

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to what action to take, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Landsea Green Life Service Company Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

POTENTIAL MAJOR TRANSACTION AND RENEWAL OF CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



A letter from the Board is set out on pages 6 to 22 of this circular. A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 23 to 24 of this circular. A letter from Opus Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 25 to 57 of this circular. A notice convening the EGM to be held at Landsea Green Center, Building 5, Lane 280, Linhong Road, Changning District, Shanghai, China at 10:00 a.m. on Thursday, 21 December 2023 is set out on pages EGM-1 to EGM-2 of this circular.

Whether or not you are able to attend the EGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM (or any adjournment thereof) should you so wish.

1 December 2023

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms or expressions shall have the meanings set out below:

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|---|---|
| “2020 Landsea Green Management Properties Services and Properties Consulting Agreement” | the framework agreement dated 28 December 2020 entered into between the Nanjing Landsea Property Management (for itself and on behalf of its subsidiaries) and Landsea Green Management for itself and on behalf of its subsidiaries in relation to the provision of Properties Services and Properties Consulting Services by Nanjing Landsea Property Management Group to Landsea Green Management Group |
| “2021 Mr. Tian Exclusive Property Sales Agency Services Agreement” | the framework agreement dated 22 November 2021 entered into between the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) in relation to the provision of the Exclusive Property Sales Agency Services by the Group to Mr. Tian Associates |
| “2021 Mr. Tian Properties Services and Properties Consulting Agreement” | the framework agreement dated 16 June 2021 entered into between the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) in relation to the provision of Properties Services and Properties Consulting Services by the Group to Mr. Tian Associates |
| “2023 Landsea Green Management Properties Services and Properties Consulting Agreement” | the framework agreement dated 13 October 2023 entered into between the Company for itself and on behalf of its subsidiaries and Landsea Green Management for itself and on behalf of its subsidiaries in relation to the provision of Properties Services and Properties Consulting Services by the Group to Landsea Green Management Group |
| “2023 Mr. Tian Exclusive Property Sales Agency Services Agreement” | the framework agreement dated 13 October 2023 entered into between the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) in relation to the provision of the Exclusive Property Sales Agency Services by the Group to Mr. Tian Associates |

DEFINITIONS

“2023 Mr. Tian Properties Services and Properties Consulting Agreement”	the framework agreement dated 13 October 2023 entered into between the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) in relation to the provision of Properties Services and Properties Consulting Services by the Group to Mr. Tian Associates
“Announcement”	the announcement of the Company dated 13 October 2023 in relation to, among other things, the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the 2023 Mr. Tian Properties Services and Properties Consulting Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Landsea Green Life Service Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (Stock Code: 1965)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company for the time being
“EGM”	the extraordinary general meeting to be convened at Landsea Green Center, Building 5, Lane 280, Linhong Road, Changning District, Shanghai, China at 10:00 a.m. on Thursday, 21 December 2023 to consider and, if thought fit, to approve the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder
“Exclusive Property Sales Agency Services”	the exclusive sales agency services with respect to the Properties provided or to be provided by the Group to Mr. Tian Associates pursuant to the terms of the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement or the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement

DEFINITIONS

“GFA”	grossed floor area
“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 PRC
“Independent Board Committee”	an independent committee of the Board (which comprises Ms. Lu Mei, Dr. Chen Kevin Chien-wen and Ms. Katherine Rong Xin, being all the independent non-executive Directors) established to advise the Independent Shareholders in respect of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder
“Independent Financial Adviser” or “Opus Capital”	Opus Capital Limited, a licensed corporation to conduct Type 6 (Advising on Corporate Finance) regulated activity under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM to approve the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates

DEFINITIONS

“Landsea Green Management”	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)
“Landsea Green Management Group”	Landsea Green Management and its subsidiaries
“Latest Practicable Date”	30 November 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Long Stop Date”	31 March 2023 (or such other date as may be designated by the Purchaser)
“Mr. Tian”	Mr. Tian Ming, the Chairman, a non-executive Director and a controlling shareholder of the Company
“Mr. Tian Associates”	Mr. Tian and his associates (excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates)
“Nanjing Landsea Property Management”	Nanjing Landsea Property Management Limited* (南京朗詩物業管理有限公司), a company established in the PRC with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Nanjing Landsea Property Management Group”	Nanjing Landsea Property Management and its subsidiaries
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Property(ies)”	the property(ies) and parking space(s) which Mr. Tian Associates have entrusted to the Group as the exclusive sales agent for sale

DEFINITIONS

“Properties Services and Properties Consulting Services”	the properties management services and properties consulting services provided or to be provided by the Group to (i) Landsea Green Management Group pursuant to the terms of the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement or the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement; (ii) Mr. Tian Associates pursuant to the terms of the 2021 Mr. Tian Properties Services and Properties Consulting Agreement or the 2023 Mr. Tian Properties Services and Properties Consulting Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Security Deposit”	as defined under the section headed “CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF EXCLUSIVE PROPERTY SALES AGENCY SERVICES TO MR. TIAN ASSOCIATES” of this circular
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VAT”	value-added tax
“%”	per cent.

* *Translated English names of Chinese entities for which no official English translation exists are unofficial translations for identification purpose only and should not be regarded as the official English translation of the Chinese names*



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)

Executive Directors:

Ms. Zhou Qin

Mr. Wu Xu

Mr. Liu Chao

Non-executive Directors:

Mr. Tian Ming

Mr. Liu Yong

Independent Non-executive Directors:

Ms. Lu Mei

Dr. Chen Kevin Chien-wen

Ms. Katherine Rong Xin

Registered Office:

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*

Unit 407

8 Queen's Road East

Wanchai

Hong Kong

1 December 2023

To the Shareholders

Dear Sirs or Madams,

**POTENTIAL MAJOR TRANSACTION AND
RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 13 October 2023 in relation to, among other things, the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

The purpose of this circular is to provide you with, among other things, (i) further details of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the

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2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder; (ii) the recommendation of the Independent Board Committee; (iii) the advice of the Independent Financial Adviser; and (iv) a notice convening the EGM.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

References are made to the prospectus of the Company dated 25 June 2021, the announcement of the Company dated 22 November 2021 and the circular of the Company dated 15 December 2021, regarding, among other things, the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2021 Mr. Tian Properties Services and Properties Consulting Agreement and the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF PROVISION OF PROPERTIES SERVICES AND PROPERTIES CONSULTING SERVICES TO LANDSEA GREEN MANAGEMENT GROUP

On 13 October 2023, the Company (for itself and on behalf of its subsidiaries) and Landsea Green Management (for itself and on behalf of its subsidiaries) entered into the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, pursuant to which the Group shall provide Properties Services and Properties Consulting Services to Landsea Green Management Group for a term of three years commencing from 1 January 2024 to 31 December 2026.

The principal terms of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement are set forth below.

Subject matter

Pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the Group agrees to provide Landsea Green Management Group the Properties Services and Properties Consulting Services which include (i) property management services, including but not limited to, preliminary property management services for property projects prior to their delivery to the property owners, management services for property units and car parking lots which remain unsold and house repairing services; (ii) sales agency services for residential properties, commercial properties and car parking lots of property projects which remain unsold; and (iii) pre-delivery property consultancy and management services, including but not limited to, preliminary planning and design consultancy services and display units managements services.

Landsea Green Management Group shall, following the tender or quotation process in accordance with the relevant PRC laws and regulations, enter into definitive property management agreements with the Group according to relevant tender and quotation documents from time to time.

Payments for the Properties Services and Properties Consulting Services shall be governed by the definitive property management agreements to be entered into between members of the Group and Landsea Green Management Group, and such definitive property management

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agreements shall only contain provisions which are, in all material aspects, consistent with the binding principles, guidelines, terms and conditions set out in the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement. In general, the fee payable for the Properties Services and Properties Consulting Services of the previous month would be paid by Landsea Green Management Group by the 25th day of each month. Penalty interest will be imposed if payment is not made after the 25th day of each month.

Pricing policy

The service fees of the Properties Services and Properties Consulting Services provided by the Group pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement will be determined based on the fee quotes submitted to Landsea Green Management Group based on prevailing market prices, with reference to the rates generally provided by independent third parties to Landsea Green Management Group and the rates generally provided by the Group 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 Properties Services and Properties Consulting Services will also take into consideration factors, including but not limited to the nature, size and location of the property projects, scope of services, operating costs and pricing terms as recommended by the relevant government authorities, if any.

The transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting 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.

Term

The fixed term of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement is three years commencing from 1 January 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.

Historical transaction amounts

The annual caps for the property services and property consulting services under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement for the year ended 31 December 2021, for the year ended 31 December 2022 and for the year ending 31 December 2023 are RMB75 million, RMB78 million and RMB82 million respectively.

LETTER FROM THE BOARD

The amount of fees for the property services and property consulting services paid by Landsea Green Management Group to the Group for the year ended 31 December 2021, the year ended 31 December 2022 and the six months ended 30 June 2023 are as follows:

Period	Amount of service fees paid to the Group (RMB'million) (approx.)
Year ended 31 December 2021	74.2
Year ended 31 December 2022	36.5
Six months ended 30 June 2023	<u>10.5</u>

Annual caps

The annual caps for the Properties Services and Properties Consulting Services under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement for each of the three years ending 31 December 2024, 2025 and 2026 are as follows:

Period	Annual cap RMB'million
Year ending 31 December 2024	40
Year ending 31 December 2025	40
Year ending 31 December 2026	<u>40</u>

The annual caps under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement are determined with reference to the following factors which are considered to be reasonable and justifiable in the circumstances: (i) the historical transaction amount in respect of the Properties Services and Properties Consulting Services; (ii) the estimated revenue in respect of existing contracts entered into between the Group and Landsea Green Management Group; (iii) the expected number of projects and GFA to be developed by Landsea Green Management Group for the three years ending 31 December 2026 under its development plan and the expected demand for the Properties Services and Properties Consulting Services from the Group; and (iv) the scope of the Properties Services and Properties Consulting Services to be provided by the Group to Landsea Green Management Group pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement in light of the demand of Landsea Green Management Group under its development plan.

LETTER FROM THE BOARD

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF PROVISION OF PROPERTIES SERVICES AND PROPERTIES CONSULTING SERVICES TO MR. TIAN ASSOCIATES

On 13 October 2023, the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) entered into the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, pursuant to which the Group shall provide the Properties Services and Properties Consulting Services to Mr. Tian Associates for a term of three years commencing from 1 January 2024 to 31 December 2026.

The principal terms of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement are set forth below.

Subject matter

Pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the Group agrees to provide Mr. Tian Associates with the Properties Services and Properties Consulting Services which include (i) property management services, including but not limited to, preliminary property management services for property projects prior to their delivery to the property owners, management services for property units and car parking lots which remain unsold and house repairing services; (ii) sales agency services for residential properties, commercial properties and car parking lots of property projects which remain unsold; and (iii) pre-delivery property consultancy and management services, including but not limited to, preliminary planning and design consultancy services and display units managements services.

Mr. Tian Associates shall, following the tender or quotation process in accordance with the relevant PRC laws and regulations, enter into definitive property management agreements with the Group according to relevant tender and quotation documents from time to time.

Payments for the Properties Services and Properties Consulting Services shall be governed by the definitive property management agreements to be entered into between members of the Group and Mr. Tian Associates, and such definitive property management agreements shall only contain provisions which are, in all material aspects, consistent with the binding principles, guidelines, terms and conditions set out in the 2023 Mr. Tian Properties Services and Properties Consulting Agreement. In general, the fee payable for the Properties Services and Properties Consulting Services of the previous month would be paid by Mr. Tian Associates by the 25th day of each month. Penalty interest will be imposed if payment is not made after the 25th day of each month.

Pricing policy

The service fees of the Properties Services and Properties Consulting Services provided by the Group pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement will be determined based on the fee quotes submitted to Mr. Tian Associates based on prevailing market prices, with reference to the rates generally provided by independent third

LETTER FROM THE BOARD

parties to Mr. Tian Associates and the rates generally provided by the Group 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 Properties Services and Properties Consulting Services will also take into consideration factors, including but not limited to the nature, size and location of the property projects, scope of services, operating costs and pricing terms as recommended by the relevant government authorities, if any.

The transactions contemplated under the 2023 Mr. Tian Properties Services and Properties Consulting 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.

Term

The fixed term of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement is three years commencing from 1 January 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.

Historical transaction amounts

The annual caps for the property services and property consulting services under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement for the year ended 31 December 2021, for the year ended 31 December 2022 and for the year ended 31 December 2023 are RMB155 million, RMB155 million and RMB156 million respectively.

The amount of fees for the property services and property consulting services paid by Mr. Tian Associates to the Group for the year ended 31 December 2021, the year ended 31 December 2022 and the six months ended 30 June 2023 are as follows:

Period	Amount of service fees paid to the Group (RMB'million) (approx.)
Year ended 31 December 2021	98.1
Year ended 31 December 2022	125.4
Six months ended 30 June 2023	<u>53.6</u>

LETTER FROM THE BOARD

Annual caps

The annual caps for the Properties Services and Properties Consulting Services under the 2023 Mr. Tian Properties Services and Properties Consulting 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	80
Year ending 31 December 2025	80
Year ending 31 December 2026	<u>80</u>

The annual caps under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement are determined with reference to the following factors which are considered to be reasonable and justifiable in the circumstances: (i) the historical transaction amount in respect of the Properties Services and Properties Consulting Services; (ii) the estimated revenue in respect of existing contracts entered into between the Group and Mr. Tian Associates; (iii) the expected number of projects and GFA to be developed by Mr. Tian Associates for the three years ending 31 December 2026 under its development plan and the expected demand for the Properties Services and Properties Consulting Services from the Group; and (iv) the scope of the Properties Services and Properties Consulting Services to be provided to Mr. Tian Associates from the Group pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement in light of the demand of Mr. Tian Associates under its development plan.

