MIDEA REAL ESTATE HOLDING LIMITED
美的置業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3990)

(1) CONTINUING CONNECTED TRANSACTION — REVISION OF ANNUAL CAPS OF THE 2024 REAL ESTATE TECHNOLOGY SERVICE FRAMEWORK AGREEMENT (2) PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

(1) CONTINUING CONNECTED TRANSACTION — REVISION OF ANNUAL CAPS OF THE 2024 REAL ESTATE TECHNOLOGY SERVICE FRAMEWORK AGREEMENT

The Supplemental Agreement and Revision of the Existing Annual Caps

Reference is made to the announcement and circular of the Company both dated 16 August 2024 in respect of the 2024 Real Estate Technology Service Framework Agreement entered into between the Company and Midea Construction. Pursuant to the Agreement, the Group shall provide real estate technology services to the Midea Construction Group.

The Board has reviewed and evaluated the existing continuing connected transactions under the Agreement, and anticipates the services required by the Midea Construction Group will exceed the Existing Annual Caps for 2025. Accordingly, on 18 September 2025, the Company and Midea Construction entered into the Supplemental Agreement to revise the Existing Annual Caps to the Revised Annual Caps subject to the approval of the Independent Shareholders. Save for the revision of the Existing Annual Caps to the Revised Annual Caps, all other terms and conditions under the Agreement remain the same.

Listing Rules Implications

As at the date of this announcement, Ms. Lu is one of the Controlling Shareholders indirectly holding approximately 81.13% of the total number of issued Shares, and Midea Construction is indirectly wholly-owned by Ms. Lu through entities wholly-owned by her, namely, Midea Development Holding (BVI) Limited and Midea Field Company Limited. Midea Construction is therefore an associate of Ms. Lu and a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Supplemental Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Revised Annual Caps, on an annual basis, exceeds 5% for the purpose of Rule 14.07 of the Listing Rules, the transactions contemplated under the Supplemental Agreement and the Revised Annual Caps are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Each of the Controlling Shareholders and their respective associates will abstain from voting on the resolution(s) in respect of the Supplemental Agreement and the Revised Annual Cap at the EGM.

An independent board committee comprising the independent non-executive Directors (namely Mr. Tan Jinsong, Mr. O'Yang Wiley and Mr. Lu Qi) has been established to advise the Independent Shareholders, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders, in relation to the Supplemental Agreement and the Revised Annual Caps.

(2) PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes to seek the Shareholders' approval to pass a special resolution at the EGM for approving, among other things, the Proposed Amendments to the Existing Articles of Association in order to (i) provide flexibility in the Board's structure by allowing the Board to appoint more than one Director to hold the office of the chairman of the Company in the future; and (ii) allow the Board to fill a casual vacancy in the office of the auditors until the conclusion of the next annual general meeting of the Company, thereby simplifying the appointment procedures in such cases.

The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the EGM, and will become effective upon the approval by the Shareholders at the EGM.

A circular containing, among other things, (i) further details of the Supplemental Agreement and the Revised Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the transactions contemplated under the Supplemental Agreement; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Supplemental Agreement; (iv) further details regarding the Proposed Amendments; and (v) a notice convening the EGM, will be despatched to the Shareholders on or around 13 October 2025.

(1) CONTINUING CONNECTED TRANSACTION — REVISION OF ANNUAL CAPS OF THE 2024 REAL ESTATE TECHNOLOGY SERVICE FRAMEWORK AGREEMENT

Background

Reference is made to the announcement and circular of the Company both dated 16 August 2024 in respect of the 2024 Real Estate Technology Service Framework Agreement entered into between the Company and Midea Construction. Pursuant to the Agreement, the Group shall provide real estate technology services such as (i) the industrialisation, digitalisation and green transformation of construction processes; and (ii) the provision of smart space solutions, to the Midea Construction Group. Principal terms and details of the Agreement are set out in the aforementioned announcement and circular of the Company.

The Board has reviewed and evaluated the existing continuing connected transactions under the Agreement, and anticipates the services required by the Midea Construction Group will exceed the Existing Annual Caps for 2025. Accordingly, on 18 September 2025, the Company and Midea Construction entered into the Supplemental Agreement to revise the Existing Annual Caps to the Revised Annual Caps, subject to the approval of the Independent Shareholders.

