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朗诗绿色管理

LANDSEA GREEN MANAGEMENT

LANDSEA GREEN MANAGEMENT LIMITED

朗詩綠色管理有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 106)

**CONTINUING CONNECTED TRANSACTION IN RESPECT OF
GREEN ARCHITECTURE SERVICES**

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On 16 October 2024, the Company (for itself and on behalf of its subsidiaries) and Shanghai Landsea Green Architectural (for itself and on behalf of its subsidiaries) entered into the Green Architecture Services Agreement, pursuant to which Shanghai Landsea Green Architectural shall provide the Green Architecture Services to the Group for the period from 16 October 2024 to 31 December 2026.

LISTING RULES IMPLICATIONS

As at the date of this announcement,

- (i) Mr. Tian, the Chairman of the Company, an executive Director and a controlling shareholder of the Company, is a connected person of the Company; and
- (ii) Shanghai Landsea Green Architectural is indirectly held as to 99.9% by Mr. Tian. Therefore, Shanghai Landsea Green Architectural is a connected person of the Company by virtue of being an associate of Mr. Tian.

The Green Architecture Services Agreement and the transactions contemplated thereunder constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the applicable ratios calculated in relation to the annual maximum transaction amount under the Green Architecture Services Agreement is less than 25% and the annual consideration is less than HK\$10,000,000, the transactions contemplated under the Green Architecture Services Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the independent Shareholders' approval requirements.

CONTINUING CONNECTED TRANSACTION IN RESPECT OF GREEN ARCHITECTURE SERVICES

On 16 October 2024, the Company (for itself and on behalf of its subsidiaries) and Shanghai Landsea Green Architectural (for itself and on behalf of its subsidiaries) entered into the Green Architecture Services Agreement, pursuant to which Shanghai Landsea Green Architectural shall provide the Green Architecture Services to the Group for the period from 16 October 2024 to 31 December 2026.

The principal terms of the Green Architecture Services Agreement are set forth below.

Subject matter

Pursuant to the Green Architecture Services Agreement, Shanghai Landsea Green Architectural agrees to provide to the Group the Green Architecture Services which include (i) architectural design services and architectural design consultancy services, or (ii) customize related technology system equipment, or (iii) sell related technology system equipment and provide system debugging, intelligent debugging and corresponding after-sales services.

The Group shall, following the tender or quotation process in accordance with the relevant PRC laws and regulations, enter into definitive green architecture services agreements with Shanghai Landsea Green Architectural according to relevant tender and quotation documents from time to time.

The definitive green architecture services agreements to be entered into between members of the Group and Shanghai Landsea Green Architectural shall only contain provisions which are, in all material aspects, consistent with the binding principles, guidelines, terms and conditions set out in the Green Architecture Services Agreement.

Pricing Policy

The service fees of the Green Architecture Services to be provided by Shanghai Landsea Green Architectural pursuant to the Green Architecture Services Agreement will be determined based on the prevailing market prices, the fee quotes provided by independent third parties to the Group and the fee quotes provided by Shanghai Landsea Green Architectural to independent third parties, being persons who are not connected with the Company under Chapter 14A of the Listing Rules, in respect of comparable services.

In addition, the service fees for the Green Architecture Services will also take into consideration factors, including but not limited to the nature, planning conditions, construction status of the property projects, the adoption of green architecture technology of the property projects, the market prices for comparable services on the open market and pricing terms as recommended by the relevant government authorities, if any.

The transactions contemplated under the Green Architecture Services Agreement shall be on normal commercial terms or better that are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Group will obtain quotations from independent third parties and conduct inspection to review and assess whether the services will be carried out pursuant to the relevant agreement and are not less favourable than those terms offered by independent third parties before entering into any new transaction.

Term

The fixed term of the Green Architecture Services Agreement is from 16 October 2024 to 31 December 2026, which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations.

Annual caps

The annual caps for the Green Architecture Services under the Green Architecture Services Agreement for each of the three years ending 31 December 2024, 2025 and 2026 are as follows:

Period	Annual cap <i>RMB'million</i>
Year ending 31 December 2024 (<i>note</i>)	9
Year ending 31 December 2025	9
Year ending 31 December 2026	9

Note: The proposed annual cap for the year ending 31 December 2024 is for a period commencing from 16 October 2024 and ending on 31 December 2024.

The annual caps under the Green Architecture Services Agreement were determined with reference to the estimated future demand of the Group for the three years ending 31 December 2026.