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF EXCLUSIVE PROPERTY SALES AGENCY SERVICES TO MR. TIAN ASSOCIATES

On 13 October 2023, the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) entered into the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, pursuant to which the Group shall provide Exclusive Property Sales Agency Services to Mr. Tian Associates for a term of three years commencing from 1 January 2024 to 31 December 2026.

Subject matter

Mr. Tian Associates agreed to appoint the Group as the sales agent for the Properties on an exclusive basis. The Group and Mr. Tian Associates shall enter into individual property agency agreements and each of them will be agreed on certain pre-determined minimum prices for the Properties and the Group shall not sell the Properties at less than the relevant pre-determined minimum prices.

The Group shall, within fifteen (15) working days after the execution of the relevant individual property agency agreement, pay Mr. Tian Associates a refundable security deposit (“**Security Deposit**”) equal to the pre-determined minimum prices for the Properties subject to the relevant individual property agency agreement.

LETTER FROM THE BOARD

Pricing and payment

The method of collection of a buyer's deposit shall be negotiated between Mr. Tian Associates and the Group and shall be specified in the individual property agency agreement to be entered into between Mr. Tian Associates and the Group from time to time. The sales commission shall be the difference between the actual selling price of the consigned Property and the total pre-determined minimum price of the relevant consigned Property after deduction of the taxes payable in accordance with the relevant national tax policies of the PRC.

If any member of Mr. Tian Associates is the recipient of the purchase money (i.e. the consideration paid by a buyer for the Property), the refund of the Security Deposit and sales commission shall be paid on a quarterly basis, with Mr. Tian Associates paying the Group an amount equal to or not less than 80% of the amount of the purchase money received in that quarter, which includes the refund of the Security Deposit and the Group's sales commission. Within five (5) days before the end of each quarter, both parties shall check and sign to confirm the collection ratio of the quarter and the Security Deposit to be refunded to the Group and the sales commission to be paid to the Group. The Group shall issue VAT invoices of the corresponding amount and other payment information required by Mr. Tian to Mr. Tian Associates, and Mr. Tian Associates shall pay to the Group the sales commission for the quarter and the refundable Security Deposit within 30 working days after Mr. Tian Associates receive the aforesaid payment information and invoices. The remaining 20% will be refunded after the sale of all Properties subject to such agreement or the expiry of the term of such agreement, whichever is earlier. With respect to each of the relevant individual property agency agreements, after the sale of all Properties subject to such agreement or the expiry of the term of such agreement, whichever is earlier, Mr. Tian Associates and the Group shall calculate the balance of the Security Deposit and commission outstanding. Mr. Tian Associates shall, within 30 working days after the receipt of the relevant invoice and information, settle the outstanding commission and the remaining balance of the Security Deposit. The term of each individual property agency agreement shall not be more than one year. The Group will give written notice upon the expiration of the individual property agency agreement.

If the Group is the recipient of the purchase money, the Group shall keep the entire purchase amount and Mr. Tian Associates are not required to return the Security Deposit and pay the sales commission to the Group. After Mr. Tian Associates receive all the purchase price of the Properties or after the expiration of the term of the individual property agency agreement, the parties shall settle the remaining Security Deposit and the commission payable to the Group and sign to confirm the settlement, and the Group shall issue a VAT invoice of the corresponding amount to Mr. Tian Associates as well as other payment information required by Mr. Tian Associates, and Mr. Tian Associates shall pay the remaining sales commission payable to the Group within 30 working days after Mr. Tian Associates receive the aforesaid payment information and invoice.

If the Group is unable to identify the buyers upon the expiration of the individual property agency agreement (which shall not be more than one year), the Security Deposit will be refunded by Mr. Tian Associate. Security Deposits will be refunded within 30 working days after Mr. Tian Associates receive the written notice from the Group upon the expiration of the individual property agency agreement.

LETTER FROM THE BOARD

After the expiration of the term of an individual property agency agreement, if both parties agree to extend the term, the parties shall negotiate and agree separately and sign a new individual property agency agreement.

If a prospective buyer chooses not to complete the transaction after signing a sale and purchase agreement, the deposit paid by the prospective buyer shall be forfeited in accordance with the terms and conditions of the sale and purchase agreement and shall revert to Mr. Tian Associates. Forfeiture of such deposit is based on normal market practice and it will not affect the amount of the Security Deposit to be refunded to the Group. In the event that the Group is unable to dispose of the relevant Property under the said sale and purchase agreement and complete the proposed transaction during the entrustment period, Mr. Tian Associates shall be entitled to deduct directly from any fees payable to the Group which has been paid to the Group under the aforesaid sale and purchase agreement. If there is no amount payable to the Group by Mr. Tian Associates at that time, the Group will refund the relevant sales commission to Mr. Tian Associates within five (5) working days upon receipt of written notice from Mr. Tian Associates.

Mr. Tian Associates shall not sell the Properties on its own or entrust another third party to sell the Properties in any form, nor shall the Properties be used for work credit purposes again.

The predetermined minimum prices of the Properties are determined on the basis of, among other things, (a) the number of Properties involved and the location of the relevant Properties; (b) the business atmosphere of the relevant Properties in relation to the surrounding area; (c) the demand and supply of similar properties adjacent to the projects; (d) the prices of the Properties in past transactions in the same projects; (e) the prices of the Properties in past transactions adjacent to the projects; and/or (f) the marketing costs to be incurred for the sale of the relevant Properties. The payment terms of the Exclusive Property Sales Agency Services shall be on normal commercial terms, fair and reasonable and no less favorable than transactions with independent third parties.

Term

The term of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement will be from 1 January 2024 to 31 December 2026.

Historical Transactions

The annual maximum amounts of Security Deposits payable by the Group to Mr. Tian Associates under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement for the year ended 31 December 2021, the year ended 31 December 2022 and the year ending 31 December 2023 are RMB98 million, RMB183 million and RMB163 million respectively.

LETTER FROM THE BOARD

The aggregate Security Deposits paid by the Group to Mr. Tian Associates under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement for the following period are as follows:

Period	Amount <i>(RMB'million)</i> <i>(approx.)</i>
Year ended 31 December 2021	90
Year ended 31 December 2022	163
Six months ended 30 June 2023	<u>163</u>

Annual caps

The respective annual maximum amounts of Security Deposits payable by the Group to Mr. Tian Associates under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement for each of the three years commencing from 1 January 2024 to 31 December 2026 are as below:

Period	Annual maximum amounts of Security Deposits <i>RMB'million</i>
Year ending 31 December 2024	120
Year ending 31 December 2025	80
Year ending 31 December 2026	<u>50</u>

The annual maximum amounts of Security Deposits are determined after having considered, among others, (i) historical amount of Exclusive Property Sales Agency Services required, and (ii) the estimated future demand of the Group for the three years ending 31 December 2026.

Based on normal market practice, the Security Deposit is not secured by the collateral. However, the proposed annual cap is reduced year over year from 2024, reflecting the Company's conservative judgment of the market. Based on historical transaction records, save for the Security Deposits which have not been due for refund, Mr. Tian Associates have refunded all Security Deposits previously paid. The Company will continue to be selective in the choice of the Properties under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and maximize the chance of sale of such Properties. The Company considers that the above arrangement is fair and reasonable to the Company and its shareholders.

LETTER FROM THE BOARD

INTERNAL CONTROL MEASURES FOR CONTINUING CONNECTED TRANSACTIONS

- (1) The pricing policy will be supervised and monitored by the management of the Group in charge to ensure that the continuing connected transactions of the Company (including the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement) are conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole.
- (2) The management of the Group will also conduct regular checks to review and assess whether the transactions contemplated under each of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are conducted in accordance with their respective terms and in accordance with the aforesaid pricing policy.
- (3) To ensure individual property agency agreements will be entered into on normal commercial terms and in accordance with the terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, the Group has adopted the following measures:
 - (i) the general managers of the relevant business units and operations divisions of the Company's local subsidiaries in which the relevant properties are situated (the "**General Managers**") will be responsible for negotiating with Mr. Tian Associates for the purpose of entering into the individual property agency agreements;
 - (ii) in respect of each potential property project, the General Managers will conduct market research and feasibility studies to evaluate its potential risk and return including its marketability;
 - (iii) the General Managers will negotiate with Mr. Tian Associates and determine the pre-determined minimum prices of the relevant properties on an arm's length basis based on the following factors, including but not limited to (a) the number of properties involved and the location of the relevant properties; (b) the supply and demand of similar properties in the vicinity of the project; and (c) the recent transacted prices or asking prices of similar properties in the vicinity of the project, to ensure that the Group has a reasonable profit margin;
 - (iv) the General Managers will submit the feasibility studies, the terms of the individual property agency agreement (including the pre-determined minimum prices of the relevant properties that subject to sale under such agreement) and the independent valuation of the relevant properties to the Finance Department of the Group and an executive Director for review and approval; and

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- (v) the Finance Department of the Group will monitor the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and submit quarterly reports to the Board overseeing finance-related matters to ensure that the annual caps for the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement will not be exceeded.
- (vi) In addition, the following additional safeguards are in place to ensure the risk of the Group's deposits to be placed with Mr. Tian Associates is properly mitigated with:
 - (a) prior to entering into any individual property agency agreement with Mr. Tian Associates, each of Mr. Tian Associates shall provide the Group with the latest consolidated financial statements and the Finance Department of the Group shall perform the following:
 - i. conduct financial analysis on the latest consolidated financial statement of Mr. Tian Associates to assess the repayment ability and credibility of them;
 - ii. perform background search on the internet to identify any material adverse events and/or credit defaults in relation to Mr. Tian Associates; and
 - iii. obtain the credit history reports of Mr. Tian Associates (if available);
 - (b) each of Mr. Tian Associates shall provide the Group with the following information on a quarterly basis for the purpose of assessing their respective credit risk:
 - i. the quarterly reports of the Group's deposits;
 - ii. the latest consolidated cash and deposit balance;
 - iii. the latest consolidated financial statements; and
 - iv. the latest credit reports issued by credit rating companies (if available).
 - (c) the Finance Department of the Group will report to the independent non-executive Directors quarterly in respect of the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, including but not limited to the information specified in (b) above; and
 - (d) the maximum balances of outstanding deposits placed by the Group to Mr. Tian Associates are subject to the proposed annual caps under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement.
- (4) The audit committee of the Company and the independent non-executive Directors will review all the continuing connected transactions of the Company (including the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency

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Services Agreement) annually to ensure that they have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and have been carried out pursuant to the terms of such transactions (including the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement), and that such terms are fair and reasonable and in the interests of the Shareholders as a whole.

- (5) The external auditor of the Company will conduct annual review on the continuing connected transactions of the Company to ensure they are in compliance with the Listing Rules.

REASONS FOR ENTERING INTO THE 2023 LANDSEA GREEN MANAGEMENT PROPERTIES SERVICES AND PROPERTIES CONSULTING AGREEMENT, THE 2023 MR. TIAN PROPERTIES SERVICES AND PROPERTIES CONSULTING AGREEMENT AND THE 2023 MR. TIAN EXCLUSIVE PROPERTY SALES AGENCY SERVICES AGREEMENT

2023 Landsea Green Management Properties Services and Properties Consulting Agreement

The Directors (including the independent non-executive Directors who have taken into account the advice of the Independent Financial Adviser but excluding Mr. Tian) consider that it is beneficial to the Group to continue to provide Properties Services and Properties Consulting Services to Landsea Green Management Group under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement as through the past history of cooperation, the Group developed mutual trust and understanding with Landsea Green Management Group, allowing Landsea Green Management Group to reduce communication and related supervision costs in the daily business dealings. Also, the Group will increase revenue and strengthen cash flow from providing Properties Services and Properties Consulting Services to Landsea Green Management Group pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement.

2023 Mr. Tian Properties Services and Properties Consulting Agreement

The Directors (including the independent non-executive Directors who have taken into account the advice of the Independent Financial Adviser but excluding Mr. Tian) consider that it is beneficial to the Group to continue to provide Properties Services and Properties Consulting Services to Mr. Tian Associates under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement as through the past history of cooperation, the Group developed mutual trust and understanding with Mr. Tian Associates, allowing Mr. Tian Associates to reduce communication and related supervision costs in the daily business dealings. Also, the Group will increase revenue and strengthen cash flow from providing Properties Services and Properties Consulting Services to Mr. Tian Associates pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement.

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2023 Mr. Tian Exclusive Property Sales Agency Services Agreement

The Directors (including the independent non-executive Directors who have taken into account the advice of the Independent Financial Adviser but excluding Mr. Tian) consider that it is beneficial to the Group to continue to provide Exclusive Property Sales Agency Services to Mr. Tian Associates under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement as through the past history of cooperation, the Group developed mutual trust and understanding with Mr. Tian Associates, allowing Mr. Tian Associates to reduce communication and related supervision costs in the daily business dealings. Also, the Group will increase revenue and strengthen cash flow from providing Exclusive Property Sales Agency Services to Mr. Tian Associates pursuant to the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement.

Based on the foregoing, the Directors (including the independent non-executive Directors who have taken into account the advice of the Independent Financial Adviser but excluding Mr. Tian) believe that the entering into of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the terms of each of them 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.

INFORMATION ON THE PARTIES

The Company is an investment holding company. The Group is principally engaged in the provision of property management services, community value-added services and value added services to non-property owners in the PRC.

