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GREENTOWN MANAGEMENT HOLDINGS COMPANY LIMITED

綠城管理控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9979)

CONNECTED TRANSACTION

PROJECT MANAGEMENT AGREEMENT WITH SUBSIDIARY OF GREENTOWN CHINA

THE PROJECT MANAGEMENT AGREEMENT

On 11 January 2022, Greentown Leju, an indirectly wholly-owned subsidiary of the Company, entered into the Project Management Agreement with Zhejiang Tuofeng, an indirectly non wholly-owned subsidiary of the Company's controlling shareholder, Greentown China. Pursuant to the Project Management Agreement, Greentown Leju will provide project management services to Zhejiang Tuofeng for the development of a land parcel located at Xihu District, Hangzhou, Zhejiang Province. The management service fee payable by Zhejiang Tuofeng to Greentown Leju under the Project Management Agreement is RMB14.5 million.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhejiang Tuofeng is an indirectly non wholly-owned subsidiary of Greentown China. Greentown Leju is an indirectly wholly-owned subsidiary of the Company. Greentown China is the controlling shareholder of the Company. According to the Listing Rules, Zhejiang Tuofeng is a connected person of the Company, and the transaction under the Project Management Agreement with Zhejiang Tuofeng constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio under the Project Management Agreement exceeds 0.1% but is less than 5%, the Project Management Agreement is only subject to reporting, annual review and announcement requirements and is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE PROJECT MANAGEMENT AGREEMENT

On 11 January 2022, Greentown Leju entered into the Project Management Agreement with Zhejiang Tuofeng. Pursuant to the Project Management Agreement, Greentown Leju will provide project management service to Zhejiang Tuofeng for the development of a land parcel located at Xihu District, Hangzhou, Zhejiang Province. The project under the Project Management Agreement, including office buildings and annex buildings for commercials, has a total GFA of 123,394 square meters, which is the industrial park of Zhejiang Tuofeng for its new manufacturing projects. The total construction and installation investment of the project is estimated to be RMB511.46 million. The project management services to be provided under the Project Management Agreement include preliminary management, planning and design management, cost control, construction management, deliver management, client service and property repairment. Details of the Project Management Agreement is set out below:

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| 1. | Date | 11 January 2022 |
| 2. | Parties | <p>(1) Greentown Leju, an indirectly wholly-owned subsidiary of the Company; and</p> <p>(2) Zhejiang Tuofeng, an indirectly non wholly-owned subsidiary of the Company's controlling shareholder, Greentown China.</p> |
| 3. | Terms | From 11 January 2022 (the date of the Project Management Agreement) to six months after the completion of the project and delivery of the property to the buyer(s). The parties may extend the term of this Project Management Agreement upon the request of Zhejiang Tuofeng and after mutual agreement of both parties. |
| 4. | Management Services under the Project Management Agreement | <p>Greentown Leju shall provide project management services to Zhejiang Tuofeng for the development of a land parcel located at Xihu District, Hangzhou, Zhejiang Province.</p> <p>The project management service to be provided to Zhejiang Tuofeng, including:</p> <p>(1) preparation and early stage management. Greentown Leju will coordinate and manage the overall project operation (not including post delivery operation) and planning, assist Zhejiang Tuofeng with the necessary development and construction approvals and licenses (unless otherwise agreed in the Project Management Agreement);</p> <p>(2) planning and design management. Greentown Leju will manage the design companies engaged by Zhejiang Tuofeng (including but limited to planning design, architectural design, landscape design, decoration design, etc.) to complete relevant design works. Greentown Leju will supervise the design work progress and the quality of design work product;</p> |

- (3) cost management. Greentown Leju will formulate reasonable project cost management goals for Zhejiang Tuofeng's approval. Greentown Leju will also implement effective cost management in the whole development and construction process;
- (4) engineering management. Greentown Leju will (i) manage the construction suppliers, material and equipment suppliers, and engineering supervision company engaged by Zhejiang Tuofeng, (ii) manage the safety, quality, time limit, and civil construction during the project construction process, and (iii) coordinate with Zhejiang Tuofeng to handle the emergency incidents during the construction process;
- (5) project completion acceptance check and delivery management. Greentown Leju will organize the mid-term project acceptance check and project completion acceptance check, assist Zhejiang Tuofeng with the filing of project completion acceptance check, organize and delivery of the properties.
- (6) customer service and property maintenance management. Greentown Leju will assist Zhejiang Tuofeng to set up or employ customer service organization, effectively handle customer complaints, improve customer satisfactory rate, and take charge of the property maintenance during the term of the Property Management Agreement (until 6 months after the delivery of the properties).

5. Pricing Terms The total project management service fee is RMB14.5 million, calculated based on the planned total GFA of 123,394 square meters and management fee of RMB117.51 per square meter.

6. Payment Terms The management fee under the Project Management Agreement will be paid according to the following milestones and percentages:

- (1) 15% payable within 10 days upon obtaining the construction permit;
- (2) 15% payable within 10 days upon the construction reaches zero-elevation surface;
- (3) 10% payable within 10 days upon the main body construction reaches 1/2 of the total storey height;
- (4) 15% payable within 10 days upon main body reaches planned height;
- (5) 15% payable within 10 days upon completion of exterior decoration;

- (6) 10% payable within 10 days upon completion of landscape engineering;
- (7) 15% payable within 10 days upon obtaining the completion acceptance record form;
- (8) the basic management service fee shall be fully settled within 10 days after the engineering settlement has been completed within 180 days after the delivery of the project; If the engineering settlement is not completed within 180 days, 5% of the contract amount of basic management service fee will be paid temporarily and there will be refund for any overpayment or supplemental payment for any deficiency upon the completion of engineering settlement (without interests).

