

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Lushang Life Services Co., Ltd., you should at once hand this circular to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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LSFW
魯商服務
Lushang Life Services Co., Ltd.
魯商生活服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2376)

**(1) PROPOSED APPOINTMENT OF DIRECTORS;
(2) PROPOSED ADOPTION OF
THE MANAGEMENT RULES FOR EXTERNAL GUARANTEES;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

The capitalized terms used in this cover page have the same meanings as those defined in the section headed "Definitions" of this circular.

The Company will convene and hold the EGM at 10 a.m. on Thursday, September 15, 2022, at 38th Floor, Block 5, Lushang Guo'ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, the PRC. A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use in the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.lushangfuwu.com).

Shareholders who intend to appoint a proxy to attend the EGM are required to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same not later than 24 hours before the time designated for the EGM (being before 10 a.m. on Wednesday, September 14, 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE EGM

To safeguard the health and safety of the Shareholders and to prevent the spread of the COVID-19 pandemic at the EGM venue, the following precautionary measures will be implemented at the EGM:

1. compulsory body temperature checks on each attendee;
2. compulsory health declaration by each attendee;
3. compulsory wearing of a surgical face mask by each attendee;
4. physical distancing at the venue; and
5. no distribution of refreshments or drinks, or corporate gifts or gift coupons

Shareholders are advised to read page 1 of this circular for further details of the precautionary measures for the EGM.

Any person who, among other things, does not comply with the precautionary measures will be denied entry to the EGM venue. In view of the evolving COVID-19 pandemic situation, the Company may be required to change the meeting arrangement at short notice. Shareholders should constantly visit the websites of the Stock Exchange and the Company for further announcements and updates on the meeting arrangements. The Company reminds the Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

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PRECAUTIONARY MEASURES FOR THE EGM

In view of the coronavirus disease 2019 (COVID-19) pandemic and in an attempt to protect the health of our Shareholders who might be attending the EGM, our staff and other participants, the Company will implement the following precautionary measures at the meeting venue:

- (a) Compulsory body temperature checks will be conducted for every Shareholder, proxy and other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue and be requested to leave the meeting venue.
- (b) Attendees may be required to complete the health declaration forms. Anyone who responds positively to any of the questions in the health declaration form may be denied entry into the meeting venue and be requested to leave the meeting venue.
- (c) Attendees are required to wear surgical face masks throughout the EGM including anytime inside the meeting venue before and after the EGM. Attendees are also advised to maintain social distancing and to observe good personal hygiene.
- (d) No refreshments or drinks will be provided to attendees at the EGM.

Shareholders are reminded that physical attendance in person at the meeting venue is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the EGM as their proxy to vote according to their indicated voting instructions as an alternative to attending the EGM in person by completing and returning the proxy form attached to this document.

If Shareholders have any question relating to the resolutions to be proposed at the EGM and/or the Company, or would like to communicate with the Board, please email to us at lsfwlx@163.com.

If Shareholders have any question relating to the EGM, please contact Computershare Hong Kong Investor Services Limited, the Company's H Share Registrar, as follows:

Address: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong
Telephone: (852) 2862 8555
Fax: (852) 2865 0990
Website: <https://www.computershare.com/hk/contact>

DEFINITIONS

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

| | |
|---------------------------|--|
| “Articles of Association” | the articles of association of the Company, as amended from time to time |
| “Board” | the board of Directors |
| “Company” | Lushang Life Services Co., Ltd. (魯商生活服務股份有限公司) (formerly known as Shandong Lushang Property Services Co., Ltd. (山東魯商物業服務有限公司)), a company established in the PRC with limited liability on March 24, 2006 and converted into a joint stock company with limited liability on March 12, 2021 and the H Shares of which are listed on the Stock Exchange (stock code: 2376) |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Domestic Share(s)” | ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid for in Renminbi |
| “Domestic Shareholder(s)” | holder(s) of the Domestic Share(s) |
| “EGM” | the 2022 first extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held at 38th Floor, Block 5, Lushang Guo’ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, the PRC on Thursday, September 15, 2022 at 10 a.m. for the purpose of considering and, if thought fit, approving, among other things, the appointments of Mr. Bao and Mr. Yang and the adoption of the Management Rules for External Guarantees |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “H Share(s)” | the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars |

DEFINITIONS

| | |
|--|--|
| “H Shareholder(s)” | holder(s) of the H Share(s) |
| “H Share Registrar” | Computershare Hong Kong Investor Services Limited |
| “Latest Practicable Date” | August 23, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “Listing Rules” | Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Management Rules for External Guarantees” | Management Rules for External Guarantees of the Company, as amended from time to time, and details of which has been set out in Appendix II to this circular |
| “Mr. Bao” | Mr. Bao Song |
| “Mr. Yang” | Mr. Yang Yunlong |
| “PRC” | the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “Remuneration Committee” | the remuneration committee of the Company |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | Domestic Share(s) and H Share(s) |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |



Lushang Life Services Co., Ltd.

