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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)

CANCELLATION OF SHARE OPTIONS AND GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

CANCELLATION OF SHARE OPTIONS

Reference is made to the announcement of Country Garden Services Holdings Company Limited (the “**Company**”, together with its subsidiaries from time to time, the “**Group**”) dated 23 March 2021 in relation to the grant of a total of 1,600,000 share options to two eligible participants (the “**Existing Grantees**”) with an exercise price of HK\$72.40 per share (the “**Original Exercise Price**”) in accordance with the share option scheme of the Company adopted on 28 September 2020 (the “**Share Option Scheme**”), which entitle the Existing Grantees to subscribe for a total of 1,600,000 new ordinary shares of US\$0.0001 each in the capital of the Company (the “**Shares**”). As at the date of this announcement, all of the share options have not been exercised (the “**Outstanding Share Options**”)

The purpose of the Share Option Scheme is (i) to motivate the eligible participants to work hard for the future development of the Group by providing them with the opportunities for acquiring the Shares of the Company so as to promote the long-term stable development of the Group; (ii) to provide incentives and/or rewards to them for their contribution to the Group; and (iii) to enhance the Group’s ability to attract and retain individuals with outstanding skills and extensive experience. Given that the Original Exercise Price is much higher than the recent market price of the Shares, the board (the “**Board**”) of directors (the “**Director(s)**”) and the Remuneration Committee of the Company is of the view that the Outstanding Share Options are no longer able to achieve the purpose of providing the Existing Grantees with incentives and rewards for their contribution to the Group, nor are they conducive to motivating the Existing Grantees to stay within the Group and make lasting contribution to the development of the Group. As such, the Board has resolved to cancel such Outstanding Share Options pursuant to the Share Option Scheme and to grant the Existing Grantees with the same number of new share options. For further details, please refer to the section entitled “Grant of Share Options” in this announcement.

GRANT OF SHARE OPTIONS

The Board announces that on 30 March 2022, the Company has granted a total of 3,240,000 share options (the “**Share Options**”) to five eligible participants (including the two Existing Grantees mentioned above) (the “**Grantees**”) under the Share Option Scheme, subject to acceptance by the relevant Grantees. Among the aforesaid Share Options granted, a total of 1,600,000 Share Options (the “**Share Options Batch One**”) were granted by the Company to the two Existing Grantees and a total of 1,640,000 Share Options (the “**Share Options Batch Two**”) were granted to the remaining three Grantees. The Share Options entitle the Grantees to subscribe for a total of 3,240,000 Shares in the capital of the Company.

Details of the Share Options are set out below:

Date of grant	: 30 March 2022
Exercise price of the Share Options granted	: HK\$50.07 per Share, representing the highest of the following: <ul style="list-style-type: none">(i) the closing price of the Shares on the date of grant of HK\$34.35 per Share as stated on the daily quotations sheet of the Stock Exchange;(ii) the average closing price of the Shares for the five (5) business days before the date of grant of HK\$33.26 per Share as stated on the daily quotations sheet of the Stock Exchange;(iii) 95% of the average closing price of the Shares for the ten (10) business days before the date of grant as stated on the daily quotations sheet of the Stock Exchange, being HK\$32.64 per Share; and(iv) HK\$50.07 per Share (being the exercise price of the share options granted by the Company on 28 September 2020).
Number of the Share Options granted	: A total of 3,240,000 Share Options
Validity period of the Share Options	: Subject to vesting conditions and lapse of Share Options in accordance with the terms of the Share Option Scheme, the Share Options shall be exercisable by the Grantees up to 29 March 2027.

