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GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03900)

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that on 21 March 2019, it resolved to adopt the Scheme, pursuant to which the Shares to be awarded will be purchased by the Trustee from the open market out of cash contributed by the Group and held on trust for the Selected Employees until such Shares are vested with the relevant Selected Employees in accordance with the provisions of the Scheme.

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

Given that the Scheme does not involve the grant of options over any new Shares of the Company, it does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. The Scheme also does not involve any issue of new Shares by the Company. No Shareholders' approval is required to adopt the Scheme.

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* *For identification purposes only*

SUMMARY OF THE SCHEME RULES

The Board currently expects the major terms and conditions of the Scheme Rules to include the following:

(1) Purpose and Objective

The specific purposes and objectives of the Scheme are to:

- (a) recognise the contributions by certain Employees and to give incentives to them in order to retain them for the continual operation and development of the Group; and
- (b) attract suitable personnel for further development of the Group.

(2) Eligible Persons for the Scheme

The Board may, from time to time, at its absolute discretion select any Employee (excluding the Excluded Employees) for participation in the Scheme as a Selected Employee. However, until so selected, no Employee shall be entitled to participate in the Scheme.

(3) Administration

The Scheme shall be subject to administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed. The Board may act through such committee or such sub-committee or person(s) delegated with the power and authority by the Board to administer the Scheme or any matter in relation thereto. The Trustee shall hold the Shares and the trust fund in accordance with the Scheme Rules and the terms of the Trust Deed.

(4) Scheme Limit

Unless the Trustee and the Board otherwise agree in writing and subject to the requirements under the applicable laws and regulations, the total number of Shares held by the Trustee under the Trust (including the Awarded Shares which remain unvested) shall not exceed 1% of the total number of Shares in issue from time to time.

(5) Operation of the Scheme

The Board may, from time to time, at its absolute discretion, determine the amount of cash to be applied out of the trust fund for the purchase of Shares for the Trust. The Board may, from time to time, at its discretion, cause to be settled or contributed by the Company cash as part of the trust fund as the Board determines appropriate (taking into account the amount determined by the Board to be applied for the purchase of Shares and the amount available in the trust fund).

After the determination by the Board to purchase the Shares for the Trust, the Trustee shall apply the relevant amount of trust fund towards the purchase of the Shares on the market at such price range and volume and during such time period as instructed by the Board having regard to the circumstances of the proposed purchase concerned.

The Board may, from time to time, at its absolute discretion grant an Award to a Selected Employee. After the Board has decided to make a grant of Award to any Selected Employee, the Board shall send a grant notice to such Selected Employee with a copy thereof to the Trustee within five business Days after the date of grant, setting out the details of the Award so granted, the Performance Conditions (if any) and the vesting terms and conditions upon which such Award was granted.

(6) Vesting and Lapse of Awarded Shares

Subject to the terms and conditions of the Scheme, the Board shall have absolute discretion to determine the granting of “good leaver” status and any vesting terms or conditions as it sees fit (including whether to vary the vesting terms or conditions or in respect of some or all of the unvested Awarded Shares and the related income). Unless the Board determines otherwise, it is expected that a Selected Employee who ceases to be an Employee prior to the relevant Vesting Date in respect of an Award granted to such Selected Employee, shall be granted “good leaver” status if such cessation is not due to any breach of the relevant employment or service contract, breach of duties of such Selected Employee or otherwise breach of any applicable laws and regulations.

In the absence of the Board exercising such discretion in relation to variation of vesting terms or conditions, the Awarded Shares and the related income held by the Trustee upon the Trust which are referable to a Selected Employee shall, to the extent the relevant Award has not been the subject of a Partial Lapse or Total Lapse, vest in that Selected Employee (for this purpose, the date or each such date on which the Awarded Shares and the related income are to vest shall be referred to as a “**Vesting Date**”).

In the event of the death of a Selected Employee prior to the vesting of the Awarded Shares and the related income, pursuant to the terms and conditions of the Scheme, the Board has its absolute discretion to determine whether to grant the “good leaver” status and whether such Awarded Shares and the related income shall become vested (whether immediately or not) or fall within Total Lapse or Partial Lapse. The Board shall also have the absolute discretion to determine how any vested Awarded Shares and the related income belonging to a deceased Selected Employee shall be dealt with, including but not limited to transferring some or all of them to the legal personal representatives of the Selected Employee (or forfeiting some or all of them due to legal, regulatory or practical reasons) as and when appropriate.

In respect of an Award:

- (a) if the Selected Employee does not accept the grant thereof in accordance with the terms and conditions of the Scheme;
- (b) if the Board determines that no Awarded Shares shall vest in respect of that Award;

- (c) a Selected Employee ceases to be an Employee prior to the relevant Vesting Date, other than such Selected Employee being a good leaver;
- (d) the subsidiary by which a Selected Employee is employed ceases to be a subsidiary of the Company (or of a member of the Group) prior to the relevant Vesting Date, other than in a case where the Board, in its absolute discretion, determines that the vesting of that Award shall not be affected by the relevant Subsidiary ceasing to be a subsidiary of the Company (or of a member of the Group); or
- (e) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company)

(each of these, an event of “**Total Lapse**”), the Award subject to such Total Lapse shall automatically lapse immediately and all the Awarded Shares and related income of such Award shall not vest on the relevant Vesting Date. In such case, the Selected Employee shall have no claims against the Company or the Trustee in relation to the Total Lapse of such Award.

