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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)**

### **CONNECTED TRANSACTIONS PROVISION OF DECORATION AND INSTALLATION SERVICES**

On 10 January 2025, Greentown Architectural (a wholly-owned subsidiary of the Company) entered into the Decoration and Installation Agreements with CCCG Southeast Engineering. Pursuant to the Decoration and Installation Agreements, Greentown Architectural agreed to provide CCCG Southeast Engineering with the aluminium alloy doors, windows, and railings installation works for certain buildings of the Project.

Further, Greentown Architectural has entered into the Previous De Minimis Agreements with CCCG Southeast Engineering on 3 October 2024. Pursuant to the Previous De Minimis Agreements, Greentown Architectural agreed to provide CCCG Southeast Engineering with the interior fitting out services for the demonstration area of the Project and the aluminium alloy doors, windows, and railings installation works for certain buildings of the Project.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CCCG and its subsidiaries are holding 733,456,293 Shares, representing approximately 28.94% of the issued share capital of the Company. CCCG is therefore a substantial shareholder of the Company under the Listing Rules.

Accordingly, CCCG and its associate, CCCG Southeast Engineering, an indirect non-wholly owned subsidiary of CCCG, are connected persons of the Company. The transactions contemplated under the Decoration and Installation Agreements and the Previous De Minimis Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios in respect of the Previous De Minimis Agreements are less than 0.1%, the transactions contemplated thereunder constituted de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from Shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. The transactions contemplated under the Decoration and Installation Agreements and the Previous De Minimis Agreements are related and are all entered into within a 12-month period. Accordingly, these transactions shall be aggregated and treated as if they were one transaction.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the aggregate figures of the transactions contemplated under the Decoration and Installation Agreements and the Previous De Minimis Agreements exceed 0.1% but all of them are less than 5%, such aggregate transactions are subject to the reporting and announcement requirements but exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

## INTRODUCTION

On 10 January 2025, Greentown Architectural (a wholly-owned subsidiary of the Company) entered into the Decoration and Installation Agreements with CCCC Southeast Engineering. Pursuant to the Decoration and Installation Agreements, Greentown Architectural agreed to provide CCCC Southeast Engineering with the aluminium alloy doors, windows, and railings installation works for certain buildings of the Project.

Further, Greentown Architectural has entered into the Previous De Minimis Agreements with CCCC Southeast Engineering on 3 October 2024. Pursuant to the Previous De Minimis Agreements, Greentown Architectural agreed to provide CCCC Southeast Engineering with the interior fitting out services for the demonstration area of the Project and the aluminium alloy doors, windows, and railings installation works for certain buildings of the Project.

## DECORATION AND INSTALLATION AGREEMENT I

The principal terms of the Decoration and Installation Agreement I are as follows:

Date	:	10 January 2025
Parties	:	(1) Greentown Architectural (as the “ <b>Contractor</b> ”); and (2) CCCC Southeast Engineering (as the “ <b>Principal</b> ”)
Subject Matter	:	The Project, namely phase I of the urban renewal project, is located in Henggou Village, Haikou City, Hainan Province, with a total site area of approximately 108,500 sqm and a total gross floor area of approximately 296,700 sqm.

Subject to the terms and provisions of the Decoration and Installation Agreement I, Greentown Architectural shall provide CCCC Southeast Engineering with the aluminium alloy doors, windows, and railings installation works for buildings (except for buildings 3 and 5 demonstration areas) of plot 3 of the Project.