魯商生活服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2376)

Executive Directors:

Mr. Wang Zhongwu
Mr. Zhang Tiebo
Mr. Shao Meng

Non-executive Directors:

Mr. Zhao Yanfeng (*Chairman*)
Ms. Li Lu

Independent Non-executive Directors:

Ms. Leung Bik San
Ms. Chen Xiaojing
Mr. Ma Tao

Registered office in the PRC:

Room 202, Block 2
Lushang Guo'ao City
No. 9777 Jingshi Road
Lixia District, Jinan
Shandong, PRC

*Principal place of business
in Hong Kong:*

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

August 26, 2022

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED APPOINTMENT OF DIRECTORS;
(2) PROPOSED ADOPTION OF
THE MANAGEMENT RULES FOR EXTERNAL GUARANTEES;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you the notice of EGM and the detailed information in relation to, among other things, the following resolutions to be proposed at the EGM, to enable you to make an informed decision on whether to vote for or against the following resolutions.

LETTER FROM THE BOARD

I. PROPOSED APPOINTMENT OF DIRECTORS

Reference is made to the announcement of the Company dated August 26, 2022 in relation to, among other things, the proposed appointment of executive Directors of the first session of the Board. On August 26, 2022, the Board has resolved and approved to nominate Mr. Bao Song and Mr. Yang Yunlong as executive Directors. Pursuant to the Articles of Association, the appointment of Mr. Bao and Mr. Yang shall be subject to the approval by the Shareholders at the EGM.

At the EGM, ordinary resolutions will be proposed to appoint Mr. Bao and Mr. Yang as executive Directors with the term of office commencing from the date of obtaining approval at the EGM and ending upon the expiry of the term of the first session of the Board. The profiles of Mr. Bao and Mr. Yang are set out in Appendix I to this circular.

II. PROPOSED ADOPTION OF THE MANAGEMENT RULES FOR EXTERNAL GUARANTEES

At the EGM, an ordinary resolution will be proposed to approve the adoption of the Management Rules for External Guarantees by the Company. A copy of the Management Rules for External Guarantees is set out in Appendix II to this circular.

THE EGM

The Company will convene and hold the EGM at 10 a.m. on Thursday, September 15, 2022, at 38th Floor, Block 5, Lushang Guo'ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, the PRC to consider and, where appropriate, approve the proposed matters set out in the relevant notice. A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular. The Company will publish an announcement of the poll results in the manner required under Rule 13.39(5) of the Listing Rules after the conclusion of the EGM.

The register of members of the Company will be closed from Friday, September 9, 2022 to Thursday, September 15, 2022, both days inclusive, during which no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Thursday, September 15, 2022 shall be entitled to attend and vote at the EGM. To be eligible for attending and voting at the EGM, all share transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders), or the registered office of the Company at Room 202, Block 2 Lushang Guo'ao City No. 9777 Jingshi Road Lixia District, Jinan, Shandong, PRC (for Domestic Shareholders) not later than 4:30 p.m. on Thursday, September 8, 2022 for registration.

LETTER FROM THE BOARD

If you intend to appoint a proxy to attend the EGM, you are required to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the form. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney authorizing the execution of the instrument or other authorization documents shall be notarized and must be served concurrently with the instrument. The form of proxy, together with the copies of the notarized power of attorney or other authorization documents, shall be deposited at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders), or the registered office of the Company at Room 202, Block 2, Lushang Guo'ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, PRC (for Domestic Shareholders) no later than 24 hours before the time designated for the EGM (being before 10 a.m. on Wednesday, September 14, 2022) or any adjournment thereof (as the case may be) before the form becomes effective. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any adjourned meeting thereof should you so wish.

VOTE BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the EGM will be voted on by poll.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholders were required to abstain from voting on the resolutions to be proposed at the EGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of EGM for consideration and approval by Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM.