In the event that, in respect of an Award:

- (a) the Board determines that some (but not all) of the Awarded Shares shall not vest;
or
- (b) the relevant Selected Employee fails to return the duly signed reply slip to the vesting notice to the Board or the vesting documents and/or pay the vesting expenses (as applicable) to the Trustee at least 20 Business Days prior to the Vesting Date (or such later date as the Board and the Trustee may agree) for the relevant Awarded Shares and the related income (whether in the course of ordinary vesting pursuant to the vesting timetable or on such other dates as provided in these rules).

(each of these, an event of “**Partial Lapse**”), the portion of the Awarded Shares that shall not vest thereunder and the relevant part of an Award made to the Selected Employee shall automatically lapse immediately and the relevant Awarded Shares and related income shall not vest on the relevant Vesting Date. In such case, the Selected Employee shall have no claims against the Company or the Trustee in relation to the Partial Lapse of such Award.

(7) Restriction

No settlement or contribution shall be made to the Trust, and no decision or discretion shall be made or exercised as to the grant of an Award, the vesting terms or conditions of an Award, the granting of “good leaver” status or otherwise pursuant to the Scheme and no instructions to deal in any Shares shall be given to the Trustee under the Scheme where any of the aforesaid (as applicable) is prohibited under the Listing Rules, the Securities and Futures Ordinance or other applicable laws from time to time. Where such a prohibition causes a timeline under the Scheme or the Trust Deed to be missed (including without limitation, in respect of any Vesting Date, Total Lapse event, Partial Lapse event or the exercise of any discretion), that timeline shall be treated as extended until as soon as reasonably practicable after the first date on which the prohibition no longer prevents the relevant action or event, or as soon as practicable after a decision has been made as to whether the discretion should or should not be exercised, as the case may be.

(8) Voting Rights

The Board may or may not exercise the voting right in relation to any assets comprised in the trust fund and may instruct the Trustee in writing to appoint a person as the Trustee’s proxy for voting or acting on behalf of the Trustee in relation to any assets comprised in the trust fund, in each case, as and when the Board considers to be appropriate or desirable at its absolute discretion, provided that the Trustee shall have no duty or power to exercise any voting powers in relation to the assets comprised in the trust fund until such instruction is received from the Board.

Each Selected Employees shall have no voting rights in respect of any Shares held under the Trust (including but not limited to the Awarded Shares but other than his/her Awarded Shares that are vested).

(9) Duration and Termination

Subject to any early termination as may be determined by the Board, the Scheme shall be valid and effective for a term of 10 years commencing on the adoption date.

LISTING RULES IMPLICATIONS

Given that the Scheme does not involve the grant of options over any new Shares of the Company, it does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. The Scheme also does not involve any issue of new Shares by the Company. No Shareholders’ approval is required to adopt the Scheme.

DEFINITIONS

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

“Adoption Date”	21 March 2019;
“Award(s)”	award(s) of Shares (together with any related income attributable to such Shares after such award) to Selected Employees under the Scheme, and “Award” means any one of them;
“Awarded Share(s)”	the number of Shares awarded to a Selected Employee pursuant to an Award granted under the Scheme, and “Awarded Share” means any one of them;
“Board”	the board of directors of the Company and for the purpose of the Scheme, it shall include a duly authorised committee or sub-committee or person(s) delegated by the Board to administer the Scheme from time to time;
“Company”	Greentown China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange;
“Directors”	the directors of the Company;
“Employee”	any employee (including without limitation any executive director) of the Company or of any subsidiary;
“Excluded Employee(s)”	any Employee who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or where in the view of the Board compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Employee;
“Group”	the Company and its Subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Partial Lapse”	the occurrence of events or circumstances as set out in relevant Performance Conditions that will cause part (but not all) of the relevant Award not to vest;
“Performance Conditions”	the conditions (if any) set by the Board in relation to an Award, as may be amended by the Board from time to time;
“Scheme”	the share award scheme of the Company adopted by the Board on 21 March 2019, as amended from time to time;
“Scheme Rules”	the rules relating to the Scheme, as amended from time to time;
“Selected Employee(s)”	the Employee(s) selected by the Board for participation in the Scheme;
“Share(s)”	ordinary share(s) in the capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Total Lapse”	the occurrence of events or circumstances as set out in the relevant Performance Conditions that will cause all of the relevant Award not to vest;
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	the trust deed entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in relation to the Scheme;
“Trustee”	a professional trustee or any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed, which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is a third party independent of the listed issuer and connected persons of the listed issuer; and

“Vesting Date”

in respect of a Selected Employee, the date on which his/her entitlement to the Awarded Shares is vest in such Selected Employee in accordance with the Scheme.

By order of the Board
Greentown China Holdings Limited
Fung Ching, Simon
Company Secretary

Hangzhou, the PRC

21 March 2019

As at the date of this announcement, the board of directors of the Company comprises six executive Directors, namely Mr Song Weiping, Mr Liu Wensheng, Mr Zhang Yadong, Mr Li Qingan, Mr Li Yongqian and Mr Li Jun, and four independent non-executive Directors, namely Mr Jia Shenghua, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael and Mr Hui Wan Fai.