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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 15 February 2019, Xi'an Langshiming, a wholly-owned subsidiary of the Company, entered into the Agreement with Bridge Trust, pursuant to which Xi'an Langshiming and Bridge Trust shall cooperate in the development of the Target Land held by Xi'an Mingjing. Upon fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back the Target Equity and the Trust Loan pursuant to the agreed terms for a maximum amount of RMB600,000,000.

Pursuant to the Agreement, Xi'an Mingjing shall establish the Target Company to develop the project of the Target Land. After the setting up of the Target Company, Xi'an Mingjing shall transfer 100% equity interest of the Target Company to Xi'an Langshiyi. Bridge Trust shall establish a trust scheme to acquire the 49% equity interest in Xi'an Langshiyi held by Xi'an Langshiming with trust funds, and to carry out the Loan Financing. Xi'an Langshiming and Bridge Trust shall pay the paid-up capital, carry out capital increase and loan investment to Xi'an Langshiyi and/or the Target Company in accordance with their respective shareholding ratios to cooperate in the development of the Target Land. Upon fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back the Target Equity and the Trust Loan for a maximum amount of RMB600,000,000 and Landsea Group shall bear joint and several liability for the payment of the consideration of the Buy Back.

The Target Project is located in Weiyang District, Xi'an, the capital of Shaanxi Province, China, and belongs to the city core within the Second Ring. The Target Project is adjacent to the city's central axis, Weiyang Road, which is only 500 meters away from Daminggong West Station of Metro Line 2 and well served with the transportation network, extending to all directions and being surrounded by various main roads. The area is mature with perfect business, education and medical facilities. The Target Project will make use of the

geographical advantages to create green and humane products that are healthy, comfortable, intelligent, energy-saving and environmental-friendly, and to build green and technological housing in the core area of the city. The Target Project will be the beginning of the Group's strategy of deepening Xi'an City and will continue to exert its strength in the future.

The Group is committed to finding suitable projects for expanding its real estate development business in the PRC. By introducing Bridge Trust as a partner and jointly investing in the development of the Target Project, the Group will diversify the investment risk, enhance the capital efficiency and generate sales proceeds, and the Target Project will be managed by the Group, implementing the overall strategy of "Product Differentiation", "Asset-light" and "Earnings Diversification".

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Buy Back under the Agreement exceed 5% and all of such ratios are less than 25%, the Buy Back under the Agreement constitutes a discloseable transaction of the Company under Rule 14.06 of the Listing Rules and is therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

The Board announces that, on 15 February 2019, Xi'an Langshiming, a wholly-owned subsidiary of the Company, entered into the Agreement with Bridge Trust, pursuant to which Xi'an Langshiming and Bridge Trust shall cooperate in the development of the Target Land held by Xi'an Mingjing. Upon fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back the Target Equity and the Trust Loan pursuant to the agreed terms for a maximum amount of RMB600,000,000.

THE AGREEMENT

Set out below are the principal terms of the Agreement:

Date

15 February 2019

Parties

1. Xi'an Langshiming (a wholly-owned subsidiary of the Company)
2. Bridge Trust

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Bridge Trust and its 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, Xi'an Langshiming and Bridge Trust agreed to cooperate in the development of the Target Land held by Xi'an Mingjing.

Pursuant to the Agreement, Xi'an Mingjing shall establish the Target Company to develop the project of the Target Land. After the setting up of the Target Company, Xi'an Mingjing shall transfer 100% equity interest of the Target Company to Xi'an Langshiyi. Bridge Trust shall establish a trust scheme to acquire the 49% equity interest in Xi'an Langshiyi held by Xi'an Langshiming with trust funds, and to carry out the Loan Financing. Xi'an Langshiming and Bridge Trust shall pay the paid-up capital, carry out capital increase and loan investment to Xi'an Langshiyi and/or the Target Company in accordance with their respective shareholding ratios to cooperate in the development of the Target Land. Upon fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back the Target Equity and the Trust Loan for a maximum amount of RMB600,000,000.

The Target Equity and the Trust Loan

As at the date of this announcement, the registered capital of Xi'an Langshiyi was RMB5,000,000.

