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

If you have sold or transferred all your shares in Greenland Hong Kong Holdings Limited, you should at once hand this circular to the purchaser or 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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## **GREENLAND HONG KONG HOLDINGS LIMITED** **綠地香港控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 337)**

### **CONNECTED TRANSACTION** **Appointment of connected persons** **as contractors for construction works** **AND** **NOTICE OF EXTRAORDINARY GENERAL MEETING**

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

 **金融有限公司**  
**OCTAL Capital Limited**

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Terms defined in the section headed “Definitions” in this circular shall have the same meaning when used in this cover page, unless the context otherwise requires.

A notice convening the EGM to be held at 9:00 a.m. on Tuesday, 20 July 2021 is set out on pages EGM-1 to EGM-4 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to attend the EGM via e-Meeting System, you are requested to complete the form of proxy and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). The completion and return of a form of proxy will not preclude you from attending and voting at the EGM via e-Meeting System.

30 June 2021

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## DEFINITIONS

*In this circular, the following expressions have the following meanings unless the context otherwise requires:*

“Applicable Percentage Ratio”, “associate(s)”, “close associate(s)”, “connected person(s)” and “subsidiary(ies)”	have the meanings ascribed to them under the Listing Rules;
“Board”	the board of Directors;
“Company”	Greenland Hong Kong Holdings Limited (綠地香港控股有限公司), a company incorporated with limited liability in the Cayman Islands and the ordinary shares of which are listed on the Main Board of the Stock Exchange;
“Construction Projects”	collectively, the Head Office of ASEAN Projects, the If Alan Project, the Greenland Xinli Haiyue Mansion Project, the Greenland Dongmeng Town Projects and the Greenland Art Residence Project and a “Construction Project” means any one of them;
“Contractor A”	Guangxi Construction Engineering Group No. 5 Construction Engineering Co., Ltd.* (廣西建工集團第五建築工程有限責任公司), a company established in the PRC with limited liability, which is controlled as to approximately 76.7% by Greenland Holdings;
“Contractor Agreements”	the Head Office of ASEAN Contractor Agreements, the If Alan Contractor Agreement, the Greenland Xinli Haiyue Mansion Contractor Agreement, the Greenland Dongmeng Town Contractor Agreements, and the Greenland Art Residence Contractor Agreement, and a “Contractor Agreement” means any one of them;
“Contractor B”	Tianjin City Construction Engineering Main Contracting Co., Ltd.* (天津市建工工程總承包有限公司) a company established in the PRC with limited liability, which is controlled as to approximately 72.2% by Greenland Holdings;
“Contractor C”	Shanghai Greenland Construction Engineering Co., Ltd.* (上海綠地建築工程有限公司), a company established in the PRC with limited liability, which is owned as to 100% by Greenland Holdings;

## DEFINITIONS

“Contractor D”	Shandong Greenland Quanjing Doors and Windows Co., Ltd.* (山東綠地泉景門窗有限公司), a company established in the PRC with limited liability, which is owned as to 70% by Greenland Holdings;
“Contractors”	collectively Contractor A, Contractor B, Contractor C and Contractor D, and a “Contractor” means any one of them;
“controlled”	in relation to an entity being controlled by another entity, the latter entity controls the exercise of certain percentage of the voting power at general meeting of the first-mentioned entity;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held via e-Meeting System on Tuesday, 20 July 2021 at 9:00 a.m. for the purposes of approving the Contractor Agreements;
“Gluon Xima”	Gluon Xima International Limited, an indirectly wholly-owned subsidiary of Greenland Holdings and the immediate controlling shareholder of the Company holding approximately 59.1% of the issued share capital of the Company as at the Latest Practicable Date;
“Greenland Art Residence Contractor Agreement”	the contractor agreement dated 29 April 2021 entered into between the Greenland Art Residence Project Company and Contractor D in relation to the construction works to be undertaken for the Greenland Art Residence Project;
“Greenland Art Residence Project”	the installation works for doors, windows and louvers for the Greenland Art Residence (梧州綠地璞悅公館) to be undertaken on the land parcel situated beside Guoguang Avenue, Guangdong-Guangxi Interprovincial Pilot Cooperation Special Zone, Wanxiu District, Wuzhou City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區梧州市萬秀區粵桂合作特別試驗區國光大道旁);

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“Greenland Art Residence Project Company”	Wuzhou Yuegui Real Estate Co., Ltd.* (梧州粵桂置業有限公司), a company established in the PRC with limited liability and a 60%-owned subsidiary of the Company;
“Greenland Dongmeng Town Contractor Agreement 1”	the contractor agreement dated 29 April 2021 entered into between the Greenland Dongmeng Town Project Company and Contractor D in relation to the construction works to be undertaken for the Greenland Dongmeng Town Project 1;
“Greenland Dongmeng Town Contractor Agreement 2”	the contractor agreement dated 29 April 2021 entered into between the Greenland Dongmeng Town Project Company and Contractor D in relation to the construction works to be undertaken for the Greenland Dongmeng Town Project 2;
“Greenland Dongmeng Town Contractor Agreement 3”	the contractor agreement dated 29 April 2021 entered into between the Greenland Dongmeng Town Project Company and Contractor D in relation to the construction works to be undertaken for the Greenland Dongmeng Town Project 3;
“Greenland Dongmeng Town Contractor Agreement 4”	the contractor agreement dated 29 April 2021 entered into between the Greenland Dongmeng Town Project Company and Contractor D in relation to the construction works to be undertaken for the Greenland Dongmeng Town Project 4;
“Greenland Dongmeng Town Contractor Agreements”	the Greenland Dongmeng Town Contractor Agreement 1, the Greenland Dongmeng Town Contractor Agreement 2, the Greenland Dongmeng Town Contractor Agreement 3 and the Greenland Dongmeng Town Contractor Agreement 4;
“Greenland Dongmeng Town Project 1”	the installation works for doors, windows and louvers for the Greenland Dongmeng International Town (綠地東盟國際城) to be undertaken on the land parcel no.35 (G3, G5 and G6, the nursery and the villa) surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地);

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“Greenland Dongmeng Town Project 2”	the installation works for railings and fences for the Greenland Dongmeng International Town (綠地東盟國際城) to be undertaken on the land parcel no.35 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Province, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地);
“Greenland Dongmeng Town Project 3”	the installation works for doors and windows for phase 2 of the Greenland Dongmeng International Town (綠地東盟國際城二期) to be undertaken on the land parcel CR14-1 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地);
“Greenland Dongmeng Town Project 4”	the installation works for railings and fences for phase 2 of the Greenland Dongmeng International Town (綠地東盟國際城二期) to be undertaken on the land parcel CR14-1 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地);
“Greenland Dongmeng Town Project Company”	Nanning Qiaoyun Asset Management Co., Ltd.* (南寧僑運資產管理有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Greenland Dongmeng Town Projects”	the Greenland Dongmeng Town Project 1, the Greenland Dongmeng Town Project 2, the Greenland Dongmeng Town Project 3 and the Greenland Dongmeng Town Project 4;

## DEFINITIONS

“Greenland Holdings”	Greenland Holdings Corporation Limited (綠地控股集團股份有限公司), a company established under the laws of the PRC and listed on the Shanghai Stock Exchange, and the controlling shareholder of the Company;
“Greenland Xinli Haiyue Mansion Contractor Agreement”	the contractor agreement dated 29 April 2021 entered into between the Greenland Xinli Haiyue Mansion Project Company and Contractor C in relation to the construction works to be undertaken for the Greenland Xinli Haiyue Mansion Project;
“Greenland Xinli Haiyue Mansion Project”	the interior decoration works for phase 1 of the public area of the western land parcel of the Greenland Xinli Haiyue Mansion (綠地新里海玥公館西地塊公區一期) to be undertaken on the land parcel situated next to Potou No.1 Senior Middle School Land Parcel, Potou District, Zhanjiang City, Guangdong Province, the PRC (中國廣東省湛江市坡頭區坡頭一中地塊旁);
“Greenland Xinli Haiyue Mansion Project Company”	Zhanjiang City Linghang Real Estate Development Co., Ltd.* (湛江市領航房地產開發有限公司), a company established in the PRC with limited liability and a 90%-owned subsidiary of the Company;
“Group”	the Company and its subsidiaries;
“Head Office of ASEAN Contractor Agreement 1”	the main contractor agreement dated 29 April 2021 entered into between Head Office of ASEAN Project Company 1 and Contractor A in relation to the construction works to be undertaken for the Head Office of ASEAN Project 1;
“Head Office of ASEAN Contractor Agreement 2”	the main contractor agreement dated 29 April 2021 entered into between Head Office of ASEAN Project Company 2 and Contractor A in relation to the construction works to be undertaken for the Head Office of ASEAN Project 2;
“Head Office of ASEAN Contractor Agreement 3”	the main contractor agreement dated 29 April 2021 entered into between Head Office of ASEAN Project Company 3 and Contractor A in relation to the construction works to be undertaken for the Head Office of ASEAN Project 3;

