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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 ACQUISITION OF NANJING XINHUISHENG

THE EQUITY TRANSFER AGREEMENT

On 18 December 2020, Nanjing Langming, Xi'an Jiapeng, Minsheng Royal Asset Management and Nanjing Xinhuisheng entered into the Equity Transfer Agreement, pursuant to which Minsheng Royal Asset Management (being an asset manager) agreed to transfer the entire equity interests of Nanjing Xinhuisheng on behalf of Minsheng Royal Asset Management's asset management plan and Nanjing Langming and Xi'an Jiapeng agreed to purchase 74% and 26% equity interests of Nanjing Xinhuisheng respectively at the total consideration of RMB531,783,806.66, in which Nanjing Langming shall pay RMB393,520,016.93.

Upon completion of the Transfer, the Group will own 74% equity interests in Nanjing Xinhuisheng. Nanjing Xinhuisheng will continue to be a subsidiary of the Group and its financial results will continue to be consolidated into the consolidated financial statements of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Equity Transfer Agreement are more than 5% and all of such ratios are less than 25%, pursuant to Rule 14.06 of the Listing Rules, the transactions contemplated under the Equity Transfer Agreement constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

THE EQUITY TRANSFER AGREEMENT

Reference is made to the Announcement in relation to the Cooperation Agreement entered into between the Company, Nanjing Langming, Nanjing Xinhuisheng, Landsea Group and Minsheng Royal Asset Management. Pursuant to the terms of the Cooperation Agreement and subject to certain conditions, the Company shall (or shall procure its subsidiary to) repurchase the entire equity interest of Nanjing Xinhuisheng. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

On 18 December 2020, Nanjing Langming, Xi'an Jiapeng, Minsheng Royal Asset Management and Nanjing Xinhuisheng entered into the Equity Transfer Agreement, pursuant to which Minsheng Royal Asset Management (being an asset manager) agreed to transfer the entire equity interests of Nanjing Xinhuisheng on behalf of Minsheng Royal Asset Management's asset management plan and Nanjing Langming and Xi'an Jiapeng agreed to purchase 74% and 26% equity interests of Nanjing Xinhuisheng respectively at the total consideration of RMB531,783,806.66, in which Nanjing Langming shall pay RMB393,520,016.93.

The principal terms of the Equity Transfer Agreement are as follows:

Date:

18 December 2020

Parties:

- (i) Nanjing Langming, an indirect wholly-owned subsidiary of the Company as at the date of this announcement
- (ii) Xi'an Jiapeng
- (iii) Nanjing Xinhuisheng, the entire equity interests are held by Minsheng Royal Asset Management for and on behalf of the Asset Management Scheme as at the date of this announcement
- (iv) Minsheng Royal Asset Management

Xi'an Jiapeng is a joint venture company owned as to 30% by the Group, and as to 70% by 南京洛德德寧房地產投資合伙企業 (Nanjing Luode Dening Real Estate Investment Partnership (Limited Partnership)*) (**"Dening Fund"**). Dening Fund is a limited partnership and the equity of which is held as to 43.9560% by 上海淨璽投資管理合夥企業(有限合夥) (Shanghai Jingxi Investment Management Partnership (Limited Partnership)*), 32.9670% is held by 江蘇寧滬投資發展有限責任公司 (Jiangsu Ninghu Investment Development Co., Ltd.*), 21.9780% is held by 蘇州蘇投股權投資管理有限公司 (Suzhou Sutou Equity Investment Management Co., Ltd.*), and 1.0989% held by 江蘇洛德股權投資基金管理有限公司 (Jiangsu Lord Equity Investment Fund Management Co., Ltd.*). 上海淨璽投資管

理合夥企業（有限合夥）(Shanghai Jingxi Investment Management Partnership (Limited Partnership)*) is held as to 48% by 上海淨哲投資管理合夥企業（有限合夥）(Shanghai Jingzhe Investment Management Partnership (Limited Partnership)*) and the remaining shareholders each hold less than 30%. No shareholder holds more than 30% of 上海淨哲投資管理合夥企業（有限合夥）(Shanghai Jingzhe Investment Management Partnership (Limited Partnership)*).

