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Landsea Green Life Service Company Limited

朗詩綠色生活服務有限公司

(Incorporated in Cayman Islands with limited liability)

(stock code: 1965)

EXEMPTED CONNECTED TRANSACTION SERVICE PROCUREMENT AGREEMENT

SERVICE PROCUREMENT AGREEMENT

On 19 February 2024, Luteng Healthcare Technology, a wholly-owned subsidiary of the Company, as procurer, and Qingyu Elderly Service, as service provider, entered into the Service Procurement Agreement in relation to the procurement of elderly care related services. The contract price of the Service Procurement Agreement is RMB5,371,000 (tax inclusive).

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) Mr. Tian, the chairman, a non-executive Director and a controlling shareholder of the Company, is a connected person of the Company; and (ii) Qingyu Elderly Service is indirectly held as to 50% by Mr. Tian. As Qingyu Elderly Service is an associate of Mr. Tian, it is a connected person of the Company. The Service Procurement Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Service Procurement Agreement is less than 25% and the total consideration is less than HK\$10,000,000, the Service Procurement Agreement is subject to the reporting and announcement requirements but is exempted from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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SUMMARY OF THE SERVICE PROCUREMENT AGREEMENT

The principal terms of the Service Procurement Agreement are set out below:

Date: 19 February 2024

Parties: (i) Luteng Healthcare Technology (as procurer)
(ii) Qingyu Elderly Service (as service provider)

Subject Matter: Luteng Healthcare Technology agreed to engage Qingyu Elderly Service to provide elderly care related services, including home services, community activities, and smart health management services. The service location is located in Nanjing, Jiangsu Province (excluding Liuhe, Lishui and Gaochun).

Services: The specific services to be provided by Qingyu Elderly Service are as follows:

Type of service	Details
Home services	Physical assessment, accompanying medical treatment, bathing service, professional escort, rehabilitation training, etc.
Community activities	Elderly-themed activities, traditional festival activities, health diagnosis activities, etc.
Smart health management	Tracking health management platform, use of chronic disease management equipment, health testing, special healthy lifestyle guidance services, etc.

Qingyu Elderly Service shall provide services to the customers of the designated projects of Luteng Healthcare Technology within 1 day after receiving the written notice from Luteng Healthcare Technology, and the specific service schedule shall be based on the assessment of the customers and the co-ordination of the service personnel; the specific service location and number of people shall be subject to the written notice from Luteng Healthcare Technology.

Contract Price: The aggregate price of the Service Procurement Agreement is RMB5,371,000 (tax inclusive), of which the breakdown by service type is as follows:

Service type	Fee (RMB) (tax inclusive)
Home services	1,080,000
Community activities	1,268,120
Smart health management	<u>3,022,880</u>
Total	<u><u>5,371,000</u></u>

Payment: Within 10 working days after the signing of the Service Procurement Agreement, Luteng Healthcare Technology shall pay 50% of the total contract price, i.e. RMB2,685,500, to Qingyu Elderly Service for the preparatory work of personnel and materials required by Qingyu Elderly Service for the commencement of the services.

Within 10 working days from the date on which Qingyu Elderly Service has provided all the services as agreed in the Service Procurement Agreement, Luteng Healthcare Technology shall pay the remaining 50% of the total contract price, i.e. RMB2,685,500 to Qingyu Elderly Service.

The aggregate price of the Service Procurement Agreement will be paid in cash by the Group using its internal resources.

Service Term: The service term is from 19 February 2024 to 18 February 2025.

BASIS FOR DETERMINING THE CONTRACT PRICE

The contract price of the Service Procurement Agreement was determined by the parties after arm's length negotiations and on normal commercial terms after taking into account, amongst other things, (i) the demand for elderly care related services for the Group's projects under management in Nanjing; (ii) the prevailing market price of similar services provided by other suppliers; (iii) all costs, taxes and profits required by Qingyu Elderly Service in completing all of the work under the Service Procurement Agreement; and (iv) the reasons and benefits as detailed in the paragraph headed "Reasons for and Benefits of Entering into the Service Procurement Agreement" below.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SERVICE PROCUREMENT AGREEMENT

The Group is principally engaged in the provision of property management services, community value-added services and value added services to non-property owners in the PRC. Considering the level of aging population, there is a strong demand for services in respect of elderly care in the community. Meanwhile, Qingyu Elderly Service has been engaging in the elderly service business for years and possesses extensive experience in the business, holding a leading position in the industry. The Board is of the view that the procurement of the services from Qingyu Elderly Service will enhance the quality of the Group's services and contribute to the sustainable development of its business and is in the interest of the Group.

