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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)

REVISED DIVIDEND POLICY

AS ADOPTED BY THE BOARD ON 24 MARCH 2021

This announcement is made by the board of directors (the “**Board**”) of Midea Real Estate Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Reference is made to the announcement dated 16 January 2019 in relation to adoption of Company’s dividend policy (the “**Policy**”). The Board is pleased to announce that it has approved and adopted the revised dividend policy (the “**Revised Policy**”) which shall supersede the Policy with effect from 24 March 2021.

According to the Revised Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia, the following factors:

- (a) the Company’s operating results, actual and expected financial performance;
- (b) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (c) the level of the Group’s debts to equity ratio, return on equity and the relevant financial covenants;
- (d) any restrictions on payments of dividends that may be imposed by the Group’s lenders or other third parties;
- (e) the Group’s expected working capital requirements, capital expenditure requirements and future expansion plans and any statutory fund reserve requirements;
- (f) the Group’s liquidity position;

- (g) general economic conditions, business cycle of the Group's business and other internal and external factors that may have an impact on the business or financial performance and position of the Company; and
- (h) any other factor that the Board deems appropriate and relevant.

Taking the above factors into consideration, the Board may propose an ordinary dividend (including a final dividend and an interim dividend) and/or a special dividend from time to time. This arrangement is subject to the Revised Policy of which the Company is committed to provide a competitive aggregated dividend payout amount to be received by its shareholders for each financial year.

Such declaration and payment of the dividend by the Company is also subject to any restrictions under the Companies Laws of the Cayman Islands, any applicable laws, rules and regulations and the Articles of Association of the Company.

Any declaration and payment of future dividends under the Revised Policy are subject to the Board's determination that the same would be in the best interests of the Group and the shareholders of the Company as a whole.

The Board will review the Revised Policy from time to time and may exercise at its sole and absolute discretion to update, amend and/or modify the Revised Policy at any time as it seems fit and necessary.

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

Hong Kong, 24 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. Hao Hengle, Mr. Xu Chuanfu, Mr. Yao Wei and Mr. Lin Ge; the non-executive directors of the Company are Mr. He Jianfeng and Mr. Zhao Jun; and the independent non-executive directors of the Company are Mr. Tan Jinsong, Mr. O'Yang Wiley and Mr. Lu Qi.