



朗诗绿色管理

LANDSEA GREEN MANAGEMENT

LANDSEA GREEN MANAGEMENT LIMITED

朗詩綠色管理有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 106)

**POSSIBLE MAJOR TRANSACTION
POSSIBLE DISPOSAL OF LISTED SECURITIES IN
LANDSEA HOMES CORPORATION**

THE POSSIBLE DISPOSAL

The Company proposes to dispose of up to 6,135,151 shares of LSEA Stock, representing approximately 16.9% of the issued and outstanding shares of LSEA Stock as at the date of this announcement, during the Relevant Period.

IMPLICATIONS UNDER THE LISTING RULES

Assuming that all the 6,135,151 shares of LSEA Stock held by the Group are disposed of within the Relevant Period at the Minimum Selling Price, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Possible Disposal, when aggregated with the Previous Disposals, exceeds 25% but is less than 75%. As such, the Possible Disposal constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Company will seek the approval of the Shareholders at the SGM for the mandate of the Possible Disposal.

A circular containing, inter alia, (i) further information regarding the Possible Disposal; (ii) other information required under the Listing Rules; and (iii) a notice convening the SGM, will be despatched to the Shareholders on or before 30 April 2025 in order to allow sufficient time for the preparation of the relevant information to be included in the circular.

Whether and when the Company will proceed with the Possible Disposal or not will depend on a number of factors including without limitation the prevailing market sentiments and market conditions at the proposed time of executing the Sales. There is no assurance that the Company will proceed with the Possible Disposal. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE POSSIBLE DISPOSAL

The principal terms of the Possible Disposal are as follows:

Maximum number of shares of LSEA Stock to be disposed of

The Company proposes to sell up to 6,135,151 shares of LSEA Stock held by the Group, representing approximately 16.9% of the total issued and outstanding shares of LSEA Stock as at the date of this announcement.

Relevant Period

The Company proposes to complete the Possible Disposal during the period of 12 (twelve) months from the date on which the Possible Disposal is approved at the SGM.

Manner of Sale(s)

The Possible Disposal may be conducted (i) in the open market on NASDAQ to independent third parties through the trading system of NASDAQ; (ii) through underwritten offering or placing by investment banks to independent third parties; and/or (iii) in the off-market through block trades by entering into placing agreements with placing agents, or sale and purchase agreement directly with purchaser(s), to dispose of the shares of LSEA Stock to third party purchaser(s), who and whose ultimate beneficial owner(s) are independent third parties. As at the date of this announcement, no potential purchaser for the shares of LSEA Stock has been identified.

The selling price of the shares of LSEA Stock shall be determined with reference to the then market price(s) of shares of LSEA Stock at the relevant material time, provided that:

- (i) each Sale shall be at market price of no more than 20% discount to the average of the closing price as quoted on NASDAQ for the five (5) consecutive trading days immediately before the date of the agreement for the relevant Sale during the Relevant Period; and
- (ii) the minimum selling price of each Sale shall be no less than the Minimum Selling Price, being US\$5 per share of LSEA Stock.

Based on the closing price of shares of LSEA Stock in the past one year immediately before the date of this announcement, the highest closing price was US\$14.15 per share and the lowest closing price was US\$6.57 per share and the average closing price was approximately US\$10.23 per share. The highest daily trading volume of shares of LSEA Stock was 3,335,215 shares of LSEA Stock while the lowest daily trading volume of shares of LSEA Stock was 55,887 shares of LSEA Stock and the average trading volume for the past one year of shares of LSEA Stock was approximately 254,114 shares of LSEA Stock. The maximum number of 6,135,151 shares of LSEA Stock to be disposed of under the Possible Disposal represents approximately 24 times of the average daily trading volume of shares of LSEA Stock.