Bridge Trust and Xi'an Langshiming shall carry out equity investment, capital increase and loan investment to Xi'an Langshiyi as well as carry out loan investment to the Target Company and transfer of the loan by the Target Company in accordance with their respective shareholding ratios of 49% and 51%. The continuing total size of the funds provided by Bridge Trust shall not exceed RMB300,000,000.

Management of Xi'an Langshiyi and the Target Company

There will be no board of directors of Xi'an Langshiyi but will have one executive director which will be appointed by Xi'an Langshiming. There will be no supervisory board of Xi'an Langshiyi but will have one supervisor which will be appointed by Bridge Trust. The senior management will be appointed by Xi'an Langshiming. The legal representative will be served by the executive director or general manager appointed by Xi'an Langshiming.

The board of directors of the Target Company shall comprise three directors, among which two will be appointed by Xi'an Langshiming and the remaining one will be appointed by Bridge Trust.

The Buy Back by Xi'an Langshiming and the Conditions Precedent

Upon fulfilling any one of the conditions below, Xi'an Langshiming agreed to buy back the Target Equity and the Trust Loan for a maximum amount of RMB600,000,000 and the maximum amount was determined based on the total maximum amount of the equity investment, capital increase and loan financing carried out by Bridge Trust to Xi'an Langshiyi and/or the Target Company.

- (1) As of 30 September 2019, Xi'an Langshiyi failed to acquire 100% equity interest of the Target Company as agreed in the Agreement (subject to the completion of the industrial and commercial registration procedures);
- (2) The date from the payment of the Target Equity by Bridge Trust to the first opening of the Target Land (based on the date of the first acquisition of the Commercial Housing Pre-sale Permit) exceeds 10 months; and Bridge Trust and Xi'an Langshiming do not have a compromise on the relevant solutions within 30 working days from the date of the occurrence;
- (3) after the earlier occurrence of either the sales of the Target Project (calculated by the sales area of the "Commercial Housing Sales Contract" signed and registered in the local real estate management department accounted for 95% of the total saleable area (including parking spaces) of all types of properties of the Target Land) or the investment of the Target Project of Bridge Trust subsists 34 months;
- (4) Xi'an Langshiming violates the commitment that, at the date of the Agreement, Xi'an Langshiming does not have any liabilities, or have any liabilities and have not provided any form of guarantee;
- (5) Xi'an Langshiming violates the commitment to ensure that the legal representative of Xi'an Langshiyi and the Target Company appointed shall not incurred external liabilities and guarantees on behalf of Xi'an Langshiyi or the Target Company without the consent of Bridge Trust during the existence period of the investment of the target project by Bridge Trust;
- (6) Xi'an Langshiming violates the agreed arrangement of equity investment and loan financing, and have not provided any equity or loan payment to Xi'an Langshiyi and the Target Company on time according to the agreed proportion; and
- (7) Xi'an Langshiming violates the agreement that it fails to be transferred the loan amount of the Buy Back of Xi'an Mingjing held by Xi'an Langshiyi.

Guarantee for the Buy Back

Bridge Trust has entered into another agreement with Landsea Group, pursuant to which Landsea Group has joint and several liability for the above payment of the consideration of the Buy Back and thus Xi'an Langshiming and Landsea Group shall jointly fulfill the Buy Back obligation to ensure that the Bridge Trust received the full amount. After the payment of the consideration of the Buy Back, Bridge Trust shall transfer the Target Equity and Trust Loan to Xi'an Langshiming.

INFORMATION ON THE PARTIES

Xi'an Langshiming is a company lawfully incorporated and continued pursuant to the laws of the PRC with limited liability and is a wholly-owned subsidiary of the Company.

Bridge Trust is a company lawfully incorporated and continued pursuant to the laws of the PRC with limited liability and is a non-bank financial institution approved by the China Banking Regulatory Commission with its principal business activities of issuing trust plans.

INFORMATION ON THE TARGET LAND

The details of the Target Land are as follows:

Address: 中國西安市未央區北二環以南，文景路以東，國有土地使用權證編號為「西未國用(2013出)第161號」及「西未國用(2013出)第163號」(the land parcel no. Xiweiguoyong (2013) 161 and Xiweiguoyong (2013) 163 under the Certificate for the Use of State-owned Land, located to the south of North Second Ring and east of Wenjing Road*)

Land use: urban residential and wholesale and retailing

Land use rights area: 9,935.5 square meters

REASONS FOR AND BENEFITS OF THE AGREEMENT AND THE BUY BACK THEREUNDER

The Company is a development operator and life service provider which is people-oriented, adheres to green technology and is committed to create a life-cycle green living system for customers. The Company's businesses consist of five divisions, namely, the real estate division in the PRC, the real estate division in the United States of America, the long term

rentals business unit, the green finance division and the green property division, all together forming the “Group Headquarters – Business Unit Level 2 Control Model” to continuously build professional capabilities that are vertically diversified in each market segment.