The Supplemental Agreement and Revision of the Existing Annual Caps

The principal terms of the Supplemental Agreement are set out below:

Date	:	18 September 2025
Parties	:	The Company and Midea Construction
Subject	:	Subject to the approval of the Independent Shareholders, the Existing Annual Caps under the Agreement are revised as follows:

	For the year ending 31 December	
	2025	**2026**
	RMB in million	*RMB in million*
Existing Annual Caps	240.0	215.0
Revised Annual Caps	330.0	206.0

Save for the revision of the Existing Annual Caps to the Revised Annual Caps, all other terms and conditions under the Agreement remain the same. As at the date of this announcement, the Existing Annual Caps had not been exceeded.

Following completion of the Disposal on 22 October 2024, the Group commenced to provide real estate technology services to the Midea Construction Group. The historical connected transaction amount was approximately RMB61.9 million for the period from 22 October 2024 to 31 December 2024;

The Revised Annual Caps were determined with reference to:

(i) the actual transaction amount of approximately RMB218 million for the seven months ended 31 July 2025;

(ii) the number of contracts awarded and the number of contracts expected to be awarded by the Midea Construction Group under the Supplemental Agreement in each of the two years ending 31 December 2026;

(iii) the types of real estate technology services to be provided by the Group in each of the two years ending 31 December 2026;

(iv) the expected service fees to be received by the Group in each of the two years ending 31 December 2026, which is estimated primarily based on the costs of providing such services (such as including but not limited to labour costs and administrative costs), the expected profit margin for real estate technology services and the service fees to be received by the Group for services of similar scope and quality provided to independent third parties; and

(v) a buffer of 10% have been incorporated to provide flexibility for unforeseeable circumstances in business needs.

Pricing Policy

In principle, the fees shall be determined taking into account the complexity and required resources for such services, and the fee quotes provided to Midea Construction shall not be lower than the fee quotes for similar services provided by the Group to at least two independent third parties.

Reasons for and the benefits of the Supplemental Agreement and the Revised Annual Caps

The Group has been providing real estate technology services to the Midea Construction Group under the Agreement. These services are delivered and accepted in batches, with revenue recognised based on the completion progress of each service project. During 2025, certain development projects of the Midea Construction Group progressed faster than anticipated. As the service provider for those projects, the Group is required to adjust its service delivery schedule accordingly to align with the accelerated timelines. Given that projects originally scheduled for completion in 2026 have been brought forward to 2025, this temporal shift in existing contract delivery schedules consequently results in a decrease in the projected transaction amounts from existing contracts for 2026. This led to the Revised Annual Caps that reflects the sustained higher activity levels needed for the Midea Construction Group's expedited development schedule for existing contracts in 2025, while also accounting for the reduced project pipeline expected in 2026.

In respect of the transactions contemplated under the Supplemental Agreement, the relationship between the Group and the Midea Construction Group has been mutually beneficial as they have developed a mutual understanding in the business needs of each other by virtue of their cooperation. The Board believes that the increase in the amount of the real estate technology services provided to the Midea Construction Group as a result of the revision of the Existing Annual Cap will benefit the Group by providing a secure revenue stream, enhancing mutual and complementary relationships, and fostering long-term growth and development. It will support the expansion of the Group's business, enable full leverage of its core advantages, improve operating performance, and ultimately contribute to the Company's future development.

Information about the Group and the Midea Construction Group

The Group

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Group is based in the PRC and operates the following major businesses: (i) property management services; (ii) asset operation; (iii) real estate technology; and (iv) project management services.

The Midea Construction Group

Midea Construction is an investment holding company incorporated in the BVI with limited liability. As at the date of this announcement, Midea Construction is indirectly wholly-owned by Ms. Lu, one of the Controlling Shareholders, through entities wholly-owned by her, namely, Midea Development Holding (BVI) Limited and Midea Field Company Limited.

The Midea Construction Group is primarily engaged in the property development and sales business in the PRC since completion of the Distribution and the Disposal. For details, please refer to the announcements of the Company dated 23 June 2024, 2 September 2024 and 22 October 2024 and the circular of the Company dated 16 August 2024.