## DEFINITIONS

“Head Office of ASEAN Contractor Agreements”	the Head Office of ASEAN Contractor Agreement 1, the Head Office of ASEAN Contractor Agreement 2 and the Head Office of ASEAN Contractor Agreement 3;
“Head Office of ASEAN Project 1”	the main contracting of construction and installation works in phase 2 of the Head Office of ASEAN (東盟總部基地二期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西);
“Head Office of ASEAN Project 2”	the main contracting of construction and installation works in phase 3 of the Head Office of ASEAN (東盟總部基地三期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西);
“Head Office of ASEAN Project 3”	the main contracting of construction and installation works in phase 4 of the Head Office of ASEAN (東盟總部基地四期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西);
“Head Office of ASEAN Project Company 1”	Guangxi Free Trade Zone Maofeng Industrial Investment Co., Ltd.* (廣西自貿區茂豐產業投資有限責任公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Head Office of ASEAN Project Company 2”	Guangxi Free Trade Zone Linzhou Investment Development Co., Ltd.* (廣西自貿區霖洲投資發展有限責任公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;



## DEFINITIONS

“Head Office of ASEAN Project Company 3”	Guangxi Greenland International Trade Co., Ltd.* (廣西綠地國際貿易有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Head Office of ASEAN Projects”	the Head Office of ASEAN Project 1, the Head Office of ASEAN Project 2 and the Head Office of ASEAN Project 3;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“If Alan Contractor Agreement”	the main contractor agreement dated 29 April 2021 entered into between the If Alan Project Company and Contractor B in relation to the construction works to be undertaken for the If Alan Project;
“If Alan Project”	the main contracting of construction and installation works in section 2 of If Alan Project (綠地安蘭諾雅項目二標段) to be developed on the land parcel situated at northeast side of the intersection of Hushan Road and Changqing Road, Binhu District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市濱湖區湖山路與常青路交叉口東北側);
“If Alan Project Company”	Wuxi Lvkun Real Estate Development Co., Ltd.* (無錫綠坤房產開發有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors;
“Independent Financial Adviser” or “Octal Capital”	Octal Capital Limited, a licensed corporation permitted under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities;
“Independent Shareholders”	Shareholders other than those who are required by the Listing Rules to abstain from voting on the resolutions approving the Contractor Agreements;

## DEFINITIONS

“Latest Practicable Date”	24 June 2021, being the latest practicable date prior to the printing of this circular for the purposes of ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Project Company”	any one of Head Office of ASEAN Project Company 1, Head Office of ASEAN Project Company 2, Head Office of ASEAN Project Company 3, If Alan Project Company, Greenland Xinli Haiyue Mansion Project Company, Greenland Dongmeng Town Project Company and Greenland Art Residence Project Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Shareholders”	holders of the ordinary share(s) of HK\$0.50 each in the share capital of the Company;
“sq.m.”	square meters;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent.

*For the purposes of this circular, an exchange rate of HK\$1 = RMB0.84 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes only and does not constitute any representations that any amount in RMB or HK\$ has been, could have been or may be converted at such rate.*

\* For identification purposes only

## SPECIAL ARRANGEMENTS FOR THE EGM

All registered shareholders will be able to join the EGM via the e-Meeting System. Our e-Meeting System can be accessed from any location with access to the internet via smartphone, tablet device or computer.

Through the e-Meeting System, our registered shareholders will be able to view the live video broadcast and participate in voting and submit questions online. Login details and information will be included in our letters to registered shareholders regarding the e-Meeting System.

The live broadcast can broaden the reach of the EGM to Shareholders who do not wish to attend physically due to concerns on attending events under the current COVID-19 situation, or for other overseas Shareholders who are unable to attend in person.

### HOW TO ATTEND AND VOTE

Shareholders who wish to attend the EGM and exercise their voting rights can be achieved in one of the following ways:

- (1) attend the EGM via the e-Meeting System which enables live streaming and interactive platform for submitting questions and voting online; or
- (2) appoint the Chairman of the EGM or other persons as your proxy by providing their email address for receiving the designated log-in username and password to attend and vote on your behalf via the e-Meeting System.

Your proxy's authority and instruction will be revoked if you attend and vote via the e-Meeting System.

If you are a non-registered shareholder, you may instruct your banks, brokers or other custodians to appoint a proxy to attend and vote via the e-Meeting System for the EGM on your behalf if you wish.

**Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to adopt further changes to the EGM arrangements at short notice. Shareholders are advised to check the websites of the Company (<http://www.greenlandhk.com>) and HKEX ([www.hkexnews.hk](http://www.hkexnews.hk)) for the latest announcement and information relating to the EGM.**

LETTER FROM THE BOARD

**GREENLAND HONG KONG HOLDINGS LIMITED**

**綠地香港控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 337)**

*Executives Directors:*

Mr. Chen Jun (*Chairman and Chief Executive Officer*)

Mr. Wang Weixian (*Honorary Chairman*)

Mr. Hou Guangjun (*Chief Operation Officer*)

Mr. Wu Zhengkui

Ms. Wang Xuling

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Independent Non-Executive Directors:*

Mr. Fong Wo, Felix, JP

Mr. Kwan Kai Cheong

Dr. Lam, Lee G.

*Headquarters:*

No. 193 Xiehe Road

Changning District

Shanghai, China

*Principal place of business*

*in Hong Kong:*

Unit 5711, 57th Floor

The Center

99 Queen's Road Central

Hong Kong

30 June 2021

*To the Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION  
Appointment of connected persons  
as contractors for construction works  
AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 29 April 2021 in relation to the Contractor Agreements.

The purposes of this circular is to provide you with, among other things, (a) further details of the Contractor Agreements and the transactions contemplated thereunder; (b) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Contractor Agreements and the transactions contemplated thereunder; (c) the advice of the Independent Financial Advisor to the Independent Board

## LETTER FROM THE BOARD

Committee and the Independent Shareholders in relation to the Contractor Agreements and the transactions contemplated thereunder; and (d) the notice of the EGM.

### THE CONTRACTOR AGREEMENTS

The principal terms of the Contractor Agreements are as follows:

**(a) Head Office of ASEAN Contractor Agreement 1**

Date:	29 April 2021
Parties:	(i) Head Office of ASEAN Project Company 1 as the principal  (ii) Contractor A as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Head Office of ASEAN Project 1 in accordance with the construction drawings, design modification and the instruction of Head Office of ASEAN Project Company 1
Project description and location:	The main contracting of construction and installation works for phase 2 of the Head Office of ASEAN (東盟總部基地二期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西)
Estimated construction area:	Approximately 66,616 sq.m.
Estimated total contract sum:	Approximately RMB92.56 million inclusive of tax (approximately HK\$110.19 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 July 2021
Expected completion date:	11 August 2023

## LETTER FROM THE BOARD

### (b) Head Office of ASEAN Contractor Agreement 2

Date:	29 April 2021
Parties:	(i) Head Office of ASEAN Project Company 2 as the principal  (ii) Contractor A as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Head Office of ASEAN Project 2 in accordance with the construction drawings, design modification, and the instruction of Head Office of ASEAN Project Company 2
Project description and location:	The main contracting of construction and installation works for phase 3 of the Head Office of ASEAN (東盟總部基地三期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西)
Estimated construction area:	Approximately 39,944 sq.m.
Estimated total contract sum:	Approximately RMB53.66 million inclusive of tax (approximately HK\$63.88 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	20 September 2021
Expected completion date:	3 January 2023

