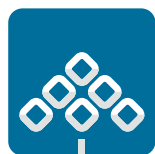


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碧桂园服务
COUNTRY GARDEN SERVICES

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)

UPDATE ANNOUNCEMENT ON DISCLOSEABLE TRANSACTION ACQUISITION OF ENTIRE EQUITY INTEREST IN LINK JOY HOLDINGS ENTERING INTO OF SUPPLEMENTAL AGREEMENT

References are made to the announcements of Country Garden Services Holdings Company Limited (the “**Company**”) dated 28 September 2021 (the “**Acquisition Announcement**”) and dated 4 October 2021 (together with the Acquisition Announcement, collectively referred to as the “**Announcements**”) respectively, in relation to CG Property Services HK (an indirect wholly-owned subsidiary of the Company) agreeing to acquire 100% equity interest in Link Joy Holdings, the Loan provided by CG Property Services HK to Colour Life Services and the enforcement of the share charge over Link Joy Holdings. Unless the context requires otherwise, the capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

THE EQUITY TRANSFER AGREEMENT AND THE LOAN

Pursuant to the Equity Transfer Agreement, CG Property Services HK shall pay Colour Life Services the amount of Hong Kong dollars equivalent to the Second Instalment of Consideration of RMB700 million and the Third Instalment of Consideration of RMB300 million respectively upon satisfaction of the prescribed conditions. Details of the relevant terms of the Equity Transfer Agreement are set out in the Announcements. As at the date of this announcement, the relevant prescribed conditions have not been fully satisfied, and the Second Instalment of Consideration and the Third Instalment of Consideration have not been paid.

As at the date of this announcement, the entire Loan lent by CG Property Services HK to Colour Life Services in the principal amount of Hong Kong dollars equivalent to RMB700 million, which was due on 4 October 2021, remains outstanding. As disclosed in the announcement of the Company dated 4 October 2021, CG Property Services HK enforced the charge over the Target Shares (being 100% equity interest in Link Joy Holdings). The registration procedures for the transfer of the Target Shares to CG Property Services HK and the change of the directors of the Target Company to the directors designated by CG Property Services HK have been completed, and CG Property Services HK obtained the control over the Target Group in October 2021.

THE SUPPLEMENTAL AGREEMENT

The Board is pleased to announce that, on 28 March 2022 (after trading hours), CG Property Services HK, Colour Life Services, Guarantor I and the Target Company entered into a supplemental agreement (the “**Supplemental Agreement**”) in relation to the conditions and arrangements for the payment of the Second Instalment of Consideration and/or the Third Instalment of Consideration under the Equity Transfer Agreement as well as the repayment of the Loan, and other relevant contractual arrangements.

The principal terms of the Supplemental Agreement are as follows:

Payment terms of the Second Instalment of Consideration and the arrangement for the repayment of the Loan

Pursuant to the terms of the Supplemental Agreement, the parties to the Supplemental Agreement agree that:

- I. the entire principal amount of the Loan shall be utilized to offset the full amount of the Second Instalment of Consideration payable by CG Property Services HK under the Equity Transfer Agreement; and
- II. following the entering into of the Supplemental Agreement, CG Property Services HK shall be deemed to have fully paid the Second Instalment of Consideration and Colour Life Services shall be deemed to have fully repaid the Loan.

Payment terms of the Third Instalment of Consideration

Pursuant to the Supplemental Agreement, the parties to the Equity Transfer Agreement agree that the payment terms of the Third Instalment of Consideration (the original major terms of which are set out in the section headed “*Principal Terms of the Equity Transfer Agreement — Third Instalment of Consideration*” in the Acquisition Announcement) shall be amended as follows:

- I. CG Property Services HK shall pay the amount of Hong Kong dollars equivalent to the Third Instalment of Consideration (after deducting the Withheld Amount (as defined below) in the amount of RMB20 million) in such manner as agreed by the parties within three Working Days after the following conditions are met:
 - (1) the PRC anti-monopoly law enforcement agency has agreed and approved the Acquisition, and has issued the relevant documents;