Internal Control Measures

To further safeguard the interests of the Shareholders as a whole (including the minority Shareholders), the Group has implemented the following internal control measures in relation to continuing connected transactions contemplated under the Supplemental Agreement:

(i) the Group has established a series of measures to ensure that the continuing connected transactions will be conducted in accordance with the principal terms of the Supplemental Agreement, such as the business department preparing quotations (including comparing prices to independent third parties) based on the Midea Construction Group's requirements and specifications for commonly available services prior to confirming an order; and the implementation of the separate agreements governing each particular transaction must be approved by, depending on size of the transaction, the business department, the legal department, the finance department and/or the management to ensure that it is in accordance with the pricing policy;

(ii) the finance department of the Group will keep proper documentation of the agreements governing each particular transaction entered into between the Group and the Midea Construction Group pursuant to the Supplemental Agreement;

(iii) the compliance department of the Group will report to the audit committee of the Board on a half-yearly basis whether the internal control measures in respect of the continuing connected transactions remain complete and effective;

(iv) the finance department and compliance department of the Group shall be jointly responsible for monitoring the transaction amounts of the continuing connected transactions on a monthly basis to ensure it does not exceed the annual caps; and

(v) the Company will provide information and supporting documents to the independent non-executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by the Company. In accordance with the requirements under the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the continuing connected transactions have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are in accordance with the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board, are not in accordance with the pricing policies of the Group in all material respects, are not entered into in accordance with the relevant agreements governing the transactions in all material respects or have exceeded the proposed annual caps.

Listing Rules Implications

As at the date of this announcement, Ms. Lu is one of the Controlling Shareholders indirectly holding approximately 81.13% of the total number of issued Shares, and Midea Construction is indirectly wholly-owned by Ms. Lu, through entities wholly-owned by her, namely, Midea Development Holding (BVI) Limited and Midea Field Company Limited. Midea Construction is therefore an associate of Ms. Lu and a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Supplemental Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Revised Annual Caps, on an annual basis, exceeds 5% for the purpose of Rule 14.07 of the Listing Rules, the transactions contemplated under the Supplemental Agreement and the Revised Annual Caps are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Each of the Controlling Shareholders and their respective associates will abstain from voting on the resolution(s) in respect of the Supplemental Agreement and the Revised Annual Cap at the EGM.

Opinion of the Board

In view of the reasons and benefits disclosed in the section headed "reasons for and benefits of the Supplemental Agreement and the Revised Annual Caps" of this announcement, the Directors (excluding the independent non-executive Directors who will express their opinion after considering the advice of the Independent Financial Adviser) are of the view that the terms of the Supplemental Agreement and the transactions contemplated thereunder were negotiated on an arm's length basis, are on normal commercial terms or better and were entered into in the ordinary and usual course of business of the Group, and the relevant terms (including the Revised Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. He Jianfeng, a non-executive Director, is the spouse of Ms. Lu and the son of Mr. He, both of whom are the Controlling Shareholders. Therefore, Mr. He Jianfeng is deemed to be interested in Ms. Lu's interest in the Company by virtue of the SFO. Mr. Zhao Jun, a non-executive Director, is the director of Midea Construction. As such, both of them were regarded as having a material interest in the transactions contemplated under the Supplemental Agreement and had abstained from voting in respect of the relevant Board resolutions for considering and approving the same. Save as disclosed above, none of the Directors (i) has a material interest in the Supplemental Agreement; and (ii) has abstained from voting in respect of the relevant Board resolutions.

Independent Board Committee and Independent Financial Adviser

An independent board committee comprising the independent non-executive Directors (namely Mr. Tan Jinsong, Mr. O'Yang Wiley and Mr. Lu Qi) has been established to advise the Independent Shareholders, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders, in relation to the Supplemental Agreement and the Revised Annual Caps.

(2) PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Pursuant to Rule 13.51(1) of the Listing Rules, the Board hereby announces that it proposes to seek the Shareholders' approval to pass a special resolution at the EGM for approving, among other things, the Proposed Amendments to the Existing Articles of Association in order to (i) provide flexibility in the Board's structure by allowing the Board to appoint more than one Director to hold the office of the chairman of the Company in the future; and (ii) allow the Board to fill a casual vacancy in the office of the auditors until the conclusion of the next annual general meeting of the Company, thereby simplifying the appointment procedures in such cases.

