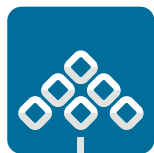


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance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



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)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF APPROXIMATELY 0.31% EQUITY INTEREST
IN ZHUHAI WANDA**

THE FIRST DISPOSAL

Reference is made to the announcement of the Company dated 24 September 2024 in relation to the Wanda Parties' agreement to acquire the shares of the Target Company held by CGS HK (an indirect wholly-owned subsidiary of the Company) and CGS HK's agreement to dispose of approximately 1.49% equity interest in Zhuhai Wanda to the Wanda Parties. On 14 October 2024, the First Consideration was paid by the designated transferee of the Wanda Parties as agreed. Accordingly, the First Disposal has been completed.

THE SECOND DISPOSAL

Given that the First Disposal has been completed, and that the terms of the First Disposal are on normal commercial terms, fair and reasonable in the view of the Board, the Board considers that, taking into account the interests of all Shareholders of the Company, CGS HK may carry out the transaction with the Wanda Parties in relation to the remaining shares of the Target Company held by CGS HK with reference to the transaction principles and terms determined in the First Disposal.

On 29 October 2024, CGS HK entered into the Supplemental Agreement (IV) with Zhuhai Wanying and Dalian Wanda, pursuant to which CGS HK has agreed to sell, and the Wanda Parties have agreed to acquire the Second Target Shares at the Second Consideration of RMB649,319,035.

After completion of the Second Disposal, CGS HK will no longer hold any shares of the Target Company.

LISTING RULES IMPLICATIONS

As the Second Disposal was made within 12 months after the First Disposal, and both were entered into by the Group and the Wanda Parties and involved shares in the Target Company, the Second Disposal is required to be aggregated with the First Disposal as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Second Disposal, when aggregated with the First Disposal, exceeds 5% but is less than 25%, the Second Disposal, when aggregated with the First Disposal, constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 24 September 2024 (the “**Announcement**”) in relation to the Wanda Parties' agreement to acquire the shares of the Target Company held by CGS HK and CGS HK's agreement to dispose of approximately 1.49% equity interest in Zhuhai Wanda to the Wanda Parties. Unless otherwise defined herein, the capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

THE FIRST DISPOSAL

As disclosed in the Announcement, on 24 September 2024, CGS HK entered into the Supplemental Agreement (III) with Zhuhai Wanying and Dalian Wanda, pursuant to which CGS HK had agreed to sell, and the Wanda Parties had agreed to acquire the First Target Shares at the First Consideration of RMB3,142,004,770.

The First Disposal constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the notification and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

After arm's length negotiations among the parties to the transaction, taking into account the requirements of the relevant competent regulatory authorities and financial institutions, CGS HK agreed and had transferred the First Target Shares to Zhuhai Wanying before receiving the corresponding consideration. On 14 October 2024, the First Consideration was paid in cash by the designated transferee of the Wanda Parties to CGS HK in a US\$ equivalent amount of RMB3,142,004,770 at the foreign exchange rate quoted by the Bank of China on the same date. Accordingly, the First Disposal has been completed.

THE SECOND DISPOSAL

On 29 October 2024, CGS HK entered into the Supplemental Agreement (IV) with the Wanda Parties, pursuant to which CGS HK has agreed to sell, and the Wanda Parties have agreed to acquire the Second Target Shares. The principal terms of the Supplemental Agreement (IV) are summarised as follows:

Date: 29 October 2024 (after trading hours)

Parties: (a) CGS HK (an indirect wholly-owned subsidiary of the Company);
(b) Zhuhai Wanying; and
(c) Dalian Wanda.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Zhuhai Wanying and Dalian Wanda and their respective ultimate beneficial owner is an Independent Third Party.