- Construction Term : The construction term of the Decoration and Installation Agreement I shall commence on the date on which the Principal issues a formal commencement order and end on the expiry of 243 days from the date of commencement of the installation works, subject to adjustment, if any.
- Consideration : Pursuant to the terms of the Decoration and Installation Agreement I, the consideration shall be approximately RMB14,817,131 based on the specifications of the contracted construction works as at the date of this announcement, and the final settlement amount will be further determined based on the actual works completed. The consideration was determined by way of a public bidding process.
- Payment : The payment shall be made as follows:
- (a) The Principal shall pay the Contractor 70% of the value of the completed and qualified works based on the bill of quantities, on a monthly basis;
  - (b) After the installation works are completed, the Principal shall pay the Contractor up to 85% of the total consideration of the Decoration and Installation Agreement I, within 30 business days after obtaining (i) a written confirmation of conformity from the supervision team and government authorities after a joint acceptance inspection organized by the Principal, and (ii) a payment application report submitted by the Contractor, which is reviewed and confirmed by the Principal and the supervision team;
  - (c) The Principal shall pay the Contractor up to 97% of the final settlement amount of the Decoration and Installation Agreement I, within 30 business days after (i) all the installation works are completed and have passed the acceptance inspection by the Principal, the supervision team, and government authorities, (ii) the Contractor has delivered the installation works to the Principal, and (iii) the Contractor and the Principal agree on the final settlement amount; and

- (d) 3% of the final settlement amount of the Decoration and Installation Agreement I will be retained as a warranty deposit. Within 60 days after two years from the date on which warranty period commences as stipulated in the Decoration and Installation Agreement I, the Principal will pay the remaining balance of the warranty deposit (after deducting any warranty costs incurred during the warranty period) to the Contractor without interest, if there are no remaining quality issues.

Based on past experience and the specification of the works under the Decoration and Installation Agreement I, subject to the actual works and barring any unforeseen circumstances, the Company currently expects that the final settlement amount shall not exceed RMB16,000,000.

## **DECORATION AND INSTALLATION AGREEMENT II**

The principal terms of the Decoration and Installation Agreement II are as follows:

- Date : 10 January 2025
- Parties : (1) Greentown Architectural (as the “**Contractor**”);  
and  
(2) CCCC Southeast Engineering (as the “**Principal**”)
- Subject Matter : The Project, details of which are set out above.

Subject to the terms and provisions of the Decoration and Installation Agreement II, Greentown Architectural shall provide CCCC Southeast Engineering with the aluminium alloy doors, windows, and railings installation works for buildings of plots 8 and 11 of the Project.

- Construction Term : The construction term of the Decoration and Installation Agreement II shall commence on the date on which the Principal issues a formal commencement order and end on the expiry of 243 days from the date of commencement of the installation works, subject to adjustment, if any.

- Consideration : Pursuant to the terms of the Decoration and Installation Agreement II, the consideration shall be approximately RMB22,137,940 based on the specifications of the contracted construction works as at the date of this announcement, and the final settlement amount will be further determined based on the actual works completed. The consideration was determined by way of a public bidding process.

Payment

: The payment shall be made as follows:

- (a) The Principal shall pay the Contractor 70% of the value of the completed and qualified works based on the bill of quantities, on a monthly basis;
- (b) After the installation works are completed, the Principal shall pay the Contractor up to 85% of the total consideration of the Decoration and Installation Agreement II, within 30 business days after obtaining (i) a written confirmation of conformity from the supervision team and government authorities after a joint acceptance inspection organized by the Principal, and (ii) a payment application report submitted by the Contractor, which is reviewed and confirmed by the Principal and the supervision team;
- (c) The Principal shall pay the Contractor up to 97% of the final settlement amount of the Decoration and Installation Agreement II, within 30 business days after (i) all the installation works are completed and have passed the acceptance inspection by the Principal, the supervision team, and government authorities, (ii) the Contractor has delivered the installation works to the Principal, and (iii) Contractor and the Principal agree on the final settlement amount; and
- (d) 3% of the final settlement amount of the Decoration and Installation Agreement II will be retained as a warranty deposit. Within 60 days after two years from the date on which the warranty period commences as stipulated in the Decoration and Installation Agreement II, the Principal will pay the remaining balance of the warranty deposit (after deducting any warranty costs incurred during the warranty period) to the Contractor without interest, if there are no remaining quality issues.