## LETTER FROM THE BOARD

### (c) Head Office of ASEAN Contractor Agreement 3

Date:	29 April 2021
Parties:	(i) Head Office of ASEAN Project Company 3 as the principal  (ii) Contractor A as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Head Office of ASEAN Project 3 in accordance with the construction drawings, design modification and the instruction of Head Office of ASEAN Project Company 3
Project description and location:	The main contracting of construction and installation works for phase 4 of the Head Office of ASEAN (東盟總部基地四期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西)
Estimated construction area:	Approximately 17,982 sq.m.
Estimated total contract sum:	Approximately RMB23.18 million inclusive of tax (approximately HK\$27.60 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	16 July 2021
Expected completion date:	26 July 2022

## LETTER FROM THE BOARD

### (d) If Alan Contractor Agreement

Date:	29 April 2021
Parties:	(i) If Alan Project Company as the principal (ii) Contractor B as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the If Alan Project in accordance with the construction drawings, design modification and the instruction of If Alan Project Company
Project description and location:	The main contracting of construction and installation works for section 2 of If Alan Project (綠地安蘭諾雅項目二標段) to be developed on the land parcel situated at the northeast side of the intersection of Hushan Road and Changqing Road, Binhu District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市濱湖區湖山路與常青路交叉口東北側)
Estimated construction area:	Approximately 145,562 sq.m.
Estimated total contract sum:	Approximately RMB211.01 million inclusive of tax (approximately HK\$251.20 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 August 2021
Expected completion date:	15 August 2023



## LETTER FROM THE BOARD

### (e) Greenland Xinli Haiyue Mansion Contractor Agreement

Date:	29 April 2021
Parties:	(i) Greenland Xinli Haiyue Mansion Project Company as the principal  (ii) Contractor C as the contractor
Subject matter:	To undertake interior decoration works in respect of the Greenland Xinli Haiyue Mansion Project in accordance with the construction drawings, design modification and the instruction of Greenland Xinli Haiyue Mansion Project Company
Project description and location:	The interior decoration works for phase 1 of the public area of the western land parcel of the Greenland Xinli Haiyue Mansion (綠地新里海玥公館西地塊公區一期) to be undertaken on the land parcel situated next to Potou No.1 Senior Middle School Land Parcel, Potou District, Zhanjiang City, Guangdong Province, the PRC (中國廣東省湛江市坡頭區坡頭一中地塊旁)
Estimated construction area:	Approximately 13,700 sq.m.
Estimated total contract sum:	Approximately RMB6.23 million inclusive of tax (approximately HK\$7.42 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	3 July 2021
Expected completion date:	28 July 2021

## LETTER FROM THE BOARD

### (f)(i) Greenland Dongmeng Town Contractor Agreement 1

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for doors, windows and louvers in respect of the Greenland Dongmeng Town Project 1 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for doors, windows and louvers for the Greenland Dongmeng International Town (綠地東盟國際城) to be undertaken on the land parcel no.35 (G3, G5, G6, the nursery and the villa) surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 73,000 sq.m.
Estimated total contract sum:	Approximately RMB7.14 million inclusive of tax (approximately HK\$8.50 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	11 March 2022

## LETTER FROM THE BOARD

### (f)(ii) Greenland Dongmeng Town Contractor Agreement 2

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for railings and fences in respect of the Greenland Dongmeng Town Project 2 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for railings and fences for the Greenland Dongmeng International Town (綠地東盟國際城) to be undertaken on the land parcel no.35 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 95,600 sq.m.
Estimated total contract sum:	Approximately RMB2.97 million inclusive of tax (approximately HK\$3.54 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	26 March 2022

## LETTER FROM THE BOARD

### (f)(iii) Greenland Dongmeng Town Contractor Agreement 3

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for doors and windows in respect of the Greenland Dongmeng Town Project 3 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for doors and windows for phase 2 of the Greenland Dongmeng International Town (綠地東盟國際城二期) to be undertaken on the land parcel CR14-1 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 167,500 sq.m.
Estimated total contract sum:	Approximately RMB20.90 million inclusive of tax (approximately HK\$24.88 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	27 February 2022

## LETTER FROM THE BOARD

### (f)(iv) Greenland Dongmeng Town Contractor Agreement 4

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for railings and fences in respect of the Greenland Dongmeng Town Project 4 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for railings and fences for phase 2 of the Greenland Dongmeng International Town (綠地東盟國際城二期) to be undertaken on the land parcel CR14-1 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 167,500 sq.m.
Estimated total contract sum:	Approximately RMB4.61 million inclusive of tax (approximately HK\$5.49 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	27 February 2022

## LETTER FROM THE BOARD

### (g) Greenland Art Residence Contractor Agreement

Date:	29 April 2021
Parties:	(i) Greenland Art Residence Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for doors, windows and louvers in respect of the Greenland Art Residence Project in accordance with the construction drawings, design modification and the instruction of Greenland Art Residence Project Company
Project description and location:	The installation works for doors, windows and louvers for the Greenland Art Residence (梧州綠地璞悅公館) to be undertaken on the land parcel situated beside Guoguang Avenue, Guangdong-Guangxi Interprovincial Pilot Cooperation Special Zone, Wanxiu District, Wuzhou City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區梧州市萬秀區粵桂合作特別試驗區國光大道旁)
Estimated construction area:	Approximately 43,100 sq.m.
Estimated total contract sum:	Approximately RMB5.38 million inclusive of tax (approximately HK\$6.40 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	14 April 2022

## LETTER FROM THE BOARD

### Payment terms

The total contract sum payable under each Contractor Agreement shall be payable in stages based on the progress of the construction works. The final total contract sum under each Contractor Agreement is subject to adjustment, which is the final total contract sum as set out in the completion settlement report prepared by the Contractor and audited by the Project Company or its appointed independent third party costing consultant in accordance with the terms of the relevant Contractor Agreement (the “**Final Settlement Report**”).

In general, 70% of the estimated total contract sum shall have been fully paid up following completion and acceptance of the construction works, and up to 97% of the adjusted total contract sum shall have been fully paid after the audit of the completion settlement report has been completed. The remaining 3% of the adjusted total contract sum payable under each Contractor Agreement shall be withheld as warranty money and shall, subject to deductions due to necessary repair works, be released after the expiry of a period of up to 2 or 5 years (depending on the types of construction works).

Furthermore, the total contract sum of each of the Contractor Agreements will be adjusted in response to fluctuation in the market price of certain major construction materials when such fluctuation is larger than the threshold agreed upon under each of such Contractor Agreement, which threshold is  $\pm 5\%$ .

In the event the market price of the relevant construction materials is higher than the pre-agreed threshold, the adjustment mechanism and formula is as follows:

Adjusted Price = Contract Price + (Average Price – Pre-agreed Reference Price  $\times$  (1 + Pre-agreed Threshold))

In the event the market price of the relevant construction materials is lower than the pre-agreed threshold, the adjustment mechanism and formula is as follows:

Adjusted Price = Contract Price – (Pre-agreed Reference Price  $\times$  (1 – Pre-agreed Threshold) – Average Price)

*Notes:*

“Adjusted Price” means the adjusted price of the relevant construction materials

“Contract Price” means the original price of the major construction materials contracted under the relevant Contractor Agreement

“Average Price” means the average price of the relevant construction materials during the period of price estimation

## LETTER FROM THE BOARD

“Pre-agreed Reference Price”	means the pre-agreed reference price contracted under the relevant Contractor Agreement, which is the reference price of the relevant construction materials published from time-to-time by: “Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)”* (《建設工程工程量清單計價規範(GB50500-2013)》), “Nanning City Construction Works Cost Information Price Directive”* (《南寧市建設工程造價信息價格指導》) of the fifth period of 2021 issued by the Nanning City Cost Station* (南寧市造價站), “Wuxi City Construction Works Materials and Equipment Price Information”* (《無錫市建設工程材料及設備價格信息》) issued by the Wuxi City Cost Station* (無錫市造價站) in December 2020, “Zhanjiang City Construction Works Cost Information”* (《湛江市建設工程造價信息》) issued by the Zhanjiang City Cost Station* (湛江市造價站) in July 2020 and “Wuzhou City Construction Works Cost Information Price Directive”* (《梧州市建設工程造價信息價格指導》) of the seventh period of 2020 issued by the Wuzhou City Cost Station* (梧州市造價站).
“Pre-agreed Threshold”	means the pre-agreed threshold of $\pm 5\%$ in respect of the fluctuation of the relevant market price of the major construction materials contracted under the relevant Contractor Agreement

The above adjustment is based on dollar-to-dollar basis and is in line with the market practice of the construction industry in the PRC. In addition to the above adjustment mechanism, the original total contract sum of a Contractor Agreement may be adjusted if additional works are subsequently required by the Project Company. Save as disclosed above, there will not be any adjustments to the original total contract sum of the Contractor Agreements. The actual adjustment shall be determined based on the Final Settlement Report, and there is no agreed maximum amount of the total contract sum under each Contractor Agreement. According to the Company’s previous experience and practice, the adjustments to the total contract sum of similar contractor agreements did not exceed 5% of the total contract sum of the relevant contractor agreement. As such, in the event that the adjustment to any of the Contractor Agreements exceeds 5% of its total contract sum, the Company will seek the Independent Shareholders’ approval for the relevant adjustment and the revised total contract sum of such Contractor Agreement at extraordinary general meeting of the Company, and will enter into a supplemental agreement with the relevant contractor to govern the relevant adjustment.

