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Greentown Service Group Co. Ltd.

綠城服務集團有限公司

(a company incorporated under the laws of the Cayman Islands with limited liability)

(Stock code: 2869)

**AMENDMENTS TO THE TERMS AND CONDITIONS OF
THE CONVERTIBLE PROMISSORY NOTE
AND
NON-EXERCISE OF RIGHT OF FIRST REFUSAL
AND
DISPOSAL OF INTEREST IN CHINA CVS**

Reference is made to the announcement dated 29 October 2017 (the “**Announcement**”) by Greentown Service Group Co. Ltd. (the “**Company**”) in relation to, amongst other things, the entering into a convertible note purchase agreement dated 27 October 2017 by the Company and China CVS Holdings Limited (“**China CVS**”), pursuant to which, the Company has agreed to purchase the convertible promissory note (the “**Convertible Promissory Note**”) in the principal amount of US\$54,000,000 issued by China CVS.

**AMENDMENTS TO THE TERMS AND CONDITIONS OF THE CONVERTIBLE
PROMISSORY NOTE**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that on 2 November 2018, the Company agreed to accept all the terms and conditions contained in the new convertible promissory note (the “**Restated Note**”) issued by China CVS dated as of 2 November 2018, which shall substitute the Convertible Promissory Note in its entirety. Pursuant to the Restated Note, the following substantial amendments to the Convertible Promissory Note have been made:

1. the Company agrees to waive the right to exercise the conversion rights under the Convertible Promissory Note as a result of the Investment (as defined below) and will exercise the conversion rights until or after the next round of equity financing of China CVS after the closing of the Investment (as defined below);
2. the Company agrees that the conversion of all or any of the due and unpaid amount under the Convertible Promissory Note shall not be accelerated pursuant to the Restated Note as the result of the closing of the Investment (as defined below);

3. the maturity date (the “**Maturity Date**”) of the Convertible Promissory Note shall be the third (3rd) anniversary of the date of the closing of the sale and purchase of the Convertible Promissory Note (the “**Initial Period**”), subject to an automatic extension of an additional one (1) year immediately subsequent to the Initial Period. The Maturity Date shall be extended to an automatic extension of an additional two (2) years immediately subsequent to the Initial Period; and
4. the Company agrees that the Restated Note shall be secured by 100% of the issued and outstanding shares of Idea Thrive Limited held by China CVS, and agrees to waive the right to cause China CVS to procure Xianlife Limited, the largest shareholder of China CVS, to guarantee the due and punctual payment of all or any portion by China CVS under the Restated Note.

Save for the amendments mentioned hereinabove, all other principal terms of the Convertible Promissory Note as disclosed in the Announcement remain unchanged.

As at the date of this announcement, the aggregate outstanding principal amount of the Convertible Promissory Note amounts to US\$54,000,000.

DISPOSAL OF INTEREST IN CHINA CVS

Reference is made to the Announcement in relation to, amongst other things, the subscription of shares in China CVS. The Board hereby also announces that, on 2 November 2018, the Company entered into a sale and purchase agreement with Xianlife Limited, being an independent third party, pursuant to which Xianlife Limited agreed to acquire and the Company agreed to sell approximately 18% interest (as converted and fully diluted, equals to 7,983,191 Class A ordinary shares) in China CVS at a total consideration of US\$14,400,000 (the “**Disposal**”). To the best knowledge of the Directors, no connected person of the Company was involved and hence such Disposal is not subject to the connected transaction requirement under Chapter 14A of the rules governing the Listing of securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). As the applicable percentage ratios of the Disposal is less than 5% under Chapter 14 of the Listing Rules, such transaction will be fully exempt from the reporting, announcement, annual review, and Independent Shareholders’ approval requirements under Chapter 14 of the Listing Rules.

NON-EXERCISE OF RIGHT OF FIRST REFUSAL

The Board also noted that (i) new investors, being the independent third party of the Company, and China CVS entered into a purchase agreement dated 2 November 2018 for the investment in China CVS by the purchase of certain number of ordinary shares of China CVS (the “**Investment**”); and (ii) Shanghai ExFresh Supply Chain Co., Ltd. (上海安鮮達供應鏈管理有限公司), one of the existing shareholders of China CVS, proposed to transfer and sell all the ordinary shares of China CVS it holds prior to or concurrently with the closing of the Investment (the “**Proposed Transfer**”).

Reference is made to the Announcement in relation to, amongst other things, the existence of the right of first refusal (the “**First Refusal Rights**”) pursuant to the shareholders’ agreement entered into by the Company dated 27 October 2017 (the “**Shareholders’ Agreement**”) regarding the obligations and rights of each of the shareholders of China CVS.

Under the Shareholders' Agreement, the Company was entitled to exercise the First Refusal Rights in respect of an option to buy on a pro rata basis if any shareholder of China CVS proposed to transfer all or any portion of its shares in China CVS. As at the date of this announcement, the Company agreed to waive the right to exercise the First Refusal Rights in relation to the Investment and the Proposed Transfer.

By Order of the Board
Greentown Service Group Co. Ltd.
Li Hairong
Chairman

Hangzhou, the PRC
2 November 2018

As at the date of this announcement, the executive Directors are Ms. LI Hairong (Chairman), Mr. YANG Zhangfa, Mr. WU Zhihua and Mr. CHEN Hao; and the non-executive Directors are Mr. SHOU Bainian and Ms. XIA Yibo; and the independent non-executive Directors are Mr. LI Feng, Mr. POON Chiu Kwok and Mr. WONG Ka Yi.