Based on past experience and the specification of the works under the Decoration and Installation Agreement II, subject to the actual works and barring any unforeseen circumstances, the Company currently expects that the final settlement amount shall not exceed RMB24,000,000.

## PREVIOUS DE MINIMIS AGREEMENT I

The principal terms of the Previous De Minimis Agreement I are as follows:

- Date : 3 October 2024
- Parties : (1) Greentown Architectural (as the “**Contractor**”); and  
(2) CCCC Southeast Engineering (as the “**Principal**”)
- Subject Matter : The Project, details of which are set out above.

Subject to the terms and provisions of the Previous De Minimis Agreement I, Greentown Architectural shall provide CCCC Southeast Engineering with the aluminium alloy doors, windows and railings installation works for buildings 3 and 5 of plot 3 of the Project.

- Construction Term : The construction term of the Previous De Minimis Agreement I commenced on 3 October 2024 and end on the expiry of 57 days from the date of commencement of the installation works, subject to adjustment, if any.

- Consideration : Pursuant to the terms of the Previous De Minimis Agreement I, the consideration shall be approximately RMB5,103,001 based on the specifications of the contracted construction works, and the final settlement amount will be further determined based on the actual works completed. The consideration was determined by way of a public bidding process.

- Payment : The payment shall be made as follows:
- (a) The Principal shall pay the Contractor 70% of the value of the completed and qualified works based on the bill of quantities, on a monthly basis;
  - (b) After the installation works are completed, the Principal shall pay the Contractor up to 85% of the consideration of the Previous De Minimis Agreement I, within 30 business days after obtaining (i) a written confirmation of conformity from the supervision team and government authorities after a joint acceptance inspection organized by the Principal, and (ii) a payment application report submitted by the Contractor, which is reviewed and confirmed by the Principal and the supervision team;

- (c) The Principal shall pay the Contractor up to 97% of the final settlement amount of the Previous De Minimis Agreement I, within 30 business days after (i) all the installation works are completed and have passed the acceptance inspection by the Principal, the supervision team, and government authorities, (ii) the Contractor has delivered the installation works to the Principal, and (iii) the Contractor and the Principal agree on the final settlement amount; and
- (d) 3% of the final settlement amount of the Previous De Minimis Agreement I will be retained as a warranty deposit. Within 60 days after two years from the date on which the warranty period commences as stipulated in the Previous De Minimis Agreement I, the Principal will pay the remaining balance of the warranty deposit (after deducting any warranty costs incurred during the warranty period) to the Contractor without interest, if there are no remaining quality issues.

Based on past experience and the specification of the works under the Previous De Minimis Agreement I, subject to the actual works and barring any unforeseen circumstances, the Company currently expects that the final settlement amount shall not exceed RMB5,500,000.

## **PREVIOUS DE MINIMIS AGREEMENT II**

The principal terms of the Previous De Minimis Agreement II are as follows:

- Date : 3 October 2024
- Parties : (1) Greentown Architectural (as the “**Contractor**”); and  
(2) CCCC Southeast Engineering (as the “**Principal**”)
- Subject Matter : The Project, details of which are set out above.

Subject to the terms and provisions of the Previous De Minimis Agreement II, Greentown Architectural shall provide CCCC Southeast Engineering with the interior fitting out services for the demonstration area of the Project.

