such as fraud, dishonesty, significant breach of duty, negligence, violation of employment contract terms, acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets or non-adherence to the Group's internal codes, including but not limited to performance falsification, breach of discipline, gross negligence, regardless of whether or not it results in the termination of his/her employment or engagement by the Company/the relevant member of the Group;
- b) the Grantee becomes bankrupt or insolvent;
- c) the Grantee is prosecuted for or convicted of any criminal offense, or conducts 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 or any related entity; or
- d) is convicted of an offence under the Securities and Futures Ordinance or other securities laws or regulations in Hong Kong or any other jurisdiction, or is charged with or convicted of any offence or violation under the relevant laws or regulations or be held legally liable.

and his Option (to the extent not already exercised) shall lapse on the date of such cessation and not be exercisable.

### **14. RIGHTS ON A GENERAL OFFER**

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all its reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the Grantee shall, notwithstanding any other terms on which his Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent within fourteen (14) days after the date on which such offer becomes or is declared unconditional.

### **15. RIGHTS ON WINDING-UP**

In the event a notice is given by the Company to its Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as it dispatches such notice to each Shareholder give notice thereof to all Grantees and thereupon, each Grantee or his Personal Representative(s) shall be entitled to exercise all or any of his Options (to the extent not already exercised) either to its full extent or to the extent specified in the Grantee's notice in writing to the Company given in accordance with the

terms of the 2024 Share Option Scheme (such notice shall be received by the Company no later than two (2) Business Days prior to the proposed general meeting), accompanied by a payment for the full amount of the Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the Grantee credited as fully paid.

#### **16. RIGHTS ON RECONSTRUCTION, COMPROMISE OR ARRANGEMENT**

In the event of a compromise or arrangement between the Company and the Shareholders or its creditors being proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall, on the same day on which the Company sends notice to its members and/or its creditors of the convening of a meeting to discuss the settlement or arrangement, send to all of the Grantees a notice whereby each Grantee shall be entitled to exercise all or any part of its Options at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date on which a meeting of the relevant court is convened to consider such settlement or arrangement, and in the event that such meeting is convened more than once, whichever is the date of the first such meeting. The right of all grantees to exercise their respective share options is suspended immediately on the date of such meeting. Upon such settlement or arrangement becoming effective, all outstanding Options shall lapse and terminate. The Board shall endeavour to ensure that the Shares issued upon exercise of the Options in such circumstances shall form part of the issued share capital of the Company for the purposes of such settlement or arrangement on the date on which such settlement or arrangement becomes effective and that such Shares shall be subject in all respects to such settlement or arrangement. If for any reason such settlement or arrangement is not approved by the relevant court, the right of the Grantees to exercise their respective share options shall be revived in full on the date of the order of the relevant court as if such settlement or arrangement had never been proposed by the Company and no Grantee shall have any claim against the Company or any of its officers for any loss or damage arising from such suspension.

#### **17. CANCELLATION OF OPTIONS**

Upon any breach referred to in paragraph 11 above on the part of the Grantee, the Board is entitled to exercise the right to cancel any outstanding Option or part thereof granted to such Grantee (to the extent not already exercised).

Notwithstanding other provisions of the 2024 Share Option Scheme, any Options granted but not exercised may be cancelled by the Board at its absolute discretion. Where the Company cancels Options 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 or, where the Grantee is a Service Provider, the Service Provider Sublimit approved by shareholders as referred to in Listing Rule 17.03B or 17.03C. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

**18. CLAWBACK MECHANISM**

The 2024 Share Option Scheme is subject to a clawback mechanism, that the Company may recover or withhold any Options (if any) granted to any participant in the following circumstances: (i) the Grantee fails to effectively perform its duties or is involved in serious misconduct or dereliction of duty; (ii) significant errors or misstatements in the Company's financial statements; or (iii) if the Option is linked to any performance targets and the Directors are of the opinion that there occur any circumstances that show or lead to any of the prescribed performance targets having been assessed or calculated in a materially inaccurate manner.

**19. EFFECT OF ALTERATIONS TO SHARE CAPITAL STRUCTURE**

In the event of any alteration to the capital structure of the Company arising from capitalisation issue, rights issue, sub-division, consolidation of shares or reduction of capital of the Company, other than on an issue of Shares as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment, such corresponding alterations (if any) shall be made to:

- a) the number of shares in respect of which any Options are outstanding; and/or
- b) the Exercise Price; and/or
- c) any combination of the foregoing.