Before entering into each of the Contractor Agreement, the Cost Management Department of the Company invited at least two other contractors (which are independent third parties) and the Contractor to tender for the Construction Project. The tenderers invited were those contractors who were in the Company’s contractors approved list, they were assessed by the Company to ensure they have sufficient capability and expertise to



## LETTER FROM THE BOARD

undertake the construction works in a cost efficient manner based on the Company's experience and/or understanding. For the invitation for the submission of tenders for the Contractor Agreements, the Company specified the non-construction material portion of the total contract sum for each of the Construction Projects and invited tenders to submit tender for the Construction Project based on their quotes for the construction material portion of the total contract sum (subject to adjustment as mentioned above) plus the said non-construction material portion of the total contract sum. Before finalising the total contract sum, the Group compared market prices and the contract prices paid by the Group to independent third parties for construction works of a similar nature. When comparing such prices, the Group primarily considered the average cost per square metre and the project's construction work costs.

### **Basis of determining the total contract sum**

The total contract sum (subject to adjustments) payable under each of the Contractor Agreements was negotiated on an arm's length basis and determined with reference to the fees payable by the Group to independent third parties for construction works of a similar nature and the applicable local rules and regulations (which may also provide for the expected quantities of materials to be used in a Construction Project) that govern the fees to be charged in respect of the construction works to be undertaken under the relevant Contractor Agreement.

Such rules and regulations includes:

- (1) in the case of the Head Office of ASEAN Projects and the Greenland Dongmeng Town Projects:
  - "Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)"\* (《建設工程工程量清單計價規範(GB50500-2013)》) and "Nanning City Construction Works Cost Information Price Directive"\* (《南寧市建設工程造價信息價格指導》) of the fifth period of 2021 issued by the Nanning City Cost Station\* (南寧市造價站);
- (2) in the case of the If Alan Project:
  - "Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)"\* (《建設工程工程量清單計價規範(GB50500-2013)》) and "Wuxi City Construction Works Materials and Equipment Price Information"\* (《無錫市建設工程材料及設備價格信息》) issued by the Wuxi City Cost Station\* (無錫市造價站) in December 2020;
- (3) in the case of the Greenland Xinli Haiyue Mansion Project:
  - "Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)"\* (《建設工程工程量清單計價規範 (GB50500-2013)》) and "Zhanjiang City Construction Works Cost Information"\* (《湛江市建設工程造價信息》) issued by the Zhanjiang City Cost Station\* (湛江市造價站) in July 2020; and

## LETTER FROM THE BOARD

(4) in the case of the Greenland Art Residence Project:

- “Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)”\* (《建設工程工程量清單計價規範 (GB50500-2013)》) and “Wuzhou City Construction Works Cost Information Price Directive”\* (《梧州市建設工程造價信息價格指導》) of the seventh period of 2020 issued by the Wuzhou City Cost Station\* (梧州市造價站).

The total contract sum of each Construction Project was arrived at by totalling up the estimated amount of required construction work (in terms of units of construction work and quantity of construction materials) set out in the relevant local rules and regulations or required by the Project Company multiplied by the current market prices for the relevant place for each unit of construction works and construction materials respectively as published in writing and/or on-line at the website of the relevant PRC government or industry authority from time to time. The amount of construction works cost per unit of construction works was primarily based on labour cost and other costs stipulated by the relevant PRC government or industry. The major construction materials used for the Contractor Agreements are concrete, door, window and railings.

The major construction materials for Head Office of ASEAN Projects and If Alan Project are steel bars, aerated concrete blocks, small blocks and cement. The steel bars are sourced by the relevant Project Companies from other independent third parties instead of the relevant Contractors. The other major construction materials used for the Head Office of ASEAN Projects and If Alan Project are provided by the relevant Contractors, the amounts and average prices of which are as follows:

	Aerated concrete blocks		Small blocks		Cement	
	Amount ( $m^3$ )	Average price (RMB)	Amount ( $m^3$ )	Average price (RMB)	Amount (ton)	Average price (RMB)
Head Office of ASEAN Project 1	5,150.2	221.2	4,759.6	174.3	35,940.1	486.7
Head Office of ASEAN Project 2	3,225.1	221.2	2,335.9	174.3	23,195.9	504.4
Head Office of ASEAN Project 3	1,763.7	221.2	1,373.0	174.3	10,668.1	504.4
If Alan Project	7,640.8	585.0	3,032.4	295.0	102,114.3	250.0

## LETTER FROM THE BOARD

The major construction materials for Greenland Xinli Haiyue Mansion Project are stainless steel, mortar and marble, and are provided by the relevant Contractor, the amounts and average prices of which are as follows:

	Stainless steel		Mortar		Marble	
	Amount ( <i>m</i> <sup>2</sup> )	Average price (RMB)	Amount ( <i>ton</i> )	Average price (RMB)	Amount ( <i>m</i> <sup>2</sup> )	Average price (RMB)
Greenland Xinli Haiyue Mansion Project	1,119.9	369.2	807.8	297.1	287.1	685.8

The major construction materials for Greenland Dongmeng Town Projects 1 and 3 and Greenland Art Residence Project are doors and windows, and are provided by the relevant Contractor, the numbers and average prices of which are as follows:

	Doors		Windows	
	Amount	Average price (RMB)	Amount	Average price (RMB)
Greenland Dongmeng Town Project 1	1,035	1,053.2	3,151	881.5
Greenland Dongmeng Town Project 3	3,203	1,041.9	15,911	375.1
Greenland Art Residence Project	1,950	1,458.0	11,784	336.3

The major construction materials for Greenland Dongmeng Town Projects 2 and 4 are metallic railings and glass railings, and are provided by the relevant Contractor, the lengths and average prices of which are as follows:

	Metallic railings		Glass railings	
	Amount ( <i>m</i> )	Average price (RMB)	Amount ( <i>m</i> )	Average price (RMB)
Greenland Dongmeng Town Project 2	14,127.0	73.1	1,427.3	214.6
Greenland Dongmeng Town Project 4	24,301.9	495.8	2,112.8	127.8

Before finalising the total contract sum, the Group also compared the fees payable by the Group to independent third parties for construction works of a similar nature. When comparing such fees, the Group primarily considered the average cost per square metre or unit of construction work, the project's construction work costs and the price charged for precedent projects.

## LETTER FROM THE BOARD

The Cost Management Department, Engineering Department and Technology Research and Development Department worked with independent third party costing consultants, namely Shanghai Huarong Investment Consultancy Centre Co., Ltd.\* (上海華融投資諮詢中心有限公司), Shanghai Shenyuan Engineering Investment Consultancy Co., Ltd.\* (上海申元工程投資諮詢有限公司), Guangxi Xinda Youbang Engineering Cost Consultancy Co., Ltd.\* (廣西信達友邦工程造價諮詢有限責任公司), Beijing Jianbiao Chenghe Engineering Consultancy Co., Ltd. Shanghai Branch\* (北京建標誠和工程諮詢有限公司上海分公司) and Zhongtong Construction Engineering Management Co., Ltd.\* (中通建設工程管理有限公司), would determine which tender was successful by (i) reviewing the unit prices of the construction materials quoted by the tenderers, the results of which shows that the unit prices of the major components of construction materials quoted by the Contractors (for example, concrete and formwork) were lower than or the same as the lowest unit prices quoted by the other tenderers. For instance, the unit prices of concrete and formwork quoted by one of the Contractors for one of the Construction Projects were RMB562.08 per cubic metre and RMB7.56 per metre square respectively, whereas for the same Construction Project, the other tenderers quoted RMB595.80 per cubic metre for the concrete and RMB7.00 per metre square for the formwork; (ii) evaluating the commercial terms of the tenderers, the result of which shows that the commercial terms of the Contractors are in compliance with the Company's policy; and (iii) evaluating the reliability of services of the tenderers through a review conducted by the Company to assess a tenderers' financial capacity, its degree of cooperation, its technical expertise and whether it has any adverse track record, the result of which shows that the Contractors passed this review.