Mr. Tian, the Chairman of the Company, a non-executive Director and a controlling shareholder of the Company, is a connected person of the Company.

Landsea Green Management is a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 106). Landsea Green Management Group is principally engaged in development and sales of properties, provision of project management services and leasing of properties. Landsea Green Management is directly and indirectly held as to 58.52% by Mr. Tian. Landsea Green Management, being an associate of Mr. Tian, is also regarded as a connected person of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date,

- (i) Mr. Tian, the Chairman of the Company, a non-executive Director and a controlling shareholder of the Company, is a connected person of the Company; and
- (ii) Landsea Green Management is directly and indirectly held as to 58.52% by Mr. Tian.

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Landsea Green Management, being an associate of Mr. Tian, is therefore a connected person of the Company. The 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are expected to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group. Accordingly, the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in relation to the annual maximum transaction amounts under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement exceed 5%, the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are subject to the reporting, announcement, annual review, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the highest annual cap for the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement is 25% or more, the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement also constitute a potential major transaction of the Company and are subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

EGM

Under Rule 14A.36 of the Listing Rules, any shareholder who has a material interest in a proposed transaction must abstain from voting at the relevant general meeting on the relevant resolution(s).

Mr. Tian, the Chairman, a non-executive Director and a controlling shareholder of the Company, is beneficially interested in approximately 58.52% of Landsea Green Management. Therefore, Mr. Tian is considered to have a material interest in the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder. Therefore, Mr. Tian and his associates will abstain from voting in respect of the resolution(s) relating to the 2023 Landsea Green Management Properties Services and Properties Consulting

LETTER FROM THE BOARD

Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder at the EGM.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the Latest Practicable Date, save for the foregoing, none of the other Shareholders will be required to abstain from voting on the resolution(s) to be passed at the EGM.

A notice convening the EGM to be held at Landsea Green Center, Building 5, Lane 280, Linhong Road, Changning District, Shanghai, China at 10:00 a.m. on Thursday, 21 December 2023 is set out on pages EGM-1 to EGM-2 of this circular. Shareholders are advised to read the notice and complete and return the form of proxy for use at the EGM enclosed with this circular in accordance with the instructions printed thereon.

A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM (or any adjournment thereof) should you so wish.

RECOMMENDATION

Mr. Tian, the Chairman, a non-executive Director and a controlling shareholder of the Company, is beneficially interested in approximately 58.52% of Landsea Green Management. Mr. Tian is deemed to have interest in the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the transactions contemplated under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement. Therefore, Mr. Tian has abstained from voting on the Board resolutions in relation to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has a material interest in the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

Taking into consideration of the reasons set out in the paragraphs headed "Reasons for entering into the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement" in this circular, the Directors (other than Mr. Tian who has abstained from voting but including the independent non-executive Directors who have taken into account the advice of the

LETTER FROM THE BOARD

Independent Financial Adviser) are of the view that the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder are conducted in the ordinary and usual course of business of the Group and the terms are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (other than Mr. Tian who has abstained from voting but including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the ordinary resolution as set out in the notice of the EGM to approve the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out on pages 23 to 24 of this circular, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 25 to 57 of this circular and the information set out in the appendices of this circular.

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



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)

1 December 2023

To the Independent Shareholders

Dear Sirs or Madams,

**POTENTIAL MAJOR TRANSACTION AND
RENEWAL OF CONTINUING CONNECTED TRANSACTION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

We refer to the circular (the “**Circular**”) dated 1 December 2023 issued by the Company of which this letter forms part. Capitalised terms used in this letter have the same meanings as those defined in the Circular unless specified otherwise.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders in relation to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder. Opus Capital has been appointed by the Company as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard.

We wish to draw your attention to (i) the letter from the Board set out on pages 6 to 22 of the Circular; (ii) the letter from Opus Capital as set out on pages 25 to 57 of the Circular which contains its recommendation to the Independent Board Committee and the Independent Shareholders in relation to the terms of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder as well as the principal factors and reasons considered by Opus Capital in arriving at its recommendation; and (iii) the additional information as set out in the appendices to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

After taking into account the factors and reasons considered by Opus Capital and its conclusion and advice, we concur with its views and consider that the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, and the terms are fair and reasonable so far as the Company and the Shareholders are concerned, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favor of the resolution to be proposed at the EGM to approve the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

Yours faithfully,

Independent Board Committee

Ms. Lu Mei Dr. Chen Kevin Chien-wen Ms. Katherine Rong Xin

Independent non-executive Directors

LETTER FROM OPUS CAPITAL

Set out below is the text of a letter from Opus Capital, the Independent Financial Adviser to the Independent Board Committee and the independent Shareholders in respect of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder and the related annual caps, which has been prepared for the purpose of inclusion in this circular.



18th Floor, Fung House,
19–20 Connaught Road Central
Central, Hong Kong

1 December 2023

*To: the Independent Board Committee and the independent Shareholders
of Landsea Green Life Service Company Limited*

Dear Sirs or Madams,

POTENTIAL MAJOR TRANSACTION AND RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in respect of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement (collectively, the “**2023 CCT Agreements**”) and the transactions contemplated thereunder (the “**Continuing Connected Transactions**”) and the related annual caps, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular dated 1 December 2023 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

References are made to the prospectus of the Company dated 25 June 2021 (the “**Prospectus**”), the announcement of the Company dated 22 November 2021 and the circular of the Company dated 15 December 2021, regarding, among other things, the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2021 Mr. Tian Properties Services and Properties Consulting Agreement and the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

On 13 October 2023, the Company (for itself and on behalf of its subsidiaries) and Landsea Green Management (for itself and on behalf of its subsidiaries) entered into the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement,

LETTER FROM OPUS CAPITAL

pursuant to which the Group shall provide Properties Services and Properties Consulting Services to Landsea Green Management Group for a term of three years commencing from 1 January 2024 to 31 December 2026.

On 13 October 2023, the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) entered into the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, pursuant to which the Group shall provide Properties Services and Properties Consulting Services to Mr. Tian Associates for a term of three years commencing from 1 January 2024 to 31 December 2026.

On 13 October 2023, the Company (for itself and on behalf of its subsidiaries) and Mr. Tian (for himself and on behalf of his associates, excluding Landsea Green Management and its subsidiaries but including its joint ventures and associates) entered into the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, pursuant to which the Group shall provide Exclusive Property Sales Agency Services to Mr. Tian Associates for a term of three years commencing from 1 January 2024 to 31 December 2026.

As at the Latest Practicable Date,

- (i) Mr. Tian, the Chairman of the Company, a non-executive Director and a controlling shareholder of the Company, is a connected person of the Company; and
- (ii) Landsea Green Management is directly and indirectly held as to approximately 58.52% by Mr. Tian.

Landsea Green Management, being an associate of Mr. Tian, is therefore a connected person of the Company. The 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are expected to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group. Accordingly, the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in relation to the annual maximum transaction amounts under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement exceed 5%, the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian

LETTER FROM OPUS CAPITAL

Exclusive Property Sales Agency Services Agreement are subject to the reporting, announcement, annual review, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the highest annual cap for the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement is 25% or more, the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement also constitute a potential major transaction of the Company and are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Mr. Tian, the Chairman, a non-executive Director and a controlling shareholder of the Company, is beneficially interested in approximately 58.52% of Landsea Green Management. Mr. Tian is deemed to have interest in the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the transactions contemplated under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement. Therefore, Mr. Tian has abstained from voting on the Board resolutions in relation to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has a material interest in the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder.

Mr. Tian, the Chairman, a non-executive Director and a controlling shareholder of the Company, is beneficially interested in approximately 58.52% of Landsea Green Management. Therefore, Mr. Tian is considered to have a material interest in the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder. Therefore, Mr. Tian and his associates will abstain from voting in respect of the resolution(s) relating to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the transactions contemplated thereunder at the EGM.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the Latest Practicable Date, save for the foregoing, none of the other Shareholders will be required to abstain from voting on the resolution(s) to be passed at the EGM.

LETTER FROM OPUS CAPITAL

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising Ms. Lu Mei, Dr. Chen Kevin Chien-wen and Ms. Katherine Rong Xin, all being the independent non-executive Directors, has been established to consider and make a recommendation to the independent Shareholders on: (i) whether the terms of the 2023 CCT Agreements and the transactions contemplated thereunder and the related annual caps are on normal commercial terms and fair and reasonable; (ii) whether the entering into of the 2023 CCT Agreements is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole; and (iii) how the independent Shareholders should vote in respect to the relevant resolutions to the proposed at the EGM to approve the 2023 CCT Agreements and the transactions contemplated thereunder and the related annual caps. Our appointment as the Independent Financial Adviser to the Independent Board Committee and the independent Shareholders in the same respect has been approved by the Independent Board Committee pursuant to the Rules 13.84 of the Listing Rules.

OUR INDEPENDENCE

We were appointed as the independent financial adviser to advise the independent board committee and the independent shareholders of the Company on (i) a major transaction and certain continuing connected transactions; and (ii) a discloseable and connected transaction and continuing connected transaction, details of which are set out in the circulars of the Company dated 15 December 2021 and 3 March 2023 respectively (collectively, the “**Past Appointments**”). The Past Appointments were completed and independent to our current appointment in relation to the 2023 CCT Agreements and the transactions contemplated thereunder and the related annual caps.

As at the Latest Practicable Date, we do not have any relationship with, or interest in, the Group, Landsea Green Management Group, Mr. Tian Associates, or any other parties that could reasonably be regarded as relevant to our independence. During the two years immediately prior to this letter, save for the Past Appointments, we have not: (i) acted in the capacity as a financial adviser or as an independent financial adviser to the Company; (ii) provided any services to the Company; or (iii) had any relationship with the Company. Apart from normal independent financial advisory fees paid or payable (as the case may be) to us in connection with the Past Appointments and this appointment, no arrangements exist whereby we had received or will receive any fees or benefits from the Group, Landsea Green Management Group, Mr. Tian Associates, or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our advice and recommendation to the Independent Board Committee and the independent Shareholders, we have reviewed, amongst other things:

- (i) the Company’s interim report for the six months ended 30 June (“**1H**”) 2023 (the “**2023 Interim Report**”);

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- (ii) the Company's annual report for the year ended 31 December ("FY") 2022 (the "2022 Annual Report");
- (iii) the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement;
- (iv) the 2023 Mr. Tian Properties Services and Properties Consulting Agreement;
- (v) the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement; and
- (vi) other information as set out in the Circular.

We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company, the Directors and the management of the Group (collectively, the "**Management**"). We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the EGM.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group or its future prospects.

The Directors jointly and severally accept full responsibility for the accuracy of the information disclosed and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts not contained in this letter, the omission of which would make any statement herein misleading.

This letter is issued to the Independent Board Committee and the independent Shareholders solely in connection for their consideration of the terms of the 2023 CCT Agreements and the transactions contemplated thereunder and the related annual caps, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the independent Shareholders in respect of the 2023 CCT Agreements and the transactions contemplated thereunder and the related annual caps, we have taken into consideration, inter alia, the following principal factors and reasons:

1. Information on the Group and the counterparties to the 2023 CCT Agreements

The Company is an investment holding company. The Group is principally engaged in the provision of property management services, community value-added services and value-added services to non-property owners in the PRC.

For property management services, the Group provides property developers, property owners and residents with a range of property management services, primarily including security, cleaning, gardening and landscaping, car parking management, and daily repair and maintenance services. For community value-added services, the Group offers a wide range of community value-added services in its residential properties under management to cater for the evolving needs of its customers and improve their quality of life. The services primarily consist of: (i) home-living services such as house cleaning, home repair and maintenance services; (ii) public resource management services, which primarily include public spaces leasing and advertising activities; and (iii) property agency services for properties which relate to the sales and leases of properties, car parking spaces and use rights of the car parking spaces. For value-added services to non-property owners, the Group offers value-added services to non-property owners for property developers to address their various needs on property management, including (i) sales assistance services, which mainly include visitors reception, onsite cleaning, security, repair and maintenance services to assist property developers in showcasing and marketing their properties at the pre-sale stage; (ii) consultancy services and other pre-delivery services such as cleaning, inspection, repair and maintenance services at the pre-delivery stage and a little of repair and maintenance services after delivery; and (iii) property agency services provided for sales and leases of properties to property developers.

As such, the provision of Properties Services and Properties Consulting Services and Exclusive Property Sales Agency Services fall squarely under the services provided by the core business segments of the Group.

Mr. Tian is the Chairman of the Company, a non-executive Director and a controlling shareholder of the Company and thus a connected person of the Company.

Landsea Green Management is a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 106). Landsea Green Management Group is principally engaged in development and sales of properties, provision of project management services and leasing of properties. Landsea Green Management is directly and indirectly held as to 58.52% by Mr. Tian as at the Latest Practicable Date. Landsea Green Management, being an associate of Mr. Tian, is also regarded as a connected person of the Company.

2. Reasons for and benefits of entering into the 2023 CCT Agreements

As stated in the Letter from the Board, the Directors (excluding Mr. Tian but including the independent non-executive Directors) consider that it is beneficial to the Group to continue to provide (i) Properties Services and Properties Consulting Services to Landsea Green Management Group under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement; (ii) Properties Services and Properties Consulting Services to Mr. Tian Associates under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement; and (iii) Exclusive Property Sales Agency Services to Mr. Tian Associates under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, as through the past history of cooperation with Landsea Green Management Group and Mr. Tian and its Associates respectively, the Group developed mutual trust and understanding with Landsea Green Management Group and Mr. Tian Associates, allowing them to reduce communication and related supervision costs in the daily business dealings. Also, the Group will increase revenue and strengthen cash flow from providing Properties Services and Properties Consulting Services and Exclusive Property Sales Agency Services to Landsea Green Management Group and Mr. Tian Associates (as the case maybe) pursuant to the 2023 CCT Agreements.