By Order of the Board
Lushang Life Services Co., Ltd
Mr. Zhao Yanfeng
Chairman

The profile of Mr. Bao is set out below:

Mr. Bao Song (包松), aged 34, has served as a business analyst at EMP Merchandising HGmbH under the Warner Music Group in Lingen, Germany during June 2013 to October 2015, where he was primarily responsible for the company's business intelligence and big data analysis. From November 2015 to September 2018, Mr. Bao served as a senior financial controller in the Arvato Distribution GmbH of Arvato Supply Chain Management Solutions under Bertelsmann SE & Co. KGaA in Guetersloh, Germany, where he was primarily responsible for budgeting, financial internal control, reporting and informatization of the logistics and transportation segment. From September 2018 to July 2022, Mr. Bao respectively served as the deputy director, deputy minister and minister at Shandong Commercial Group Co., Ltd. (a controlling shareholder of the Company), where he was mainly responsible for the group's investment management and planning, capital operation and securitization, property management and enterprise reform.

Mr. Bao obtained a bachelor's degree in management from Beijing University of Aeronautics and Astronautics in July 2010, and a master's degree in science from Constance University in Germany in July 2012. He passed the FRM examination and obtained the certificate in May 2015, and passed the CFA Level III Examination in August 2019, becoming a CFA charterholder.

Taking into consideration of the diversity perspectives (including but not limited talent, skills, gender, age, cultural and education background, ethnicity, professional experience, independence and knowledge), the Board is satisfied that Mr. Bao is of such character, integrity and experience commensurate with the office of an executive Director.

The term of office of Mr. Bao shall commence from the date of approval at the EGM until the expiry of the term of the first session of the Board. Mr. Bao shall be eligible for re-election upon the expiry of his term of office according to the Articles of Association. The Company will enter into a three-year letter of appointment with Mr. Bao upon approval at the EGM. Mr. Bao will be entitled to a Director's fee of RMB390,000 per annum and performance-based discretionary bonus, which was determined by the Board on the recommendation of the Remuneration Committee with reference to his qualifications, experience, duties and responsibilities, and the prevailing market conditions.

Save as disclosed above and as at the Latest Practicable Date, Mr. Bao does not have any relationship with any Director, supervisor, senior management or substantial Shareholders of the Company, nor does he hold any other positions in the Company or any of its subsidiaries, or hold any directorships in other listed companies in the last three years.

As at the Latest Practicable Date, Mr. Bao does not have or is not deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above and as at the Latest Practicable Date, the Board is not aware of any other matters in relation to the proposed appointment of Mr. Bao that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The profile of Mr. Yang is set out below:

Mr. Yang Yunlong (楊雲龍), aged 41, has served as an accountant at the finance and property department of Zhejiang Guangxia Shandong Co., Ltd. from July 2007 to June 2009, where he was primarily responsible for financial account processing. From July 2009 to May 2021, Mr. Yang held several positions at Shandong Power Pipeline Engineering Co., Ltd., a member of the China Power Construction Group Co., Ltd., including serving as an accountant at the finance and property department of the Guangzhou branch from July 2009 to September 2010 and at the headquarters from October 2010 to February 2012, as the chief accountant at the finance and property department of the Fuxin branch from March 2012 to February 2013 and the Shenyang branch from March 2013 to December 2015, as the financial reporting director of the finance and property department at the headquarters from January 2016 to April 2016, as the deputy director of the finance and property department from May 2016 to February 2018 and as the director of the finance and property department from March 2018 to June 2021. From July 2021 to June 2022, Mr. Yang served as the finance director of Lushang Health Industry Development Co., Ltd., a joint stock company listed on the Shanghai Stock Exchange (stock code: 600223) and a controlling shareholder of the Company.

Mr. Yang obtained his bachelor's degree in management from Shandong University of Economics in July 2007. In December 2016, he was certified as a certified public accountant by the examination committee for Certified Public Accountants of the Ministry of Finance, and in December 2017, he was certified as a senior accountant by the Senior Accountant Review Committee of China Power Construction Group Co., Ltd.

Taking into consideration of the diversity perspectives (including but not limited talent, skills, gender, age, cultural and education background, ethnicity, professional experience, independence and knowledge), the Board is satisfied that Mr. Yang is of such character, integrity and experience commensurate with the office of an executive Director.

The term of office of Mr. Yang shall commence from the date of approval at the EGM until the expiry of the term of the first session of the Board. Mr. Yang shall be eligible for re-election upon the expiry of his term of office according to the Articles of Association. The Company will enter into a three-year letter of appointment with Mr. Yang upon approval at the EGM. Mr. Yang will be entitled to a Director's fee of RMB323,700 per annum and performance-based discretionary bonus, which was determined by the Board on the recommendation of the Remuneration Committee with reference to his qualifications, experience, duties and responsibilities, and the prevailing market conditions.