In relation to the tenderers' financial capacity, the tenderers shall have certain amount of registered capital as required by the Company, which is not less than RMB100 million for Head Office of ASEAN Projects and If Alan Project, not less than RMB10 million for Greenland Xinli Haiyue Mansion Project and not less than RMB5 million for Greenland Dongmeng Town Projects and Greenland Art Residence Project. In relation to the tenderers' degree of cooperation, the Company requires that the tenderers do not have any bad publicities (such as freezing of equity interest, being auctioned, material breaches of law and etc.), and shall achieve certain minimum scores under the internal grading system of the Group, which takes into account various factors such as the cooperation history, site visit results of other projects done by such tenderers and etc. In relation to the tenderers' technical expertise, the tenderers shall meet certain levels of expertise qualifications. The tenderers for Head Office of ASEAN Projects and If Alan Project shall have the professional qualification of Building Construction General Contracting Class 1 or above. The tenderers for Greenland Xinli Haiyue Mansion Project shall generally have the professional qualification of Professional Engineering of Building Decoration Class 1 or above. The tenderers also need to have annual construction works capability (in terms of contract sum), which is not less than RMB1 billion for Head Office of ASEAN Projects and If Alan Project, not less than RMB200 million for Greenland Xinli Haiyue Mansion Project and not less than RMB50 million for Greenland Dongmeng Town Projects and Greenland Art Residence Project. If the tenderers have adverse track record, including insufficient degree of cooperation, making troubles, deficiencies in work quality and etc., the tenderers will be removed from the Company's supplier whitelist. The Group will only cooperate with the tenderers which are on the supplier whitelist.

## LETTER FROM THE BOARD

In conclusion, the tenders submitted by the Contractors are more favourable to the Group than those of other tenderers. The Cost Management Department focused on the commercial aspects of the tenders, whereas the Engineering Department and Technology Research and Development Department focused on evaluating the engineering and technical expertise of the tenderer.

### **Condition Precedent**

Each of the Contractor Agreements shall not take effect until the obtaining of the approval by the Independent Shareholders at the EGM. If the Independent Shareholders do not approve any Contractor Agreement at the EGM, such Contractor Agreement will not have any legal effect.

### **Funding**

The total contract sum payable under each of the Contractor Agreements is expected to be funded by the internal resources of the Group.

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

The Contractors have extensive experience in the construction business in the PRC. The Directors believe that engaging the Contractors to carry out the construction works in respect of the Construction Projects will allow the Group to capitalise on the expertise of the Contractors and ensure the construction works are completed up to the standards desired by the Company. The Directors are of the view that the Contractor Agreements do not have any disadvantages to the Group.

The Board (including the independent non-executive Directors, whose opinion is set out in the "Letter from the Independent Board Committee" reproduced in Appendix I in this circular but excluding Mr. Chen Jun (who also serves as the executive president of Greenland Holdings) and Mr. Wu Zhengkui (who also serves as the deputy general manager of the finance department of Greenland Holdings), who abstained from voting at the meeting of the Board due to conflict of interest) considers that the Contractor Agreements were entered into in the ordinary and usual course of business of the Group, and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, and that the terms of each of the Contractor Agreements have been negotiated on an arm's length basis and are normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **GENERAL INFORMATION**

The Company is an investment holding company. The Group is principally engaged in property development, property and hotel investment and property management.

Contractor A, Contractor B, Contractor C and Contractor D are principally engaged in undertaking industrial and civil construction works, interior and exterior construction, installation and decoration works and construction of urban roads.

## LETTER FROM THE BOARD

Contractor A is owned as to approximately 76.7% by Guangxi Jiangong Group Co., Ltd.\* (廣西建工集團有限責任公司), and approximately 23.3% indirectly by several independent third parties, in which Greenland Holdings has no shareholding interests. Guangxi Jiangong Group Co., Ltd.\* (廣西建工集團有限責任公司) is owned as to 51% indirectly by Greenland Holdings, approximately 32.9% indirectly by the Autonomous Region People's Government of Guangxi Zhuang Autonomous Region of the PRC, 15% by Nanning Zhongxin Investment Management Centre (Limited Liability Partnership)\* (南寧眾鑫投資管理中心(有限合夥)) and approximately 1.1% by the State-owned Assets Supervision and Administration Commission of the Autonomous Region People's Government of Guangxi Zhuang Autonomous Region of the PRC\* (廣西壯族自治區人民政府國有資產監督管理委員會). Hence, Contractor A is controlled as to approximately 76.7% by Greenland Holdings. Contractor B is owned as to approximately 72.2% by Tianjin Construction Group (Holding) Co., Ltd.\* (天津市建工集團(控股)有限公司), which in turn is owned as to 55% by Greenland Large Infrastructure Co., Ltd.\* (綠地大基建有限公司) (a wholly-owned subsidiary of Greenland Holdings), 35% indirectly by the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government\* (天津市人民政府國有資產監督管理委員會) and 10% by Tianjian City Tianjian Holding Enterprise Management Centre (Limited Liability Partnership)\* (天津天建持股企業管理中心(有限合夥)); and approximately 27.8% by Tianjin City Tianjian Holding Three Enterprise Management Centre (Limited Liability Partnership)\* (天津天建持股參企業管理中心(有限合夥)). Hence, Contractor B is controlled as to 72.2% by Greenland Holdings.

Greenland Holdings is principally engaged in asset investment, property development and operation, residential and infrastructure facility ancillary construction, hotel management and property management. Guangxi Jiangong Group Co., Ltd.\* (廣西建工集團有限責任公司) is principally engaged in, among others, various types of engineering and installation main contracting works and consultation works. Nanning Zhongxin Investment Management Centre (Limited Liability Partnership)\* (南寧眾鑫投資管理中心(有限合夥)) is principally engaged in, among others, investment management service. The State-owned Assets Supervision and Administration Commission of the Autonomous Region People's Government of Guangxi Zhuang Autonomous Region of the PRC\* (廣西壯族自治區人民政府國有資產監督管理委員會) is a governmental authority established under the Autonomous Region People's Government of Guangxi Zhuang Autonomous Region of the PRC for supervising and managing state-owned assets. Tianjin Construction Group (Holding) Co., Ltd.\* (天津市建工集團(控股)有限公司) is principally engaged in construction, decoration, road and bridge engineering, landscaping and main contracting of engineering construction. The State-owned Assets Supervision and Administration Commission of the Tianjin Municipal People's Government\* (天津市人民政府國有資產監督管理委員會) is a government authority established directly under Tianjin Municipal People's Government for supervising and managing state-owned assets. Tianjin City Tianjian Holding Enterprise Management Centre (Limited Liability Partnership)\* (天津天建持股企業管理中心(有限合夥)) and Tianjian City Tianjian Holding Three Enterprise Management Centre (Limited Liability Partnership)\* (天津天建持股參企業管理中心(有限合夥)) are principally engaged in construction management services, construction technology transfer and technology services.

## LETTER FROM THE BOARD

### LISTING RULES IMPLICATIONS

As at the date of this circular, Greenland Holdings indirectly holds approximately 59.1% of the entire issued ordinary share capital of the Company and is a connected person of the Company. Contractor A and Contractor B are controlled as to approximately 76.7% and 72.2% by Greenland Holdings respectively. Contractor C and Contractor D are owned as to 100% and as to 70% by Greenland Holdings respectively.

