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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)

**INSIDE INFORMATION ANNOUNCEMENT
LEGAL PROCEEDINGS**

This announcement is made by Greentown Service Group Co. Ltd. (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 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that Greentown Real Estate Consulting Co. Ltd.* (綠城房地產諮詢集團有限公司) (“**Greentown Consulting**”), a wholly-owned subsidiary of the Company, has recently received a court summons* (傳票) and a statement of civil claim* (起訴狀) from the Shanghai First Intermediate People’s Court* (上海市第一中級人民法院) in relation to the claim made by the lessor under the Lease Agreement (as defined below) (the “**Plaintiff**”) against an associate of the Company as the first defendant (the “**First Defendant**”) and Greentown Consulting as the second defendant (the “**Legal Proceedings**”), the case no. of the Legal Proceedings being (2022) 滬01民初77號.

The Plaintiff’s claims under the Legal Proceedings are related to a property lease agreement entered into among the Plaintiff as lessor, the First Defendant as lessee and Greentown Consulting as guarantor (the “**Lease Agreement**”), pursuant to which the Plaintiff claims against (i) the First Defendant for the related fees under the Lease Agreement, including rental payments, utilities fees and damages for the breach of the Lease Agreement, which in aggregate amount to approximately RMB 135 million; and (ii) Greentown Consulting to assume joint and several liability for the payment obligations of the First Defendant.

The Company is currently seeking legal advice in relation to the Legal Proceedings. To the best knowledge and belief of the Directors having made due enquiries, it is believed that there exist uncertainties in relation to the outcome of the Legal Proceedings as to (i) whether Greentown Consulting should be held liable for the joint and several guarantee liabilities for the Plaintiff's claims; and (ii) the final amount of the sum payable by the First Defendant which, given the complexity of the circumstances pertaining to the background of the Legal Proceedings, will largely depend on the agreed facts at the trial and the outcome of the Legal Proceedings. As such, the Company is currently assessing the potential impact of the Legal Proceedings on the Group. The Company believes that the Legal Proceedings do not and will not have material and adverse impact on the normal business or operation of the Group.

The Company will take appropriate actions to vigorously defend against the Plaintiff's claims under the Legal Proceedings, and will closely monitor the progress of the Legal Proceedings, protect the interest of the Shareholders and take appropriate actions to minimise the negative impact on the Group when necessary. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules to keep its Shareholders and potential investors informed of any further material development of the Legal Proceedings.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Greentown Service Group Co. Ltd.
YANG Zhangfa
Chairman

Hangzhou, the PRC
19 July 2022

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

** For identification purpose only*