

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



LANDSEA GREEN PROPERTIES CO., LTD.

朗詩綠色地產有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 106)

DISCLOSEABLE TRANSACTION DEEMED DISPOSAL

AND

PROVISION OF NANJING LANGMING SHAREHOLDER'S LOAN

The Board announces that on 29 November 2017, Nanjing Langming, a wholly-owned subsidiary of the Company entered into the Cooperation Agreement with Zhongbei Shengye, pursuant to which Zhongbei Shengye shall subscribe the additional registered capital of RMB7,500,000 of the Target Company and provide Zhongbei Shengye Shareholder's Loan of RMB217,035,000. Upon completion of the Share Capital Increase, the Target Company shall be owned as to 40% by Nanjing Langming and as to 60% by Zhongbei Shengye.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transactions contemplated under the Cooperation Agreement are more than 5% and all of such ratios are less than 25%, the transactions contemplated under the Cooperation Agreement constitute discloseable transactions for the Company under Rule 14.06(2) of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board announces that on 29 November 2017, Nanjing Langming, a wholly-owned subsidiary of the Company entered into the Cooperation Agreement with Zhongbei Shengye, pursuant to which Zhongbei Shengye shall subscribe the additional registered capital of RMB7,500,000 of the Target Company and provide Zhongbei Shengye Shareholder's Loan of RMB217,035,000. Upon completion of the Share Capital Increase, the Target Company shall be owned as to 40% by Nanjing Langming and as to 60% by Zhongbei Shengye.

THE COOPERATION AGREEMENT

Set out below are the principal terms of the Cooperation Agreement:

Date

29 November 2017

Parties:

- (1) Nanjing Langming, a wholly-owned subsidiary of the Company
- (2) Zhongbei Shengye

Zhongbei Shengye is a company incorporated pursuant to the PRC laws with limited liability. Its principal activities are commodity housing development and sale and house leasing. Zhongbei Shengye is a wholly-owned subsidiary of Nanjing Public Utilities Development Co., Ltd, the shares of which are listed on the Shanghai Stock Exchange. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Zhongbei Shengye and its ultimate beneficial owners are independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

Subject Matter

Zhongbei Shengye shall subscribe the additional registered capital of RMB7,500,000 of the Target Company and provide Zhongbei Shengye Shareholder's Loan of RMB217,035,00.

As at the date of this announcement, the Target Company is a wholly-owned subsidiary of Nanjing Langming and Nanjing Langming has provided the Target Company the Nanjing Langming Shareholder's Loan of RMB361,725,000. The registered capital of the Target Company is RMB5,000,000, which has not yet been paid.

Upon completion of the Share Capital Increase, the registered capital of the Target Company shall increase to RMB12,500,000, among which Nanjing Langming shall subscribe RMB5,000,000, representing 40% equity interest in the Target Company, while Zhongbei Shengye shall subscribe RMB7,500,000, representing 60% equity interest in the Target Company. The Share Capital Increase shall be deemed as the Disposal made by the Company as the Target Company shall cease to be a subsidiary of the Group but become an associated company. Its financial results shall no longer be consolidated to the accounts of the Company.

The Target Company shall use the Zhongbei Shengye Shareholder's Loan to repay part of the Nanjing Langming Shareholder's Loan after Zhongbei Shengye has provided Zhongbei Shengye Shareholder's Loan to the Target Company. Upon the repayment, Nanjing Langming Shareholder's Loan and Zhongbei Shengye Shareholder's Loan shall be RMB144,690,000 and RMB217,035,000 respectively, with an interest rate of 8% per annum.

Conditions precedent to Share Capital Increase

Within 3 days after the signing of the Cooperation Agreement, the parties shall carry out the registration procedures of industrial and commercial changes regarding the Share Capital Increase. Upon completion of the industrial and commercial changes registration procedures, the parties may agree on a date for the completion of the Share Capital Increase.

Upon completion of the Disposal under the Cooperation Agreement, the Target Company shall become an associated company and its financial results shall no longer be consolidated to the financial statements of the Group.

INFORMATION ON THE TARGET COMPANY

The Target Company was incorporated on 22 September 2017 in the PRC with limited liability. The principal activities of the Target Company are corporate management consultation and commercial information consultation. As at the date of this announcement, the Target Company has not commenced business except for holding the Subject Land.

The net liabilities and total assets value of the Target Company as extracted from its unaudited accounts as at 20 November 2017 was approximately RMB1,118,000 and RMB371,980,000 respectively.

It is expected that the Group will record a gain on the Disposal of approximately RMB1,118,000.

Management of the Target Company

The board of directors of the Target Company comprises three directors, with one director to be nominated by Nanjing Langming and the other two to be nominated by Zhongbei Shengye. One of the directors nominated by Zhongbei Shengye will be the chairman of the board of directors and also the legal representative of the Target Company. Board resolutions shall only be passed by approval of at least half of all directors.

INFORMATION ON THE PROJECT COMPANY

The Target Company is a company incorporated pursuant to the PRC laws with limited liability. It owns 50% equity interest in the Project Company. The Project Company bid the Subject Land in June 2017. The total consideration for the Subject Land was RMB1,365,000,000, among which the Project Company has paid RMB682,500,000. The Project Company shall pay the remaining consideration of RMB682,500,000 on 15 December 2017.