The Company's auditors or approved independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements set out in the Note of Rule 17.03(13). Any adjustments required under Rule 17.03(13) must give an Eligible Participant the same proportion of the equity capital, rounded to the nearest whole share, as that to which that person was previously entitled, but no such adjustments may be made to the extent that a share would be issued at less than its nominal value (if any). The issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment.

**20. RANKING OF SHARES**

Shares allotted and issued upon the exercise of Options shall not confer voting rights until the Grantee (or such other person designated by the Grantee) is duly registered as the holder of those shares. Shares distributed upon the exercise of Options shall comply with all terms contained in the current organizational documents of the Company and shall, in every respect, rank *pari passu* in terms of voting rights, dividend rights, transfer rights, and other rights. This includes rights attached to shares issued on the issue date that the Grantee has fully paid for and rights arising in the event of a liquidation. Without prejudice to the general principles aforementioned, such voting rights, transfer rights, and other rights, including rights to receive any dividends or other distributions paid or made on or after the issue date, as well as rights arising on the date of the Company's liquidation, shall be enjoyed equally and proportionately. After exercising Options and being allotted shares, there shall be no restrictions on the sale of such shares.

**21.    DURATION OF THE 2024 SHARE OPTION SCHEME**

The 2024 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the 2024 Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the 2024 Share Option Scheme.

**22.    ALTERATION OF THE 2024 SHARE OPTION SCHEME**

Except for the following terms of the 2024 Share Option Scheme, the terms and conditions, and the rules governing the management and operation of the Share Option Scheme may be amended in any aspect by resolution of the Board at its discretion:

- a)    the definitions of “Eligible Participant” and “Grantee”;
- b)    the specific provisions of the 2024 Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules,

such terms shall not be altered to the advantage of the Eligible Participants without prior approval of the Shareholders in general meeting with such Eligible Participant and his/her close associates or connected person abstaining from voting, and provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alternation except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the memorandum and articles of association for the time being of the Company for a variation of the rights attached to the Shares.

Any change to the authority of the Board in relation to any alteration to the terms of the 2024 Share Option Scheme must be approved by the Shareholders in general meeting.

Any alterations to the terms and conditions of the 2024 Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the 2024 Share Option Scheme.

Any change to the terms of the Option granted to a Grantee must be approved by the Board, the Remuneration Committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2024 Share Option Scheme.

Any alteration to the terms and conditions of the 2024 Share Option Scheme shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

**23.    CONDITIONS OF THE 2024 SHARE OPTION SCHEME**

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

- a)    the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any new Shares which may fall to be allotted and issued by the Company upon the exercise of the Options that may be granted under the 2024 Share Option Scheme; and
- b)    the passing of ordinary resolutions at the extraordinary general meeting of the Company approving the adoption of the 2024 Share Option Scheme and authorizing the Directors to grant Options to Eligible Participants and to allot and issue Shares pursuant to the exercise of any Options granted under the 2024 Share Option Scheme.

**24.    LAPSE OF OPTIONS**

The Option Period in respect of any Option shall automatically terminate and that Option (to the extent not already exercised) shall automatically lapse on the earliest of:

- a)    pursuant to the provisions of the 2024 Share Option Scheme, the expiry date of the Option Period;
- b)    the date on which the Company commences winding up in accordance with the provisions of the Companies Law of the Cayman Islands;
- c)    if the Grantee is a director or an employee of the Group, and such Grantee ceases to be an employee of the Group or any other institution listed in the offer documents under the 2024 Share Option Scheme (as the case may be), the Option shall lapse on the date of such termination of employment (which shall be the last date of actual employment with the Company or any Subsidiary and whether or not payment in lieu of notice has been made); and
- d)    when the Grantee ceases to be an Eligible Participant due to specific grounds (see paragraph 13 “Events of Misconduct and Others” for further details).

**25.    TERMINATION**

The Company may by an ordinary resolution in general meeting or the Board may at any time terminate the 2024 Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the 2024 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted but not yet exercised prior thereto or otherwise as may be required in accordance with the provisions of the 2024 Share Option Scheme and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the 2024 Share Option Scheme.