With reference to the Prospectus and based on our discussion with the Management, we noted that the Group has a long-standing relationship with both Landsea Green Management Group and Mr. Tian Associates as the Group has been providing Properties Services and Properties Consulting Services and Exclusive Property Sales Agency Services to them for many years beyond the time when the Shares are listed on the Stock Exchange. Benefiting from such long-standing relationship, the Group is familiar with the strategies, standards and requirements of Landsea Green Management Group and Mr. Tian Associates and is therefore able to provide tailored services which ultimately able to meet their specific business needs. Such familiarity may not apply to newly acquired clients of the Group where additional time and resources are usually spent on such clients. It is also considered that the Group has contributed to the branding and quality promotion of the property products Landsea Green Management Group and Mr. Tian Associates, which in turn may facilitate the provision of services and improve customer satisfaction of the Group in the long run when its customers succeed.

Having Considered that (i) the existing continuing connected transactions are recurring in nature and similar transactions have been taking place for many years in the ordinary and usual course of business of the Group; (ii) Landsea Green Management Group and Mr. Tian Associates have been the major customers of the Group for Properties Services and Properties Consulting Services and Exclusive Property Sales Agency Services, the continuation of the Continuing Connected Transactions under the 2023 CCT Agreements will maintain the Group's existing business operation; and (iii) benefiting from such long-standing relationship, the Group is better placed to serve Landsea Green Management Group and Mr. Tian Associates, we are of the view that the entering into of the 2023 CCT Agreements and the transactions contemplated thereunder and the related annual caps is in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

3. Principal terms of the 2023 CCT Agreements

2023 Landsea Green Management Properties Services and Properties Consulting Agreement

The principal terms of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement are set forth below.

Subject matter

Pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the Group agrees to provide Landsea Green Management Group the Properties Services and Properties Consulting Services which include (i) property management services, including but not limited to, preliminary property management services for property projects prior to their delivery to the property owners, management services for property units and car parking lots which remain unsold and house repairing services; (ii) sales agency services for residential properties, commercial properties and car parking lots of property projects which remain unsold; and (iii) pre-delivery property consultancy and management services, including but not limited to, preliminary planning and design consultancy services and display units managements services.

Landsea Green Management Group shall, following the tender or quotation process in accordance with the relevant PRC laws and regulations, enter into definitive property management agreements with the Group according to relevant tender and quotation documents from time to time.

Payments for the Properties Services and Properties Consulting Services shall be governed by the definitive property management agreements to be entered into between members of the Group and Landsea Green Management Group, and such definitive property management agreements shall only contain provisions which are, in all material aspects, consistent with the binding principles, guidelines, terms and conditions set out in the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement. In general, the fee payable for the Properties Services and Properties Consulting Services of the previous month would be paid by Landsea Green Management Group by the 25th day of each month. Penalty interest will be imposed if payment is not made after the 25th day of each month.

Pricing policy

The service fees of the Properties Services and Properties Consulting Services provided by the Group pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement will be determined based on the fee quotes submitted to Landsea Green Management Group based on prevailing market prices, with reference to the rates generally provided by independent third parties to Landsea Green Management Group and the rates generally provided by the Group 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.

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In addition, the service fees for the Properties Services and Properties Consulting Services will also take into consideration factors, including but not limited to the nature, size and location of the property projects, scope of services, operating costs and pricing terms as recommended by the relevant government authorities, if any.

The transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting 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.

Term

The fixed term of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement is three years commencing from 1 January 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.

Review of the principal terms

Primarily, we have reviewed the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement and we noted that the pricing and other principal terms of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement continue to follow those of the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement. We have assessed the fairness and reasonableness of the pricing and other terms by randomly obtaining and reviewing the CCT Samples (as defined below) offered to Landsea Green Management Group and compared against the Independent Samples (as defined below) offered to independent third party customers based on substantially the same requirements and/or specification for the Properties Services and Properties Consulting Services covering each of FY2021, FY2022 and FY2023 under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement. During the review of the pricing terms of the CCT Samples (as defined below) and the Independent Samples (as defined below), we noted that they were in line with the Group's pricing policy as set out in the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement and the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement as set out above under the section headed "2023 Landsea Green Management Properties Services and Properties Consulting Agreement".

Secondly, in accordance to the pricing policy, the service fees to be charged for the Properties Services and Properties Consulting Services pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement will be determined principally after arm's length negotiations by taking into account factors including the type of the development projects issued by the local government (if applicable) and the fees charged to the third party customers independent of the Group, the operational costs (including labour costs, material costs and administrative costs) to be incurred in the course of the provision of the services plus a profit margin. The service fees shall not be higher than the standard fees approved by the state pricing regulatory

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authorities (if available) in any event. For our independent review working of the Group’s internal control procedures carried out under the term of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, please refer to the section headed “4. Internal control procedures and review of the Continuing Connected Transactions” below.

Lastly and most importantly, through our internal work, we also noted from the relevant pricing terms of the CCT Samples (as defined below) were generally higher than the fees charged for independent third parties as documented in the Independent Samples and the payment terms of the CCT Samples (as defined below) (i.e. service fees to be charged for the Properties Services and Properties Consulting Services payable a monthly basis) are no less favourable to the Group than those of the Independent Samples (as defined below).

Based on the above, we are of the view that the pricing and other terms of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement are on normal commercial terms which are no less favourable to the Group than those available from other independent third parties customer.

Historical actual transaction amount

As stated in the Letter from the Board, the table below sets out: (i) the historical actual transaction amounts of the property services and property consulting services under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement for FY2021, FY2022 and 1H2023; (ii) the annual caps for each of FY2021, FY2022 and FY2023 in respect of the property services and property consulting services under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement; and (iii) the respective utilisation rate of the annual caps for each of FY2021, FY2022 and FY2023 in respect of the property services and property consulting services under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement.

Table 1: The annual caps and the historical actual transaction amounts under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement for FY2021, FY2022 and FY2023

	FY2021 <i>RMB'million</i> (approx.)	FY2022 <i>RMB'million</i> (approx.)	FY2023 <i>RMB'million</i> (approx.)
Historical transaction amounts	74.2	36.5	10.5 (up to 1H2023)
Approved annual caps	75.0	78.0	82.0
Utilisation rates	98.9%	46.8%	12.8%

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As illustrated above, the historical actual transaction amount of the Properties Services and Properties Consulting Services decreased by approximately 50.8% from approximately RMB74.2 million for FY2021 to approximately RMB36.5 million for FY2022, indicated a decline from a high utilisation rate of approximately 98.9% for FY2021 to approximately 46.8% for FY2022. The historical actual transaction amount of the Properties Services and Properties Consulting Services for 1H2023 amounted to approximately RMB10.5 million, registering a utilisation rate of approximately 12.8% of the existing annual cap of RMB82.0 million for FY2023. Should the historical actual transaction amount of the Properties Services and Properties Consulting Services for 1H2023 be annualised, the projected transaction amount of the Properties Services and Properties Consulting Services for FY2023 would amount to approximately RMB21.0 million, representing a utilisation rate of approximately 25.6%.

As advised by the Management, the year-on-year decrease in the utilisation rates of the Properties Services and Properties Consulting Services for FY2022 and FY2023 was mainly due to a combined effect of: (i) the change in counterparty of the relevant definitive property management agreements for certain property management projects which in turn resulted in the reclassification of connected person (i.e. the counterparty for a commercial building located in the business district of Shanghai was anticipated to be Landsea Green Management Group which was then changed to Mr. Tian's Associates subsequently); (ii) the decline in the number of preliminary property management services for property projects and pre-delivery property consultancy and management services as a result from the decrease in property projects due to the general negative sentiment of the PRC property market; (iii) majority of the sales services and transaction amount regarding the sales agency services for unsold property was recognised in FY2021 and FY2022, preliminary it was estimated that only two (2) major projects would materialise in the relevant period; and (iv) delay in the completion and delivery of certain new property projects due to the growth in PRC property market has slows down which is attributable to the same reason (ii) above), the engagement of the Group to render its sales agency services was also delayed in the same manner.

As stated in the Letter form the Board, the following table sets out the proposed annual caps for the Properties Services and Properties Consulting Services under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement for each of the FY2024, FY2025 and FY2026.

Table 2: The proposed annual caps for the Properties Services and Properties Consulting Services under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement for FY2024, FY2025 and FY2026

	FY2024	FY2025	FY2026
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
Proposed annual caps	40.0	40.0	40.0

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Basis of determining the proposed annual caps of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement

As stated in the Letter from the Board, the annual caps under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement are determined with reference to the following factors which are considered to be reasonable and justifiable in the circumstances: (i) the historical transaction amount in respect of the Properties Services and Properties Consulting Services; (ii) the estimated revenue in respect of existing contracts entered into between the Group and Landsea Green Management Group; (iii) the expected number of projects and GFA to be developed by Landsea Green Management Group for FY2024, FY2025 and FY2026 under its development plan and the expected demand for the Properties Services and Properties Consulting Services from the Group; and (iv) the scope of the Properties Services and Properties Consulting Services to be provided by the Group to Landsea Green Management Group pursuant to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement in light of the demand of Landsea Green Management Group under its development plan.

Caps Computation

In assessing the reasonableness of the proposed annual caps of the Properties Services and Properties Consulting Services under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, we have discussed with the Management on the basis and underlying assumptions for the purpose of setting the proposed annual caps of the Properties Services and Properties Consulting Services. We have also obtained and reviewed from the Management the computation worksheets for the annual caps of the Properties Services and Properties Consulting Services in respect of the Continuing Connected Transactions (the “**Caps Computation**”) including the project schedule (the “**Project Schedule**”), which is mainly based on the estimated transaction amount (excluding tax) of: (a) the existing projects on hand as at 30 June 2023; (b) the secured projects as at 30 June 2023; and (c) the prospective projects expected to commence during FY2024. We noted that the Project Schedule has stated the project details including but not limited to: (i) the category for each service type; (ii) the name of the relevant counterparty; (iii) the project code of the relevant project such as the name of the residential property or office buildings with the respective located city, province or address; and (iv) the service fee received as at 30 June 2023 and the service fee expected to receive in FY2024. In regards to the basis for determining the proposed annual caps for the Properties Services and Properties Consulting Services, we analyse each basis as follows:

- (i) as abovementioned under “Table 1: The annual caps and the historical actual transaction amounts under the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement for FY2021, FY2022 and FY2023”, we noted that although the historical actual transaction amounts for FY2021, FY2022 and 1H2023, represented a year-on-year decline of approximately 50.8% and 71.2% respectively, the average transaction amounts

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for FY2021, FY2022 and 1H2023 nevertheless still amount to approximately RMB40.4 million, which are basically at par with the proposed annual caps for FY2024, FY2025 and FY2026;

- (ii) in connection with the estimated revenue in respect of existing contracts entered into between the Group and Landsea Green Management Group, we have also obtained and reviewed five (5) sample contracts for each of FY2021, FY2022 and 1H2023 respectively of the secured projects under the Project Schedule. The samples were selected on a random basis taking into consideration the size of the contract and that the contracts were entered into for type of property services in different period during FY2021, FY2022 and 1H2023. Therefore, we consider the samples are sufficient, representative and qualified to justify the basis adopted in calculating the estimated revenue;
- (iii) the estimated demand of Properties Services and Properties Consulting Services to be provided by the Group under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement are mainly driven by the progress and development of the relevant property projects of the Landsea Green Management Group at the relevant time. In this connection, we have conducted due diligence research on the business and operations of the Landsea Green Management Group. With reference to the 2023 interim report of Landsea Green Management Group, as of 30 June 2023, Landsea Green Management Group had reserve projects with an aggregate saleable area of 7,440,504 sq.m. and expected saleable value of approximately RMB143.46 billion, in which expected saleable value of approximately RMB43.61 billion secured for equity projects, with saleable area of 1,975,745 sq.m. and expected saleable value of approximately RMB35.87 billion attributable to the Landsea Green Management Group. Landsea Green Management Group had also acquired a total of 73 project management services projects, with saleable area of 5,221,500 sq.m. and expected saleable value of approximately RMB99.85 billion. Landsea Green Management Group held properties-for-rent with total GFA of 80,536 sq.m. and the equity-held projects with GFA of 46,752 sq.m.; and
- (iv) in relation to scope of the Properties Services and Properties Consulting Services, taking into account, among others, the demand of Landsea Green Management Group under its development plan, we noted from the Caps Computation that an additional buffer of approximately 15.0% was taken into consideration in this regard. In this regard, we understand from the Management has, to the extent possible, factored in the potential growth in demand with a view to avoid a situation whereby the proposed annual cap may become insufficient and lead to the possibility of a cessation of the services in a short period of time and cause undue disruption to the subject projects. Such possible temporary cessation may be unduly burdensome and/or lengthy as it may subject to further administrative and/or approval procedures of two separate listed companies, where required, such would not be in the interests of the Company's operations or reputation.

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Having considered the basis on which the proposed annual caps of the Properties Services and Properties Consulting Services are determined as described above, we are of the view that such proposed annual caps is fair and reasonable so far as the independent Shareholders are concerned.

2023 Mr. Tian Properties Services and Properties Consulting Agreement

The principal terms of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement are set forth below.