The proposed discount of 20% to the 5-day average closing price of shares of LSEA Stock will allow flexibility of the Group in disposing of the shares of LSEA Stock promptly and the Minimum Selling Price will safeguard the interests of the Company that the shares of LSEA Stock would not be disposed of at a significant discount. Whilst the Company will exercise its endeavours to dispose of the shares of LSEA Stock at the best available price to the Company, it is necessary for the Possible Disposal to maintain flexibility. For instance, in the event that the market sentiment and the global economy are not favourable, there would be circumstances that the Company may have to dispose of the shares of LSEA Stock at a discount to the previous market price. The 20% discount range has taken into consideration market fluctuations and each Sale shall be subject to approval by at least one of the executive Directors of the Company to ensure that each Sale would be at the best available price (which shall be no less than the Minimum Selling Price) to the Company as at the time of relevant Sale. As such, the Company considers that the terms of the Possible Disposal are fair and reasonable.

The Minimum Selling Price

The Minimum Selling Price of US\$5 per share of LSEA Stock represents:

- (a) a discount of approximately 28% to the closing price of US\$6.95 per share of LSEA Stock as quoted on NASDAQ on the Last Trading Day; and
- (b) a discount of approximately 31% to the closing price of US\$7.22 per share of LSEA Stock as quoted on NASDAQ for the last five (5) consecutive trading days up to and including the Last Trading Day.

The Minimum Selling Price was determined with reference to (i) the volatile market performance of shares of LSEA Stock as quoted on NASDAQ for the past twelve months which ranged from US\$6.57 to US\$14.15 per share; and (ii) the prevailing market conditions and the uncertainty of global economy. The Directors consider that the Minimum Selling Price will allow flexibility for the Company to accommodate fluctuation in the market conditions in effecting the Possible Disposal and at the same time reflect the lowest acceptable price to the Company to dispose of the shares of LSEA Stock, and is thus fair and reasonable as far as the Company and the Shareholders are concerned.

Compliance

The Possible Disposal shall comply with relevant applicable laws and regulations, including any applicable trading regulations in New York. The Group will also report on the progress of the Possible Disposal in the relevant interim report as well as the annual report of the Company in compliance with the Listing Rules.

INFORMATION ON LANDSEA HOMES

Landsea Homes is a company incorporated under the laws of the State of Delaware in the USA and the common stock of which are listed on NASDAQ. Landsea Homes is principally engaged in real estate development. As at the date of this announcement, Landsea Homes is owned as to approximately 16.9% by LHC.

Pursuant to the annual report of Landsea Homes issued pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended 31 December 2024, the audited consolidated financial results of Landsea Homes for the two financial years ended 31 December 2024 prepared in accordance with US GAAP are as follows:

	For the year ended 31 December	
	2023	2024
	<i>(US\$)</i>	<i>(US\$)</i>
Profit before taxation	44,545,000	26,675,000
Profit after taxation	32,650,000	18,534,000

As at 31 December 2024, the audited consolidated shareholder's equity of Landsea Homes was US\$667,182,000.

INFORMATION ON LHC AND THE COMPANY

The Company is an investment holding company. The Group is principally engaged in development and sales of properties in the PRC and the USA, provision of project development and management services.

LHC was incorporated in the State of Delaware, and is principally engaged in investment holding. It is indirectly wholly owned by the Company.

REASONS FOR AND BENEFITS OF THE POSSIBLE DISPOSAL

References are made to the announcements of the Company dated 26 September 2024, 9 December 2024 and 10 December 2024 in relation to, among other matters, the disposal of a total of 2,900,000 shares of LSEA Stock by the Group for an aggregate consideration of approximately US\$29.68 million (the "**Previous Disposals**").

Having regard to the current market conditions, the Board considers that the Possible Disposal will provide the Group with an opportunity to realise its investment in Landsea Homes and will enhance the overall liquidity of the Group. In light of the uncertainty in the future global economy, also having considered the funding needs of the Group, the Company considers that the Possible Disposal represents an opportunity to realise its investments and to allow the Group to reallocate its resources.

Given the volatility of the stock market, disposing of shares at the best possible prices requires prompt disposal actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each Sale. To allow flexibility in effecting future Sales at appropriate time(s) and price(s) so as to maximise the returns to the Group, the Company proposes to seek approval from the Shareholders at the SGM for the Possible Disposal.

