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Landsea Green Life Service Company Limited

朗詩綠色生活服務有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock code: 1965)

ADOPTION OF THE SHARE AWARD SCHEME, GRANT OF SHARE AWARDS AND GRANT OF SHARE OPTIONS

ADOPTION OF THE SHARE AWARD SCHEME

The Company adopted the Scheme on 18 March 2022. The purposes of the Scheme are to recognise the contributions to the Group by certain Eligible Persons and/or to give incentives in order to motivate certain Eligible Persons for the continuing development and long-term growth of the Group. The Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

Green Sailing (PTC) has been appointed as the trustee of the Trust and holds Shares to be granted to the Eligible Persons under the Scheme. As at the date of this announcement, Green Sailing (PTC) holds 23,998,345 Shares on trust for the Scheme, representing 5.84% of the number of issued shares of the Company. Pursuant to the Scheme, the Advisory Committee may, from time to time, choose the Selected Participants to participate in the Scheme and determine the number of Awarded Shares to be awarded, the vesting conditions (if any) and the vesting schedule of the Awarded Shares. An Offer Letter setting out, among others, the number, the vesting conditions (if any) and the vesting schedule of the Awarded Shares to be granted will be issued by the Advisory Committee to the Selected Participants.

The Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the requirements thereunder.

GRANT OF AWARDED SHARES UNDER THE SCHEME

The Board hereby announces that on 5 July 2022, the Advisory Committee proposed to grant an aggregate of 4,960,000 Awarded Shares to 3 Grantees under the Scheme.

GRANT OF SHARE OPTIONS

On 5 July 2022, the Company offered to grant an aggregate of 6,476,600 Share Options to the Option Grantees to recognise and acknowledge their contributions made to the Group. The grant of such Share Options will enable the Option Grantees to subscribe for an aggregate of 6,476,600 new Shares, representing approximately 1.6% of the issued share capital of the Company as at the date of this announcement.

ADOPTION OF THE SHARE AWARD SCHEME

The Company adopted the Scheme on 18 March 2022. The purposes and principal terms of the Scheme are set out below.

Purposes

The purposes of the Scheme are to recognise the contributions to the Group by certain Eligible Persons and/or to give incentives in order to motivate certain Eligible Persons for the continuing development and long-term growth of the Group.

Term

Subject to any termination of the Scheme in accordance with the Scheme Rules, the Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

Administration

The Awarded Shares available for grant under the Scheme and the Related Distribution (if any) are held by Green Sailing (PTC) on trust in accordance with the Trust Deed. As at the date of this announcement, Green Sailing (PTC) holds 23,998,345 Shares on trust for the Scheme, representing 5.84% of the number of issued shares of the Company. Green Sailing (PTC) is a direct wholly owned subsidiary of Honor Limited, which is in turn wholly-owned by Mr. Tian. The maximum number of Shares that may be granted as Awards under the Scheme (excluding Awards that have lapsed or been cancelled in accordance with the Scheme Rules) shall be such number of Shares held or to be held by Green Sailing (PTC) on trust for the purposes of the Scheme from time to time.

The Scheme shall be subject to the administration of the Advisory Committee and the Trustee in accordance with the Scheme Rules and the Trust Deed.

Eligible Persons

The Eligible Persons shall include any employee of any member of the Group (other than any Excluded Person) who, in the sole opinion of the Advisory Committee, will contribute or have contributed to the development of the Group.

Pursuant to the Scheme Rules, the Advisory Committee may, from time to time, choose the Selected Participants to participate in the Scheme and determine the number of Awarded Shares to be awarded, the vesting conditions (if any) and the vesting schedule of the Awarded Shares.

Operations

An Offer Letter setting out, among others, the number, the vesting conditions (if any) and the vesting schedule of the Awarded Shares to be granted will be issued by the Advisory Committee to each Selected Participant. The Selected Participant may accept the offer of the grant of the Awarded Shares in such manner as set out in the Offer Letter. Upon acceptance, the Selected Participant becomes a Participant in the Scheme.

Pursuant to the Scheme, a Participant shall be entitled to receive the Awarded Shares and the Related Distribution (if any) held by Green Sailing (PTC) upon satisfaction of the vesting conditions (if any) set out in the Offer Letter.

(1) Voting Rights

A Participant may not exercise the voting rights in respect of any Awarded Shares held on trust by Green Sailing (PTC) for the Participant before the vesting and transfer of such Awarded Shares to the Participant.

Green Sailing (PTC) shall consider any instructions or recommendations from the Advisory Committee with respect to the exercise of the voting rights of the Shares which are held by it as the trustee, including Shares which are not yet awarded to any Participants and Shares which have been awarded but not yet vested and transferred onto the relevant Participants in accordance with the terms of the Scheme.

(2) Entitlement of the Related Distribution

A Participant shall not be entitled to the Related Distribution (if any) derived from the relevant Awarded Shares unless and until such Awarded Shares are vested and transferred onto the Participant in accordance with the terms of the Scheme.