- Construction Term : The construction term of the Previous De Minimis Agreement II commenced on 3 October 2024 and end on the expiry of 90 days from the date of commencement of the interior fitting out services, subject to adjustment, if any.
- Consideration : Pursuant to the terms of the Previous De Minimis Agreement II, the consideration shall be approximately RMB9,307,223 based on the specifications of the contracted construction works, and the final settlement amount will be further determined based on the actual works completed. The consideration was determined by way of a public bidding process.
- Payment : The payment shall be made as follows:
- (a) The Principal shall pay the Contractor 70% of the value of the completed and qualified works based on the bill of quantities, on a monthly basis;
  - (b) After the interior fitting out services are completed, the Principal shall pay the Contractor up to 80% of the consideration of the Previous De Minimis Agreement II, within 30 business days after obtaining (i) a written confirmation of conformity from the property owners, the supervision team and government authorities after a joint acceptance inspection organized by the Principal, and (ii) a payment application report submitted by the Contractor, which is reviewed and confirmed by the property owners, the Principal and the supervision team;
  - (c) The Principal shall pay the Contractor up to 97% of the final settlement amount of the Previous De Minimis Agreement II, within 30 business days after (i) all the interior fitting out services are completed and have passed the acceptance inspection by the property owners, the Principal, the supervision team, and government authorities, (ii) the Contractor has delivered the interior fitting out works to the Principal, and (iii) the Contractor, the Principal and the property owners agree on the final settlement amount; and



- (d) 3% of the final settlement amount of the Previous De Minimis Agreement II will be retained as a warranty deposit. Within 60 days after two years from the date on which the warranty period commences as stipulated in the Previous De Minimis Agreement II, the Principal will pay the remaining balance of the warranty deposit (after deducting any warranty costs incurred during the warranty period) to the Contractor without interest, if there are no remaining quality issues.

Based on past experience and the specification of the works under the Previous De Minimis Agreement II, subject to the actual works and barring any unforeseen circumstances, the Company currently expects that the final settlement amount shall not exceed RMB11,300,000.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS**

The Board considers that the Agreements will enable the Group to generate income without substantial capital input into the Project, by leveraging on its technique, expertise and experience in property development and decoration construction in the PRC in facilitating the decoration and installation works under the Project and enhancing the quality thereof.

Selection of the decoration and installation service provider in the Project and determination of the consideration were conducted by way of a public bidding process. There were a number of participants in the tender and, following the review and comprehensive comparison of the tenderers, Greentown Architectural was selected in accordance with the relevant requirements under the tendering documents. As such, Greentown Architectural was selected in a competitive tendering process, and the consideration and the terms of the Agreements are determined by the tendering documents and are in line with the market practice and the commercial interests of the Group.

The Directors (including the independent non-executive Directors) consider that the Agreements has been made on normal commercial terms and in the ordinary and usual course of business of the Group; and that its terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CCCG and its subsidiaries are holding 733,456,293 Shares, representing approximately 28.94% of the issued share capital of the Company. CCCG is therefore a substantial shareholder of the Company under the Listing Rules.

Accordingly, CCCG and its associate, CCCC Southeast Engineering, an indirect non-wholly owned subsidiary of CCCG, are connected persons of the Company. The transactions contemplated under the Decoration and Installation Agreements and the Previous De Minimis Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios in respect of the Previous De Minimis Agreements are less than 0.1%, the transactions contemplated thereunder constituted de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from Shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. The transactions contemplated under the Decoration and Installation Agreements and the Previous De Minimis Agreements are related and are all entered into within a 12-month period. Accordingly, these transactions shall be aggregated and treated as if they were one transaction.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the aggregate figures of the transactions contemplated under the Decoration and Installation Agreements and the Previous De Minimis Agreements exceed 0.1% but all of them are less than 5%, such aggregate transactions are subject to the reporting and announcement requirements but exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

Since CCCG has a material interest in the Agreements and the transactions thereunder and in light of CCCG's relationship with Mr ZHOU Changjiang, Mr GENG Zhongqiang, Mr LI Jun and Ms HONG Lei, these Directors have abstained from voting on the Board resolutions approving the Agreements and the transactions contemplated thereunder.

## **INFORMATION ON THE PARTIES TO THE AGREEMENTS**

### **The Group**

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. It is one of the leading property developers in the PRC with business operations in various major PRC cities and is primarily engaged in developing quality properties targeting mainly middle and high income residents in the PRC.