As the highest Applicable Percentage Ratio for the Contractor Agreements on an aggregate basis exceeds 5%, the Contractor Agreements constitute connected transactions for the Company subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, Gluon Xima, being the controlling shareholder of the Company, controls the voting rights in respect of 1,650,244,409 Shares, representing approximately 59.1% of the entire issued ordinary share capital of the Company. Save for Gluon Xima, none of Greenland Holdings and its close associates control or are entitled to exercise control over the voting rights in respect of any Shares. There are no voting trusts or other agreements or arrangements or understandings or obligations or entitlements whereby Gluon Xima has or may have temporarily or permanently passed control over the exercise of the voting rights in respect of its Shares to a third party, either generally or on a case-by-case basis. Greenland Holdings, Gluon Xima and their respective close associates will be required to abstain from voting on the shareholders' resolutions in relation to the Contractor Agreements.

As at the Latest Practicable Date, Mr. Chen Jun and Mr. Wu Zhengkui had not held any shares in the Company.

The Independent Board Committee, comprising all independent non-executive Directors, has been formed to advise the Independent Shareholders on the fairness and reasonableness of the terms of the Contractor Agreements. Octal Capital has been appointed as the independent financial adviser to make recommendations on the same to the Independent Board Committee and the Independent Shareholders.

### EXTRAORDINARY GENERAL MEETING

A notice convening the EGM is set out on pages EGM-1 to EGM-4 of this circular. Ordinary resolutions will be proposed at the EGM to seek Shareholders' approval of the Contractor Agreements and the transactions contemplated thereunder.

Save as disclosed above, as at the Latest Practicable Date, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, no other Shareholder has any material interest in the transactions contemplated under the Contractor Agreements, and therefore no other Shareholder is required to abstain from voting on the relevant resolution approving the Contractor Agreements and transactions contemplated thereunder at the EGM.

## LETTER FROM THE BOARD

For the purpose of determining shareholders' eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 16 July 2021 to Tuesday, 20 July 2021 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the EGM, all transfers, accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 15 July 2021.

A form of proxy for appointing proxy is despatched with this circular and published on the websites of HKEXnews (<http://www.hkexnews.hk>) and the Company (<http://www.greenlandhk.com>). Whether or not you intend to attend the EGM or any adjournment thereof via e-Meeting System (as the case may be), please complete and return the enclosed form of proxy in accordance with the instructions printed on the form of proxy as soon as practicable, but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be), to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment meeting via e-Meeting System (as the case may be) if you so wish and, in such event, the instrument appointing a proxy will be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions proposed to be approved at the EGM will be taken by poll and an announcement for the results of the EGM will be made by the Company after the EGM.

### RECOMMENDATION

The Independent Board Committee, having taken into account the advice of Octal Capital, considers that the terms of Contractor Agreements are fair and reasonable, and that the transactions contemplated under the Contractor Agreements are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of all the resolutions in relation to the Contractor Agreements to be proposed at the EGM. The text of the letter from the Independent Board Committee is set out on pages I-1 and I-2 of this circular, and the text of the letter from Octal Capital is set out on pages II-1 to II-31 of circular.

Yours faithfully,  
For and on behalf of the Board  
**Greenland Hong Kong Holdings Limited**  
**Chen Jun**  
*Chairman*



**GREENLAND HONG KONG HOLDINGS LIMITED****綠地香港控股有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 337)**

30 June 2021

*To the Independent Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION**  
**Appointment of connected persons**  
**as contractors for construction works**

We refer to the circular dated 30 June 2021 of the Company (the “**Circular**”) of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider and to advise the Independent Shareholders whether the terms of the Contractor Agreements are fair and reasonable, and whether the transactions contemplated thereunder are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole, taking into account the recommendations of the Independent Financial Adviser appointed to advise us.

Octal Capital has been appointed as the independent financial adviser to advise us and the Independent Shareholders in the above-mentioned context. Your attention is drawn to the “Letter from the Board” and the “Letter from the Independent Financial Adviser” in the Circular, which contain, among other things, information about the Contractor Agreements and the advice from Octal Capital in respect of the transactions contemplated under the Contractor Agreements.

Having taking into account the reasons for and benefits of the transactions contemplated under the Contractor Agreements, the principal factors and reasons considered by Octal Capital in arriving at its opinion regarding such transactions as set out in the “Letter from the Independent Financial Adviser” on pages II-1 to II-31 of the Circular, we consider that the terms of the Contractor Agreements are fair and reasonable, and that the transactions contemplated under the Contractor Agreements are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend that the Independent Shareholders vote in favour of all the ordinary resolutions as set out in the notice of EGM to be held on Tuesday, 20 July 2021 and thereby approve the transactions contemplated under the Contractor Agreements.

Yours faithfully

For and on behalf of

**Independent Board Committee**

**Fong Wo, Felix, JP**

*Independent*

*Non-executive Director*

**Kwan Kai Cheong**

*Independent*

*Non-executive Director*

**Dr. Lam, Lee G.**

*Independent*

*Non-executive Director*

*The following is the letter of advice from Octal Capital to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.*



801-805, 8/F, Nan Fung Tower  
88 Connaught Road Central  
Hong Kong

30 June 2021

*To the Independent Board Committee and the Independent Shareholders*

Dear Sirs,

**CONNECTED TRANSACTION**  
**Appointment of connected persons**  
**as contractors for construction works**

**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 Contractor Agreements, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 30 June 2021 (the “**Circular**”), of which this letter forms a part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as ascribed to them under the section headed “Definitions” in the Circular.

The Board announced that, on 29 April 2021 (after trading hours),

- (a) Head Office of ASEAN Project Company 1, a wholly-owned subsidiary of the Company, entered into the Head Office of ASEAN Contractor Agreement 1 with Contractor A to conditionally appoint Contractor A as the main contractor for the Head Office of ASEAN Project 1;
- (b) Head Office of ASEAN Project Company 2, a wholly-owned subsidiary of the Company, entered into the Head Office of ASEAN Contractor Agreement 2 with Contractor A to conditionally appoint Contractor A as the main contractor for the Head Office of ASEAN Project 2;
- (c) Head Office of ASEAN Project Company 3, a wholly-owned subsidiary of the Company, entered into the Head Office of ASEAN Contractor Agreement 3 with Contractor A to conditionally appoint Contractor A as the main contractor for the Head Office of ASEAN Project 3;
- (d) If Alan Project Company, a wholly-owned subsidiary of the Company, entered into the If Alan Contractor Agreement with Contractor B to conditionally appoint Contractor B as the main contractor for the If Alan Project;

- (e) Greenland Xinli Haiyue Mansion Project Company, a 90%-owned subsidiary of the Company, entered into the Greenland Xinli Haiyue Mansion Contractor Agreement with Contractor C to appoint conditionally Contractor C as the contractor for the Greenland Xinli Haiyue Mansion Project;
  
- (f) Greenland Dongmeng Town Project Company, a wholly-owned subsidiary of the Company, entered into the Greenland Dongmeng Town Contractor Agreements with Contractor D to conditionally appoint Contractor D as the contractor for the following project:
  - Greenland Dongmeng Town Project 1;
  
  - Greenland Dongmeng Town Project 2;
  
  - Greenland Dongmeng Town Project 3; and
  
  - Greenland Dongmeng Town Project 4;
  
- (g) Greenland Art Residence Project Company, a 60%-owned subsidiary of the Company, entered into the Greenland Art Residence Contractor Agreement with Contractor D to conditionally appoint Contractor D as the contractor for the Greenland Art Residence Project.

As at the Latest Practicable Date, Greenland Holdings indirectly holds approximately 59.1% of the entire issued ordinary shares capital of the Company and is a connected person of the Company. Contractor A and Contractor B are controlled as to approximately 76.7% and 72.2% by Greenland Holdings respectively. Contractor C and Contractor D are owned as to 100% and as to 70% by Greenland Holdings respectively. Accordingly, each of the Contractors is an associate of Greenland Holdings and, thus, a connected person of the Company.

As the highest Applicable Percentage Ratio for the Contractor Agreements on an aggregate basis exceeds 5%, the Contractor Agreements constitute connected transactions for the Company subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Fong Wo, Felix, JP, Mr. Kwan Kai Cheong and Dr. Lam, Lee G., has been formed to advise the Independent Shareholders whether the terms of each of the Contractor Agreements are fair and reasonable, and whether the transactions contemplated thereunder are on normal commercial terms or better and in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole, taking into account the recommendations advise by us.