The vesting conditions, the vesting date of the Share Options Batch One and the portion of the Share Options vested are as follows:

Tranche	Vesting Conditions, Vesting Date and Portion of Share Options Vested
	Provided that the relevant Grantee is being employed by the Group or any other entity as specified in the relevant letter of offer in relation to the Share Options (as the case may be) at the relevant date on which a Share Option is vested,

Tranche	Vesting Conditions, Vesting Date and Portion of Share Options Vested
First	conditional upon (i) the profit attributable to the owners of the Company as shown in the audited consolidated financial statements of the Group (excluding non-recurring gains and losses, share-based compensation expenses, agency fees and relevant taxes and other expenses in relation to the Share Option Scheme) (the “ Net Profit ”) for the year ended 31 December 2021 representing an increase of 38% or more of the Net Profit for the year ended 31 December 2020; and (ii) the relevant Grantee having achieved the individual’s annual performance targets set by the Group for the year ended 31 December 2021, then with effect from the working day following the date of issuance of the audited financial report of the Group for the year ended 31 December 2021, 40% of the total number of Shares granted under the Share Options will be vested to the relevant Grantee;
Second	conditional upon (i) the Net Profit for the year ended 31 December 2022 representing an increase of 38% or more of the Net Profit for the year ended 31 December 2021; and (ii) the relevant Grantee having achieved the individual’s annual performance targets set by the Group for the year ended 31 December 2022, then with effect from the date of issuance of the audited financial report of the Group for the year ended 31 December 2022, 30% of the total number of Shares granted under the Share Options will be vested to the relevant Grantee; and
Third	conditional upon (i) the Net Profit for the year ended 31 December 2023 representing an increase of 38% or more of the Net Profit for the year ended 31 December 2022; and (ii) the relevant Grantee having achieved the individual’s annual performance targets set by the Group for the year ended 31 December 2023, then with effect from the date of issuance of the audited financial report of the Group for the year ended 31 December 2023, 30% of the total number of Shares granted under the Share Options will be vested to the relevant Grantee.

The vesting conditions, the vesting date of Share Options Batch Two and the portion of the Share Options vested are as follows:

Tranche	Vesting Conditions, Vesting Date and Portion of Share Options Vested
	Provided that the relevant Grantee is being employed by the Group or any other entity as specified in the relevant letter of offer in relation to the Share Options (as the case may be) at the relevant date on which a Share Option is vested,
First	conditional upon (i) the Net Profit for the year ended 31 December 2022 representing an increase of 38% or more of the Net Profit for the year ended 31 December 2021; and (ii) the relevant Grantee having achieved the individual’s annual performance targets set by the Group for the year ended 31 December 2022, then with effect from the date of issuance of the audited financial report of the Group for the year ended 31 December 2022, 40% of the total number of Shares granted under the Share Options will be vested to the relevant Grantee;

Tranche	Vesting Conditions, Vesting Date and Portion of Share Options Vested
Second	conditional upon (i) the Net Profit for the year ended 31 December 2023 representing an increase of 38% or more of the Net Profit for the year ended 31 December 2022; and (ii) the relevant Grantee having achieved the individual's annual performance targets set by the Group for the year ended 31 December 2023, then with effect from the date of issuance of the audited financial report of the Group for the year ended 31 December 2023, 30% of the total number of Shares granted under the Share Options will be vested to the relevant Grantee; and
Third	conditional upon (i) the Net Profit for the year ended 31 December 2024 representing an increase of 38% or more of the Net Profit for the year ended 31 December 2023; and (ii) the relevant Grantee having achieved the individual's annual performance targets set by the Group for the year ended 31 December 2024, then with effect from the date of issuance of the audited financial report of the Group for the year ended 31 December 2024, 30% of the total number of Shares granted under the Share Options will be vested to the relevant Grantee.

For the avoidance of doubt, the relevant Grantees shall fulfil the aforesaid conditions (i) and (ii) in order for the relevant Share Options to be vested in him/her.

If the aforesaid conditions (i) and/or (ii) for vesting of Share Options is/are not fulfilled for the relevant financial year, the corresponding portion of Share Options granted will lapse.

All Grantees are employees of the Group. None of the Grantees is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined in the Listing Rules).

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

Foshan, China, 30 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.