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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 TRANSACTION PROVISION OF PROJECT MANAGEMENT SERVICES**

On 31 March 2025, Greentown Real Estate Construction Management (a non-wholly owned subsidiary of the Company) entered into the Agreement with Chongqing CCCC Jingshuang. Pursuant to the Agreement, Greentown Real Estate Construction Management agreed to provide Chongqing CCCC Jingshuang with project management services in relation to the Project.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CCCG and its subsidiaries are holding 733,456,293 Shares, representing approximately 28.9% 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 associates (including Chongqing CCCC Jingshuang, an indirect non-wholly owned subsidiary of CCCG) are connected persons of the Company. The transaction contemplated under the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transaction contemplated under the Agreement exceed 0.1% but all of them are less than 5%, such transaction is 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 31 March 2025, Greentown Real Estate Construction Management (a non-wholly owned subsidiary of the Company) entered into the Agreement with Chongqing CCCC Jingshuang. Pursuant to the Agreement, Greentown Real Estate Construction Management agreed to provide Chongqing CCCC Jingshuang with project management services in relation to the Project.

## **PRINCIPAL TERMS OF THE AGREEMENT**

The principal terms of the Agreement are as follows:

Date	:	31 March 2025
Parties	:	(1) Greentown Real Estate Construction Management (2) Chongqing CCCC Jingshuang
Subject Matter	:	Chongqing CCCC Jingshuang is the developer and constructor in the Project.

Subject to the terms and provisions of the Agreement, Greentown Real Estate Construction Management shall provide Chongqing CCCC Jingshuang with project management services in the Project, which should comprise preparatory management, planning and design management, contracts management, engineering management, market management, project completion acceptance check and delivery management, customer services and property maintenance management, preparatory property service consultancy management and community services, human resources management, administrative management, and financial management.

The Project is located in Shapingba District, Chongqing City with a total site area of approximately 80,176 sqm and a total gross floor area of approximately 210,475 sqm, which is intended to be developed into residential and commercial properties with public facilities.

Term	:	The term of the Agreement shall commence on the date of the Agreement and end on the expiry of six months from the date of the centralized delivery of the last phase of the Project.
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Consideration : Pursuant to the terms of the Agreement, the Consideration for providing project management services by Greentown Real Estate Construction Management to Chongqing CCCC Jingshuang in the Project shall be RMB75,082,800 based on the specifications of the Project as at the date of this announcement. Barring any unforeseen circumstances, the Company currently expects that the final Consideration will not exceed RMB80,712,800 in any event. The Consideration was determined after arm's length negotiations having taken into account factors including the anticipated resources and manpower required of the Group, market conditions and business opportunities available, business repute of the parties in the Project and the comparable market rates for similar construction projects and construction management services in the area.

The Consideration comprises:

- (a) a basic personnel fee up to RMB18,000,000, payable in the following manner:
  - (i) the initial amount of RMB1,125,000 for the first quarter is payable within five days after the arrival of the initial group of personnel from Greentown Real Estate Construction Management and upon the receipt of payment application and invoice by Chongqing CCCC Jingshuang;
  - (ii) RMB375,000 is payable within five days for each month subsequent to the first quarter upon the receipt of payment application and invoice by Chongqing CCCC Jingshuang, until the expiration of the service term in the Project or the termination of the Agreement;

(b) an entrusted management service fee of approximately RMB57,082,800, which comprises of approximately RMB56,000,000 for the saleable properties of the Project and approximately RMB1,082,800 for the non-saleable properties of the Project, payable in the following manner:

(i) following the commencement of the sale of the Project, an entrusted management service fee equivalent to 50% of 2.5% of the quarterly contracted sales amount of the Project is payable within 10 days after the end of each quarter and upon the receipt of payment application and invoice by Chongqing CCCC Jingshuang, which may be further adjusted based on the deviation from the annual sales target amount determined by the Parties;

(ii) tentatively for 50% of the total entrusted management service fee for the saleable properties of the Project, with the total amount of approximately RMB28,000,000, payable in accordance with the construction progress and in the following manner:

- 25% of which within 30 days after obtaining the construction permit for construction works;
- 10% of which within 10 days upon completion of the underground part of the buildings;
- 10% of which within 10 days after the main structure of the buildings reaches half of their planned height;
- 15% of which within 10 days after completing the top level of the main structure of the buildings;
- 15% of which within 10 days upon completion of the exterior decorations works for the buildings (including the dismantling of the scaffolding);
- 10% of which within 10 days upon completion of the landscape engineering works;

- 10% of which within 10 days upon eligible acceptance of the construction works;
  - the remaining of which within 90 days upon completion of the centralized delivery of the relevant phase of the Project;
- (iii) after obtaining the construction permit for each phase, an entrusted management service fee for the non-saleable properties of the Project, with the total amount of approximately RMB1,082,800, payable in the following manner:
- 25% of which within 10 days after obtaining the construction permit for construction works;
  - 10% of which within 10 days upon completion of the underground part of the buildings;
  - 10% of which within 10 days after the main structure of the buildings reaches half of their planned height;
  - 15% of which within 10 days after completing the top level of the main structure of the buildings;
  - 15% of which within 10 days upon completion of the exterior decorations works for the buildings (including the dismantling of the scaffolding);
  - 10% of which within 10 days upon completion of the landscape engineering works;
  - 10% of which within 10 days upon eligible acceptance of the construction works;
  - the remaining of which within 90 days upon completion of the centralized delivery of the relevant phase of the Project;

- (c) an additional performance bonus service fee is conditional on attainment of certain sales targets in accordance with the terms of the Agreement.