We, Octal Capital, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Contractor Agreements in this regard. We are not connected with the directors, chief executive and substantial shareholders of the Company or Greenland Holdings or any of their respective subsidiaries or their respective associates and do not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group as at the Latest Practicable Date and therefore is considered suitable to give independent advice to the Independent Shareholders. During the last two years, we were engaged as the independent financial adviser to the Company (the “**Previous Engagements**”) in respect of (i) the connected transaction in relation to appointment of connected persons as contractors for construction works (details of which are set out in the circular of the Company dated 4 June 2019); (ii) the connected transaction in relation to appointment of connected persons as main contractors for construction works (details of which are set out in the circular of the Company dated 7 November 2019); (iii) the connected transaction in relation to appointment of connected persons as contractors for construction works (details of which are set out in the circular of the Company dated 11 June 2020); and (iv) the very substantial acquisition and connected transaction (details of which are set out in the circular of the Company dated 25 November 2020).

Under the Previous Engagements, we were required to express our opinion on and give recommendation to the independent committee of the Board comprising all the independent non-executive Directors and Independent Shareholders in respect of the relevant transactions. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Group or the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries or their respective associates.

In formulating our opinion, we have relied on the accuracy of the information and representations contained in the Circular and have assumed that all information and representations made or referred to in the Circular as provided by the management of the Company were true at the time they were made and continue to be true as at the date of the Circular. We have also relied on our discussion with the management of the Company regarding the Contractor Agreements including the information and representations contained in the Circular. We have also assumed that all statements of belief, opinion and intention made by the management of the Company respectively in the Circular were reasonably made after due enquiry. We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained or opinions expressed in the Circular nor to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Group, Greenland Holdings, Contractors and their respective associates, nor have we carried out any independent verification of the information supplied to us.

## PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Contractor Agreements, we have considered the following principal factors and reasons:

### 1. Reasons for and benefits of the Contractor Agreements

The Company is an investment holding company. The Group is principally engaged in property development, property and hotel investment and property management. Greenland Holdings is an enterprise headquartered in Shanghai, PRC and is principally engaged in asset investment, property development and operation, residential and infrastructure facility ancillary construction, hotel management and property management. As at the Latest Practicable Date, Greenland Holdings indirectly holds approximately 59.1% of the entire issued share capital of the Company.

Contractor A is controlled as to approximately 76.7% by Greenland Holdings, and is principally engaged in undertaking industrial and civil construction works, interior and exterior construction, installation and decoration works and construction of urban roads. According to the Contractor A's company profile documents including its business license and Construction Enterprise Qualification Certificate, Contractor A was established in 1980 with a registered capital of RMB1,000 million and possesses the necessary licenses, mainly including Building Construction General Contracting Premium Qualification (建築工程施工總承包特級), Construction Industry (Construction Engineering) Design Class A (建築行業(建築工程)設計甲級), Municipal Public Construction General Contracting Class 1 (市政公用工程施工總承包一級), Electromechanical Installation Engineering Contracting Works Class 1 (機電工程施工總承包一級), Smelting Engineering Construction General contracting Class 1 (冶煉工程施工總承包一級), Highway Engineering General Contracting Class 2 (公路工程總承包二級), Petrochemical Engineering General Contracting Class 2 (石油化工工程總承包二級), Power Engineering General Contracting Class 2 (電力工程總承包二級), Steel Structure Engineering Professional Contracting Works Class 1 (鋼結構工程專業承包一級) and Professional Engineering of Building Decoration Class 1 (建築裝修裝飾工程專業承包一級).

Contractor B is controlled as to approximately 72.2% by Greenland Holdings, and is principally engaged in undertaking industrial and civil construction works, interior and exterior construction, installation and decoration works and construction of urban roads. According to the Contractor B's company profile documents including its business license and Construction Enterprise Qualification Certificate, Contractor B was established in 2000 with a registered capital of RMB1,258.01 million and possesses the necessary licenses, mainly including Building Construction General Contracting Premium Qualification (建築工程施工總承包特級), Municipal Public Construction General Contracting Class 1 (市政公用工程施工總承包一級), Electromechanical Installation Engineering Contracting Works Class 1 (機電工程施工總承包一級), Steel Structure Engineering Professional Contracting Works Class 1 (鋼結構工程專業承包一級), Foundation and Foundation Engineering Professional Contracting Works Class 1 (地基與基礎工程專業承包一級) and Professional Engineering of Building Decoration Class 1 (建築裝修裝飾工程專業承包一級).

Contractor C is owned as to 100% by Greenland Holding, and is principally engaged in building construction, municipal public construction, building decoration and foundation and foundation engineering. According to the Contractor C's company profile documents including its business license and Construction Enterprise Qualification Certificate, Contractor C was established in 1996 with a registered capital of RMB625 million and possesses the necessary licenses, mainly including Building Construction General Contracting Class 1 (建築工程施工總承包一級), Municipal Public Construction General Contracting Class 2 (市政公用工程施工總承包二級), Electromechanical Installation Engineering Contracting Works Class 3 (機電工程施工總承包三級), Professional Engineering of Building Decoration Class 1 (建築裝修裝飾工程專業承包一級), Professional Engineering of Curtain Wall Construction Class 1 (建築幕牆工程專業承包一級), Foundation and Foundation Engineering Professional Contracting Works Class 2 (地基與基礎工程專業承包二級) and Steel Structure Engineering Professional Contracting Works Class 3 (鋼結構工程專業承包三級).

Contractor D is owned as to approximately 70% by Greenland Holding, and is principally engaged in production and installation of doors and windows, production and installation of railings and fences and curtain wall construction. According to the Contractor D's company profile documents including its business license and relevant qualification certificates, Contractor D was established in 2018 with a registered capital of RMB50 million and possesses the necessary licenses, mainly including Production of Doors and Windows Class 1 (建築門窗產品製作一級) and Installation of Doors and Windows Class 1 (建築門窗產品安裝一級).

According to the Regulations on Qualification Management of Construction Enterprises (建築業企業資質管理規定) promulgated in 2015 by the Ministry of Housing and Urban-Rural Development of the PRC, the enterprises are allowed to engage in the construction activities that are covered in the qualification certificate of construction enterprise. The enterprises apply for construction enterprise qualification based on their own assets, staffing, completed project performance and technical equipment and other conditions. As advised by the management of the Group, before selecting contractors from the Group's supplier whitelist (the "Approved List") for invitation of tenders of the Construction Projects, the Group performed assessments (the "Assessments") on the competence and capabilities of the contractors by mainly reviewing their licenses and qualifications, and relevant construction contracting experiences, in order to ensure the selected contractors to comply with requirements to undertake the Construction Projects. Therefore, we are of the view that the Contractors, being chosen among the contractors in the Approved List, possess necessary licenses and qualifications to undertake the Construction Projects.

As set out in the Letter from the Board, the Contractors have extensive experience in the construction business in the PRC. The Directors believe that engaging the Contractors to carry out the construction works in respect of the Construction Projects will allow the Group to capitalise on the expertise of the Contractors and ensure that the construction works are completed up to the standards desired by the Company. Moreover, based on our discussion with the management of the Company, we understand that the Group has engaged Contractor A and Contractor B to carry out construction projects for approximately 2 years and 1 year respectively. Apart from the Construction Projects, Contractor A and Contractor B have undertaken 3 and 2 construction projects subcontracted by the Group respectively, which are still under construction up to the Latest Practicable Date. As advised by the management of the Company, Contractor A and Contractor B have been able to meet construction progress and the requirement of construction work and have not involved in any dispute with the Group during the construction of the construction projects, the management of the Group considered that the Group and Contractor A and Contractor B are working effectively and efficiently. It is the first time for Contractor C and Contractor D to undertake the Group's construction project. We understand from the Group that Contractor C and Contractor D are included in the recognised contractors of the Approved List and meet the requirements under the Assessments including technical capabilities, experience and staffing requirements.

Having considered (i) the capability of the Contractors to carry out the Construction Projects; (ii) the proven track records of Contractor A and Contractor B; (iii) the current cooperation relationship with Contractor A and Contractor B; and (iv) Contractor C and Contractor D meet the requirements under the Assessments including technical capabilities, experience and staffing requirements, we are of the view that engaging the Contractors to handle the Construction Projects, which will allow the Group to capitalise on the expertise of the Contractors, ensure the construction works are completed up to the standards required by the Company and mitigate the risk arising from identifying third parties contractors to carry out construction works, is in the ordinary and usual course of business of the Group, are in the interest of the Company and the Independent Shareholders as a whole.