Subject Matter and the Second Consideration

Pursuant to the Supplemental Agreement (IV), CGS HK has agreed to sell and the Wanda Parties have agreed to acquire the Second Target Shares, i.e. 22,109,350 shares of the Target Company, representing approximately 0.31% of the total share capital of the Target Company. After completion of the Second Disposal, CGS HK will no longer hold any shares of the Target Company.

The consideration for the Second Disposal is RMB649,319,035, which is determined after arm's length negotiations among the parties, by reference to factors such as the manner as agreed in the Supplemental Agreement (II) which enables CGS HK to achieve a cash return calculated at an annualized IRR of 8% after-tax of the Initial Purchase Price in respect of the Second Target Shares (i.e. approximately RMB549.10 million), after taking into account the dividends received by CGS HK on the Second Target Shares from the Target Company.

Terms of Payment of the Second Consideration

The Second Consideration shall be payable in cash by the designated transferee of the Wanda Parties to CGS HK in a US\$ equivalent amount of RMB649,319,035 (being exchanged at the foreign exchange rate quoted by Bank of China on the payment date) within 10 working days from 29 October 2024 (the "**Payment Period**").

Should the Wanda Parties fail to pay the Second Consideration within the Payment Period and the payment is overdue by more than three days, CGS HK shall have the right to request the return of the original shareholder certificate(s) issued by the Target Company in respect of the Second Target Shares held by the Wanda Parties, and to transfer the Second Target Shares back to CGS HK at the request of CGS HK, completing all necessary documents and information for the change in the register of members of the Target Company, while ensuring that the Target Company processes the change in the register of members. Additionally, if CGS HK coordinated in handling the registration or filing procedures with relevant government authorities or share custodian institutions in respect of the transfer of the Second Target Shares as requested by the Wanda Parties, the Wanda Parties shall complete the registration or filing procedures with the relevant government authorities or share custodian institutions to transfer the Second Target Shares back to CGS HK.

In the event that the Wanda Parties fail to pay the Second Consideration within the Payment Period due to reasons attributable to the foreign exchange administration, the Wanda Parties may, within 3 days after the expiry of the Payment Period, request CGS HK or its designated party to open a RMB account in Mainland China, which will be supervised together with a party designated by the Wanda Parties (the “**Alternative Account**”). If the Wanda Parties deposit the Second Consideration in RMB into the Alternative Account within 3 days from the date of completion of the opening and escrow of the Alternative Account, it will not be considered as a breach of contract by the Wanda Parties. Upon the elimination of the aforementioned reasons for the Wanda Parties’ failure to pay the Second Consideration in US\$, all parties shall, as soon as possible, cooperate to exchange the Second Consideration in the Alternative Account to US\$ in a manner complying with the requirements of the law and the relevant PRC governmental authorities and pay it to the account of CGS HK.

After arm’s length negotiations among parties to the transaction, taking into account the requirements of the relevant competent regulatory authorities and financial institutions, CGS HK agreed to transfer the Second Target Shares to Zhuhai Wanying before receiving the Second Consideration, so as to ensure the successful payment of the Second Consideration.

Upon the date of payment of the First Consideration and the Second Consideration by the Wanda Parties or their designated entities, the Existing Investment Agreement shall be irrevocably and automatically terminated in its entirety. As a result, all parties shall be absolved of any obligations or responsibilities towards each other under the Existing Investment Agreement, and no disputes or claims shall arise regarding the performance and termination of the Existing Investment Agreement. Additionally, no party shall assert any right or claim for compensation against the other parties or their respective associates pursuant to the Existing Investment Agreement.

Should the Wanda Parties fail to pay the Second Consideration within the Payment Period or fail to return the shares of the Target Company as stipulated above, the Wanda Parties shall pay a penalty at a rate of 0.01% of the Second Consideration per day for each day overdue; if it is overdue for more than 30 working days, the Wanda Parties shall additionally pay a penalty at a rate of 0.01% of the Second Consideration per day on top of the aforementioned penalty.

