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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 SUPPLEMENTAL AGREEMENTS

The Board announces that the following supplemental agreements were entered into on 29 June 2018:

- (1) Nanjing Langqing, Project Company I and Sichuan BRC entered into the Equity Transfer Supplemental Agreement I, pursuant to which Nanjing Langqing and Sichuan BRC agreed to amend, among others, the Sale Shares I to be 49% equity interest of Project Company I at a consideration of RMB105,823,768 and Sichuan BRC Shareholder's Loan I to be provided by Sichuan BRC to not exceeding RMB17,150,000; and
- (2) Nanjing Langqing, Project Company II and Sichuan BRC entered into the Equity Transfer Supplemental Agreement II, pursuant to which Nanjing Langqing and Sichuan BRC agreed to amend, among others, the Sale Shares II to be 49% equity interest of Project Company II at a consideration of RMB90,976,775 and Sichuan BRC Shareholder's Loan II to be provided by Sichuan BRC to not exceeding RMB17,150,000.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Agreements (as amended by the Supplemental Agreements) exceed 5% and all of such ratios are less than 25%, the transactions contemplated under the Agreements (as amended by the Supplemental Agreements) constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 27 December 2017 relating to the Equity Transfer Agreement I and the Equity Transfer Agreement II (the “**Announcement**”). Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board announces that the following supplemental agreements were entered into on 29 June 2018:

- (1) Nanjing Langqing, the Project Company I and Sichuan BRC entered into the Equity Transfer Supplemental Agreement I (“**Equity Transfer Supplemental Agreement I**”); and
- (2) Nanjing Langqing, Project Company II and Sichuan BRC entered into the Equity Transfer Supplemental Agreement II (“**Equity Transfer Supplemental Agreement II**”).

(The Equity Transfer Supplemental Agreement I and the Equity Transfer Supplemental Agreement II are collectively referred to as the “**Supplemental Agreements**”)

THE SUPPLEMENTAL AGREEMENTS

Set out below are the principal terms of the Supplemental Agreements:

Equity Transfer Supplemental Agreement I

Date

29 June 2018

Parties

- (i) Nanjing Langqing
- (ii) Project Company I
- (iii) Sichuan BRC

Subject matter

Pursuant to the terms of the Equity Transfer Supplemental Agreement I, Nanjing Langqing and Sichuan BRC agreed to amend, among others, the Sale Shares I to be 49% equity interest of Project Company I at a consideration of RMB105,823,768 and Sichuan BRC Shareholder’s Loan I to be provided by Sichuan BRC to not exceeding RMB17,150,000.

Equity Transfer Consideration I

The revised Equity Transfer Consideration I shall be RMB105,823,768, which was determined by the parties after arm's length negotiations by reference to the market value of Subject Project I.

Completion I

Completion I shall take place after the payment of the Equity Transfer Consideration I by Sichuan BRC.

Sichuan BRC shall, by 30 March 2019, pay the remaining amount of Equity Transfer Consideration I of RMB100,823,768 to Nanjing Langqing and provide Sichuan BRC Shareholder's Loan I of not exceeding RMB17,150,000 for the repayment of part of Nanjing Langqing Shareholder's Loan I by Project Company I.

Upon completion of the transactions under the Equity Transfer Agreement I and the Equity Transfer Supplemental Agreement I, Project Company I will be owned as to 51% by the Group and 49% by Sichuan BRC, and the results of Project Company I will no longer be consolidated into the financial statements of the Group.

Save for those as amended by the Equity Transfer Supplemental Agreement I, all other terms of the Equity Transfer Agreement I remain valid and legally binding.

Equity Transfer Supplemental Agreement II

Date

29 June 2018

Parties

- (i) Nanjing Langqing
- (ii) Project Company II
- (iii) Sichuan BRC

Subject matter

Pursuant to the terms of the Equity Transfer Supplemental Agreement II, Nanjing Langqing and Sichuan BRC agreed to amend, among others, the Sale Shares II to be 49% equity interest of Project Company II at a consideration of RMB90,976,775 and Sichuan BRC Shareholder's Loan II to be provided by Sichuan BRC to not exceeding RMB17,150,000.

As at the date of this announcement, Nanjing Langqing holds the entire equity interest of Project Company II and the registered capital of Project Company II is RMB150,000,000, which has been fully paid up. The principal business of Project Company II is real estate development and management. Project Company II holds Subject Project II.

Equity Transfer Consideration II

The revised Equity Transfer Consideration II shall be RMB90,976,775, which was determined by the parties after arm's length negotiations by reference to the market value of Subject Project II.

Completion II

Completion II shall take place after the payment of the Equity Transfer Consideration II by Sichuan BRC.

Sichuan BRC shall, by 30 March 2019, pay the remaining amount of Equity Transfer Consideration II of RMB85,976,775 to Nanjing Langqing and provide Sichuan BRC Shareholder's Loan II of not exceeding RMB17,150,000 for the repayment of part of Nanjing Langqing Shareholder's Loan II by Project Company II.

Upon completion of the transactions under the Equity Transfer Agreement II, Project Company II will be owned as to 51% by the Group and 49% by Sichuan BRC, the results of Project Company II will no longer be consolidated into the financial statements of the Group.

Save for those as amended by the Equity Transfer Supplemental Agreement II, all other terms of the Equity Transfer Agreement II remain valid and legally binding.

INFORMATION OF THE PARTIES

Sichuan BRC is a company established in the PRC with limited liability which is principally engaged in real estate investment.

To the best knowledge, information and belief of the Directors after making all reasonable enquiries, Sichuan BRC and its ultimate beneficial owner(s) are independent of the Company and the connected persons of the Company (as defined under the Listing Rules).

Project Company I is a company established in the PRC on 26 July 2017 with limited liability. The principal business of Project Company I is holding of Subject Project I for property development and management.

The net assets and total assets as extracted from the unaudited accounts of Project Company I as at 30 April 2018 were approximately RMB149,501,032 and RMB191,541,952 respectively.

Project Company II is a company established in the PRC on 26 July 2017 with limited liability. The principal business of Project Company II is holding of Subject Project II for property development and management.

The net assets and total assets as extracted from the unaudited accounts of Project Company II as at 30 April 2018 were approximately RMB147,535,188 and RMB192,979,959 respectively.

It is estimated that the Group will record a gain on disposal of approximately RMB104,597,542 arising from the Disposal.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENTS AND THE TRANSACTIONS THEREUNDER

Based on the real estate business, the Group will vigorously develop project development and management service business while put great emphasis in promoting the development of related diversified businesses. With the initiation of “banyan tree scheme”, the Group expands its business segments to, among others, long-term rental apartments, elderly care services, green financial services, planning and design, property management and decoration.

The Group is committed to finding suitable projects to expand its property development business in the PRC. Through the Disposal to introduce cooperation partner for the joint development of Subject Project I and Subject Project II, which will help the Group to spread operation risks and improve capital efficiency as well as bring relevant financial income while the Group will continue the operation of Subject Project I and Subject Project II and is in line with the asset light development strategies of the Group.

Based on the foregoing, the Directors believe that the terms of the Supplemental Agreements 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 the Listing Rules) in respect of the transactions contemplated under the Agreements (as amended by the Supplemental Agreements) exceed 5% and all of such ratios are less than 25%, the transactions contemplated under the Agreements (as amended by the Supplemental Agreements) constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

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

Hong Kong, 29 June 2018

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Tian Ming, Mr. Xiang Jiong, Ms. Shen Leying, Mr. Xie Yuanjian and Ms. Zhou Qin, 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.