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LANDSEA GREEN GROUP CO., LTD.

朗詩綠色集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 106)

**DISCLOSEABLE TRANSACTION
COOPERATION AGREEMENT**

The Board announces that, on 28 June 2018, Hangzhou Langhui, a wholly-owned subsidiary of the Company, entered into the Agreement with Hangzhou Langshan, Hangzhou Guojun and Wuxi Wandu, pursuant to which Hangzhou Langhui agreed to sell and Hangzhou Guojun and Wuxi Wandu agreed to acquire Hangzhou Langshan Equity and Hangzhou Langshan Loan.

LISTING RULES IMPLICATIONS

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

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THE AGREEMENT

Set out below are the principal terms of the Agreement:

Date

28 June 2018

Parties

1. Hangzhou Langhui (a wholly-owned subsidiary of the Company)
2. Hangzhou Langshan (a wholly-owned subsidiary of the Company as at the date of this announcement)
3. Hangzhou Guojun
4. Wuxi Wandu

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Hangzhou Guojun and Wuxi Wandu and their respective ultimate beneficial owners are independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

Subject Matter

Pursuant to the terms of the Agreement, Hangzhou Langhui agreed to sell and Hangzhou Guojun and Wuxi Wandu each agreed to acquire 40% equity interest in Hangzhou Langshan and 40% of the Hangzhou Langshan Loan. The Consideration for Transfer of Hangzhou Langshan 40% Equity shall be RMB2,000,000 and the Consideration for Transfer of 40% Hangzhou Langshan Loan shall be RMB110,000,000.

As at the date of this announcement, the paid-up capital of Hangzhou Langshan was RMB5,000,000. The loan granted by Hangzhou Langhui to Hangzhou Langshan amounted to RMB315,000,000.

Consideration for transfer of Hangzhou Langshan Equity and Hangzhou Langshan Loan

The consideration for transfer of Hangzhou Langshan Equity was determined based on the paid-up capital of Hangzhou Langshan.

The consideration for transfer of Hangzhou Langshan Loan was determined based on the amount of the loan granted by Hangzhou Langhui to Hangzhou Langshan which is in proportion with its shareholding percentage.

Completion

Pursuant to the Agreement, each of Hangzhou Guojun and Wuxi Wandu shall pay to Hangzhou Langhui the Consideration for Transfer of Hangzhou Langshan 40% Equity and the Consideration for Transfer of 40% Hangzhou Langshan Loan within five business days after signing of the Agreement. Upon completion of payment of the Consideration for Transfer of Hangzhou Langshan 40% Equity and the Consideration for Transfer of 40% Hangzhou Langshan Loan, Hangzhou Langhui and Hangzhou Langshan shall cooperate to complete the industrial and commercial changes registration procedures in relation to the transfer of Hangzhou Langshan Equity. The transfer of Hangzhou Langshan Equity shall be deemed to be completed upon completion of the industrial and commercial changes registration.

Upon Completion, Hangzhou Langshan shall be held as to 20%, 40% and 40% by Hangzhou Langhui, Hangzhou Guojun and Wuxi Wandu. Hangzhou Langshan will cease to be a subsidiary of the Group, the results of which shall not be consolidated to the financial statements of the Group.

INFORMATION ON HANGZHOU LANGHUI

Hangzhou Langhui is a company lawfully incorporated and continued pursuant to the laws of the PRC with limited liability.

INFORMATION ON HANGZHOU LANGSHAN

Hangzhou Langshan was incorporated on 14 June 2017 in the PRC with limited liability and is principally engaged in enterprises investments, services, investment management and investment consultancy.

Hangzhou Langshan holds 80% equity interest in the Project Company while the Project Company holds the entire interest of the Subject Project.

INFORMATION ON THE PARTIES

Hangzhou Guojun is a company incorporated in the PRC with limited liability which is principally engaged in entrusted corporation asset management, investment management in non-securities business, investment consultancy and corporation management consultancy.

Wuxi Wandu is a company incorporated in the PRC with limited liability which is principally engaged in foreign investments using own funds.

The Project Company was incorporated on 7 December 2017 with registered capital of RMB50,000,000, RMB40,000,000 out of which were paid by Hangzhou Langshan. The principal activities of the Project Company are real estate development and operation.

The net assets and total assets value of Hangzhou Langshan as extracted from its unaudited accounts as at 31 May 2018 was approximately RMB3,899,053 and RMB318,899,353 respectively.