Minsheng Royal Asset Management is held as to 51% by 民生加銀基金管理有限公司 (Minsheng Royal Asset Management Co., Ltd.*), as to 24.50% by 亞洲金融合作聯盟（三亞）(Asian Financial Cooperation Alliance (Sanya)*), and as to 24.50% by 民生置業有限公司 (Minsheng Real Estate Co., Ltd.*). Minsheng Royal Asset Management's ultimate beneficial owner is China Minsheng.

To the best knowledge, information and belief of the Board, having made all reasonable enquiry, Minsheng Royal Asset Management and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Pursuant to the terms of the Cooperation Agreement, Nanjing Langming holds a 60% Junior Stake of the Asset Management Scheme, Minsheng Royal Asset Management (as asset manager) holds 100% equity interests in Nanjing Xinhuisheng in trust for Minsheng Royal Asset Management under the Asset Management Scheme, and Nanjing Xinhuisheng holds 49.9% equity interests of the Project Company. Pursuant to the terms of the Cooperation Agreement, Minsheng Royal Asset Management can request to exit the Project upon (among others) the existence of the Asset Management Scheme for 48 months.

Pursuant to the Equity Transfer Agreement, Minsheng Royal Asset Management (being an asset manager) shall transfer the entire equity interests of Nanjing Xinhuisheng on behalf of Minsheng Royal Asset Management's asset management plan; Nanjing Langming and Xi'an Jiapeng shall purchase 74% and 26% equity interests of Nanjing Xinhuisheng respectively, at the total consideration of RMB531,783,806.66, in which Nanjing Langming shall pay RMB393,520,016.93.

Transfer Consideration

The Transfer Consideration is RMB531,783,806.66, which was determined with reference to, among others, the face value of the total equity interests of Nanjing Xinhuisheng as at the Valuation Date in accordance with the valuation report issued by Shenzhen World Union, an independent professional valuer. The Transfer Consideration was arrived at after arm's length negotiations among the parties to the Equity Transfer Agreement.

The adoption of the Valuation Date has been taken in account of the sales revenue and related expenses and tax of the Project.

Payment of the Transfer Consideration

The parties agreed that after the signing of the Equity Transfer Agreement, Nanjing Langming and Xi'an Jiapeng shall pay the Transfer Consideration to Minsheng Royal Asset Management no later than 21 December 2020 (or such other date as agreed between the parties in writing), of which Nanjing Langming shall pay RMB393,520,016.93.

The parties agreed to complete the industrial and commercial registration (including the amendment of the memorandum and articles of association of the target company, change of shareholders, exemption of directors (including chairman) and chief financial officer (if any) appointed by the transferor) for the Transfer within ten (10) Business Days after the payment of the Transfer Consideration.

Completion

Completion will take place on the date of completion of the industrial and commercial registration procedures for the Transfer.

Upon completion of the Transfer, Nanjing Xinhuisheng will be owned as to 74% by Nanjing Langming and as to 26% by Xi'an Jiapeng. Nanjing Xinhuisheng will continue to be a subsidiary of the Group and its financial results will continue to be consolidated into the consolidated financial statements of the Company.

INFORMATION ABOUT NANJING XINHUISHENG

Nanjing Xinhuisheng is a company established in the PRC with limited liability on 30 January 2015. On 27 March 2015, Nanjing Xinhuisheng and Baoli Jiangsu established the Project Company in which Nanjing Xinhuisheng and Baoli Jiangsu held 49.9% and 50.1% equity interests respectively. The Project Company holds the Maigaoqiao Land and is principally engaged in the development of the Maigaoqiao Land.

The financial results of Nanjing Xinhuisheng as extracted from its audited financial statements for the two financial years ended 31 December 2019 are as follows:

	For the year ended 31 December	
	2018	2019
	(audited)	(audited)
	(RMB '000)	(RMB '000)
Net profit before tax and extraordinary items	180,091.33	425,033.27
Net profit after tax and extraordinary items	176,496.15	422,439.70

The unaudited net asset value of Nanjing Xinhuisheng as at 30 October 2020 was approximately RMB611,895,797.03.