**26. MISCELLANEOUS**

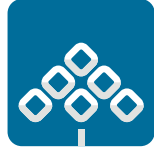
- a) The Company shall bear the costs of establishing and administering the 2024 Share Option Scheme (including, without limitation, the fees of the auditor or approved independent financial adviser (as the case may be) for the preparation of any certificates or the provision of any other services in connection with the 2024 Share Option Scheme).
- b) Any notice, document or other communication between the Company and the Grantee shall be in writing.
- c) Any notice or other communication shall be deemed to have been served if:
  - i. sent by the Company, it is deemed to have been served forty-eight (48) hours after posting or after delivery by hand; and
  - ii. sent by the Grantee, not until received by the Company.
- d) All allotments and issues of Shares under the 2024 Share Option Scheme shall be subject to any relevant laws, rules or regulations for the time being in force with which the Company is subject to. The Grantee shall be responsible for obtaining any governmental or other official approvals that may be required in any jurisdiction in connection with the grant and exercise of the Options. The Company shall not be responsible for the failure of the Grantee to obtain any such permission or for any tax or other liabilities that may be incurred by the Grantee as a result of its participation in the 2024 Share Option Scheme.
- e) Nothing in the 2024 Share Option Scheme shall confer on any person any common law or equitable rights (other than rights constituting the Option itself) against the Company, directly or indirectly, or give rise to any cause of action, common law or equitable, against the Company.



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## NOTICE OF EGM

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**碧桂园服务**  
COUNTRY GARDEN SERVICES

**COUNTRY GARDEN SERVICES HOLDINGS COMPANY LIMITED**

**碧桂园服务控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6098)**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the “**EGM**”) of Country Garden Services Holdings Company Limited 碧桂园服务控股有限公司 (the “**Company**”) will be held at Guipan Conference Room, 1/F, Country Garden Holiday Resort, Beijiao Town, Shunde, Foshan, Guangdong Province, the PRC on Tuesday, 9 July 2024 at 3:00 p.m. to consider and, if thought fit, to pass with or without amendments, the following resolutions:

#### **ORDINARY RESOLUTIONS**

1. **“THAT:**

- 1.1. to approve and adopt the rules of the share option scheme of the Company, a copy of which marked “A” is produced to the meeting and for the purpose of identification signed by the chairman of this meeting thereof (the “**2024 Share Option Scheme**”), subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval to the listing of and permission to deal in the ordinary shares of the Company (or such shares as shall result from a capitalisation issue, rights issue, subdivision, consolidation, re-classification, reconstruction or reduction of share capital of the Company from time to time) (the “**Share(s)**”), which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the 2024 Share Option Scheme;
- 1.2. To authorise the board of directors of the Company (the “**Board**”) to administer the 2024 Share Option Scheme under which share options will be granted to the Eligible Participants (as defined in the 2024 Share Option Scheme) who are eligible under the 2024 Share Option Scheme to subscribe for Shares, including but not limited to determining and granting the options in accordance with the terms of the 2024 Share Option Scheme and the requirement of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”);

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## NOTICE OF EGM

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- 1.3. To authorise the Board 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.”
2. “**THAT** the Scheme Mandate Limit (as defined in the 2024 Share Option Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the 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 of the Company 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 of the Company may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”
3. “**THAT** the Service Provider Sublimit (as defined in the 2024 Share Option Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to service providers under all the share schemes of the Company (i.e. 2% of the Shares in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company 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 of the Company may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

By Order of the Board  
**Country Garden Services Holdings Company Limited**  
**XU Binhuai**  
*President and Executive Director*

Foshan, China, 19 June 2024

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## NOTICE OF EGM

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*Notes:*

- (1) Any member entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy needs not be a member of the Company.
- (2) If more than one of the joint registered holders are present at the meeting personally or by proxy, then one of the said persons so present whose name stands first on the register of members in respect of such share(s) of the Company shall be accepted to the exclusion of the votes of the other joint registered holders.
- (3) In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notorially certified copy of that power or authority, must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- (4) The register of members of the Company will be closed from Thursday, 4 July 2024 to Tuesday, 9 July 2024, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identities of the shareholders who are entitled to attend and vote at the meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 3 July 2024.
- (5) Details of the above resolutions are set out in the circular despatched to shareholders of the Company on 19 June 2024.
- (6) If a typhoon signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at or at any time after 7:00 a.m. on the date of the meeting, subject to consent of the meeting, the meeting will be postponed or adjourned. The Company will post an announcement on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<https://en.bgy.com.cn/home>) to notify shareholders of the Company of the date, time and place of the rescheduled meeting. The meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders of the Company should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.
- (7) Shareholders or their proxies attending the meeting are responsible for their own transportation and accommodation expenses.
- (8) A form of proxy for use by shareholders at the EGM is enclosed.