The Group is committed to finding suitable projects for expanding its real estate development business in the PRC. By introducing Bridge Trust as a partner and jointly investing in the development of the Target Project, the Group will diversify the investment risk, enhance the capital efficiency and generate sales proceeds, and the Target Project will be managed by the Group, implementing the overall strategy of “Product Differentiation”, “Asset-light” and “Earnings Diversification”.

The Target Project is located in Weiyang District, Xi’an, the capital of Shaanxi Province, the PRC, and belongs to the city core within the Second Ring. The Target Project is adjacent to the city’s central axis, Weiyang Road, which is only 500 meters away from Daminggong West Station of Metro Line 2 and well served with the transportation network, extending to all directions and being surrounded by various main roads. The area is mature with perfect business, education and medical facilities. The Target Project will make use of the geographical advantages to create green and humane products that are healthy, comfortable, intelligent, energy-saving and environmental-friendly, and to build green and technological housing in the core area of the city. The Target Project will be the beginning of the Group’s strategy of deepening Xi’an City and will continue to exert its strength in the future.

Based on the foregoing, the Directors (including the independent non-executive 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 under Rule 14.07 of the Listing Rules) in respect of the Buy Back under the Agreement exceed 5% and all of such ratios are less than 25%, the Buy Back under the Agreement constitutes a discloseable transaction of the Company under Rule 14.06 of the Listing Rules and is therefore subject to the reporting and announcement requirements pursuant to 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 Xi’an Langshiming and Bridge Trust on 15 February 2019, in relation to the cooperation of Xi'an Langshiming and Bridge Trust in the development of the Target Land and under the fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back the Target Equity and Trust Loan
“Board”	the board of Directors
“Bridge Trust”	Bridge Trust Co., Ltd., a company established in the PRC with limited liability
“Buy Back”	Xi’an Langshiming shall buy back the Target Equity and Trust Loan held by Bridge Trust pursuant to the agreed terms for a maximum amount of RMB600,000,000
“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)
“Connected Persons”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“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 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

“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
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	a newly-established company funded by Xi’an Mingjing to develop the Target Land
“Target Equity”	the 49% equity interest to be acquired by Bridge Trust in Xi’an Langshiyi held by Xi’an Langshiming
“Target Land”	位於中國西安市未央區北二環以南，文景路以東，國有土地使用權證編號為「西未國用（2013 出）第 161 號」及「西未國用（2013 出）第 163 號」(the land parcel no. Xiweiguoyong (2013) 161 and Xiweiguoyong (2013) 163 under the Certificate for the Use of State-owned Land, located to the south of North Second Ring and east of Wenjing Road*)
“Target Project”	the project for the development of the Target Land held by Xi’an Mingjing
“Trust Loan”	the various loans obtained by Bridge Trust using the trust fund in the form of loans and transfer of loans to Xi’an Langshiyi and the Target Company
“Xi’an Langshiming”	西安朗詩銘房地產開發有限公司(Xi’an Langshiming Real Estate Development Co., Ltd.*), a company incorporated in the PRC with limited liability, which is a wholly-owned subsidiary of the Company
“Xi’an Langshiyi”	西安朗詩意企業管理諮詢有限公司(Xi’an Langshiyi Enterprise Management Consulting Co., Ltd.*), a company incorporated in the PRC, which is a wholly-owned subsidiary of Xi’an Langshiming

“Xi’an Mingjing”

西安名京房地產開發有限公司(Xi'an Mingjing Real Estate Development Co., Ltd.*), a company established in the PRC with limited liability, and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, its ultimate beneficial owners are independent of the Company and connected persons (as defined in the Listing Rules) of the Company. It holds the state-owned land use rights of the Target Land as at the date of this announcement

“%”

per cent

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

Hong Kong, 15 February 2019

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

** For identification purposes only*