The working capital of the Project Company is expected to be subject to the limit of RMB1,520,000,000 including payment of the consideration of the Subject Land and its related development cost. The Target Company shall provide shareholder's loan of RMB750,000,000 to the Project Company; accordingly, Zhongbei Shengye shall provide the Target Company Zhongbei Shengye Shareholder's Loan with a maximum of RMB450,000,000 while Nanjing Langming shall provide the Target Company Nanjing Langming Shareholder's Loan with a maximum of RMB300,000,000, both with interest rate of 8% per annum.

INFORMATION ON THE SUBJECT LAND

The details of the Subject Land are as follows:

Address: 中國南京市溧水區天生橋大道以北溧水編號2017G06地塊，東至S246省道，南至天生橋大道，西至薛李東路，北至琉璃路 (East to S246 Provincial Road, South to Tianshengqiao Avenue, West to Xueli East Road, North to Liuli Road, Lishui land parcel No. 2017G06, North of Tianshengqiao Avenue, Lishui District, Nanjing City, the PRC*)

Land use: commercial and residential

Site area: 70,709.5 square meters

Plot ratio: 2.2

The Subject Land is planned for residential project development.

REASONS FOR AND BENEFITS OF THE COOPERATION AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER

The Group is principally engaged in property development in the PRC and the United States of America. The Company is the listed platform under Landsea Group engaging in green residential property development business.

The Group is committed to finding suitable projects to expand its property development business in the PRC. The joint investment to the Target Company and residential property development project through the Cooperation Agreement with Zhongbei Shengye will help the Group to introduce a cooperation partner to develop suitable residential property project in order to expand its property development business. The provision of Nanjing Langming Shareholder’s Loan not only provides capital for the Project Company to carry out its business but also brings interest income for the Group which is overall in line with the long term development strategies of the Group and brings benefits to the Group.

Based on the foregoing, the Directors believe that the terms of the Cooperation Agreement are fair and reasonable and are in the best interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transactions contemplated under the Cooperation Agreement are more than 5% and all of such ratios are less than 25%, the transactions contemplated under the Cooperation Agreement constitute discloseable transactions for the Company under Rule 14.06(2) of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, terms used in this announcement shall have the following meanings:

“Board”	the board of Directors
“Company”	Landsea Green Properties Co., Ltd., a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 106)
“Cooperation Agreement”	the cooperation agreement dated 29 November 2017 entered into by Nanjing Langming and Zhongbei Shengye
“Director(s)”	the director(s) of the Company
“Disposal”	the deemed disposal by Nanjing Langming of 60% equity interest in the Target Company to Zhongbei Shengye upon completion of the Share Capital Increase pursuant to the Cooperation Agreement

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Landsea Group”	朗詩集團股份有限公司 (Landsea Group Co., Ltd.*), a company incorporated in the PRC with limited liability, the ultimate controlling shareholder of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanjing Langming”	南京朗銘地產集團有限公司(Nanjing Langming Real Estate Group Ltd*), a company incorporated in the PRC with limited liability, which is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Nanjing Langming Shareholder’s Loan”	the shareholder’s loan provided and to be provided by Nanjing Langming to the Target Company as the working capital of the Project Company to develop the Subject Land
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Project Company”	南京頤成房地產開發有限公司 (Nanjing Yicheng Properties Development Co., Ltd*), a company incorporated in the PRC with limited liability, which is the owner of the Subject Land
“Shares”	ordinary share of HK\$0.01 each in the share capital of the Company
“Share Capital Increase”	the additional registered capital of RMB7,500,000 to be subscribed by Zhongbei Shengye pursuant to the Cooperation Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subject Land”	the land parcel located at 中國南京市溧水區天生橋大道以北溧水編號 2017G06 地塊，東至 S246 省道，南至天生橋大道，西至薛李東路，北至琉璃路的地塊 (East to S246 Provincial Road, South to Tianshengqiao Avenue, West to Xueli East Road, North to Liuli Road, Lishui land parcel No. 2017G06, North of Tianshengqiao Avenue, Lishui District, Nanjing City, the PRC*), which is planned for residential project development
“Target Company”	南京旭晟輝企業管理諮詢有限公司 (Nanjing Xushenghui Corporate Management and Consulting Co., Ltd*), a company incorporated in the PRC with limited liability, which is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Zhongbei Shengye”	南京中北盛業房地產開發有限公司 (Nanjing Zhongbei Shengye Properties Development Co. Ltd*), a company incorporated pursuant to the PRC laws with limited liability
“Zhongbei Shengye Shareholder’s Loan”	the shareholder’s loan to be provided by Zhongbei Shengye to the Target Company as the working capital of the Project Company to develop the Subject Land
“%”	per cent.

By Order of the Board
Landsea Green Properties Co., Ltd.
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 29 November 2017

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Tian Ming, Mr. Xiang Jiong, Ms. Shen Leying, Mr. Xie Yuanjian and Ms. Zhou Qin, one non-executive Director, namely Mr. Zhou Yimin and, and three independent non-executive Directors, namely Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung.

**For identification purposes only*