Subject matter

Pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the Group agrees to provide Mr. Tian Associates with the Properties Services and Properties Consulting Services which include (i) property management services, including but not limited to, preliminary property management services for property projects prior to their delivery to the property owners, management services for property units and car parking lots which remain unsold and house repairing services; (ii) sales agency services for residential properties, commercial properties and car parking lots of property projects which remain unsold; and (iii) pre-delivery property consultancy and management services, including but not limited to, preliminary planning and design consultancy services and display units managements services.

Mr. Tian Associates shall, following the tender or quotation process in accordance with the relevant PRC laws and regulations, enter into definitive property management agreements with the Group according to relevant tender and quotation documents from time to time.

Payments for the Properties Services and Properties Consulting Services shall be governed by the definitive property management agreements to be entered into between members of the Group and Mr. Tian Associates, and such definitive property management agreements shall only contain provisions which are, in all material aspects, consistent with the binding principles, guidelines, terms and conditions set out in the 2023 Mr. Tian Properties Services and Properties Consulting Agreement. In general, the fee payable for the Properties Services and Properties Consulting Services of the previous month would be paid by Mr. Tian Associates by the 25th day of each month. Penalty interest will be imposed if payment is not made after the 25th day of each month.

Pricing policy

The service fees of the Properties Services and Properties Consulting Services provided by the Group pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement will be determined based on the fee quotes submitted to Mr. Tian Associates based on prevailing market prices, with reference to the rates generally provided by independent third parties to Mr. Tian Associates and the rates generally provided by the Group 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.

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In addition, the service fees for the Properties Services and Properties Consulting Services will also take into consideration factors, including but not limited to the nature, size and location of the property projects, scope of services, operating costs and pricing terms as recommended by the relevant government authorities, if any.

The transactions contemplated under the 2023 Mr. Tian Properties Services and Properties Consulting 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.

Term

The fixed term of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement is three years commencing from 1 January 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.

Review of the principal terms

Primarily, we have reviewed the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and we noted that the pricing and other principal terms of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement continue to follow those of the 2021 Mr. Tian Properties Services and Properties Consulting Agreement. We have assessed the fairness and reasonableness of the pricing and other terms by randomly obtaining and reviewing the CCT Samples (as defined below) offered to Mr. Tian Associates and compared against the Independent Samples (as defined below) offered to independent third party customers based on substantially the same requirements and/or specification for the Properties Services and Properties Consulting Services covering each of FY2021, FY2022 and FY2023 under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement. During the review of the pricing terms of the CCT Samples (as defined below) and the Independent Samples (as defined below), we noted that they were in line with the Group's pricing policy as set out in the 2021 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Properties Services and Properties Consulting Agreement as set out above under the section headed "2021 Mr. Tian Properties Services and Properties Consulting Agreement".

Secondly, in accordance to the pricing policy, the service fees to be charged for the Properties Services and Properties Consulting Services pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement will be determined principally after arm's length negotiations by taking into account factors including the type of the development projects issued by the local government (if applicable) and the fees charged to the third party customers independent of the Group, the operational costs (including labour costs, material costs and administrative costs) to be incurred in the course of the provision of the services plus a profit margin. The service fees shall not be higher than the standard fees approved by the state pricing regulatory authorities (if available) in any event. For our independent review working of the Group's internal control procedures

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carried out under the term of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, please refer to the section headed “4. Internal control procedures and review of the Continuing Connected Transactions” below.

Lastly and most importantly, through our internal work, we also noted from the relevant pricing terms of the CCT Samples (as defined below) were generally higher than the fees charged for independent third parties as documented in the Independent Samples and the payment terms of the CCT Samples (as defined below) (i.e. service fees to be charged for the Properties Services and Properties Consulting Services payable a monthly basis) are no less favourable to the Group than those of the Independent Samples (as defined below).

Based on the above, we are of the view that the pricing and other terms of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement are on normal commercial terms which are no less favourable to the Group than those available from other independent third parties customer.

Historical actual transaction amount

As stated in the Letter from the Board, the table below sets out: (i) the historical actual transaction amounts of the property services and property consulting services under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement for FY2021, FY2022 and 1H2023; (ii) the annual caps for each of FY2021, FY2022 and FY2023 in respect of the property services and property consulting services under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement; and (iii) the respective utilisation rate of the annual caps for each of FY2021, FY2022 and FY2023 in respect of the property services and property consulting services under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement.

Table 3: The annual caps and the historical actual transaction amounts under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement for FY2021, FY2022 and FY2023

	FY2021 <i>RMB'million</i> (approx.)	FY2022 <i>RMB'million</i> (approx.)	FY2023 <i>RMB'million</i> (approx.)
Historical transaction amounts	98.1	125.4	53.6 (up to 1H2023)
Approved annual caps	155.0	155.0	156.0
Utilisation rates	63.3%	80.9%	34.4%

As illustrated above, the historical actual transaction amount of the Properties Services and Properties Consulting Services increased by approximately 27.8% from approximately RMB98.1 million for FY2021 to approximately RMB125.4 million for FY2022, indicated a hike in utilisation rate of approximately 63.3% for FY2021 to approximately 80.9% for FY2022, which was then reversely decreased by approximately

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53.7% down to approximately RMB53.6 million for 1H2023, registering a utilisation rate of approximately 34.4% of the existing annual cap of RMB156.0 million for FY2023. Should the historical actual transaction amount of the Properties Services and Properties Consulting Services for 1H2023 be annualised, the projected transaction amount of the Properties Services and Properties Consulting Services for FY2023 would amount to approximately RMB107.2 million, representing a utilisation rate of approximately 68.7%.

As advised by the Management, the relatively high utilisation rates for FY2022 and the decrease in utilisation rates for FY2023 of the Properties Services and Properties Consulting Services was mainly due to (i) the actual transaction amount of the sales agency services for the new properties was higher than the estimation for FY2022; (ii) as abovementioned under the utilisation rates analysis of the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement for FY2022 in point (i) above, the change in counterparty of the relevant definitive property management agreements for certain property management projects has resulted in the reclassification of connected person; (iii) attributable to the same reason as the utilisation rates analysis of the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement for FY2022 in point (ii) above, the decline in the number of preliminary property management services for property projects and pre-delivery property consultancy and management services was derived from the decrease in property projects due to the general negative sentiment of the PRC property market. As a result, such slows down of growth in the PRC property market has also caused delay in the completion and delivery of certain other new property projects, the engagement of the Group to render its sales agency services was also delayed in the same manner; and (v) the discrepancy between the actual transaction amounts of the sales agency services for new properties as compared to the estimation due to two (2) major projects located respectively in Hangzhou and Wuhan were not taken into account initially.

As stated in the Letter form the Board, the following table sets out the proposed annual caps for the Properties Services and Properties Consulting Services under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement for each of the FY2024, FY2025 and FY2026.

Table 4: The proposed annual caps for the Properties Services and Properties Consulting Services under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement for FY2024, FY2025 and FY2026

	FY2024	FY2025	FY2026
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
Proposed annual caps	80.0	80.0	80.0

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Basis of determining the proposed annual caps of the 2023 Mr. Tian Properties Services and Properties Consulting Agreement

As stated in the Letter from the Board, the annual caps under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement are determined with reference to the following factors which are considered to be reasonable and justifiable in the circumstances: (i) the historical transaction amount in respect of the Properties Services and Properties Consulting Services; (ii) the estimated revenue in respect of existing contracts entered into between the Group and Mr. Tian Associates; (iii) the expected number of projects and GFA to be developed by Mr. Tian Associates for FY2024, FY2025 and FY2026 under its development plan and the expected demand for the Properties Services and Properties Consulting Services from the Group; and (iv) the scope of the Properties Services and Properties Consulting Services to be provided to Mr. Tian Associates from the Group pursuant to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement in light of the demand of Mr. Tian Associates under its development plan.

Caps Computation

In assessing the reasonableness of the proposed annual caps of the Properties Services and Properties Consulting Services under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, we have discussed with the Management on the basis and underlying assumptions for the purpose of setting the proposed annual caps of the Properties Services and Properties Consulting Services. We have also obtained and reviewed from the Caps Computation, which is mainly based on the estimated transaction amount (excluding tax) of: (a) the existing projects on hand as at 30 June 2023; (b) the secured projects as at 30 June 2023; and (c) the prospective projects expected to commence during FY2024. We noted that the Project Schedule has stated the project details including but not limited to: (i) the category for each service type; (ii) the name of the relevant counterparty; (iii) the project code of the relevant project such as the name of the residential property or office buildings with the respective located city, province or address; and (iv) the service fee received as at 30 June 2023 and the service fee expected to receive in FY2024. In regards to the basis for determining the proposed annual caps for the Properties Services and Properties Consulting Services, we analyse each basis as follows:

- (i) as abovementioned under “Table 3: The annual caps and the historical actual transaction amounts under the 2021 Mr. Tian Properties Services and Properties Consulting Agreement for FY2021, FY2022 and FY2023”, we noted that the historical actual transaction amounts increased by approximately 27.8% from FY2021 to FY2022, which reversely dropped by approximately 57.3% for 1H2023. Nevertheless, it should be noted that (a) all of the actual transaction amounts for FY2021, FY2022 and the annualised transaction amount for 1H2023 are significantly above the proposed annual caps for FY2024, FY2025 and FY2026; (b) the historical utilisation rates for FY2021, FY2022 and 1H2023 are relatively high as compared to the same with 2020 Landsea Green Management Properties Services and Properties Consulting Agreement; and (c)

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the average actual transaction amount for FY2021, FY2022 and 1H2023 amounted to approximately RMB92.4 million, which is significantly above the proposed annual caps for FY2024, FY2025 and FY2026;

- (ii) in connection with the estimated revenue in respect of existing contracts entered into between the Group and Landsea Green Management Group, we have also obtained and reviewed five (5) sample contracts under the secured projects for each of FY2021, FY2022 and 1H2023 respectively of the Project Schedule. The samples were selected on a random basis taking into consideration the size of the contract and that the contracts were entered into for type of property services in different period during FY2021, FY2022 and 1H2023. Therefore, we consider the samples are sufficient, representative and qualified to justify the basis adopted in calculating the estimated revenue;
- (iii) the estimated demand of Properties Services and Properties Consulting Services to be provided by the Group under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, we consider that as discussed above in point (i) whereas the average actual transaction amount for FY2021, FY2022 and 1H2023 (i.e. RMB92.4 million) is significantly above the proposed annual caps of RMB80.0 million for FY2024, FY2025 and FY2026 respectively, thus it should be considered the Management has adopted a prudent approach in estimating the potential projects and GFA to be developed by Mr. Tian and the expected demand for the Properties Services and Properties Consulting Services; and
- (iv) for basis (iv) in determining the proposed annual caps of the Properties Services and Properties Consulting Services under the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, same analysis apply when analysed the corresponding basis (iv) above in determining the proposed annual caps under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement in this letter which we do not seek to repeat here.

Having considered the basis on which the proposed annual caps of the Properties Services and Properties Consulting Services are determined as described above, we are of the view that such proposed annual caps is fair and reasonable so far as the independent Shareholders are concerned.

2023 Mr. Tian Exclusive Property Sales Agency Services Agreement

The principal terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are set forth below.

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Subject matter

Mr. Tian Associates agreed to appoint the Group as the sales agent for the Properties on an exclusive basis. The Group and Mr. Tian Associates shall enter into individual property agency agreements and each of them will be agreed on certain pre-determined minimum prices for the Properties and the Group shall not sell the Properties at less than the relevant pre-determined minimum prices.

The Group shall, within fifteen (15) working days after the execution of the relevant individual property agency agreement, pay Mr. Tian Associates a refundable security deposit (the “**Security Deposit**”) equal to the pre-determined minimum prices for the Properties subject to the relevant individual property agency agreement.

Pricing and payment

The method of collection of a buyer’s deposit shall be negotiated between Mr. Tian Associates and the Group and shall be specified in the individual property agency agreement to be entered into between Mr. Tian Associates and the Group from time to time. The sales commission shall be the difference between the actual selling price of the consigned Property and the total pre-determined minimum price of the relevant consigned Property after deduction of the taxes payable in accordance with the relevant national tax policies of the PRC.

If any member of Mr. Tian Associates is the recipient of the purchase money (i.e. the consideration paid by a buyer for the Property), the refund of the Security Deposit and sales commission shall be paid on a quarterly basis, with Mr. Tian Associates paying the Group an amount equal to or not less than 80% of the amount of the purchase money received in that quarter, which includes the refund of the Security Deposit and the Group’s sales commission. Within five (5) days before the end of each quarter, both parties shall check and sign to confirm the collection ratio of the quarter and the Security Deposit to be refunded to the Group and the sales commission to be paid to the Group. The Group shall issue VAT invoices of the corresponding amount and other payment information required by Mr. Tian to Mr. Tian Associates, and Mr. Tian Associates shall pay to the Group the sales commission for the quarter and the refundable Security Deposit within 30 working days after Mr. Tian Associates receive the aforesaid payment information and invoices. The remaining 20% will be refunded after the sale of all Properties subject to such agreement or the expiry of the term of such agreement, whichever is earlier. With respect to each of the relevant individual property agency agreements, after the sale of all Properties subject to such agreement or the expiry of the term of such agreement, whichever is earlier, Mr. Tian Associates and the Group shall calculate the balance of the Security Deposit and commission outstanding. Mr. Tian Associates shall, within 30 working days after the receipt of the relevant invoice and information, settle the outstanding commission and the remaining balance of the Security Deposit. The term of each individual property agency agreement shall not be more than one year. The Group will give written notice upon the expiration of the individual property agency agreement.