Each Sale will be made with reference to the market prices on open market. The Board is of the view that the Possible Disposal is on normal commercial terms, and that the terms are fair, reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE POSSIBLE DISPOSAL AND USE OF PROCEEDS

As at the date of this announcement, LHC, an indirect wholly-owned subsidiary of the Company, held approximately 16.9% of the issued and outstanding shares of LSEA Stock. Upon completion of the Possible Disposal in full, LHC will cease to hold any shares of LSEA Stock.

For illustrating the financial impact of the Possible Disposal, on the assumption that all the 6,135,151 shares of LSEA Stock are disposed of at the Minimum Selling Price, the Group is expected to recognise a loss of approximately US\$82 million which is calculated on the basis of the difference between the proceeds receivable under the Possible Disposal of approximately US\$31 million and the unaudited carrying value of the 6,135,151 shares of LSEA Stock held by LHC of approximately US\$113 million as at 31 December 2024. The actual gain/loss of the Group as a result of the Possible Disposal will depend on the actual Sale price per share of LSEA Stock and will be subject to final audit by the auditors of the Company.

The Company will use the proceeds from the Possible Disposal for repayment of loans and the remaining will be used for general working capital.

IMPLICATIONS UNDER THE LISTING RULES

Assuming that all the 6,135,151 shares of LSEA Stock held by the Group are disposed of within the Relevant Period at the Minimum Selling Price, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Possible Disposal, when aggregated with the Previous Disposals, exceeds 25% but is less than 75%. As such, the Possible Disposal constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company will seek the approval of the Shareholders at the SGM for the mandate of the Possible Disposal. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Possible Disposal. Accordingly, it is expected that no Shareholder is required to abstain from voting at the SGM.

GENERAL

A circular containing, inter alia, (i) further information regarding the Possible Disposal; (ii) other information required under the Listing Rules; and (iii) a notice convening the SGM, will be despatched to the Shareholders on or before 30 April 2025 in order to allow sufficient time for the preparation of the relevant information to be included in the circular.

Whether and when the Company will proceed with the Possible Disposal or not will depend on a number of factors including without limitation the prevailing market sentiments and market conditions at the proposed time of executing the Sales. There is no assurance that the Company will proceed with the Possible Disposal. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	board of Directors
“Company”	Landsea Green Management Limited, 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)
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Landsea Homes”	Landsea Homes Corporation, a company incorporated under the laws of the State of Delaware in the USA and the common stock of which are listed on NASDAQ (stock code: LSEA)
“Last Trading Day”	25 March 2025 (New York time), being the last full trading day of the shares of LSEA Stock on NASDAQ prior to the release of this announcement
“LHC”	Landsea Holdings Corporation, a company incorporated under laws of the State of Delaware in the USA, which is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LSEA Stock”	the common shares of Landsea Homes
“Minimum Selling Price”	US\$5 per share of LSEA Stock
“NASDAQ”	National Association of Securities Dealers Automated Quotations capital market
“Possible Disposal”	the proposed sale(s) of up to 6,135,151 shares of LSEA Stock by LHC
“PRC”	the People’s Republic of China

“Previous Disposals”	has the meaning ascribed to it under the section headed “Reasons for and Benefits of the Possible Disposal” in this announcement
“Relevant Period”	the 12-month period from the date of passing of the relevant resolution approving the Possible Disposal at the SGM
“Sale(s)”	sale(s) of shares of LSEA Stock by LHC under the Possible Disposal
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve, amongst other things, the Possible Disposal
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US GAAP”	generally accepted accounting principles in the USA
“USA”	the United States of America
“US\$”	United States dollar, the lawful currency of USA
“%”	per cent.

By order of the Board
Landsea Green Management Limited
Gao Yuan
Company Secretary

Hong Kong, 26 March 2025

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Zhou Kunpeng, one non-executive Director, namely Mr. Li Huanbin, and three independent non-executive Directors, namely Mr. Rui Meng, Mr. Xie Cilog and Ms. Li Rong.