The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the EGM, and will become effective upon the approval by the Shareholders at the EGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further details of the Supplemental Agreement and the Revised Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the transactions contemplated under the Supplemental Agreement; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Supplemental Agreement; (iv) further details regarding the Proposed Amendments; and (v) a notice convening the EGM, will be despatched to the Shareholders on or around 13 October 2025.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions shall have the following meanings when used herein:

"2024 Real Estate Technology Service Framework Agreement" or "Agreement"	the framework agreement dated 16 August 2024 entered into between the Company and Midea Construction in relation to the provision of real estate technology services by the Group commencing from 22 October 2024 to 31 December 2026
"Board"	board of Directors
"BVI"	the British Virgin Islands
"Company"	Midea Real Estate Holding Limited (美的置業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3990)
"Controlling Shareholders"	Mr. He, Ms. Lu, and Midea Development Holding (BVI) Limited
"Director(s)"	director(s) of the Company
"Disposal"	the disposal of all of the shares of Midea Construction not taken on by the cash-electing Shareholders by the Company to the Controlling Shareholders (or their wholly-owned subsidiary(ies)) on or around the time of completion of the Distribution by paying to the Company a consideration (inclusive of tax, if any) equivalent to the amount of the cash alternative payable/paid by the Company to the cash electing shareholders. For details, please refer to the announcements of the Company dated 23 June 2024, 2 September 2024 and 22 October 2024 and the circular of the Company dated 16 August 2024

"Distribution"	the distribution in specie of Midea Construction's shares by the Company to the Shareholders. For details, please refer to the announcements of the Company dated 23 June 2024, 2 September 2024 and 22 October 2024 and the circular of the Company dated 16 August 2024
"EGM"	the extraordinary general meeting of the Company to be convened for the Shareholders and the Independent Shareholders (as the case may be) to consider, and if thought fit, approve, inter alia, the Supplemental Agreement, the Revised Annual Caps and the Proposed Amendments
"Existing Annual Caps"	the annual caps for the maximum transaction amount between the Group and the Midea Construction Group for each of the two financial years ending 31 December 2026 pursuant to the Agreement
"Existing Articles of Association"	the second amended and restated memorandum of association and articles of association of the Company adopted by special resolution dated 22 May 2023
"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 PRC
"Independent Board Committee"	the independent board committee of the Company comprising all independent non-executive Directors, namely Mr. Tan Jinsong, Mr. O'Yang Wiley and Mr. Lu Qi, which has been formed for the purpose of advising the Independent Shareholders in respect of the Supplemental Agreement and the Revised Annual Caps
"Independent Financial Adviser"	Shenwan Hongyuan Capital (H.K.) Limited, a corporation licensed under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities), and type 6 (advising on corporate finance) regulated activities, the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Supplemental Agreement and the Revised Annual Caps

"Independent Shareholders"	Shareholders other than the Controlling Shareholders and their respective associates
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented, or otherwise modified from time to time
"Midea Construction"	Midea Construction (BVI) Limited (美的建業(英屬維京群島)有限公司), a company incorporated in the BVI with limited liability. As at the date of this announcement, Midea Construction is indirectly wholly-owned by Ms. Lu through entities wholly-owned by her, namely, Midea Development Holding (BVI) Limited and Midea Field Company Limited
"Midea Construction Group"	Midea Construction, its subsidiaries and their respective associates
"Mr. He"	Mr. He Xiangjian (何享健), a Controlling Shareholder
"Ms. Lu"	Ms. Lu Deyan (盧德燕), a Controlling Shareholder, the spouse of Mr. He Jianfeng (何劍鋒) (a non-executive Director) and a daughter-in-law of Mr. He
"PRC"	the People's Republic of China
"Proposed Amendments"	the proposed amendments to the Existing Articles of Association
"Revised Annual Caps"	the revised annual caps for the maximum transaction amount between the Group and the Midea Construction Group for each of the two financial years ending 31 December 2026 pursuant to the Supplemental Agreement
"RMB"	Renminbi or Chinese Yuan, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$1.00 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Supplemental Agreement"	the supplemental agreement to the Agreement dated 18 September 2025 entered into between the Company and Midea Construction to revise the Existing Annual Caps for the provision of the real estate technology services
"%"	per cent.

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

Hong Kong, 18 September 2025

As at the date of this announcement, the executive directors of the Company are Mr. Hao Hengle, Mr. Wang Dazai and Ms. Liu Min; the non-executive directors of the Company are Mr. He Jianfeng, Mr. Zhao Jun and Ms. Ren Lingyan; and the independent non-executive directors of the Company are Mr. Tan Jinsong, Mr. O'Yang Wiley and Mr. Lu Qi.