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If the Group is the recipient of the purchase money, the Group shall keep the entire purchase amount and Mr. Tian Associates are not required to return the Security Deposit and pay the sales commission to the Group. After Mr. Tian Associates receive all the purchase price of the Properties or after the expiration of the term of the individual property agency agreement, the parties shall settle the remaining Security Deposit and the commission payable to the Group and sign to confirm the settlement, and the Group shall issue a VAT invoice of the corresponding amount to Mr. Tian Associates as well as other payment information required by Mr. Tian Associates, and Mr. Tian Associates shall pay the remaining sales commission payable to the Group within 30 working days after Mr. Tian Associates receive the aforesaid payment information and invoice.

If the Group is unable to identify the buyers upon the expiration of the individual property agency agreement (which shall not be more than one year), the Security Deposit will be refunded by Mr. Tian Associate. Security Deposits will be refunded within 30 working days after Mr. Tian Associates received the written notice from the Group upon the expiration of the individual property agency agreement.

After the expiration of the term of an individual property agency agreement, if both parties agree to extend the term, the parties shall negotiate and agree separately and sign a new individual property agency agreement.

If a prospective buyer chooses not to complete the transaction after signing a sale and purchase agreement, the deposit paid by the prospective buyer shall be forfeited in accordance with the terms and conditions of the sale and purchase agreement and shall revert to Mr. Tian Associates. Forfeiture of such deposit is based on normal market practice and it will not affect the amount of the Security Deposit to be refunded to the Group. In the event that the Group is unable to dispose of the relevant Property under the said sale and purchase agreement and complete the proposed transaction during the entrustment period, Mr. Tian Associates shall be entitled to deduct directly from any fees payable to the Group which has been paid to the Group under the aforesaid sale and purchase agreement. If there is no amount payable to the Group by Mr. Tian Associates at that time, the Group will refund the relevant sales commission to Mr. Tian Associates within five (5) working days upon receipt of written notice from Mr. Tian Associates.

Mr. Tian Associates shall not sell the Properties on its own or entrust another third party to sell the Properties in any form, nor shall the Properties be used for work credit purposes again.

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The predetermined minimum prices of the Properties are determined on the basis of, among other things, (a) the number of Properties involved and the location of the relevant Properties; (b) the business atmosphere of the relevant Properties in relation to the surrounding area; (c) the demand and supply of similar properties adjacent to the projects; (d) the prices of the Properties in past transactions in the same projects; (e) the prices of the Properties in past transactions adjacent to the projects; and/or (f) the marketing costs to be incurred for the sale of the relevant Properties. The payment terms of the Exclusive Property Sales Agency Services shall be on normal commercial terms, fair and reasonable and no less favourable than transactions with independent third parties.

Term

The term of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement will be from 1 January 2024 to 31 December 2026.

Review of the principal terms

Primarily, we have reviewed the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and we noted that the pricing and other principal terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement continue to follow those of the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement.

Based on our discussion of the Management, we understand that during the course of assessing the terms of the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement, the Management has considered similar arrangements of other comparable property management companies in the PRC (the “**PRC PM Companies**”). We have obtained from the Management and reviewed the list of the PRC PM Companies, we noted that the list of PRC PM Companies was mainly based on property management companies in the PRC listed on the Stock Exchange or were the then listing applicants of the Stock Exchange as at the date of the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement. The Management has reviewed the relevant annual reports, prospectuses and/or application proofs of the PRC PM Companies and identified those which have entered into similar continuing connected transactions that involved the payment of refundable deposits which are comparable to those of the exclusive sales agents’ services as contemplated under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement. We noted that the transactions contemplated under the list of PRC PM Companies are in line with the Comparable Transactions (as defined below) with similar features including but not limited to (a) the nature of services provided; (b) the requirement of security deposits; (c) the pricing terms and mechanism; and (d) the range of commission fees charged.

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In assessing the fairness and reasonableness of the key terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, including the nature of services provided, the requirement of security deposits, the pricing terms and mechanism, we have conducted an independent work by researching on the website of Stock Exchange and Bloomberg, using our best endeavours, we have identified a list of recent comparable transactions (the “**Comparable Transactions**”) that involved payment of refundable deposits in respect of the exclusive sales agency rights for parking spaces announced by property management companies which are listed on the Main Board of the Stock Exchange with a market capitalisation over HK\$100.0 million under the industry of “Real Estate Services” as classified by the Bloomberg Industry Classification System and with country of domicile in the PRC. Based on the best of our knowledge and ability and as far as we are aware, we have identified an exhaustive list of seven (7) Comparable Transactions, which met the said criteria and was initially announced approximately 12 months prior to the date of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement. Details of the Comparable Transactions are set out in “Table 5: Analysis of the Comparable Transactions” below.

Independent Shareholders should note that the market capitalisation, profitability, growth prospects and financial positions of the companies undertaking the Comparable Transactions may not be the same as those of the Company, and we have not conducted any in-depth investigation into their respective businesses and operations. However, the Comparable Transactions can still provide a general reference of the key terms for continuing connected transactions similar to those of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement undertaken by listed companies in Hong Kong principally engaged in the property management industry. We therefore consider the Comparable Transactions to be fair and indicative in assessing the fairness and reasonableness of the key terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement.

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Table 5: Analysis of the Comparable Transactions

Company Name (stock code)	Market capitalisation as at the date of the Announcement (HK\$'million)	Secured by collateral	Announcement date	Base price of the parking lots	Deposit rate	Payment in lump sum	Connected transaction
S-Enjoy Service Group Co., Limited (1755) ("S-Enjoy")	3,433.0	No	21 April 2023	Base price is the pre-determined acceptable lowest sales price	100% of the base price	No	Yes
Times Neighborhood Holdings Limited (9928)	561.8	No	21 March 2023	Not available	Not available	Yes	Yes
Shimao Services Holdings Limited (873) ("Shimao Services")	3,159.3	No	6 December 2022	Minimum acceptable sale price agreed upon by both parties	Not more than 35% of the base price	No (<i>Note 1</i>)	Yes
Ronshine Service Holding Co., Limited (2207)	477.6	No	23 November 2022	Approximately 65% of the agreed market price	15% of the agreed market value	Yes	Yes
Poly Property Services Co Limited (6049)	4,768.7	No	16 November 2022	Minimum price to be charged for the sales and leasing price.	Not more than 50% of the base price	Yes	Yes
Roiserv Lifestyle Services Co Limited (2146) ("Roiserv Lifestyle")	188.9	No	15 November 2022	Approximately 70% to 80% of the agreed market value	100% of the base price	No (<i>Note 2</i>)	No
Sino-Ocean Service Holding Limited (6677)	982.7	No	14 October 2022	Minimum price to be charged for the sale	Not more than 50% of the base price	Yes	Yes
The Company	182.8	No	13 October 2023	Base price is the pre-determined minimum price	100% of the pre- determined minimum price	Yes	Yes

Source: the website of the Stock Exchange and Bloomberg

Notes:

1. As stated in the announcement of Shimao Services dated 6 December 2022, Shimao Services group shall pay deposits in accordance with the individual agreements for the exclusive rights to sell the respective carpark spaces.
2. As disclosed in the announcement of Roiserv Lifestyle dated 15 November 2022, Roiserv Lifestyle paid the initial performance deposit of RMB500,000,000 on June 2022 and the remaining performance deposit of RMB114,700,000 on 1 July 2022.

As shown in table 3 above, in connection to the base price of the parking lots among the Comparable Transactions, two (2) out of seven (7) Comparable Transactions have adopted a fixed or to apply certain percentage points onto an agreed market value to determine the base price for the parking lots, which is ranging from not more than 65% to 80%. The base price of the remaining five (5) Comparable Transactions has all adopted a pre-determined or a mutually acceptable minimum price for sale or leasing on the relevant parking lots. Accordingly, by setting the base price as the pre-determined acceptable

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lowest sales price as stipulated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement is in line with those under the majority of the Comparable Transactions and is justifiable.

Pursuant to the deposit rate of the parking lots adopted by the Comparable Transactions, we noted that one (1) out of seven (7) transactions would make reference to the market value of the parking lots and to apply a certain percentage (i.e. 15.0%) onto the market value. Whereas six (6) out of seven (7) Comparable Transactions have adopted a deposit rate based on a certain percentage to the base price of the parking lots, such range is ranging from not more than 35% to 100% on the base price of the parking lots, among those six (6) Comparable Transactions, two (2) of which, namely Roiserv Lifestyle and S-Enjoy have also set the respective deposit rate as 100% of their base price. Accordingly, the Security Deposit being equal to the pre-determined minimum prices for the Properties is justifiable and in line with the market practice as set out under the Comparable Transactions.

With respect to the payment terms of the Security Deposits, it is noted that the majority of the Comparable Transactions (i.e. four (4) out of seven (7)) did not specifically state that the refundable deposits would not be settled in a lump sum payment in the payment terms section of their respective announcements, which is reasonable to view those refundable deposits of the Comparable Transactions are settled in a lump sum payment since no specific disclosure has been made otherwise. Taking into account the majority of the Comparable Transactions are having similar payment terms as the Security Deposits (i.e. to be settled in a lump sum payment), we are of the view that the payment terms as stipulated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are no less favourable to the Group than those available according to the market practice.

Based on the relevant announcements of the Comparable Transactions, no information set out therein has indicated that the refundable deposits shall be secured by any collateral. Accordingly, having considered none of the Comparable Transactions indicated that the relevant refundable deposits are secured by collateral, we consider that the collateral-free arrangement under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement is in line with normal market practice, and is fair and reasonable.

Based on the above, we concur with the Management that the pricing and other terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are fair and reasonable and on normal commercial terms.

Historical actual transaction amount

As stated in the Letter from the Board, the table below sets out: (i) the historical actual transaction amounts of the Security Deposits paid by the Group to Mr. Tian Associates under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement for FY2021, FY2022 and 1H2023; (ii) the annual caps for each of FY2021, FY2022 and FY2023 in respect of the Security Deposits paid by the Group to Mr. Tian Associates under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement; and (iii)

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the respective utilisation rate of the annual caps for each of FY2021, FY2022 and FY2023 in respect of the Security Deposits paid by the Group to Mr. Tian Associates under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement.

Table 6: The annual caps and the historical actual transaction amounts under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement for FY2021, FY2022 and FY2023

	FY2021 <i>RMB'million</i> (approx.)	FY2022 <i>RMB'million</i> (approx.)	FY2023 <i>RMB'million</i> (approx.)
Historical transaction amounts	90.0	163.0	163.0 (up to 1H2023)
Approved annual caps	98.0	183.0	163.0
Utilisation rates	91.8%	89.1%	100.0%

As illustrated above, the historical actual transaction amount of the Security Deposits paid by the Group to Mr. Tian Associates increased by approximately 81.1% from approximately RMB90.0 million for FY2021 to approximately RMB163.0 million for FY2022 and maintained at the same amount for 1H2023. We noted that the utilisation rates of the Security Deposit for the historical annual caps for FY2021, FY2022 and FY2023 are considerably high in general, representing approximately 91.8%, 89.1% and 100.0% (i.e. fully utilised) respectively.

As stated in the Letter from the Board, the following table sets out the proposed annual caps for the Security Deposits payable by the Group to Mr. Tian Associates under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement for each of the FY2024, FY2025 and FY2026.

Table 7: The proposed annual caps for the Security Deposits under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement for FY2024, FY2025 and FY2026

	FY2024 <i>RMB'million</i>	FY2025 <i>RMB'million</i>	FY2026 <i>RMB'million</i>
Proposed annual caps	120.0	80.0	50.0

Basis of determining the proposed annual caps of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement

As stated in the Letter from the Board, the annual caps of the Security Deposits are determined after having considered, among others, (i) historical amount of Exclusive Property Sales Agency Services required, and (ii) the estimated future demand of the Group for FY2024, FY2025 and FY2026.

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As stated in the Letter from the Board, based on normal market practice, the Security Deposit is not secured by the collateral. However, the proposed annual cap is reduced year over year from 2024, reflecting the Company's conservative judgment of the market. Based on historical transaction records, save for the Security Deposits which have not been due for refund, Mr. Tian Associates have refunded all Security Deposits previously paid. The Company will continue to be selective in the choice of the Properties under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and maximise the chance of sale of such Properties. The Company considers that the above arrangement is fair and reasonable to the Company and its shareholders.

Caps Computation

In assessing the reasonableness of the proposed annual caps of the Security Deposits under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, we have discussed with the Management on the basis and underlying assumptions for the purpose of setting the proposed annual caps of the Security Deposits. We have also obtained and reviewed from the Caps Computation, which is mainly based on the estimated transaction amount (excluding tax) of: (a) the existing projects on hand as at 30 June 2023; (b) the secured projects as at 30 June 2023; and (c) the prospective projects expected to commence during FY2024. We noted that the Project Schedule has stated the project details including but not limited to: (i) the number of Properties expected to appoint the Group as the sales agent; (ii) the name of the relevant counterparty; (iii) the project code of the relevant project such as the name of the residential property or office buildings with the respective located city, province or address; and (iv) the service fee received as at 30 June 2023 and the service fee expected to receive in FY2024, FY2025 and FY2026. In regards to the basis for determining the proposed annual caps for the Security Deposits, we analyse each basis as follows:

- (i) as abovementioned under "Table 6: The annual caps and the historical actual transaction amounts under the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement for FY2021, FY2022 and FY2023", we noted that the historical actual transaction amounts increased by approximately 81.1% from FY2021 to FY2022 and maintained on the same amount for 1H2023, which indicated that the annual cap for FY2023 was fully utilised already as at 30 June 2023. Based on our review on the Caps Computation, we understand that the proposed annual caps for the Security Deposits for the Properties is the multiple of the GFA to be sold by the Group and the pre-determined minimum price per sq. m. of the Properties. We noted from the Project Schedule that the pre-determined minimum prices of the Properties were determined by making reference to the minimum price factors which include, among others, the past transacted prices of the properties in the same comparable projects. The estimated retail prices of the Properties would then minus a relevant discount (i.e. because the pre-determined minimum prices would represent a significant discount to the market price with the minimum margin of 20.0%) to arrive at the pre-determined minimum prices of the Properties; and

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- (ii) in connection with the estimated revenue in respect of existing contracts entered into between the Group and Mr. Tian Associates, we have also obtained and reviewed five (5) sample contracts under the secured projects for each of FY2021, FY2022 and 1H2023 respectively of the Project Schedule. The samples were selected on a random basis taking into consideration the size of the contract and that the contracts were entered into for type of property services in different period during FY2021, FY2022 and 1H2023. Therefore, we consider the samples are sufficient, representative and qualified to justify the basis adopted in calculating the estimated revenue.