In the event of late payment of the Second Consideration by the Wanda Parties or their designated entities and the payment is still not completed by 30 December 2024, for the purpose of the Second Target Shares, CGS HK shall have the right to request the termination of the Supplemental Agreement (II) and the Supplemental Agreement (IV), while all parties shall perform according to the provisions of the Existing Investment Agreement, including CGS HK's right to exercise the put option at any time pursuant to the Existing Investment Agreement to sell the Second Target Shares to the Wanda Parties upon the occurrence of any triggering event specified in the Existing Investment Agreement (the triggering event has occurred prior to the date of this announcement) at a consideration equal to the sum of (i) the Initial Purchase Price; (ii) dividends on the Second Target Shares declared but not yet paid; and (iii) a return calculated at an annual compound cumulative after-tax IRR of 8% of the Initial Purchase Price during the period from date on which CGS HK completed the acquisition of the Second Target Shares until the Second Consideration is fully paid by the Wanda Parties to CGS HK.

Pledge Guarantee of Shares

As stipulated in the Supplemental Agreement (II), Dalian Wanda agreed to provide a pledge guarantee to CGS HK or the third party entity designated by CGS HK with its 22,109,350 shares of the Target Company (representing approximately 0.31% of the total shares in issue of the Target Company) held as security for the payment of the Second Consideration by the Wanda Parties under the Supplemental Agreement (II), for a period of three years from the expiry date of the period for fulfilment of obligations under the Supplemental Agreement (II). As at the date of this announcement, as the registration procedure for the above-mentioned share pledge has not been completed, the pledge has not yet come into effect. The Company is negotiating with the Wanda Parties on the registration of the pledge.

CGS HK shall no longer have the right to require Dalian Wanda to provide the pledge guarantee in respect of the Second Target Shares which have been acquired from the date of the actual payment of the Second Consideration by the Wanda Parties or the designated transferee of the Wanda Parties.

FINANCIAL EFFECT OF THE SECOND DISPOSAL

The Company currently proposes to use the proceeds of the consideration from the Second Disposal for general working capital and other purposes as approved by the Board. After deducting the initial investment cost of the Second Target Shares recognised by the Company of approximately RMB549.10 million, the remaining proceeds (before deduction of professional fees and other related expenses in relation to the Second Disposal) of approximately RMB100.22 million (unaudited) will be credited to the retained profits of the Company, which is expected to result in an increase in net asset value (NAV) of the Group of approximately RMB100.22 million (unaudited). As the equity investment in the Target Company is recognised as an equity investment at fair value through other comprehensive income, the gain on the Second Disposal will not be included in profit or loss.

INFORMATION ON THE TARGET COMPANY

Zhuhai Wanda is a company established in the PRC with limited liability. The company and its subsidiaries are the largest commercial operational service provider in the PRC and a pioneer in technology-driven commercial management and digital operation, with a primary focus on commercial plazas. The commercial operational services of the company and its subsidiaries include (i) commercial management services, (ii) property management services and (iii) value-added services.

Set out below is a summary of the audited consolidated financial information of the Target Company for the two years ended 31 December 2022 and 2023 prepared in accordance with the PRC generally accepted accounting principles (GAAP):

	For the year ended 31 December	
	2022	2023
	(RMB)	(RMB)
Profit before tax	11,853,619,061.50	9,303,508,502.64
Profit after tax	9,565,594,043.72	7,533,827,732.20

The unaudited consolidated NAV of the Target Company as at 30 June 2024 in accordance with the PRC GAAP amounted to RMB9,454,380,648.33.

REASONS FOR AND BENEFITS OF THE SECOND DISPOSAL

Given that the First Disposal has been completed, and that the terms of the First Disposal are on normal commercial terms, fair and reasonable in the view of the Board, the Board considers that, taking into account the interests of all Shareholders of the Company, CGS HK may carry out the transaction with the Wanda Parties in relation to the remaining shares of the Target Company held by CGS HK with reference to the transaction principles and terms determined in the First Disposal.