Save as disclosed above and as at the Latest Practicable Date, Mr. Yang does not have any relationship with any Director, supervisor, senior management or substantial Shareholders of the Company, nor does he hold any other positions in the Company or any of its subsidiaries, or hold any directorships in other listed companies in the last three years.

As at the Latest Practicable Date, Mr. Yang does not have or is not deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above and as at the Latest Practicable Date, the Board is not aware of any other matters in relation to the proposed appointment of Mr. Yang that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Policy of External Guarantee of Lushang Life Services Co., Ltd.

CHAPTER 1 GENERAL PRINCIPAL

Article 1 To regulate the provision of external guarantees by Lushang Life Services Co., Ltd. (hereinafter referred to as “**the Company**”), effectively control risks of the Company arising from external guarantees, protect the legitimate rights and interests of all shareholders, this Policy has been formulated in accordance with the relevant laws and regulations including the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Civil Code of the People’s Republic of China and Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association of Lushang Life Services Co., Ltd. (hereinafter referred to as the “**Articles of Association**”).

Article 2 The external guarantees in this Policy refers to the guarantees provided by the Company for other parties, including the guarantees provided by the Company to its wholly-owned subsidiaries and controlling subsidiaries.

Article 3 The external guarantees provided by the wholly-owned subsidiaries and controlling subsidiaries of the Company are treated as guarantees provided by the Company and their external guarantees shall implement this Policy.

Article 4 The Company exercises uniform management over the external guarantees.

Article 5 The Company shall earnestly control risks of external guarantees on the principles of lawfulness, prudence, mutual benefit and safety.

Article 6 For the provision of external guarantees to other parties, the Company may take necessary risk control measures including counter-guarantee, and the provider of counter-guarantee shall have the actual ability to assume such responsibilities.

CHAPTER 2 GUARANTEED PARTIES, DECISION-MAKING AUTHORITIES AND REVIEW PROCEDURES OF EXTERNAL GUARANTEES

Article 7 The operation and financial situation of the guaranteed party shall be normal, without significant operational risks or financial risks.

Article 8 The provision of external guarantees by the Company shall be submitted to the Board or the general meeting of the Company for consideration. The following guarantees shall be submitted to the general meeting for consideration upon being considered and approved by the Board:

- (1) Any guarantee provided after the total amount of external guarantees provided by the Company reaches or exceeds 30% of the latest audited net assets of the Company;

- (2) Guarantees provided to Shareholders, de facto controller and their related parties;
- (3) Other guarantees required to be submitted to the general meeting for consideration and approval as stipulated in laws and the Articles of Association.

The guarantees stipulated in clause (1) shall be considered and approved by shareholders representing two-thirds or more of the voting rights present at a general meeting. For shareholders stipulated in clause (2) or shareholders under the control of de facto controller stipulated in the previous clause shall abstain from voting on resolutions stipulated in the previous clause. Such resolutions shall be subject to the approval of more than half of the voting rights held by other shareholders present at the general meeting.

Where Directors, general manager, deputy general manager and other senior management violate regulations relating to the decision-making authorities and review procedures of external guarantees under the law or the Articles of Association and result in losses of the Company, they shall compensate the Company and the Company may initiate litigation against them in accordance with the law.

Article 9 Other external guarantees, other than the circumstances contained in Article 8, shall be considered and approved by the Board as authorised by the general meeting.

Guarantees within the scope of authority of the Board shall be subject to the approval of more than half of the voting rights held by shareholders.

For voting on Board resolutions, each director shall have one vote.

CHAPTER 3 EXAMINATION OF EXTERNAL GUARANTEES

Article 10 Upon receiving application for guarantee from the guaranteed parties, the general manager of the Company shall appoint relevant department to conduct strict examination and evaluation on the credit profile of the guaranteed parties, and submit the relevant materials, after being reviewed by the management of the Company, to the Board or the general meeting for consideration in accordance with Article 8 and Article 9. The Board or the general meeting shall carefully examine the condition of the guarantee applicants based on the relevant information and shall not provide guarantee to applicants who do not meet the Company's conditions for external guarantees.

Article 11 The counter-guarantee or other effective risk control measures provided by the guarantee applicants shall match the amount guaranteed by the Company. The property against which the counter-guarantee is to be provided shall not be prohibited by the relevant laws and regulations from free transfer or otherwise non-transferable.