- (2) within five Working Days after the condition in the sub-paragraph (1) above has been met, Colour Life Services completes the registration formalities for change in relation to the transfer of the Target Shares to CG Property Services HK and issues the register of members and capital contribution certificate to CG Property Services HK;
- (3) all necessary transfer formalities and registration to procure the Target Company to directly or indirectly hold 100% equity interest in the Core Asset Companies and to cease to hold any rights, obligations or liabilities in respect of the Spun-off Businesses are completed;
- (4) the existing pledges in favor of any other third party over the Target Shares and the equity interests in certain subsidiaries of the Target Group are released, and the relevant registration procedures are completed;
- (5) the registration and formalities in relation to the pledge of the immovable properties of the Spun-off Businesses referred to in the section headed “*Principal Terms of the Equity Transfer Agreement — Pledges and Guarantees*” in the Acquisition Announcement are completed;
- (6) the relevant formalities in respect of the contractual arrangements for the business handover and related party current accounts and receivables under Equity Transfer Agreement are completed. If there are amounts due from Colour Life Services and any of its related parties to the Target Company under the relevant contractual arrangements, such amounts may be offset against the amount of the Consideration for the Acquisition;
- (7) CG Property Services HK completes the takeover of the daily management of the Target Company and the Core Asset Companies;
- (8) the registration formalities in relation to the change in the equity interests in the companies that are not within the scope of the Acquisition are completed;
- (9) Colour Life Services completes the handover of the documents and materials of the Target Company to CG Property Services HK;
- (10) the arrangements in relation to the adjustment and compensation of the personnel of the Target Group and the handover of information and data systems are completed; and
- (11) the existing guarantees provided by the Target Company to external parties are released and the relevant written confirmation documents are provided.

- II. If the Equity Transfer Agreement, the Supplemental Agreement and the transaction contemplated thereunder are invalidated or revoked by an effective judgement, Colour Life Services and Fantasia undertake to take measures to meet all necessary conditions for the transaction and ensure that the transaction can proceed, otherwise CG Property Services HK shall have the right to request them to refund all amounts already paid by CG Property Services HK under the transaction, and to compensate and indemnify CG Property Services HK against the resulting losses suffered by CG Property Services HK (including the recovery expense and the loss from capital occupation, etc.). After CG Property Services HK has received all such refund and compensation for loss, the Target Shares and the proceeds received by CG Property Services HK from holding the Target Shares shall be returned to Colour Life Services, except that such proceeds can be utilized to offset the aforesaid refund and compensation for loss payable by Colour Life Services.
- III. Until the Equity Transfer Agreement (as amended by the Supplemental Agreement) and the transaction contemplated thereunder are approved by shareholders at the general meetings of Colour Life Services and Fantasia (the “**Approvals**”), CG Property Services HK shall temporarily withhold an amount of RMB20 million (the “**Withheld Amount**”) from the Third Instalment of Consideration. Colour Life Services undertakes to obtain the Approvals on or before 30 June 2022. If the Approvals are obtained on or before 30 June 2022, the Withheld Amount shall be paid within one Working Day from the date on which the Approvals are obtained. If the Approvals are not obtained on or before 30 June 2022, the Withheld Amount shall be paid within six months from the date on which the Approvals are obtained.

Other terms

Save as disclosed in this announcement, other terms of the Equity Transfer Agreement remain unchanged.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT

The Supplemental Agreement was entered into after taking into account that, among others, (i) it will protect the Group’s interests in respect of the Loan and the First Instalment of Consideration already paid; (ii) it will facilitate CG Property Services HK and Colour Life Services to refine and continue to perform their rights and obligations under the Equity Transfer Agreement; and (iii) the undertakings by Colour Life Services and its controlling shareholder Fantasia in the Supplemental Agreement will help protect the interests of the shareholders of the Company.

The Directors (including independent non-executive Directors) are of the view that the Supplemental Agreement and the transaction contemplated thereunder are on normal commercial terms and that their terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules to provide its shareholders and investors with updates on the Acquisition.

By order of the Board
Country Garden Services Holdings Company Limited
LI Changjiang
President and Executive Director

Foshan, China, 28 March 2022

As of the date of this announcement, the executive Directors of the Company are Mr. LI Changjiang (President), Mr. XIAO Hua and Mr. GUO Zhanjun. The non-executive Directors of the Company are Ms. YANG Huiyan (Chairman), Mr. YANG Zhicheng and Ms. WU Bijun. The independent non-executive Directors of the Company are Mr. MEI Wenjue, Mr. RUI Meng and Mr. CHEN Weiru.