The Second Disposal represents a good opportunity for the Group to strategically focus and curtail its financial investments by selling back the shares in accordance with the investment exit schedule, which helps the Group to recover capital and concentrate on the operation of the Group's core businesses. In addition, compared to the acquisition date as agreed under the Supplemental Agreement (II) by the parties (i.e. no later than 31 December 2024), as a result of the Second Disposal, the Wanda Parties fulfil their obligations of acquiring the shares of the Target Company under the Supplemental Agreement (II) in advance, which represents a good opportunity for the Group to realise the return on its investment. After completion of the Second Disposal, the Group will no longer hold any shares of the Target Company.

In light of the foregoing, the Directors consider that the terms of the Second Disposal, which are determined after arm's length negotiations among the parties, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

CGS HK is an indirect wholly-owned subsidiary of the Company and its subsidiaries are principally engaged in the provision of property management services, community value-added services, value-added services to non-property owners and “Three Supplies and Property Management” businesses (currently including property management services and heat supply business), city services and commercial operational services.

Zhuhai Wanying is a company established under the laws of the PRC with limited liability. It is primarily engaged in enterprise headquarters management, enterprise management consultancy and investment activities with its own funds. As at the date of this announcement, Zhuhai Wanying is a wholly-owned subsidiary of Dalian Wanda.

Dalian Wanda is a company established under the laws of the PRC with limited liability. As a commercial property holding and management operator of global scale, Dalian Wanda is principally engaged in businesses such as commercial complex management services, non-residential real estate leasing, property management, and planning, design and management.

The ultimate holding company of Zhuhai Wanying and Dalian Wanda is Dalian Wanda Group Co., Ltd. (大連萬達集團股份有限公司), being a company established under the laws of the PRC with limited liability, which is principally engaged in businesses such as commercial complex management services, non-residential real estate leasing, property management, and planning, design and management. The largest ultimate beneficial owner of Zhuhai Wanying and Dalian Wanda is Mr. Wang Jianlin.

LISTING RULES IMPLICATIONS

As disclosed in the Announcement, the First Disposal constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the notification and announcement requirements but exempt from shareholders’ approval requirement under Chapter 14 of the Listing Rules.

As the Second Disposal was made within 12 months after the First Disposal, and both were entered into by the Group and the Wanda Parties and involved shares in the Target Company, the Second Disposal is required to be aggregated with the First Disposal as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Second Disposal, when aggregated with the First Disposal, exceeds 5% but is less than 25%, the Second Disposal, when aggregated with the First Disposal, constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements but exempt from shareholders’ approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“First Consideration”	the consideration for the First Target Shares in the amount of RMB3,142,004,770
“First Disposal”	the disposal of the First Target Shares by CGS HK to the Wanda Parties pursuant to the Supplemental Agreement (III)
“First Target Shares”	the 107,945,650 shares of the Target Company held by CGS HK, representing approximately 1.49% of the total share capital of the Target Company
“Second Consideration”	the consideration for the Second Target Shares in the amount of RMB649,319,035
“Second Disposal”	the disposal of the Second Target Shares by CGS HK to the Wanda Parties pursuant to the Supplemental Agreement (IV)
“Second Target Shares”	the 22,109,350 shares of the Target Company held by CGS HK, representing approximately 0.31% of the total share capital of the Target Company
“Supplemental Agreement (IV)”	the supplemental agreement dated 29 October 2024 entered into by CGS HK, the Wanda Parties and the Target Company in relation to the Second Disposal
“US\$”	United States dollars, the lawful currency of the United States of America

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

Foshan, China, 29 October 2024

As of the date of this announcement, the executive directors of the Company are Mr. XU Binhuai (President) and Mr. XIAO Hua. The non-executive director of the Company is Ms. YANG Huiyan (Chairman). The independent non-executive directors of the Company are Mr. MEI Wenjue, Mr. RUI Meng, Mr. CHEN Weiru and Mr. ZHAO Jun.