Greentown Architectural is a company established in the PRC and a wholly-owned subsidiary of the Company. Greentown Architectural is principally engaged in providing decoration and construction services for property development.

## **CCCC Southeast Engineering**

CCCC Southeast Engineering is a company established in the PRC with limited liability and is principally engaged in construction works. It is an indirect non-wholly owned subsidiary of CCCG.

CCCG is a wholly state-owned company established in the PRC and the controlling shareholder of CCCC. Based on publicly available information, CCCG is primarily engaged in real estate development and property management, shipbuilding, ship chartering and maintenance, ocean engineering, technical consultation services for ships and corollary equipment of harbours, import and export business, investment in and management of transportation industry, and other businesses. To the best knowledge of the Directors after making reasonable enquiries, the ultimate beneficial shareholder of CCCG is the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

## **DEFINITIONS**

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

“Agreements”	Decoration and Installation Agreements and Previous De Minimis Agreements
“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CCCC”	China Communications Construction Company Limited (中國交通建設股份有限公司), a joint stock company established in the PRC whose H shares are listed on the Stock Exchange (stock code: 01800); and whose A shares are listed on the Shanghai Stock Exchange (stock code: 601800), and a non-wholly owned subsidiary of CCCG
“CCCC Southeast Engineering”	CCCC Fourth Highway Southeast Engineering Co., Ltd.* (中交建築集團東南建設有限公司), a company incorporated under the laws of the PRC with limited liability and an indirect non-wholly owned subsidiary of CCCG
“CCCG”	China Communications Construction Group (Limited), a wholly state-owned company established in the PRC and a substantial shareholder of the Company
“Company”	Greentown China Holdings Limited (stock code: 03900), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange

“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Decoration and Installation Agreement I”	the agreement entered into between Greentown Architectural and CCCC Southeast Engineering in relation to the aluminium alloy doors, windows, and railings installation works for buildings (except for buildings 3 and 5 demonstration areas) of plot 3 of the Project
“Decoration and Installation Agreement II”	the agreement entered into between Greentown Architectural and CCCC Southeast Engineering in relation to the aluminium alloy doors, windows, and railings installation works for buildings of plots 8 and 11 of the Project
“Decoration and Installation Agreements”	Decoration and Installation Agreement I and Decoration and Installation Agreement II
“Director(s)”	the director(s) of the Company
“Greentown Architectural”	Greentown Architectural Technology Group Co., Ltd. (綠城建築科技集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Previous De Minimis Agreement I”	the agreement entered into between Greentown Architectural and CCCC Southeast Engineering in relation to the aluminium alloy doors, windows, and railings installation works for buildings 3 and 5 of plot 3 of the Project
“Previous De Minimis Agreement II”	the agreement entered into between Greentown Architectural and CCCC Southeast Engineering in relation to the interior fitting out services for the demonstration area of the Project
“Previous De Minimis Agreements”	Previous De Minimis Agreement I and Previous De Minimis Agreement II
“Project”	the phase I of the urban renewal project located in Henggou Village, Haikou City, Hainan Province, with a total site area of approximately 108,500 sqm and a total gross floor area of approximately 296,700 sqm

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“sqm”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules

By order of the Board  
**Greentown China Holdings Limited**  
**ZHANG Yadong**  
*Chairman*

Hangzhou, the PRC  
10 January 2025

*As at the date of this announcement, the Board comprises Mr ZHANG Yadong, Mr GUO Jiafeng, Mr ZHOU Changjiang, Mr GENG Zhongqiang, Mr LI Jun and Ms HONG Lei as executive directors, Mr Stephen Tin Hoi NG and Mr Andrew On Kiu CHOW as non-executive directors and Mr JIA Shenghua, Mr HUI Wan Fai, Mr QIU Dong and Mr ZHU Yuchen as independent non-executive directors.*

\* *For identification purposes only*