Any Related Distribution declared and made in respect of any Shares held by Green Sailing (PTC) on trust (including Shares which are not yet awarded to any Participants and Shares which have been awarded but not yet vested and transferred onto the relevant Participants in accordance with the terms of the Scheme) shall be treated and dealt with in such manner as the Advisory Committee may direct. Any Related Distributions shall be treated and dealt with as income of the trust fund of the Scheme.

(3) No Assignment

Any Award made pursuant to the Scheme shall be personal to the Participant to whom it is made and shall not be assignable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Awarded Shares (or any interest or benefits therein) set aside for him as determined by the Advisory Committee.

(4) Return Events

Any Awarded Shares held by Green Sailing (PTC) on behalf of a Participant pursuant to the terms under the Scheme shall be subject to such vesting period(s) (if any) as may be determined by the Advisory Committee at its absolute discretion (the period or each such period being hereinafter referred to as a “**Vesting Period**”) during which Green Sailing (PTC) shall hold the Shares on the terms of the Trust Deed, and the relevant Awarded Shares shall vest (subject to the Participant exercising his right to receive the relevant Awarded Shares) in the Participant during and on the expiry of the applicable Vesting Period, PROVIDED THAT:

- a) the Participant remains, in the view of the Advisory Committee, an Eligible Person;
- b) none of events below (the “**Return Events**”) for a Participant has arisen, during the Vesting Period:
 - (i) has had his employment with the Group terminated by the relevant member(s) of the Group for cause; or
 - (ii) dishonesty or serious misconduct, whether or not in connection with his employment; wilful disobedience or non-compliance with the terms of his employment contract with the relevant member(s) of the Group or any lawful orders or instructions given by the relevant member(s) of the Group; or
 - (iii) incompetence or negligence in the performance of his duties; or
 - (iv) doing anything which, in the conclusive opinion of the Advisory Committee, adversely affects his ability to perform his duties properly or bring the Group or the relevant member(s) of the Group into disrepute; or
 - (v) has been summarily dismissed by the relevant member(s) of the Group; or
 - (vi) has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has made any arrangement or composition with his creditors generally or an administrator has taken possession of any of his or her assets; or
 - (vii) has been convicted for any criminal offence involving his integrity or honesty; or

- (viii) has been charged, convicted or held liable for any offence under the SFO or any other applicable securities laws or regulations in force from time to time; or
 - (ix) has been publicly condemned by the Stock Exchange or is disqualified to act as a director or a management personnel; and
- c) such other conditions as may be imposed by the Advisory Committee have been and remain satisfied.

If a Return Event has occurred in respect of the relevant Participant during the Vesting Period, unless the Advisory Committee otherwise determines at its sole discretion, all the Awarded Shares held by Green Sailing (PTC) and referable to such Participant (to the extent not already vested in and transferred to such Participant or under other provisions of the rules of the Scheme) shall not vest and legal and beneficial title and interest shall remain with or otherwise revert to Green Sailing (PTC) as returned Shares.

(5) Restrictions

No Award shall be made to any Selected Participants where any Director or any member of the Advisory Committee is in possession of inside information (as defined under the SFO) in relation to the Company or where the Directors are prohibited from dealing in Shares pursuant to the applicable requirements under the Listing Rules or applicable laws and rules.

LISTING RULES IMPLICATIONS

The Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder.

GRANT OF AWARDED SHARES UNDER THE SCHEME

On 5 July 2022, the Advisory Committee proposed to grant an aggregate of 4,960,000 Awarded Shares to 3 Grantees under the Scheme to recognise and reward the contribution of the Grantees to the Group's development.

The Awarded Shares represent approximately 1.2% of the issued share capital of the Company as at the date of this announcement. The vested Awarded Shares were granted without any vesting conditions, and will all be transferred from Green Sailing (PTC) to the names of the Grantees on 5 July 2027.

Among the Awarded Shares granted above, 3,960,000 Awarded Shares were granted to two Directors, the details of which are as follows:

Name of Director	Position held in the Company	Number of Awarded Shares granted
Zhou Qin	Executive Director and Deputy Chairman	1,480,000
Wu Xu	Executed Director and Chief Executive Officer	2,480,000

To the best of the Directors' knowledge, information and belief, having made all reasonable inquiries, save as the Director stated above, the remaining Grantees and their respective ultimate beneficial owners (if any) are third parties independent of the Company and are not connected persons of the Company.

Save as disclosed above, none of the other grantees is a Director, chief executive or substantial shareholder of the Company or any of their respective associates (as defined under the Listing Rules).

The vesting of the Awarded Shares shall be subject to the terms of the Scheme Rules.

The grant of the Awarded Shares will not result in any issue of new Shares or any dilution effect on the shareholdings of existing shareholders of the Company.

Save for the aforementioned Awarded Shares, no Award has been granted or proposed under the Scheme as at the date of this announcement.

