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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)

PROFIT WARNING

This announcement is made by Landsea Green Properties Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the Group’s unaudited management accounts for the year ended 31 December 2020 and information currently available to the Board, the Group is expected to record a decrease in the core profit¹ for the year ended 31 December 2020 of approximately 80% as compared with the corresponding period last year. Such decrease was attributable to:

1. The novel coronavirus epidemic (the “**Epidemic**”) has had a strong impact on the global economy and financial markets. The Group’s real estate business operations in the United States have also been affected to a certain extent. Although the performance of contracted sales for our real estate business in the United States was remarkable in the year 2020, recording an increase of more than 50% as compared with 2019, delay in construction and house delivery caused by the Epidemic has led to the delay in recognition of revenue and profits. In addition, the inventory impairment of individual real estate projects in New York, the United States caused by the Epidemic has also posed a negative impact on the Group’s 2020 annual results.
2. Due to the Epidemic, the expansion progress of the Group’s light assets business in China was postponed. The time for signing contracts and income recognition of certain projects was delayed.

¹ excluding valuation appreciation, spin-off and listing costs of U.S. business and exchange losses

As at the end of January 2021, contracts on hand for the light assets business amounted to approximately RMB2.6 billion; and confirmed contracts amounted to approximately RMB1.15 billion. The above amounts will be converted to income for the development services of the Group; and

3. Due to factors including domestic real estate market regulation, the sales prices of some of the real estate development projects of the Group and its associates in China fell short of expectation. The Group made its impairment provision based on the principle of prudence, resulting in a book loss which was non-cash in nature.

The Board considers that the Company's overall business is going well, a prudent approach in investment and land acquisition is adopted and maintained and the cash flows of the business in both China and the United States are sufficient. The Company will continue to maintain a prudent and stable financial strategy and actively adopt a number of contingency measures to offset the continuing impact brought by the Epidemic in China and abroad to ensure the steady and orderly progress of the real estate projects throughout the year.

As the Company is still in the process of finalizing the annual results of the Group for the year ended 31 December 2020, the information contained in this announcement is only based on the preliminary assessment of the unaudited management accounts of the Group for the year ended 31 December 2020 and information currently available to the Board, and such information has not been audited or confirmed by the Company's auditor and are subject to finalisation and adjustment.

The annual results announcement of the Company for the year ended 31 December 2020 is expected to be published in March 2021.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 11 February 2021

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.