Having considered the basis on which the proposed annual caps of the Security Deposits are determined as described above, we are of the view that such proposed annual caps is fair and reasonable so far as the independent Shareholders are concerned.

4. Internal control procedures and review of the Continuing Connected Transactions

As stated in the Letter from the Board, to ensure individual property services agreements under the 2023 CCT Agreements will be entered into on normal commercial terms, the Group has adopted the following measures (the “**IC Procedures**”):

- (1) The pricing policy will be supervised and monitored by the management of the Group in charge to ensure that the continuing connected transactions of the Company (including the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement) are conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole.
- (2) The management of the Group will also conduct regular checks to review and assess whether the transactions contemplated under each of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement are conducted in accordance with their respective terms and in accordance with the aforesaid pricing policy.
- (3) To ensure individual property agency agreements will be entered into on normal commercial terms and in accordance with the terms of the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, the Group has adopted the following measures:
 - (i) the general managers of the relevant business units and operations divisions of the Company’s local subsidiaries in which the relevant properties are situated (the “**General Managers**”) will be responsible for negotiating with Mr. Tian Associates for the purpose of entering into the individual property agency agreements;

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- (ii) in respect of each potential property project, the General Managers will conduct market research and feasibility studies to evaluate its potential risk and return including its marketability;
- (iii) the General Managers will negotiate with Mr. Tian Associates and determine the pre-determined minimum prices of the relevant properties on an arm's length basis based on the following factors, including but not limited to (a) the number of properties involved and the location of the relevant properties; (b) the supply and demand of similar properties in the vicinity of the project; and (c) the recent transacted prices or asking prices of similar properties in the vicinity of the project, to ensure that the Group has a reasonable profit margin;
- (iv) the General Managers will submit the feasibility studies, the terms of the individual property agency agreement (including the pre-determined minimum prices of the relevant properties that subject to sale under such agreement) and the independent valuation of the relevant properties to the Finance Department of the Group and an executive Director for review and approval; and
- (v) the Finance Department of the Group will monitor the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and submit quarterly reports to the Board overseeing finance-related matters to ensure that the annual caps for the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement will not be exceeded.
- (vi) In addition, the following additional safeguards are in place to ensure the risk of the Group's deposits to be placed with Mr. Tian Associates is properly mitigated with:
 - (a) prior to entering into any individual property agency agreement with Mr. Tian Associates, each of Mr. Tian Associates shall provide the Group with the latest consolidated financial statements and the Finance Department of the Group shall perform the following:
 - i. conduct financial analysis on the latest consolidated financial statement of Mr. Tian Associates to assess the repayment ability and credibility of them;
 - ii. perform background search on the internet to identify any material adverse events and/or credit defaults in relation to Mr. Tian Associates; and
 - iii. obtain the credit history reports of Mr. Tian Associates (if available);
 - (b) each of Mr. Tian Associates shall provide the Group with the following information on a quarterly basis for the purpose of assessing their respective credit risk:

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- i. the quarterly reports of the Group's deposits;
 - ii. the latest consolidated cash and deposit balance;
 - iii. the latest consolidated financial statements; and
 - iv. the latest credit reports issued by credit rating companies (if available).
- (c) the Finance Department of the Group will report to the independent non-executive Directors quarterly in respect of the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, including but not limited to the information specified in (b) above; and
- (d) the maximum balances of outstanding deposits placed by the Group to Mr. Tian Associates are subject to the proposed annual caps under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement.
- (4) The audit committee of the Company and the independent non-executive Directors will review all the continuing connected transactions of the Company (including the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement) annually to ensure that they have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and have been carried out pursuant to the terms of such transactions (including the transactions contemplated under the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement), and that such terms are fair and reasonable and in the interests of the Shareholders as a whole.
- (5) The external auditor of the Company will conduct annual review on the continuing connected transactions of the Company to ensure they are in compliance with the Listing Rules.

As part of our due diligence, we have conducted the following work done:

- (i) obtained and reviewed the internal control guidelines in relation to connected transactions of the Group (the "**IC Guidelines**") and noted that the abovementioned IC Procedures are broadly in line with the principles set out in the IC Guidelines;
- (ii) selected randomly and reviewed five (5) sample contracts during FY2021, FY2022 and FY2023 (the "**Review Period**") under each of (i) the provision of Properties Services and Properties Consulting Services to Landsea Green Management Group; (ii) the provision of Properties Services and Properties

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Consulting Services to Mr. Tian Associates; and (iii) the provision of Exclusive Property Sales Agency Services to Mr. Tian Associates (the “**CCT Samples**”), represented a total of 15 CCT Samples which covered each of the services provided under the Continuing Connected Transactions; and

- (iii) obtained and reviewed three (3) sample contracts during the Review Period involving the provision of similar properties services and properties consulting services by the Group to the independent third parties, and one (1) sample contract during the Review Period involving the provision of similar exclusive property sales agency services to the independent third parties (the “**Independent Samples**”), represented a total of four (4) Independent Samples.

According to the IC Procedures, we note that there are sufficient oversights across different levels of the Company. Specifically, at the execution level, the frontline General Managers will conduct market research and feasibility studies to evaluate its potential risk and return including its marketability. He/she will also be negotiating with Mr. Tian Associates on determining the pre-determined minimum prices of the relevant properties on an arm’s length basis. The reports of the market research and feasibility studies conducted by the General Managers will be subject to the review and approval of the senior management of the Group. The Finance Department of the Group will monitor the utilisation of the Annual Caps to ensure they will not be exceeded. At the Board level, the continuing connected transactions contemplated under the 2023 CCT Agreements will be supervised, monitored and regularly checked by the Management of the Group, and such transactions will also be subject to annual review by the independent non-executive Directors and the audit committee of the Company. At the expert level, the external auditor of the Company will conduct annual reviews on the continuing connected transactions of the Company on an annual basis.

For the additional safeguards, we note that there are sufficient risk assessments before entering into connected transactions of the Group with Mr. Tian Associates and risk management after the entering into of the connected transactions of the Group with Mr. Tian Associates. Prior to the entering into any individual property agency agreement with Mr. Tian Associates, the Finance Department of the Group will perform risk assessment by conducting financial analysis and background search on Mr. Tian’s Associates to assess the repayment ability and credibility of them and to identify any material adverse events and/or credit defaults in relation to them. After the entering into of the connected transactions of the Group, each of Mr. Tian’s Associates will provide the Group with financial information, in particular, the latest consolidated cash and deposit balance on a quarterly basis for the purpose of assessing their respective credit risk. Further, the Finance Department of the Group will report to the independent non-executive Directors on a quarterly basis in respect of the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement. Further, the credit history reports of Mr. Tian’s Associates will facilitate the mitigation of risk of the Group’s deposits to be placed with Mr. Tian’s Associates.

For our due diligence purpose, we have also discussed with Management and understood that, (i) the Management is aware of the IC Procedures and the additional safeguards, (ii) the Group will comply with IC Procedures and the additional safeguards prior to entering into any individual property services agreement under the 2023 CCT Agreements, and (iii) the internal

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evaluation and approval procedures adopted for the CCT Samples and the Independent Samples were also in line with the IC Procedures and the payment terms of the CCT Samples were no less favourable to the Group than those in the Independent Samples.

Given (i) the existence of such three layers (i.e. execution level, Board level and expert level) of the IC Procedures in place; (ii) the Management is aware of the IC Procedures and the additional safeguards and will comply with the IC Procedures and the additional safeguards when conducting the transactions contemplated under the 2023 CCT Agreements, and (iii) the payment terms of the CCT Samples were no less favourable to the Group than those in the Independent Samples in accordance with our due diligence work, we are of the view that the Company has adopted adequate internal control measures to comply with the Listing Rules requirements with respect to (a) the supervision and monitoring of the Annual Caps; and (b) ensuring that the relevant continuing connected transactions will be conducted in accordance with the pricing policies set out in the 2023 CCT Agreements.

Review by the external auditors and the independent non-executive Directors

Pursuant to Rule 14A.56 of the Listing Rules, the Company must engage its external auditors to review the continuing connected transactions annually to check and confirm, among others, whether the pricing terms have been adhered to and whether the relevant caps have been exceeded. With reference to the 2022 Annual Report and the independent auditor's assurance report on continuing connected transactions which we obtained from the Company, the Company had engaged PricewaterhouseCoopers, the independent auditors of the Company (the "**Auditors**") to report on the continuing connected transactions in relation to the 2020 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2021 Mr. Tian Properties Services and Properties Consulting Agreement and the 2021 Mr. Tian Exclusive Property Sales Agency Services Agreement (the "**Historical Transactions**") in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. We have obtained and reviewed the report issued by the Auditors for FY2022 and note that the Auditors have concluded that nothing had come to their attention that caused them to believe that:

- (i) the Historical Transactions have not been approved by the Board;
- (ii) the Historical Transactions were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group;
- (iii) the Historical Transactions were not entered into, in all material respects, in accordance with the relevant agreements governing the Historical Transactions; and
- (iv) the Historical Transactions have exceeded the relevant cap amounts during FY2022 as set by the Company.

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Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors must review annually the continuing connected transactions and confirm in the Company's annual report whether the continuing connected transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole. We have obtained and reviewed such confirmation duly executed by the independent non-executive Directors and also noted the independent non-executive Directors have issued such confirmation in respect of the Historical Transactions in the 2022 Annual Report.

Based on the above, we are of the view that the implementation of the above internal control procedures can ensure that the pricing terms of the Continuing Connected Transactions can be on normal commercial terms, fair and reasonable, and in particular, on terms that are no less favourable to the Group than those offered to the independent third party customers and that the Continuing Connected Transactions can be conducted as agreed in the 2023 CCT Agreements and in compliance with Chapter 14A of the Listing Rules.

OPINION AND RECOMMENDATION

Having considered the abovementioned principal factors and reasons, we are of the view that (i) the terms of the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the Continuing Connected Transactions are on normal commercial terms and fair and reasonable; and (ii) the Continuing Connected Transactions are entered into in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to recommend, and we ourselves recommend, the independent Shareholders to vote in favour of the relevant resolutions approving the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement, the 2023 Mr. Tian Properties Services and Properties Consulting Agreement and the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement and the Continuing Connected Transactions and the related annual caps at the EGM.

Yours faithfully,
For and on behalf of
Opus Capital Limited
Cheung On Kit Andrew
Executive Director

Mr. Cheung On Kit Andrew is an Executive Director of Opus Capital and is licensed under the SFO as a Responsible Officer to conduct Type 6 (advising on corporate finance) regulated activity. Mr. Cheung has over 15 years of corporate finance experience in Asia Pacific and has participated in and completed various financial advisory and independent financial advisory engagements.

* *English name for identification purposes only.*

1. FINANCIAL INFORMATION OF THE GROUP

The consolidated financial information of the Group for the year ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023 are disclosed in the following documents which have been published on the respective websites of the Stock Exchange(www.hkexnews.hk) and the Company (<https://www.landseawy.com/>) and are incorporated by reference into this circular:

- Interim report of the Company for the six months ended 30 June 2023 published on 22 September 2023 (pages 33 to 84)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0922/2023092200468.pdf>
- Annual report of the Company for the year ended 31 December 2022 published on 27 April 2023 (pages 135 to 272):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042701433.pdf>
- Annual report of the Company for the year ended 31 December 2021 published on 27 April 2022 (pages 119 to 236):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0427/2022042701585.pdf>
- the prospectus of the Company dated 25 June 2021 for the year ended 31 December 2020 (pages 300 to 376)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0625/2021062500057.pdf>

2. INDEBTEDNESS

As at the close of business on 31 October 2023, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had lease liabilities of approximately RMB1,330,098.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal payables and accruals in the ordinary course of business, the Group did not have any bank overdrafts or loans, or other similar indebtedness, guarantees, material capital commitment or other material contingent liabilities outstanding as at the close of business on 31 October 2023.

3. SUFFICIENCY OF WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present available bank balances and the internally generated resources of the Group as well as the effect of the transactions contemplated under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, the Directors are of the opinion that the Group has sufficient working capital for its requirements within the next 12 months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

Looking forward to 2023, the property management industry will retrieve the development path of giving priority to service quality, while continuing to stretch its scope of service by extending to different types of services to maintain steady development. With the adjustment of the epidemic control policies, the consumption level and desires of residents remain scaling-up. In addition, in terms of reaching the goal of “carbon peaking and carbon neutrality”, it is possible for property management enterprises, as an important vehicle for urban governance, to become a crucial force for low-carbon transformation and sustainable development of the society.