GRANT OF SHARE OPTIONS

On 5 July 2022, the Company offered to grant an aggregate of 6,476,600 Share Options to the Option Grantees to recognise and acknowledge their contributions made to the Group in accordance with the terms of the Share Option Scheme. The grant of such Share Options will enable the Option Grantees to subscribe for an aggregate of 6,476,600 new Shares, representing approximately 1.6% of the issued share capital of the Company as at the date of this announcement.

Details of the grant of Share Options are as follows:

Date of Grant	:	5 July 2022 (the “ Date of Grant ”)
Exercise price of the Share Options granted	:	HK\$3.02 per Share, which represents the highest of: <ul style="list-style-type: none">(i) the closing price of HK\$3.02 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Grant;(ii) the average of the closing price of HK\$2.93 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five consecutive trading days immediately preceding the Date of Grant; and(iii) the nominal value of HK\$0.01 of the Shares.
Total number of Share Options granted	:	6,476,600 Share Options (each Share Option shall entitle the holder of the Share Option to subscribe for one Share)
Validity period of the Share Options	:	Subject to the terms of the Share Option Scheme, the Share Options granted to each Option Grantee are valid for a period of ten years commencing from the Date of Grant.
Vesting of the Share Options	:	25%, 35% and 40% of the Share Options granted will vest on 5 July 2023, 5 July 2024 and 5 July 2025, respectively.

Among the 6,476,600 Share Options granted, 777,000 Share Options were granted to the following Directors, whereas a total of 5,699,600 Share Options were granted to certain employees of the Group, details of which are as follows:

Executive Directors	Number of Share Options granted
Wu Xu	444,000
Liu Chao	<u>333,000</u>
Sub-total of Share Options granted to the Directors	777,000
Share Options granted to the other employees of the Group	<u>5,699,600</u>
Total	<u><u>6,476,600</u></u>

The grant of Share Options to each of the above Directors has been approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules.

Save as disclosed above, none of the Option Grantees is a Director, chief executive or substantial shareholder of the Company, or any of their respective associate (as defined under the Listing Rules).

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Adoption Date”	18 March 2022, being the date on which the Scheme is adopted by the Company
“Advisory Committee”	the committee appointed by the Board comprising Mr. Tian, Ms. Zhou Qin and Mr. Wu Xu, with the power and authority to administer and distribute Shares under the Scheme
“Award”	an award of Shares to a Selected Participant under the Scheme
“Awarded Shares”	the Shares to be set aside for each Selected Participant in respect of an Award
“Board”	board of Directors
“Company”	Landsea Green Life Service Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1965)
“Director(s)”	director(s) of the Company

“Eligible Person”	a person eligible to be awarded Awarded Shares under the Scheme
“Excluded Person”	any person who is resident in a place where any award, vesting and/or transfer of Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Advisory Committee or Green Sailing (PTC) (as the case may be), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such person
“Grantee”	a Selected Participant who is granted with an Award under the Scheme
“Green Sailing (PTC)”	Green Sailing (PTC) Limited, a private trust company limited by shares incorporated in the British Virgin Islands on 4 January 2021 and wholly owned by Honor Limited as a special purpose vehicle to hold Shares as the trustee of the Trust
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Tian”	the chairman of the Board, a non-executive Director and one of the controlling shareholders of the Company
“Offer Letter”	the letter (in the form of a notice of award) to be issued by the Advisory Committee to a Selected Participant for the grant of an Award
“Option Grantee”	a grantee who is granted with the Share Option(s) under the Share Option Scheme
“Participant”	a Selected Participant who accepts the offer of the grant of an Award in accordance with the terms of the Scheme
“Related Distribution”	any dividends and other distributions declared and made in respect of any Shares held under the Trust
“Scheme”	the share award scheme approved and adopted by the Company on 18 March 2022

“Scheme Rules”	the rules of the Scheme as amended from time to time
“Selected Participant”	an Eligible Person selected by the Advisory Committee to be granted the Award under the Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) having a par value of HK\$0.01 each in the share capital of the Company
“Share Option(s)”	share option(s) to be granted by the Company under the Share Option Scheme
“Share Option Scheme”	the share option scheme conditionally approved and adopted by the Company on 15 June 2021
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	the trust constituted under the Trust Deed
“Trust Deed”	the trust deed dated 18 January 2021 executed by Green Sailing (PTC) in favour of, inter alia, the Selected Participants, in respect of moneys and Shares held by Green Sailing (PTC) (as amended or supplemented from time to time)

By Order of the Board
Landsea Green Life Service Company Limited
Tian Ming
Non-executive Director and Chairman of the Board

Hong Kong, 5 July 2022

As at the date of this announcement, the Board comprises Ms. Zhou Qin, Mr. Wu Xu and Mr. Liu Chao as executive Directors, Mr. Tian Ming and Mr. Liu Yong as non-executive Directors, and Ms. Lu Mei, Dr. Chen Kevin Chien-wen and Ms. Katherine Rong Xin as independent non-executive Directors.