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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)

VOLUNTARY ANNOUNCEMENT THE ACQUISITION OF SHARES IN ZHEJIANG QIFENG

THE ACQUISITION

The board (the “**Board**”) of directors (the “**Directors**”) of Greentown China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that on 19 April 2020, Greentown Real Estate Group Company Limited (綠城房地產集團有限公司) (the “**Purchaser**”) (a wholly-owned subsidiary of the Company), Xihu Zhongbao Co., Ltd. (新湖中寶股份有限公司) (the “**Vendor**”, together with its subsidiaries, the “**Vendor Group**”), Zhejiang Qifeng Industrial Co., Ltd.* (浙江啟豐實業有限公司) (the “**Target Company**” or “**Zhejiang Qifeng**”), Shenyang Shenbei Jingu Real Estate Co., Ltd.* (瀋陽沈北金谷置業有限公司) (“**Jingu Real Estate**”), Shenyang Xihu Pearl Real Estate Co., Ltd.* (瀋陽新湖明珠置業有限公司) (together with Jingu Real Estate, the “**Project Companies**”) and Shenyang Xihu Real Estate Development Co., Ltd.* (瀋陽新湖房地產開發有限公司) (“**Shenyang Xihu**”) entered into a share transfer and project cooperation agreement (the “**Agreement**”), pursuant to which the Purchaser agreed to acquire 100% of the total shares of the Target Company (the “**Acquisition**”), for an aggregate amount of RMB378,813,820 payable by the Purchaser to the Vendor in accordance with the Agreement, including a share transfer consideration of RMB186,313,820 and a financial assistance of RMB192,500,000 as loan to be provided by the Purchaser to the Project Companies.

As at the date of the Agreement, each of the Target Company and Shenyang Xihu is ultimately wholly-owned by the Vendor, while the Target Company and Shenyang Xihu own 35% and 65% interest in the Project Companies, respectively. The purpose of the Agreement is mainly to set out the terms of cooperation with the Vendor (indirectly via Shenyang Xihu) for the development of the Project Companies, pursuant to which such parties shall share the benefits and bear the risks of the Project Companies as to 35% by the Purchaser (indirectly via the Target Company) and 65% by the Vendor (indirectly via Shenyang Xihu). The Project Companies currently run three real estate development projects in Shenyang, the PRC.

Subject to satisfaction of the conditions precedent set out in the Agreement, completion of the Acquisition shall take place upon completion of the registration with the relevant governmental authorities of change of shareholder in the Target Company. Upon completion of the Acquisition, the Purchaser (via the Target Company) shall indirectly enjoy and assume 35% of the rights and obligations attributable to the Project Companies.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board considers that the Acquisition will therefore facilitate the Group in indirectly participating in the three real estate development projects that are currently run by the Project Companies (namely (i) the Xianlin Golden Valley project, a project situated in Shenyang, the PRC with a gross floor area of approximately 589,015.07 sqm; (ii) the Xinhua Bay project, a project situated in Shenyang, the PRC with a gross floor area of approximately 187,420.87 sqm; and (iii) the Xinhua Beautiful Island project, a project situated in Shenyang, the PRC with a gross floor area of approximately 292,527.28 sqm), which offers the Group an opportunity to further diversify its property development business in the PRC and to leverage on the Vendor Group's rich development and operation experience in Shenyang, the PRC.

The Vendor is a company established in the PRC with limited liability, whose shares are listed on the Shanghai Stock Exchange (Stock Code: 600208) and is a constituent of CSI300. It is primarily engaged in commerce, property and finance in the PRC. The Group and the Vendor Group endeavour to explore opportunities for business cooperation in different projects from time to time, notably in the PRC real estate sector in the ordinary and usual course of business of the Group. The Group also endeavours to explore further and broader business cooperation with the Vendor Group on various aspects as and when appropriate.

GENERAL

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the counterparties to the Agreement and their respective ultimate beneficial owners are not connected persons of the Company as at the date of the Agreement. Moreover, as none of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") in respect of the Acquisition reaches or exceeds 5%, the Acquisition does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

By order of the Board
Greentown China Holdings Limited
Zhang Yadong
Chairman

Hangzhou, the PRC
19 April 2020

As at the date of this announcement, the Board comprises Mr ZHANG Yadong, Mr LIU Wensheng, Mr GUO Jiafeng, Mr ZHOU Lianying, Mr GENG Zhongqiang and Mr LI Jun as executive directors, Mr Stephen Tin Hoi NG (Mr Andrew On Kiu CHOW as his alternative) as a non-executive director and Mr JIA Shenghua, Mr HUI Wan Fai, Mr QIU Dong and Mr ZHU Yuchen as independent non-executive directors.

* For identification purpose only