The Group will continue to accelerate its transformation and upgrading toward a life service platform. Therefore, the Group will adhere to the customer-oriented approach for improvement on operation quality. Business development on community life service will be accelerated with the Group’s own resource and intelligence, when non-residential and urban service areas will be vigorously explored to promote quality scale growth. Digital transformation will be strengthened and speeded up for enriching customer service experience and enhancing corporate operation efficiency, in order to facilitate the implementation of diversified service areas.

In 2022, performance of the Group deteriorated as affected by the external environment, while the Group shall strive to achieve substantial improvement in its results in 2023. In response to the implementation of the national goal of carbon peaking and carbon neutrality, the Group plans to achieve the goal of carbon neutrality in scope 1 of the “Carbon Neutrality Roadmap of Landsea Group (本集團碳中和路線圖)” by 2023 through green energy-saving transformation in office space, increasing usage of renewable energy for electricity, and energy conservation and emission reduction in terms of eco-offices and employee behaviour.

6. FINANCIAL EFFECT OF THE MAJOR TRANSACTION ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

The potential major transaction, namely the provision of Security Deposit under the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement, does not and the Group expects that it will not have material impact on the earnings, net asset value and liabilities of the Group.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in Shares, underlying Shares and debentures

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to in such provisions of the SFO; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules to be notified to the Company and the Stock Exchange:

Name	Capacity/ Nature of interest	Number of Shares held	Approximate percentage in total number of issued Shares
Mr. Tian	Interest of controlled corporations	165,137,165 (Note)	40.20%

Notes: These include (i) 95,620,820 Shares held through Honor Limited; (ii) 23,998,345 Shares held through Green Sailing (PTC) Limited, a wholly-owned subsidiary of Honor Limited; (iii) 202,000 Shares held through Easycorps Group Limited (“**Easycorps**”); (iv) 4,316,000 Shares held through Greensheid Corporation (“**Greensheid**”) and (v) 41,000,000 Shares held through Tian Family Investment Pte. Ltd. (“**Tian Family Investment**”). Mr. Tian is the sole and legal beneficial owner of Honor Limited. Greensheid is wholly-owned by Landsea International Holdings Limited, which is in turn wholly-owned by Landsea Group Co., Ltd. (“**Landsea Group**”). Landsea Group is owned as to 34.15% by Nanjing Ding Chong Investment Management Consultants Ltd. (“**Nanjing Ding Chong**”) and 15.85% by Mr. Tian. Nanjing Ding Chong is a company wholly and beneficially owned by Mr. Tian. Easycorps is a company wholly and beneficially owned by Mr. Tian. Tian Family Investment is wholly-owned by Tian Family Holding Pte. Ltd. which is in turn wholly and beneficially owned by Mr. Tian. Therefore, Mr. Tian is deemed to be interested in these 165,137,165 Shares held by Honor Limited, Green Sailing (PTC) Limited, Easycorps, Greensheid and Tian Family Investment pursuant to the SFO.

(b) Substantial Shareholders' interest and short positions

Save as disclosed below, as at the Latest Practicable Date, the Directors and the chief executive of the Company had not been notified of any other relevant interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein:

Name	Capacity/ Nature of interest	Number of Shares held	Approximate percentage in total number of issued Shares
Ms. Murong Xinyao (<i>Note 1</i>)	Interest of spouse	165,137,165	40.20%
Honor Limited (<i>Note 2</i>)	Beneficial owner and interest in controlled corporation	119,619,165	29.12%
Green Sailing (PTC) Limited (<i>Note 2</i>)	Trustee	23,998,345	5.84%
Tian Family Investment Pte. Ltd. (<i>Note 3</i>)	Beneficial owner	41,000,000	9.98%
Tian Family Holding Pte. Ltd. (<i>Note 3</i>)	Interest in controlled corporation	41,000,000	9.98%
Hong Kong New Tourism Corporation Limited (<i>Note 4</i>)	Beneficial owner	71,575,509	17.42%
南京輕紡產業(集團) 有限公司 (<i>Note 4</i>)	Interest in controlled corporation	71,575,509	17.42%
南京新工投資集團有限責任公司 (<i>Note 4</i>)	Interest in controlled corporation	71,575,509	17.42%
State-owned Assets Supervision and Administration Commission of Nanjing Municipal Government (<i>Note 4</i>)	Interest in controlled corporation	71,575,509	17.42%
Mr. Lin Jinfeng	Beneficial owner	43,735,222	10.65%
Mr. Lin Bofeng	Beneficial owner	32,318,647	7.87%
Mr. Chen Huaijun (<i>Note 5</i>)	Beneficial owner and interest in controlled corporation	30,501,000	7.43%
Lucky Front Investments Limited (<i>Note 5</i>)	Beneficial owner	26,801,000	6.52%

Notes:

- (1) Ms. Murong Xinyao is the spouse of Mr. Tian. By virtue of the SFO, Ms. Murong Xinyao is deemed to be interested in the Shares in which Mr. Tian is interested.
- (2) These include (i) 95,620,820 Shares held through Honor Limited; and (ii) 23,998,345 Shares held through Green Sailing (PTC) Limited. Green Sailing (PTC) Limited acts as the trustee of the Green Life Trust, which is set up for the purpose of a share incentive scheme to be adopted at least six months after Listing, and is wholly owned by Honor Limited. By virtue of the SFO, Honor Limited is deemed to be interested in the Shares in which Green Sailing (PTC) Limited is interested.
- (3) Tian Family Investment Pte. Ltd. is wholly owned by Tian Family Holding Pte. Ltd.. By virtue of the SFO, Tian Family Holding Pte. Ltd. is deemed to be interested in the Shares in which Tian Family Investment Pte. Ltd. is interested.
- (4) Hong Kong New Tourism Corporation Limited is wholly owned by 南京輕紡產業(集團)有限公司. 南京輕紡產業(集團)有限公司 is wholly owned by 南京新工投資集團有限責任公司 which is in turn held as to 90.79% by the State-owned Assets Supervision and Administration Commission of Nanjing Municipal Government (“**Nanjing SASAC**”). By virtue of the SFO, each of 南京輕紡產業(集團)有限公司, 南京新工投資集團有限責任公司 and Nanjing SASAC is deemed to be interested in the Shares in which Hong Kong New Tourism Corporation Limited is interested.
- (5) These include (i) 26,801,000 Shares held through Lucky Front Investments Limited, a company wholly-owned by Mr. Chen Huaijun; and (ii) 3,700,000 Shares held by Mr. Chen Huaijun. By virtue of the SFO, Mr. Chen Huaijun is deemed to be interested in the Shares in which Lucky Front Investments Limited is interested.

3. DIRECTORS’ EMPLOYMENT WITH SUBSTANTIAL SHAREHOLDER

As at the Latest Practicable Date, Mr. Tian Ming is a director of Honor Limited, Green Sailing (PTC) Limited, Tian Family Investment Pte. Ltd. and Tian Family Holding Pte. Ltd.. Save for the foregoing, none of the Directors is a director or employee of a company which has interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS’ COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors nor their respective close associates is and was interested in any business (other than the Group’s business) which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

5. DIRECTORS’ INTERESTS IN ASSETS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors had any interest, either directly or indirectly, in any assets which has since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Group were made up), up to the Latest Practicable Date, been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

6. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

7. DIRECTORS' INTERESTS IN CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which is significant in relation to the businesses of any member of the Group.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Company were made up.

9. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance to the Group, and no litigation, arbitration or claim of material importance to the Group was pending or threatened against any member of the Group.

10. MATERIAL CONTRACTS

In the two years immediately preceding the date of this circular and up to the Latest Practicable Date, the following material contracts, not being contracts entered into in the ordinary course of business, were entered into by the Group:

- (a) the share transfer agreement dated 30 December 2021 entered into among Southern Land International Company Limited ("**Southern Land**"), Lucky Front Investments Limited ("**Lucky Front**"), Dream Seeker International limited and Anhui Xindi Ruiyi Property Services Co., Ltd.* (安徽新地銳意物業服務有限公司) in relation to the acquisition of 100 ordinary shares of Dream Seeker International limited by Southern Land from Lucky Front for an initial cash consideration of RMB106,937,500 (subject to adjustment);

- (b) the equity transfer agreement dated 16 December 2022 entered into among Langhong (Nanjing) Corporate Management Limited* (朗鴻(南京)企業管理有限公司) (“**Langhong (Nanjing)**”), Nanjing Langjun Commercial Management Limited* (南京朗郡商業管理有限公司) (“**Nanjing Langjun**”), Huge Wealth Group Limited (濠旺集團有限公司) (“**Huge Wealth**”) and Beihai Langrun Commercial Management Limited* (北海朗潤商業管理有限公司) (“**Beihai Langrun**”), in relation to the acquisition of 99% and 1% equity interests in Beihai Langrun by Langhong (Nanjing) from Nanjing Langjun and Huge Wealth, respectively, at a total consideration of RMB201,700,000; and
- (c) the supplemental agreement dated 24 February 2023 entered into among Langhong (Nanjing), Nanjing Langjun, Huge Wealth and Beihai Langrun, in relation to the disposal of 100% equity interests in Shanghai Liansheng Zhichuang Management Consulting Co., Ltd.* (上海聯勝致創管理諮詢有限公司) by Langhong (Nanjing) to Nanjing Langjun at the consideration of RMB197,000,000.

11. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given opinion contained in this circular:

Name	Qualifications
Opus Capital	a corporation licensed to conduct Type 6 (Advising on Corporate Finance) regulated activity under the SFO

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which they respectively appeared.

The letter and recommendation given by the above expert are given as at the date of this circular for incorporation herein.

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any assets which had been acquired, disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, since 31 December 2022, the date to which the latest audited financial statements of the Group was made up; and had no shareholding, directly or indirectly, in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

12. GENERAL

- (a) The registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The headquarters and principal place of business of the Company in the PRC is 10–11/F, 98 Jianye Road, Qinhuai District, Nanjing, Jiangsu Province PRC, 210004.
- (c) The principal place of business of the Company in Hong Kong is at Room 407, 8 Queen’s Road East, Wan Chai, Hong Kong.
- (d) Mr. Liu Chao, is the executive Director, vice president in charge of operations and the board secretary of the Company, company secretary and authorised representative of the Company. Mr. Liu became a certified member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in December 2014, an associate member of the Association of International Accountants (國際會計師工會) in October 2015, a member of the Hong Kong Institute of Certified Public Accountants in October 2017 and an affiliated person of The Hong Kong Institute of Chartered Secretaries in March 2018.
- (e) The Cayman Islands principal share registrar and transfer office of the Company is Conyers Trust Company (Cayman) Limited, at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (f) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (g) This circular is prepared in both English and Chinese. In the event of inconsistency, English text shall prevail over its Chinese text unless otherwise specified.

13. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (<https://en.landseawy.com/>) for a period of 14 days from the date of this circular (both days inclusive):

- (a) the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement;
- (b) the 2023 Mr. Tian Properties Services and Properties Consulting Agreement;
- (c) the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement; and
- (d) the written consent from Opus Capital referred to in paragraph 11 of this appendix.

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Landsea Green Life Service Company Limited (the “**Company**”) will be held at Landsea Green Center, Building 5, Lane 280, Linhong Road, Changning District, Shanghai, China on Thursday, 21 December 2023 at 10:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions of the Company:

Unless otherwise defined, capitalised terms used therein shall have the same meanings as those defined in the circular of the Company dated 1 December 2023.

ORDINARY RESOLUTIONS

1. “**THAT** the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement (as defined in the circular of the Company dated 1 December 2023 (the “**Circular**”)) and the transactions and proposed annual caps contemplated thereunder be and are hereby confirmed and approved; and the directors of the Company (the “**Directors**”) be and are hereby authorised to execute such documents and take such action as they deem appropriate to implement and give effect to the 2023 Landsea Green Management Properties Services and Properties Consulting Agreement.”
2. “**THAT** the 2023 Mr. Tian Properties Services and Properties Consulting Agreement (as defined in the Circular) and the transactions and proposed annual caps contemplated thereunder be and are hereby confirmed and approved; and the Directors be and are hereby authorised to execute such documents and take such action as they deem appropriate to implement and give effect to the 2023 Mr. Tian Properties Services and Properties Consulting Agreement.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. “**THAT** the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement (as defined in the Circular) and the transactions and proposed annual caps contemplated thereunder be and are hereby confirmed and approved; and the Directors be and are hereby authorised to execute such documents and take such action as they deem appropriate to implement and give effect to the 2023 Mr. Tian Exclusive Property Sales Agency Services Agreement.”

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

Hong Kong, 1 December 2023

Registered Office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Notes:

1. For the purpose of determining the identity of the shareholders of the Company entitled to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 18 December 2023 to Thursday, 21 December 2023, both days inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 15 December 2023.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll, vote on his/her behalf. A proxy need not be a member of the Company.
3. Where there are joint registered holders of any Share, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such Share as if he/she is solely entitled thereto, but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy together with any power of attorney (if any) or other authority (if any) under which it is signed, or a notorially certified copy thereof, must be deposited at the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding the EGM (or any adjournment thereof).
5. The above resolution will be put to vote at the EGM by way of poll.
6. In order to facilitate the prevention and control of the novel coronavirus pandemic and to safeguard the public health, shareholders of the Company are encouraged to consider appointing the chairman of the EGM as his/her/their proxy to vote on the relevant resolutions, instead of attending the EGM in person.

As at the date of this notice, the Board comprises Ms. Zhou Qin, Mr. Wu Xu and Mr. Liu Chao as executive Directors, Mr. Tian Ming (the Chairman) 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.