CHAPTER 4 SIGNING OF GUARANTEE CONTRACTS

Article 12 The guarantee contract shall be in compliance with the relevant laws and examined by the legal advisor of the Company and where necessary, submitted to the law firm engaged by the Company for examination or issue of legal opinion.

Article 13 When accepting counter-guarantee pledges or charges, the financial management center of the Company shall complete the relevant legal procedures with the legal advisor of the Company (or lawyer engaged by the Company), in particular the timely registration of such pledges or charges.

Article 14 Upon consideration and approval by the Board or the general meeting of the Company, the Chairman or other representatives of the Company shall be authorised to sign the guarantee contract and counter-guarantee contract.

Article 15 The financial management center of the Company shall be responsible for the registration and cancellation of guarantees. Upon signing of the relevant contracts, the responsible department shall deliver the copy of the signed contracts to the financial management center of the Company for registration and management, and deliver the hard copy of such contracts to the office of the Board of the Company.

CHAPTER 5 RISK MANAGEMENT OF EXTERNAL GUARANTEES

Article 16 During the guarantee period, the relevant departments of the Company shall track and monitor the business conditions and service of debts of the guaranteed parties, and conduct the following works in detail:

- (1) The financial management center of the Company shall timely obtain information on use and repayment of funds by the guaranteed parties, and communicate with the guaranteed parties and creditors in respect of service of debts. In case of deterioration in financial positions of the guaranteed parties, the financial management center shall report to the Company in a timely manner and provide suggestions on countermeasures. If the guaranteed parties are discovered to have any debt evasion activities such as transfer of assets, the financial management center shall formulate relevant risk control measures in advance with the legal advisors of the Company and give prior notice to the guaranteed parties to settle the debts.

- (2) The financial management center of the Company shall timely obtain information on the business conditions of the guaranteed parties. In case of deterioration in financial positions of the guaranteed parties, the financial management center shall report to the Company in a timely manner and provide suggestions on countermeasures.

Article 17 As a general guarantor, the Company shall not assume guarantee liability to the debtor prior to the judgment or arbitration of the disputes relating to the guarantee contract and prior to the debtor's incapability to fulfill its debt repayment liability even after the legal enforcement of its property.

Article 18 Upon the acceptance of the debtor's bankruptcy application by the People's Court, if the creditor has not submitted its claims, the relevant officers in charge shall propose the Company to participate in the distribution of bankruptcy property and exercise its right of recourse in advance.

Article 19 If there are two or more guarantors in the guarantee contract and they agree with the creditor to assume guarantee liability by portions, the Company shall refuse to assume guarantee liability beyond the portion of the Company.

CHAPTER 6 INFORMATION DISCLOSURE FOR EXTERNAL GUARANTEES

Article 20 Upon resolutions on the external guarantees of the Company made by the Board or the general meeting, the Board of the Company shall disclose relevant information in accordance with the requirements of Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Article 21 For guarantees disclosed, the responsible departments and officers shall timely inform the office of the Board under the following circumstances to facilitate the Company in performing its information disclosure obligations in a timely manner:

- (1) The guaranteed party fails to settle the debt within 15 working days after the maturity of the debt;
- (2) Where the guaranteed party enters into bankruptcy or liquidation or other circumstances that have material effect on its solvency.

Article 22 For debt guaranteed by the Company that needs to be extended after its maturity and needs to continue to be guaranteed by the Company, it shall be regarded as a new external guarantee and the Company shall perform guarantee approval procedures and information disclosure obligations again.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 23 Any matters not covered by this Policy shall be subject to the relevant provisions of the relevant national laws and regulations, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association.

Article 24 The term “more than” and “exceed” referred to in this Policy are inclusive while the term “less than” is exclusive.

Article 25 This Policy shall be construed by the Board of the Company.

Article 26 This Policy shall be effective upon consideration and approval at the general meeting. If there are discrepancies between this Policy and the newly implemented laws and regulations and relevant provisions, this Policy shall be implemented in accordance with the new laws and regulations and amended as appropriate. Amendments to this Policy shall be proposed by the Board of the Company and submitted to the general meeting for consideration and approval.

Lushang Life Services Co., Ltd.

August 26, 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING



Lushang Life Services Co., Ltd.