The management service fee is subject to proportional deductions in accordance with the terms of the Agreement for cost overruns due to errors or negligence attributable to Greentown Real Estate Construction Management.

Chongqing CCCC Jingshuang shall pay Greentown Real Estate Construction Management an advance payment of RMB2,000,000 within five days after entering into the Agreement. The advance payment is interest-free and shall be deducted in increments of 50% at each agreed-upon milestone from the management service fees due from Chongqing CCCC Jingshuang until the fees are fully settled.

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

The Board considers that the Agreement 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 project management in the PRC in facilitating the construction works under the Project and enhancing the quality thereof.

Selection of the project management 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 Real Estate Construction Management was selected in accordance with the relevant requirements under the tendering documents. As such, Greentown Real Estate Construction Management was selected in a competitive tendering process, and the Consideration and the terms of the Agreement 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 Agreement 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 28.9% 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 associates (including Chongqing CCCC Jingshuang, an indirect non-wholly owned subsidiary of CCCG) are connected persons of the Company. The transaction contemplated under the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transaction contemplated under the Agreement exceed 0.1% but all of them are less than 5%, such transaction is 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 Agreement and the transaction thereunder and in light of CCCG's relationship with Mr LIU Chengyun, Mr GENG Zhongqiang, Mr LI Jun and Ms HONG Lei, these Directors have abstained from voting on the Board resolutions approving the Agreement and the transactions contemplated thereunder.

## **INFORMATION ON THE PARTIES TO THE AGREEMENT**

### **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 Real Estate Construction Management is a company established in the PRC and a wholly-owned subsidiary of Greentown Management, a company listed on the Stock Exchange (stock code: 09979) and a non-wholly owned subsidiary of the Company owned as to 71.28% by the Company. As such, Greentown Real Estate Construction Management is an indirect non-wholly owned subsidiary of the Company. Greentown Real Estate Construction Management is principally engaged in providing project management services for property development.

### **Chongqing CCCC Jingshuang**

Chongqing CCCC Jingshuang is a company established in the PRC with limited liability and is principally engaged in property development in Jingshuang district, Chongqing City. It is a wholly owned subsidiary of CCCC Changjiang Construction. CCCC Changjiang Construction is an indirect non-wholly owned subsidiary of CCCG and is principally engaged in water conservancy, hydropower, and urban infrastructure development. To the best knowledge of the Directors after making reasonable enquiries, CCCC Changjiang Construction is owned as to 74.98% by CCCC and 25.02% by Chongqing Water Conservancy Investment, which is ultimately controlled by Chongqing State-owned Assets Supervision and Administration Commission (重慶市國有資產監督管理委員會).

CCCCG is a wholly state-owned company established in the PRC and the controlling shareholder of CCCC. Based on publicly available information, CCGG 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 CCGG 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:

“Agreement”	the real property development entrusted management agreement entered into between Greentown Real Estate Construction Management and Chongqing CCCC Jingshuang in relation to the contracting of project management services in the Project
“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, with stock code: 01800; and whose A shares are listed on the Shanghai Stock Exchange, with stock code: 601800, and a non-wholly owned subsidiary of CCGG
“CCCC Changjiang Construction”	CCCC Changjiang Construction and Development Group Co., Ltd.* (中交長江建設發展集團有限公司), a company incorporated under the laws of the PRC with limited liability and an indirect non-wholly owned subsidiary of CCGG
“CCCG”	China Communications Construction Group (Limited), a wholly state-owned company established in the PRC and a substantial shareholder of the Company
“Chongqing CCCC Jingshuang”	Chongqing CCCC Jingshuang Real Estate Co., Ltd.* (重慶中交井雙置業有限公司), a company incorporated under the laws of the PRC with limited liability and an associate of CCGG
“Chongqing Water Conservancy Investment”	Chongqing Water Conservancy Investment (Group) Co., Ltd.* (重慶市水利投資(集團)有限公司), a company incorporated under the laws of the PRC with limited liability



“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
“Consideration”	the total consideration payable by Chongqing CCCC Jingshuang to Greentown Real Estate Construction Management in relation to the provision of the project management services under the Agreement
“Director(s)”	the director(s) of the Company
“Greentown Management”	Greentown Management Holdings Company Limited (綠城管理控股有限公司) (Stock Code: 09979), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange, and a non-wholly owned subsidiary of the Company
“Greentown Real Estate Construction Management”	Greentown Real Estate Construction Management Group Co., Ltd. (綠城房地產建設管理集團有限公司), a company established in the PRC with limited liability and an indirect non-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
“Project”	the construction project located in Shapingba District, Chongqing City with a total site area of approximately 80,176 sqm and a total gross floor area of approximately 210,475 sqm, which is intended to be developed into residential and commercial properties with public facilities
“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**  
**LIU Chengyun**  
*Chairman*

Hangzhou, the PRC  
31 March 2025

*As at the date of this announcement, the Board comprises Mr LIU Chengyun as chairman and non-executive director, Mr GUO Jiafeng, 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*