INFORMATION ABOUT THE XI'AN JIAPENG

Xi'an Jiapeng is a joint venture company owned as to 30% by the Group, and as to 70% by Denning Fund. It is principally engaged in real estate development.

INFORMATION ABOUT MINSHENG ROYAL ASSET MANAGEMENT

Minsheng Royal Asset Management is a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Project.

REASONS FOR AND BENEFITS OF THE TRANSFER

As at the date of this announcement, Nanjing Xinhuisheng holds 49.9% equity interests in the Project Company which in turn holds the Maigaoqiao Land, which has been developed into a residential project with ground commercial facilities. The majority of properties under the Project has been sold, and the conditions for exit under the Asset Management Scheme pursuant to the Cooperation Agreement have been fulfilled. By repurchasing the equity interests of Nanjing Xinhuisheng, the equivalent rights of the Project can be obtained.

The Shareholders contribution to the Project has returned to positive, and the repurchase of the equity interests of Nanjing Xinhuisheng will not increase the cash flow burden of the Company.

The transactions contemplated under the Equity Transfer Agreement were conducted in accordance with the mechanism of the Cooperation Agreement regarding the exit of Minsheng Royal Asset Management from the Project. Based on the above reasons, the Directors (including independent non-executive Directors) believe that the terms of the Equity Transfer Agreement are based on normal commercial terms, fair and reasonable, and beneficial to the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Equity Transfer Agreement are more than 5% and all of such ratios are less than 25%, pursuant to Rule 14.06 of the Listing Rules, the transactions contemplated under the Equity Transfer Agreement constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 22 December 2015 in respect of the Cooperation Agreement
“Baoli Jiangsu”	保利江蘇房地產發展有限公司 (Baoli Jiangsu Real Estate Development Co., Ltd.*), a company established in the PRC with limited liability
“Business Days”	day(s) on which commercial banks are open for business in the PRC (excluding Saturdays, Sundays and public holidays)
“Equity Transfer Agreement”	the equity transfer agreement dated 18 December 2020 entered into by Nanjing Langming, Xi’an Jiapeng, Minsheng Royal Asset Management and Nanjing Xinhuisheng, pursuant to which Minsheng Royal Asset Management (being an asset manager) agreed to transfer the entire equity interests of Nanjing Xinhuisheng on behalf of Minsheng Royal Asset Management’s asset management plan, and Nanjing Langming and Xi’an Jiapeng agreed to purchase 74% and 26% of the equity interests of Nanjing Xinhuisheng, subject to the terms and conditions contained therein
“Shenzhen World Union”	深圳市世聯資產房地產土地評估有限公司 (Shenzhen World Union Assets Real Estate Land Evaluation Co., Ltd.*), an independent professional valuer
“Transfer”	the transfer of the entire equity interests of Nanjing Xinhuisheng from Minsheng Royal Asset Management to Nanjing Langming and Xi’an Jiapeng pursuant to the terms and conditions of the Equity Transfer Agreement
“Transfer Consideration”	RMB531,783,806.66, being the consideration for the acquisition of the entire equity interests of Nanjing Xinhuisheng
“Valuation Date”	31 October 2019
“Xi’an Jiapeng”	Xi’an Jiapeng Real Estate Development Co., Ltd., a joint venture company owned as to 30% by the Group and 70% by Dening Fund 南京洛德德寧房地產投資合伙企業 (Nanjing Luode Dening Real Estate Investment Partnership (Limited Partnership)*) as at the date of this announcement

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

Hong Kong, 18 December 2020

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tian Ming, Mr. Huang Zheng and Mr. Jiang Chao, two non-executive Directors, namely, Ms. Shen Leying and Mr. Zhou Yimin, and three independent non-executive Directors, namely Mr. Xu Xiaonian, Mr. Chen Tai-yuan and Mr. Rui Meng.

** For identification purposes only*