REASONS FOR AND BENEFITS OF ENTERING INTO THE PROJECT MANAGEMENT AGREEMENT

The project under the Project Management Agreement, including office buildings and annex buildings for commercials, has a total GFA of 123,394 square meters, which is the industrial park of Zhejiang Tuofeng for its new manufacturing projects. The Project Management Agreement with Zhejiang Tuofeng will help the Company to open up the business market for governmental project management projects in the main urban area of Hangzhou, enhance the development and growth of the Company's employees experience in the fields of government project management projects in addition to public housing project management projects.

BASIS FOR DETERMINATION OF THE CONSIDERATION

The consideration for the Project Management Agreement was determined after considering the reasons and benefits as stated under the section "Reasons for and Benefits of Entering into the Project Management Agreement" above, based on arm's length negotiation between Greentown Leju and Zhejiang Tuofeng with reference to fee rate ranges from RMB80 per square meter to RMB125 per square meter charged by the Greentown Management or Greentown Leju for similar type of projects.

CONFIRMATION FROM DIRECTORS

As at the date of the Board meeting, Mr. Guo Jiafeng and Mr. Zhang Yadong, being the Directors of the Company, are also the director of Greentown China, and therefore are deemed to have a material interest in the transaction contemplated under the Project Management Agreement, and have abstained from voting on the relevant Board resolution. Save for the abovementioned Directors, none of the other Directors of the Company has or is deemed to have a material interest in the aforesaid connected transaction.

The Directors (including independent non-executive Directors), having made all reasonable and due enquiries, are of the view that the terms of the Project Management Agreement are fair and reasonable and on normal commercial terms, and the transaction contemplated thereunder is conducted in the ordinary and usual course of business of the Company and is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhejiang Tuofeng is an indirectly non wholly-owned subsidiary of Greentown China. Greentown Leju is an indirectly wholly-owned subsidiary of the Company. Greentown China is the controlling shareholder of the Company. According to the Listing Rules, Zhejiang Tuofeng is a connected person of the Company, and the transaction under the Project Management Agreement with Zhejiang Tuofeng constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio under the Project Management Agreement exceeds 0.1% but is less than 5%, the Project Management Agreement is only subject to reporting, annual review and announcement requirements and is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

(1) the Company

The Company is incorporated in the Cayman Islands with limited liability and its Shares are listed on the main board of the Stock Exchange. The Company is the largest real estate light asset management and service company, pioneer and leader in the project management business. The core business of the Company include commercial project management, government project management and other services.

(2) Greentown Leju

Greentown Leju is a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is the strategic business unit of the Company responsible for government project construction and operation.

(3) Zhejiang Tuofeng

Zhejiang Tuofeng is a company established under the laws of the PRC with limited liability and an indirectly non wholly-owned subsidiary Greentown China. Zhejiang Tuofeng is a comprehensive high-tech enterprise specializing in the design, R&D, manufacturing, integration and service of intelligent sensors, industrial automation control systems, mechatronics equipment and information platforms.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Board”	the board of the Company
“Company”	Greentown Management Holdings Company Limited (綠城管理控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 09979)
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“GFA”	gross floor area
“Greentown China”	Greentown China Holdings 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: 3900), our Controlling Shareholder
“Greentown Leju”	Greentown Leju Construction Management Group Co., Ltd. (綠城樂居建設管理集團有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Greentown Management”	Greentown Real Estate Construction Management Group Co., Ltd (綠城房地產建設管理集團有限公司), a company established on March 21, 2012 under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of our Company. Greentown Management mainly engages in project management business in the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Project Management Agreement”	The project management agreement entered between Zhejiang Tuofeng (as the project owner who utilizes project management services to complete property development) and Greentown Leju (as the project management service provider) on 11 January 2022
“PRC” or “China”	the People’s Republic of China, and “Chinese” shall be construed accordingly. References in this announcement to the PRC or China exclude Hong Kong, Macau and Taiwan
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Shares”	ordinary shares of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	subsidiary(ies) of the Company from time to time within the meaning of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)
“Zhejiang Tuofeng”	Zhejiang Tuofeng Technology Company Limited (浙江拓峰科技有限責任公司), a company established under the laws of the PRC with limited liability and an indirectly non wholly-owned subsidiary of the Company’s controlling shareholder, Greentown China
“%”	per cent.

By Order of the Board
Greentown Management Holdings Company Limited
Li Jun
Chief Executive Officer and Executive Director

Hangzhou, PRC, 11 January 2022

As at the date of this announcement, the Board of the Company comprises Mr. Guo Jiafeng and Mr. Zhang Yadong as non-executive Directors, Mr. Li Jun and Mr. Lin Sanjiu as executive Directors, and Mr. Lin Zhihong, Dr. Ding Zuyu and Mr. Chan Yan Kwan Andy as independent non-executive Directors.