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## **GREENLAND HONG KONG HOLDINGS LIMITED**

### **綠地香港控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 337)**

### **DISCLOSEABLE TRANSACTION**

### **ACQUISITION OF REMAINING INTEREST IN NON-WHOLLY-OWNED SUBSIDIARY**

The Board is pleased to announce that on 3 November 2023, the Property Rights Transaction Agreement was entered into by the Seller and the Purchaser, an indirect wholly-owned subsidiary of the Company, for the acquisition of the Sale Share from the Seller at the Consideration through a listing-for-sale organised by the Guangdong Exchange.

As the highest Applicable Percentage Ratio for the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the notification and publication requirements under Chapter 14 of the Listing Rules.

### **ACQUISITION OF THE SALE SHARE**

On 3 November 2023, the Property Rights Transaction Agreement was entered into by the Seller and the Purchaser, an indirect wholly-owned subsidiary of the Company, for the acquisition of the Sale Share from the Seller at the Consideration through a listing-for-sale organised by the Guangdong Exchange. The principal terms of the Property Rights Transaction Agreement are summarised below:

#### **Date**

3 November 2023

#### **Parties**

- (a) the Purchaser, as purchaser
- (b) the Seller, as seller

## Subject Matter

Sale Share, representing a 30% equity interest in Guangzhou Lv gang (being a 70%-owned subsidiary of the Company), representing the remaining equity interest in Guangzhou Lv gang not owned by the Group.

## Consideration and Payment Terms

The Consideration is approximately RMB120.27 million, being the bid price submitted by the Purchaser for the acquisition of the Sale Share at the listing-for-sale organised by the Guangdong Exchange, which was determined by the Purchaser with reference to (i) the minimum bidding price of approximately RMB120.27 million stipulated by the Seller under the listing-for-sale and the expected bidding prices of the prospective bidders; (ii) the financial position and business prospect of Guangzhou Lv gang; and (iii) the reasons and benefits set out in the paragraph headed “Reasons for and Benefits of the Acquisition” below.

The Consideration shall be settled within 5 business days from the date of the Property Rights Transaction Agreement by way of setting off a loan of the same amount (i.e. approximately RMB120.27 million) owed by the Seller to the Purchaser. The transfer of the Sale Share by the Seller to the Purchaser shall be registered with the relevant government authority (the “**Registration**”) within 5 business days from the date of the Property Rights Transaction Agreement. Furthermore, the Seller shall undertake to the Purchaser to repay the loan of approximately RMB17.73 million owed by the Seller to Guangzhou Lv gang within 3 days from the date of the Registration.

## INFORMATION ON GUANGZHOU LV GANG

Guangzhou Lv gang was established in the PRC in 2016, and, as at the date of this announcement, a non-wholly-owned subsidiary of the Company. Guangzhou Lv gang has a registered capital of RMB400 million, which has been fully contributed and is owned as to RMB280 million by Guangdong Greenland Investment Co., Ltd.\* (廣東綠地投資有限公司), being a wholly-owned subsidiary of the Company, and as to RMB120 million by the Seller (equivalent to the original acquisition cost of the Sale Share to the Seller). Guangzhou Lv gang is principally engaged in property development. After the Registration, Guangzhou Lv gang will become a wholly-owned subsidiary of the Company. Set out below are the unaudited financial information of Guangzhou Lv gang for the years ended 31 December 2021 and 2022, respectively:

	Year ended 31 December	
	2021	2022
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net profit (loss) before taxation	339,126	(94,603)
Net profit (loss) after taxation	260,175	(71,016)

The unaudited net asset value of Guangzhou Lv gang as at 30 September 2023 was approximately RMB394.27 million.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board considers that the Acquisition will (i) allow the Company to obtain full control over the management and operations of Guangzhou Lvgang by increasing the Company's equity interest in Guangzhou Lvgang from 70% to 100%; and (ii) increase the cash flow for the Group by requiring the Seller to repay its loan owed to the Group as mentioned above. The Board considers that the terms of the Acquisition are on normal commercial terms, fair and reasonable, and in the interests of the Shareholders as a whole.

## GENERAL

The Company is an investment holding company. The Group is principally engaged in property development, property and hotel investment and property management.

The Seller is principally engaged in property development. Insofar as the Company is aware, the Seller is a wholly-state-owned enterprise. The Guangdong Exchange is a state-controlled enterprise, and is engaged in organising listing-for-sale process for sellers which want to sell their assets to bidders using listing-for-sale process. To the best of the Directors' knowledge, information and belief and having made all reasonable inquiries, the Seller, the Guangdong Exchange, and their respective beneficial owners are third parties independent of the Company and its connected persons.

## LISTING RULES IMPLICATIONS

As the highest Applicable Percentage Ratio for the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the notification and publication requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Seller held a 30% equity interest in Guangzhou Lvgang and is a substantial shareholder of Guangzhou Lvgang. As Guangzhou Lvgang is an "insignificant subsidiary" of the Company pursuant to Rule 14A.09 of the Listing Rules, the Seller is not a connected person of the Company under Chapter 14A of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions have the following meanings:

<b>"Acquisition"</b>	the acquisition of the Sale Share by the Purchaser from the Seller under the Property Rights Transaction Agreement through listing-for-sale;
<b>"Applicable Percentage Ratio", "connected person" and "substantial shareholder"</b>	have the meanings ascribed to them under the Listing Rules;
<b>"Board"</b>	the board of Directors;

<b>“Company”</b>	Greenland Hong Kong Holdings Limited (綠地香港控股有限公司), a company incorporated with limited liability in the Cayman Islands, whose ordinary shares are listed on the Stock Exchange (stock code: 337);
<b>“Consideration”</b>	approximately RMB120.27 million, being the consideration for the acquisition of the Sale Share under the Property Rights Transaction Agreement;
<b>“Director(s)”</b>	director(s) of the Company;
<b>“Group”</b>	collectively, the Company and its subsidiaries;
<b>“Guangdong Exchange”</b>	Guangdong United Assets and Equity Exchange Co., Ltd. (廣東聯合產權交易中心有限公司);
<b>“Guangzhou Lvgang”</b>	Guangzhou Lvgang Real Estate Development Co., Ltd.* (廣州綠港房地產開發有限公司), a limited liability company established in the PRC and a 70%-owned subsidiary of the Company as at the date of this announcement;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“PRC”</b>	the People’s Republic of China which, for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
<b>“Property Rights Transaction Agreement”</b>	the property rights transaction agreement entered into by the Seller and the Purchaser on 3 November 2023 for the Acquisition;
<b>“Purchaser”</b>	Guangzhou Lingyue Market Management Co., Ltd.* (廣州領越市場管理有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company;
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC;
<b>“Sale Share”</b>	the 30% equity interest in Guangzhou Lvgang to be sold by the Seller to the Purchaser under the Property Rights Transaction Agreement;

“Seller”	Guangdong Konggang Real Estate Co., Ltd.* (廣東空港置業有限公司), a company established in the PRC with limited liability and a substantial shareholder of Guangzhou Lvgang as at the date of this announcement;
“Shareholder(s)”	holder(s) of the share(s) in the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By Order of the Board  
**Greenland Hong Kong Holdings Limited**  
**Chen Jun**  
*Chairman*

Hong Kong, 3 November 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Jun, Mr. Wang Weixian, Mr. Hou Guangjun, Mr. Wu Zhengkui, Ms. Wang Xuling and Dr. Li Wei; and the independent non-executive Directors are Mr. Fong Wo, Felix, JP, Mr. Kwan Kai Cheong and Dr. LAM, Lee G., JP.*

*\* For identification purposes only*