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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  
RELATING TO PROVISION OF FINANCIAL ASSISTANCE**

The Board announces that on 31 December 2016, Suzhou Langkun entered into the Loan Agreement I with Jiangsu Huading and Loan Agreement II with Jiangsu Zijin, pursuant to which Suzhou Langkun has lent to each of Jiangsu Huading and Jiangsu Zijin a loan of RMB279 million for a period of 12 months at an annual interest rate of 4.35%.

**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 Loan together I and the Loan Agreement II are 5% or more and all of such percentage ratios are less than 25%, the transactions contemplated under each of the Loan Agreement I and the Loan Agreement II constituted a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and should have been subject to the notification and announcement requirements set out in the Listing Rules.

Suzhou Langkun is owned as to 55% by the Group, and 22.5% each by Jiangsu Huading and Jiangsu Zijin, therefore, Jiangsu Huading and Jiang Zijin are regarded as connected persons at subsidiary level. The transactions contemplated under the Loan Agreement I and the Loan Agreement II constituted connected transactions for the Company with subsidiary level under Chapter 14A of the Listing Rules should have been 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.

Due to inadvertent omission and unintentional oversight, the Loan Agreement I and the Loan Agreement II have not been previously announced in a timely manner in accordance with the Listing Rules.

The Board announces that on 31 December 2016, Suzhou Langkun entered into the Loan Agreement I with Jiangsu Huading and Loan Agreement II with Jiangsu Zijin, pursuant to which Suzhou Langkun has lent to each of Jiangsu Huading and Jiangsu Zijin a loan of RMB279 million for a period of 12 months at an annual interest rate of 4.35%.

The terms of the Loan Agreement I and the Loan Agreement II are identical. The principal terms of the Loan Agreement I and the Loan Agreement II are set as follows:

**Date**

31 December 2016

**Parties**

**Loan Agreement I**

*Lender:* Suzhou Langkun, a non wholly-owned subsidiary of the Company

*Borrower:* Jiangsu Huading

**Loan Agreement II**

*Lender:* Suzhou Langkun, a non wholly-owned subsidiary of the Company

*Borrower:* Jiangsu Zijin

Suzhou Langkun is owned as to 55% by the Group, and 22.5% each by Jiangsu Huading and Jiangsu Zijin, therefore, Jiangsu Huading and Jiang Zijin are regarded as connected persons at subsidiary level.

Save as disclosed above, each of Jiangsu Huading and Jiangsu Zijin and their respective ultimate beneficial owner does not have any other relationship with the Company. Each of Jiangsu Huading and Jiangsu Zijin are independent, not related to each other, and the Loan Agreement I and the Loan Agreement II are independent and not inter-related to each other.

*Loan principle:* RMB279 million

*Repayment date:* 31 December 2017

*Interest rate:* 4.35% per annum

*Security for the loan:* no security

*Repayment:* 31 December 2017, no early or partial repayment of the loan is permitted unless with the prior written consent of Suzhou Langkun

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

## **REASONS FOR AND BENEFIT OF THE LOAN AGREEMENTS AND THE TRANSACTIONS CONTEMPLATED THEREUNDER**

The Group is principally engaged in property development in the PRC and the United States. The Company is the only listed platform under Landsea Group engaging in green residential property development business.

The Group is committed to finding suitable land for property development and expanding its property development business. The Group has also been looking for opportunities to either enter into equity partnerships with other organisations such as developers and financial institutions or participate in projects developed by other developers. The Group through the introduction of Jiangsu Huading and Jiangsu Zijin as shareholders of Suzhou Langkun, to jointly develop the Jiangsu project.

The Directors consider that the transactions contemplated under the Loan Agreement I and the Loan Agreement II are in line with the Group's development strategy to utilize the idle cash to generate income to the Group.

Apart from the provision of loan to Jiangsu Huading and Jiangsu Zijin under the Loan Agreement I and the Loan Agreement II, Suzhou Langkun also provided a loan to the Group in an amount according to the Group's proportionate shareholding in Suzhou Langkun. Suzhou Langkun is able to utilize its idle fund flexibly by the advancement of loan to its shareholders and represent a good opportunity to generate interest income to the Group which is more favourable than placing in banks by utilizing the idle cash. In addition, the Group by obtaining funds from the proportionate loan is able to provide funding to other development projects.

Based on the foregoing, the Directors (including the independent non-executive Directors) are of the view that the terms of the Agreement 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 BORROWERS**

Jiangsu Huading is a company established under the laws of the PRC, and being a 22.5% owner of Suzhou Langkun. Jiangsu Huading is principally engaged in venture capital, equity investment, investment management (relevant business as approved by the relevant department in accordance with the law).

Jiangsu Zijin is a company established under the laws of the PRC, and being a 22.5% owner of Suzhou Langkun. Jiangsu Zijin is principally engaged in research and development, sales and advisory services in computer software, computer equipment, electronic communications products and accessories; industrial investment; self-employed and agents of import and export of all types of goods and technology; domestic trade; property management; sewage treatment and recycling; equity investment, venture capital, investment management, asset management.



“Borrowers”	collectively, Jiangsu Huading and Jiangsu Zijin
“Company”	Landsea Green Properties Co., Ltd., a limited liability company incorporated in Bermuda, the Shares of which are listed on the main board of the Stock Exchange (stock code: 106)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Jiangsu Huading”	江蘇國泰華鼎投資有限公司 (Jiangsu Guotai Huading Investment Company Limited*), a company established under the laws of the PRC, and being a 22.5% owner of Suzhou Langkun
“Jiangsu Zijin”	江蘇國泰紫金科技發展有限公司 (Jiangsu Guotai Zijin Technology Development Company Limited*), a company established under the laws of the PRC, and being a 22.5% owner of Suzhou Langkun
“Loan Agreement I”	the loan agreement dated 31 December 2016 entered into between Suzhou Langkun as lender and Jiangsu Huading as borrower for the provision of a loan of RMB279 million to Jiangsu Huading
“Loan Agreement II”	the loan agreement dated 31 December 2016 entered into between Suzhou Langkun as lender and Jiangsu Zijin as borrower for the provision of a loan of RMB279 million to Jiangsu Zijin
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Landsea Group”	朗詩集團股份有限公司 (Landsea Group Co., Ltd.*), a company established in the PRC with limited liability, the ultimate controlling shareholder of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Shareholder(s)” holder(s) of the shares of the Company  
“Stock Exchange” The Stock Exchange of Hong Kong Limited  
“%” per cent.

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

Hong Kong, 28 April 2017

*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.*