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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)

**ISSUE OF NEW SHARES PURSUANT TO
RESTRICTED SHARE AWARD SCHEME**

References are made to the Company's announcements dated 22 April 2021 in respect of the Scheme adopted by the Board and the grant of 5,225,000 Award Shares pursuant to the Scheme. Pursuant to the terms of the Scheme, the Awarded Shares may be satisfied by the Company by: (i) transfer of Award Shares and Related Income which shall comprise (a) new Shares to be allotted and issued to the Trustee (which holds the same on behalf of the Grantees) by the Company under the general or specific mandate sought from the shareholders of the Company in its general meeting; and/or (b) existing Shares to be purchased by the Trustee on the market; or (ii) payment of the Actual Selling Price and the Related Income in cash as the Board shall determine in accordance with the Scheme.

On 26 May 2021, the Board has resolved to allot and issue a total of 3,795,000 new Shares to the Trustee pursuant to the general mandate granted by the shareholders of the Company at the 2020 AGM, under which the maximum number of Shares that can be allotted and issued is 246,113,400 Shares, for the purpose of partially satisfying the Awarded Shares granted on 22 April 2021 in anticipation of their vesting in the future. The issuance of these Shares is not subject to any further shareholders' approval.

The Awarded Shares are granted, among other things, to recognise and acknowledge the contributions that Selected Participants have made, remunerate the best possible quality of the Selected Participants, and attract, retain and motivate the Selected Participants to continue to contribute to the growth and development of the Group.

Save as disclosed in this announcement, no new Share has been issued or allotted under the aforesaid general mandate. Pursuant to the Scheme, the Board shall cause to be paid the subscription money of HK\$3,795,000 for the new Shares, representing the nominal value of the Share multiplied by the number of Shares to be issued, from the Company's internal resources. The Trustee shall subscribe for the new Shares in cash, which shall be transferred to the Selected Participants at nil consideration subject to the achievement of performance targets as determined by the Board and vesting. The closing price per Share as at the date of grant of Award Shares and as at the date of this announcement was HK\$18.04 and HK\$18.90 respectively.

As at the date of this announcement, the Trustee and its ultimate beneficial owners, and all of the Selected Participants (to which the new Shares will be transferred to upon vesting and achievement of performance targets) are not connected persons of the Company.

The new Shares to be allotted and issued by the Company to the Trustee represent approximately 0.3084% of the Company's issued shares as at 26 May 2021 and approximately 0.3074% of the Company's enlarged issued shares after the allotment. The new Shares, when issued and fully paid, will rank pari passu among themselves and with the Shares in issue upon allotment of the new Shares. Pursuant to the Scheme, the Trustee however shall not exercise the voting rights in respect of any Shares held in trust.

The Company has not engaged in any fund raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the 3,795,000 Awarded Shares.

DEFINITIONS

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

“2020 AGM”	the annual general meeting of the Company held on 29 May 2020;
“Actual Selling Price”	the actual price at which the Award Shares and any securities are sold (net of brokerage, Stock Exchange trading fee, Securities and Futures Commission transaction levy and any other applicable costs) on the vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company, the consideration receivable under the related scheme or offer;
“Award(s)”	an award granted by the Board to the Selected Participants which may be settled in the form of transfer of the Award Shares or payment of the Actual Selling Price in cash as the Board may determine in accordance with the Scheme, together with any Related Income attributable to such award;
“Award Share(s)”	the Shares granted under the Award;

“Board”	the board of directors of the Company;
“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 on 29 November 2017, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3990);
“connected person(s)”	shall have the meaning ascribed to it in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Grantee(s)”	a Selected Participant who has accepted the grant of an Award;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, supplemented or otherwise modified from time to time;
“PRC”	People’s Republic of China;
“Related Income”	in relation to a Share, all income derived from the Share (including but not limited to, any bonus Shares and scrip Shares, cash dividends and cash distributions received in respect of that Share and any non-cash and non-scrip distribution received in respect of that Share), but, for the avoidance of doubt, unless otherwise instructed by the Company, excluding any nil-paid rights, bonus warrants, options or proceeds of sale of the same;
“Scheme”	the restricted share award scheme in its present or any amended form as adopted by the Company on 22 April 2021 and amended on 18 May 2021 or as otherwise altered in accordance with the Scheme, subject to the requirements under the Listing Rules;

“Selected Participant(s)”	any eligible person approved for participation in the Scheme on 22 April 2021;
“Share(s)”	ordinary share(s) of nominal value of HK\$1.00 each (or of such other nominal value as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	shall have the meaning ascribed to it in the Listing Rules;
“Trust”	the trust constituted by a trust deed entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time) to service the Scheme;
“Trustee”	the independent trustee appointed by the Company for the purpose of the Trust; and
“%”	per cent.

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

Hong Kong, 26 May 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.