魯商生活服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2376)

NOTICE IS HEREBY GIVEN that the 2022 first extraordinary general meeting of Lushang Life Services Co., Ltd. (the “**Company**”) will be convened and held at 38th Floor, Block 5, Lushang Guo’ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, the PRC on Thursday, September 15, 2022 at 10 a.m. (the “**EGM**”) for the purposes of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the appointment of Mr. Bao Song as an executive director of the Company (the “**Director(s)**”) with the term of office commencing from the date of obtaining approval at the EGM and ending upon the expiry of the term of appointment of the first session of the board of Directors (the “**Board**”), and to authorize the Board to fix his remuneration.
2. To consider and approve the appointment of Mr. Yang Yunlong as an executive Director with the term of office commencing from the date of obtaining approval at the EGM and ending upon the expiry of the term of appointment of the first session of the Board, and to authorize the Board to fix his remuneration.
3. To consider and approve the adoption of the Management Rules for External Guarantees of the Company as set out in Appendix II to the circular of the Company dated August 26, 2022.

By order of the Board
Lushang Life Services Co., Ltd.
Mr. Zhao Yanfeng
Chairman

Hong Kong, August 26, 2022

As at the date of this circular, the executive Directors are Mr. Wang Zhongwu, Mr. Zhang Tiebo and Mr. Shao Meng, the non-executive Directors are Mr. Zhao Yanfeng and Ms. Li Lu, and the independent non-executive Directors are Ms. Leung Bik San, Ms. Chen Xiaojing and Mr. Ma Tao.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (a) Individual shareholders who wish to attend the meeting in person shall produce their identity cards or other effective document or proof of identity. Proxies of individual shareholders shall produce their effective proof of identity. A corporate shareholder should attend the meeting by its legal representative or proxy appointed by the legal representative. A legal representative who wishes to attend the meeting should produce his/her identity card or other valid documents evidencing his/her capacity as a legal representative. If appointed to attend the meeting, the proxy should produce his/her identity card and an authorization instrument duly signed by the legal representative of the corporate shareholder.
- (b) Any shareholder entitled to attend and vote at the EGM is entitled to appoint one or more person(s) (if the shareholder holds two or more issued shares of the Company (the “**Share(s)**”), whether (each of) such person is a shareholder of the Company or not, as his/her/its proxy or proxies to attend and vote on his/her/its behalf at the EGM.

The instrument appointing a proxy must be signed by the shareholder or his/her attorney duly authorized in writing. For a corporate shareholder, the proxy instrument must be affixed with the common seal or signed by its director or attorney duly authorized in writing.

If the power of attorney of the proxy is signed by the authorized person of the appointer under a power of attorney or other authorization document(s) given by the appointer, such power of attorney or other authorization document(s) shall be notarized and served at the same time as the power of attorney. To be valid, the form of proxy, together with a notarially certified copy of the power of attorney or other authorization document(s), must be delivered to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (for H shareholders), or to the registered office of the Company at Room 202, Block 2, Lushang Guo’ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, PRC (for domestic shareholders) not later than 24 hours before the designated time for the holding of the EGM (being before 10 a.m. on Wednesday, September 14, 2022) or any adjournment thereof (as the case may be).

In case of registered joint holders of any Shares, any one of the registered joint holders can vote on such Shares at the EGM in person or by proxy as if he/she is the only holder entitled to vote. If more than one registered joint holders attend the EGM in person or by proxy, only the vote of the person whose name appears first in the register of members of the Company relating to such Shares (in person or by proxy) will be accepted as the sole and exclusive vote of the joint holders.

After the completion and return of the form of proxy and the power of attorney, you can attend and vote in person at the EGM or any adjournment thereof should you so wish. In this case, the power of attorney will be deemed to have been revoked.

- (c) According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the EGM will be voted on by poll. Results of the poll voting will be posted on the website of the Company (www.lushangfuwu.com) and the website of the Stock Exchange (www.hkexnews.hk) upon the conclusion of the EGM.
- (d) The Company’s register of members will be closed from Friday, September 9, 2022 to Thursday, September 15, 2022, both days inclusive, during which period no transfer of the Shares will be effected. Shareholders whose names appear on the Company’s register of members on Thursday, September 15, 2022 shall be entitled to attend and vote at the EGM.

For a shareholder to be eligible for attending and voting at the EGM, all share transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (for H shareholders) or to the registered office of the Company at Room 202, Block 2, Lushang Guo’ao City, No. 9777 Jingshi Road Lixia District, Jinan, Shandong, PRC (for domestic shareholders) no later than 4:30 p.m. on Thursday, 8 September 2022 for registration.

- (e) Shareholders attending the EGM are responsible for their own transportation and accommodation expenses.