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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 AND
EXEMPTED CONNECTED TRANSACTION IN RELATION TO
SUPPLEMENTAL AGREEMENT FOR EXTENSION OF LOAN**

References are made to the announcements of the Company dated 29 December 2017, 21 December 2018 and 28 December 2018 in relation to, among other things, the Loan Agreements I and Supplemental Agreement to Loan Agreements I and the Loan Agreements II and Supplemental Agreement to Loan Agreements II.

On 16 December 2021, Suzhou Langkun entered into the Second Supplemental Agreement to Loan Agreements I with Jiangsu Huading and the Second Supplemental Agreement to Loan Agreements II with Jiangsu Zijin, pursuant to which Suzhou Langkun agreed to adjust certain terms under the Loan Agreements I, Supplemental Agreement to Loan Agreements I, Loan Agreements II and Supplemental Agreement to Loan Agreements II.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transactions are 5% or more and all of such percentage ratios are less than 25%, the Transactions constituted a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and are subject to the notification and announcement requirements set out in Chapter 14 of the Listing Rules.

Suzhou Langkun is owned as to 55% by the Group, and as to 22.5% by each of Jiangsu Huading and Jiangsu Zijin. Therefore, Jiangsu Huading and Jiangsu Zijin are regarded as connected persons of the Company at subsidiary level. The Transactions constituted connected transactions of the Company under Chapter 14A of the Listing Rules. As the Directors have approved the Transactions and the independent non-executive Directors have confirmed that the terms of the Transactions are fair and reasonable, the Transactions are on normal commercial terms or better and in the interests of the Company and its shareholders as a whole. Therefore, the Transactions are subject to notification and announcement requirements but are exempted from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

References are made to the announcements of the Company dated 29 December 2017, 21 December 2018 and 29 December 2018 (the “**Announcements**”) in relation to, among other things, Suzhou Langkun entered into the Loan Agreements I and Supplemental Agreement to Loan Agreements I with Jiangsu Huading and Loan Agreements II and Supplemental Agreement to Loan Agreements II with Jiangsu Zijin. Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

On 16 December 2021, Suzhou Langkun entered into the second supplemental agreement to Loan Agreements I (“**Second Supplemental Agreement to Loan Agreements I**”) with Jiangsu Huading and second supplemental agreement to Loan Agreements II (“**Second Supplemental Agreement to Loan Agreements II**”) with Jiangsu Zijin, pursuant to which Suzhou Langkun agreed to adjust certain terms under the Loan Agreements I, Supplemental Agreement to Loan Agreements I, Loan Agreements II and Supplemental Agreement to Loan Agreements II. The terms contemplated under the Second Supplemental Agreement to Loan Agreements I and Second Supplemental Agreement to Loan Agreements II are identical. The principal terms are set out as follows:

Date

16 December 2021

Parties

Second Supplemental Agreement to Loan Agreements I

Lender: Suzhou Langkun

Borrower: Jiangsu Huading

Second Supplemental Agreement to Loan Agreements II

Lender: Suzhou Langkun

Borrower: Jiangsu Zijin

Adjusted loan principal:	Revised from up to RMB327,270,000 to up to RMB270,000,000
Adjusted loan term:	extended from 31 December 2021 to 31 December 2022
Interest rate:	Remained at 4.35% per annum
Security for the loan:	no security
Repayment:	31 December 2022, the Borrower can repay the principal amount together with the accrued interest three days before the expiration date

The interest rate of 4.35% per annum was determined based on the prevailing loan benchmark interest rate recently announced by the People's Bank of China. The adjusted principal amount of RMB270,000,000 was arrived at based on the fund requirements of the Group, Jiangsu Huading as well as Jiangsu Zijin.

The interest to be received under each of the Second Supplemental Agreement to Loan Agreements I and the Second Supplemental Agreement to Loan Agreements II for the financial year ending 31 December 2022 shall be up to RMB11,745,000.