The Directors (including the independent non-executive Directors but excluding Mr. Tian, who has abstained from voting on the relevant Board resolution due to his indirect 50% interest in Qingyu Elderly Service) consider that the terms of the Service Procurement Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

BOARD APPROVAL

Mr. Tian, being the chairman, a non-executive Director and a controlling shareholder of the Company, indirectly holds 50% interest in Qingyu Elderly Service. Mr. Tian is deemed to be interested in the transactions contemplated under the Service Procurement Agreement. Accordingly, Mr. Tian abstained from voting on the board resolutions in relation to the transactions contemplated under the Service Procurement Agreement. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Service Procurement Agreement.

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INFORMATION OF THE PARTIES

Luteng Healthcare Technology

Luteng Healthcare Technology is an indirect wholly-owned subsidiary of the Company. Luteng Healthcare Technology is principally engaged in the business of lifestyle and beauty care services, elderly care services, health consultation service and other businesses.

The Company is an investment holding company. The Group is principally engaged in the provision of property management services, community value-added services and value added services to non-property owners in the PRC.

Qingyu Elderly Service

Qingyu Elderly Service is principally engaged in the business of elderly care services, housekeeping services and patient escort services. Qingyu Elderly Service is an indirect wholly-owned subsidiary of Shanghai Qinglu Elderly Service Co. Ltd.* (上海青祿養老服務有限公司). Shanghai Qinglu Elderly Service Co. Ltd.* (上海青祿養老服務有限公司) is owned as to 50% by Nanjing Dingchong Investment Management Consultancy Limited* (南京鼎重投資管理顧問有限公司), as to 26.1953% by Nanjing Business & Tourism Corp., Ltd. and as to 20.1247% by Shenzhen Ginkgo Gofar Enterprise Co., Ltd.* (深圳市盈信國富實業有限公司). Dingchong Investment Management Consultancy Limited* (南京鼎重投資管理顧問有限公司) is 100% owned by Mr. Tian. Nanjing Business & Tourism Corp., Ltd. is a company listed on the Shanghai Stock Exchange under the stock code 600250. Shenzhen Ginkgo Gofar Enterprise Co., Ltd.* (深圳市盈信國富實業有限公司) is held as to 68.607% and 30.7% by its ultimate beneficial owners Zhang Wenli* (張文麗) and Sun Zaihua* (孫再花) respectively.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as stated above, Qingyu Elderly Service and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“Board”	the board of Directors
“Company”	Landsea Green Life Service Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1965)
“connected person(s)”	has the meaning as defined under the Listing Rules
“controlling shareholder(s)”	has the meaning as defined under 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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luteng Healthcare Technology”	Suzhou Luteng Healthcare Technology Co. Ltd. * (蘇州市綠藤健康科技有限公司), a company established in the PRC
“Mr. Tian”	Mr. Tian Ming, the Chairman, a non-executive Director and a controlling shareholder of the Company
“PRC”	the People’s Republic of China
“Qingyu Elderly Service”	Nanjing Qingyu Elderly Service Co. Ltd.* (南京青榆養老服務有限公司), a company established in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Service Procurement Agreement”	the agreement dated 19 February 2024 entered into between Luteng Healthcare Technology and Qingyu Elderly Service in relation to the procurement of elderly care related services
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)” has the meaning as defined under the Listing Rules

“%” percentage

By order of the Board
Landsea Green Life Service Company Limited
Tian Ming
Non-executive Director and Chairman of the Board

Hong Kong, 19 February 2024

As at the date of this announcement, the Board comprises Ms. Zhou Qin, Mr. Wu Xu and Mr. Liu Chao as executive Directors, Mr. Tian Ming (the Chairman) and Mr. Liu Yong as non-executive Directors, and Ms. Lu Mei, Dr. Chen Kevin Chien-wen and Ms. Katherine Rong Xin as independent non-executive Directors.

* *For identification purposes only*