It is expected that the Group will record a gain on disposal of equity of RMB1,100,707 and gain on disposal of loan of RMB9,792,000 which was respectively calculated based on the net asset value and the related loan amount of Hangzhou Langshan as set out in its unaudited accounts as at 31 May 2018.

INFORMATION ON THE SUBJECT PROJECT

The details of the Subject Project are as follows:

Address: 編號為海國用（2014）第 06540 號《國有土地使用證》項下土地坐落於海寧市長安鎮仰山路東側、01 省道北側 (the land parcel no. Haiguoyong (2014) 06540 under the Certificate for the Use of State-owned Land, located to the North of 01 provincial highway and East of Yangshan Road, Chang'an Township, Haining City*)

Land use: commercial and residential

Site area: 30,095 square meters

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

The Group is principally engaged in real estate development services, long-term rental apartments, elderly services, and green design, decorations and property services and real estate finance in the PRC and the United States.

The Group is committed to finding suitable projects to expand its property development business in the PRC. Through the disposal of equity interest in Hangzhou Langshan and the introduction of Hangzhou Guojun and Wuxi Wandu as cooperation partners to jointly cooperate in the development of the Subject Project help the Group to spread operation risks and improve

capital efficiency as well as bring sales income at the same time when the Group can continue to operate the Subject Project, which is in line with the asset-light development strategies of the Group.

Based on the foregoing, the Directors believe that the terms of the 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 Agreement and the transactions contemplated thereunder are more than 5% and all of such ratios are less than 25%, the Agreement and transactions contemplated thereunder constitutes a discloseable transaction 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

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“Agreement”	the cooperation agreement entered into by Hangzhou Langhui, Hangzhou Langshan, Hangzhou Guojun and Wuxi Wandu on 28 June 2018, pursuant to which Hangzhou Langhui agreed to sell and Hangzhou Guojun and Wuxi Wandu agreed to acquire Hangzhou Langshan Equity and Hangzhou Langshan Loan
“Board”	the board of Directors of the Company
“Company”	Landsea Green Group 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)
“Completion”	the completion of the transfer of the Hangzhou Langshan Equity and Hangzhou Langshan Loan pursuant to the terms of the Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of Hangzhou Langshan Equity and Hangzhou Langshan Loan pursuant to the terms and conditions of the Agreement

“Group”	the Company and its subsidiaries
“Hangzhou Guojun”	杭州國俊資產管理有限公司 (Hangzhou Guojun Asset Management Company Limited*), a company established in the PRC with limited liability
“Hangzhou Langhui”	杭州朗輝投資管理有限公司 (Hangzhou Langhui Investment Management Company Limited*), a company incorporated in the PRC with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Hangzhou Langshan”	杭州朗杉有限公司 (Hangzhou Langshan Company Limited*), a company incorporated in the PRC with limited liability, which is a wholly-owned subsidiary of the Company as at the date of this announcement
“Hangzhou Langshan Equity”	an aggregate of 80% equity interest in Hangzhou Langshan
“Hangzhou Langshan Loan”	an aggregate of 80% of the loan owed by Hangzhou Langshan to Hangzhou Langhui
“Consideration for Transfer of Hangzhou Langshan 40% Equity”	the consideration payable respectively by each of Hangzhou Guojun and Wuxi Wandu for the transfer of 40% equity interest in Hangzhou Langshan by Hangzhou Langhui of RMB2,000,000
“Consideration for Transfer of 40% Hangzhou Langshan Loan”	the consideration payable respectively by each of Hangzhou Guojun and Wuxi Wandu for the transfer of 40% of the loan owed by Hangzhou Langshan to Hangzhou Langhui by Hangzhou Langhui of RMB110,000,000
“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 established 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

“Wuxi Wandu”	無錫萬都投資發展有限公司(Wuxi Wandu Investment Development Company Limited*), a company incorporated in the PRC with limited liability
“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”	海寧朗宏房地產開發有限公司(Haining Langhong Real Estate Development Company Limited*), a company incorporated in the PRC with limited liability, which is an associate of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Project”	編號為海國用（2014）第 06540 號《國有土地使用證》項下土地坐落於海寧市長安鎮仰山路東側、01 省道北側 (the land parcel no. Haiguoyong (2014) 06540 under the Certificate for the Use of State-owned Land, located to the North of 01 provincial highway and East of Yangshan Road, Chang’an Township, Haining City*), which is of commercial and residential use with land use right of 30,095 square meters
“%”	per cent

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

Hong Kong, 28 June 2018

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.