The terms of the Second Supplemental Agreement to Loan Agreements I and Second Supplemental Agreement to Loan Agreements II were arrived at after arm's length negotiation between the parties. The Directors (including the independent non-executive Directors) consider that the terms contemplated under the Second Supplemental Agreement to Loan Agreements I and Second Supplemental Agreement to Loan Agreements II are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

REASONS AND BENEFIT

The Company is an investment holding company. The Group is principally engaged in development and sales of properties. Apart from the provision of loan to Jiangsu Huading and Jiangsu Zijin under the Second Supplemental Agreement to Loan Agreements I and Second Supplemental Agreement to Loan Agreements II, Suzhou Langkun also provided a loan to the Group in an amount exceeding the Group's proportionate shareholding in Suzhou Langkun. Suzhou Langkun is able to utilize its idle fund flexibly by extending the loans to its shareholders which is more favourable than placing in banks. In addition, the Group can utilize the proceeds from the loan for other development projects.

Based on the foregoing, the Directors (including the independent non-executive Directors) are of the view that the terms of the Second Supplemental Agreement to Loan Agreements I and Second Supplemental Agreement to Loan Agreements II are on normal commercial terms, which are fair and reasonable and are in the best interests of the Company and its shareholders as a whole.

INFORMATION ON THE PARTIES

Suzhou Langkun is a company established under the laws of the PRC and is owned as to 55% by the Group, and as to 22.5% by each of Jiangsu Huading and Jiangsu Zijin. Suzhou Langkun is a non wholly-owned subsidiary of the Group and its principal business is property development.

Jiangsu Huading is a company established under the laws of the PRC and principally engaged in equity investment and investment management. To the best of the knowledge of the Directors, Jiangsu Huading is owned as to 92% by 張家港保稅區盛泰投資有限公司 (Zhangjiagang Free Trade Zone Sheng Tai Investment Co. Ltd.*) (“**Sheng Tai Investment**”) and as to 8% by Zhang Zi Yan, a natural person; Sheng Tai Investment is owned as to approximately 50.25% by 張家港保稅區鑫輝企業管理合夥企業(有限合夥) (Zhangjiagang Free Trade Zone Xinhui Enterprise Management Partnership (Limited Partnership)*) (“**Xinhui Management**”) and as to approximately 49.75% by 張家港保稅區國成商務諮詢合夥企業(有限合夥) (Zhangjiagang Free Trade Zone Guocheng Business Consulting Partnership Enterprise (Limited Partnership)*) (“**Guocheng Business**”); and Zhang Zi Yan, being the single largest shareholder of each of Xinhui Management and Guocheng Business, owns approximately 14.92% and 33.63%, respectively, of Xinhui Management and Guocheng Business.

Jiangsu Zijin is a company established under the laws of the PRC and principally engaged in equity investment and investment management. To the best of the knowledge of the Directors, Jiangsu Zijin is wholly-owned by 江蘇國泰國際集團股份有限公司 (Jiangsu Guotai International Group Co., Ltd*), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002091).

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, save as shareholders of Suzhou Langkun, each of Jiangsu Huading and Jiangsu Zijin and their respective ultimate beneficial owners is independent of the Company and connected persons of the Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Second Supplemental Agreement to Loan Agreements I and the Second Supplemental Agreement to Loan Agreements II (the “**Transactions**”) are 5% or more and all of such percentage ratios are less than 25%, the Transactions constituted a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and are subject to the notification and announcement requirements set out in Chapter 14 of the Listing Rules.

Suzhou Langkun is owned as to 55% by the Group, and as to 22.5% by each of Jiangsu Huading and Jiangsu Zijin. Therefore, Jiangsu Huading and Jiangsu Zijin are regarded as connected persons of the Company at subsidiary level. The Transactions constituted connected transactions of the Company under Chapter 14A of the Listing Rules. As the Directors have approved the Transactions and the independent non-executive Directors have confirmed that the terms of the Transactions are fair and reasonable, the Transactions are on normal commercial terms or better and in the interests of the Company and its shareholders as a whole. Therefore, the Transactions are subject to notification and announcement requirements but are exempted from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

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

Hong Kong, 16 December 2021

As at the date of this announcement, the executive directors of the Company are Mr. Tian Ming, Mr. Huang Zheng and Mr. Jiang Chao, the non-executive directors of the Company are Ms. Shen Leying and Mr. Liu Pengpeng, and the independent non-executive directors of the Company are Mr. Xu Xiaonian, Mr. Chen Tai-yuan and Mr. Rui Meng.