INTERNAL CONTROL MEASURES FOR CONTINUING CONNECTED TRANSACTION

The pricing policy will be supervised and monitored by the management of the Group in charge to ensure that the Green Architecture Services Agreement is conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole. The management of the Group will also conduct regular checks to review and assess whether the transactions contemplated under the Green Architecture Services Agreement are conducted in accordance with its terms and in accordance with the aforesaid pricing policy. The independent non-executive Directors will continue to review the transactions contemplated under the Green Architecture Services Agreement and the Company's auditor will also conduct an annual review on the pricing terms and annual caps thereof.

INFORMATION OF THE PARTIES

The Company is an investment holding company. The Group is principally engaged in development and sales of properties, provision of project management services and leasing of properties.

Shanghai Landsea Green Architectural is a company established in the PRC, which is principally engaged in providing architectural design services, architectural design consultancy services, technology service of integrated solutions for green architecture, architecture energy saving and healthy indoor environment.

REASONS FOR ENTERING INTO THE GREEN ARCHITECTURE SERVICES AGREEMENT

The Group is principally engaged in property development in the PRC and the United States.

Shanghai Landsea Green Architectural is an architectural technology service company providing architectural design services, architectural design consultancy services, technology service of integrated solutions for green architecture, architecture energy saving and healthy indoor environment.

With the support of the whole-process green architecture services of Shanghai Landsea Green Architectural, the Group would vigorously launch various types of asset-light business to jointly create healthy, comfortable, energy-saving, environmentally friendly green architecture products for customers.

Provision of Green Architecture Services by Shanghai Landsea Green Architectural enables the Group to save the development costs of green architecture technology and make it possible for the Group to make full use of its resources in the Group's core business which in the long run, will bring return to the Group and is beneficial to the Company and its Shareholders.

Based on the foregoing, the Directors (excluding Mr. Tian but including independent non-executive Directors) believe that the entering into of the Green Architecture Services Agreement and the terms of the Green Architecture Services Agreement are in the ordinary and usual course of the business of the Company, on normal commercial terms, the terms of which are fair and reasonable and are in the best interests of the Company and its shareholders as a whole.

GENERAL

Mr. Tian, the Chairman and an executive Director, who is beneficially interested in 99.9% of Shanghai Landsea Green Architectural as of the date of this announcement, is deemed to have interest in the transactions contemplated under the Green Architecture Services Agreement. Therefore, Mr. Tian has abstained from voting in respect of the resolutions for approving the Green Architecture Services Agreement at the Board meeting for approving the same.

LISTING RULES IMPLICATIONS

As at the date of this announcement,

- (i) Mr. Tian, the Chairman of the Company, an executive Director and a controlling shareholder of the Company, is a connected person of the Company; and
- (ii) Shanghai Landsea Green Architectural is indirectly held as to 99.9% by Mr. Tian. Therefore, Shanghai Landsea Green Architectural is a connected person of the Company by virtue of being an associate of Mr. Tian.

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As the applicable ratios calculated in relation to the annual maximum transaction amount under the Green Architecture Services Agreement is less than 25% and the annual consideration is less than HK\$10,000,000, the transactions contemplated under the Green Architecture Services Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the independent Shareholders' approval requirements.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“associate”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors
“Company”	Landsea Green Management Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 106)
“connected person(s)”	has the meaning as defined under the Listing Rules
“controlling shareholder”	has the meaning as defined under the Listing Rules
“Director(s)”	the director(s) of the Company
“Green Architecture Services”	the green architecture services to be provided by Shanghai Landsea Green Architectural Group to the Group pursuant to the terms of the Green Architecture Services Agreement

“Green Architecture Services Agreement”	the framework agreement in relation to the provision of green architecture services by Shanghai Landsea Green Architectural Group to the Group dated 16 October 2024 entered into between the Company for itself and on behalf of its subsidiaries and Shanghai Landsea Green Architectural for itself and on behalf of its subsidiaries
“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”	Mr. Tian Ming, the Chairman and executive Director of the Company
“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
“RMB”	Renminbi, the lawful currency of PRC
“Shanghai Landsea Green Architectural”	Shanghai Landsea Green Architectural Technology Co., Ltd.* (上海朗詩綠建技術有限公司), a company established in the PRC with limited liability
“Shanghai Landsea Green Architectural Group”	Shanghai Landsea Green Architectural and its subsidiaries
“Shares”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage

By order of the Board
Landsea Green Management Limited
Gao Yuan
Company Secretary

Hong Kong, 16 October 2024

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Tian Ming and Mr. Huang Zheng, one non-executive Director, namely Ms. Gu Jing, and three independent non-executive Directors, namely Mr. Chen Tai-yuan, Mr. Rui Meng and Mr. Xie Cilong.

** For identification purposes only*