## 2. Principal Terms of the Connected Transactions

The principal terms of the Contractor Agreements are summarised as follows:

(a) *Head Office of ASEAN Contractor Agreement 1*

Date:	29 April 2021
Parties:	(i) Head Office of ASEAN Project Company 1 as the principal  (ii) Contractor A as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Head Office of ASEAN Project 1 in accordance with the construction drawings, design modification and the instruction of Head Office of ASEAN Project Company 1
Project description and location:	The main contracting of construction and installation works for phase 2 of the Head Office of ASEAN (東盟總部基地二期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西)
Estimated construction area:	Approximately 66,616 sq. m.
Estimated total contract sum:	Approximately RMB92.56 million inclusive of tax (approximately HK\$110.19 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 July 2021
Expected completion date:	11 August 2023

(b) *Head Office of ASEAN Contractor Agreement 2*

Date:	29 April 2021
Parties:	(i) Head Office of ASEAN Project Company 2 as the principal  (ii) Contractor A as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Head Office of ASEAN Project 2 in accordance with the construction drawings, design modification, and the instruction of Head Office of ASEAN Project Company 2
Project description and location:	The main contracting of construction and installation works for phase 3 of the Head Office of ASEAN (東盟總部基地三期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西)
Estimated construction area:	Approximately 39,944 sq. m.
Estimated total contract sum:	Approximately RMB53.66 million inclusive of tax (approximately HK\$63.88 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	20 September 2021
Expected completion date:	3 January 2023

(c) *Head Office of ASEAN Contractor Agreement 3*

Date:	29 April 2021
Parties:	(i) Head Office of ASEAN Project Company 3 as the principal  (ii) Contractor A as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Head Office of ASEAN Project 3 in accordance with the construction drawings, design modification and the instruction of Head Office of ASEAN Project Company 3
Project description and location:	The main contracting of construction and installation works for phase 4 of the Head Office of ASEAN (東盟總部基地四期) to be developed on the land parcel situated at the western side of Nayue Road and the northern side of Jinhai Road, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市良慶區金海路以北、那約路以西)
Estimated construction area:	Approximately 17,982 sq. m.
Estimated total contract sum:	Approximately RMB23.18 million inclusive of tax (approximately HK\$27.60 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	16 July 2021
Expected completion date:	26 July 2022

(d) *If ALAN Contractor Agreement*

Date:	29 April 2021
Parties:	(i) If Alan Project Company as the principal  (ii) Contractor B as the main contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the If Alan Project in accordance with the construction drawings, design modification and the instruction of If Alan Project Company
Project description and location:	The main contracting of construction and installation works for section 2 of If Alan Project (綠地安蘭諾雅項目二標段) to be developed on the land parcel situated at the northeast side of the intersection of Hushan Road and Changqing Road, Binhu District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市濱湖區湖山路與常青路交叉口東北側)
Estimated construction area:	Approximately 145,562 sq. m.
Estimated total contract sum:	Approximately RMB211.01 million inclusive of tax (approximately HK\$251.20 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 August 2021
Expected completion date:	15 August 2023

(e) *Greenland Xinli Haiyue Mansion Contractor Agreement*

Date:	29 April 2021
Parties:	(i) Greenland Xinli Haiyue Mansion Project Company as the principal  (ii) Contractor C as the contractor
Subject matter:	To undertake interior decoration works in respect of the Greenland Xinli Haiyue Mansion Project in accordance with the construction drawings, design modification and the instruction of Greenland Xinli Haiyue Mansion Project Company
Project description and location:	The interior decoration works for phase 1 of the public area of the western land parcel of the Greenland Xinli Haiyue Mansion (綠地新里海玥公館西地塊公區一期) to be undertaken on the land parcel situated next to Potou No.1 Senior Middle School Land Parcel, Potou District, Zhanjiang City, Guangdong Province, the PRC (中國廣東省湛江市坡頭區坡頭一中地塊旁)
Estimated construction area:	Approximately 13,700 sq. m.
Estimated total contract sum:	Approximately RMB6.23 million inclusive of tax (approximately HK\$7.42 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	3 July 2021
Expected completion date:	28 July 2021

(f)(i) *Greenland Dongmeng Town Contractor Agreement 1*

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for doors, windows and louvers in respect of the Greenland Dongmeng Town Project 1 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for doors, windows and louvers for the Greenland Dongmeng International Town (綠地東盟國際城) to be undertaken on the land parcel no.35 (G3, G5, G6, the nursery and the villa) surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 73,000 sq. m.
Estimated total contract sum:	Approximately RMB7.14 million inclusive of tax (approximately HK\$8.50 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	11 March 2022

*(f)(ii) Greenland Dongmeng Town Contractor Agreement 2*

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for railings and fences in respect of the Greenland Dongmeng Town Project 2 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for railings and fences for the Greenland Dongmeng International Town (綠地東盟國際城) to be undertaken on the land parcel no.35 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 95,600 sq. m.
Estimated total contract sum:	Approximately RMB2.97 million inclusive of tax (approximately HK\$3.54 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	26 March 2022

(f)(iii) *Greenland Dongmeng Town Contractor Agreement 3*

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for doors and windows in respect of the Greenland Dongmeng Town Project 3 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for doors and windows for phase 2 of the Greenland Dongmeng International Town (綠地東盟國際城二期) to be undertaken on the land parcel CR14-1 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 167,500 sq. m.
Estimated total contract sum:	Approximately RMB20.90 million inclusive of tax (approximately HK\$24.88 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	27 February 2022



(f)(iv) *Greenland Dongmeng Town Contractor Agreement 4*

Date:	29 April 2021
Parties:	(i) Greenland Dongmeng Town Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for railings and fences in respect of the Greenland Dongmeng Town Project 4 in accordance with the construction drawings, design modification and the instruction of Greenland Dongmeng Town Project Company
Project description and location:	The installation works for railings and fences for phase 2 of the Greenland Dongmeng International Town (綠地東盟國際城二期) to be undertaken on the land parcel CR14-1 surrounded by Ningwu Road, Shishan Road, Lijian Avenue and Dinghe Road within the ASEAN Economic and Technological Development Zone, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市東盟經開區寧武路、獅山路、裡建大道、定合路合圍內等地)
Estimated construction area:	Approximately 167,500 sq. m.
Estimated total contract sum:	Approximately RMB4.61 million inclusive of tax (approximately HK\$5.49 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	27 February 2022

(g) *Greenland Art Residence Contractor Agreement*

Date:	29 April 2021
Parties:	(i) Greenland Art Residence Project Company as the principal  (ii) Contractor D as the contractor
Subject matter:	To undertake installation works for doors, windows and louvers in respect of the Greenland Art Residence Project in accordance with the construction drawings, design modification and the instruction of Greenland Art Residence Project Company
Project description and location:	The installation works for doors, windows and louvers for the Greenland Art Residence (梧州綠地璞悅公館) to be undertaken on the land parcel situated beside Guoguang Avenue, Guangdong-Guangxi Interprovincial Pilot Cooperation Special Zone, Wanxiu District, Wuzhou City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區梧州市萬秀區粵桂合作特別試驗區國光大道旁)
Estimated construction area:	Approximately 43,100 sq. m.
Estimated total contract sum:	Approximately RMB5.38 million inclusive of tax (approximately HK\$6.40 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 September 2021
Expected completion date:	14 April 2022

### 3. Information of the Construction Projects

The Construction Projects comprise the Head Office of ASEAN Projects, the If Alan Project, the Greenland Xinli Haiyue Mansion Project, the Greenland Dongmeng Town Projects and the Greenland Art Residence Project, which can be categorised into (i) civil engineering works, and electrical and plumbing and drainage installation works (the “**Main Construction**”); (ii) interior decoration works (the “**Interior Decoration**”); (iii) installation works for doors, windows and louvers (the “**Doors & Windows Installation**”); and (iv) construction and installation works of railings and fences (the “**Railings & Fences Installation**”) on the relevant construction sites. Set out below is the summary of the details of the Construction Projects:

Construction Projects	General nature of construction projects	Region	Estimated total contract sum (RMB' million)	Estimated construction area (sq.m.)	Estimated total contract sum per sq.m. (RMB)
<b>Main Construction</b>					
Head Office of ASEAN Project 1	civil engineering works, and electrical and plumbing and drainage installation works	Guangxi Province	92.56	66,616	1,390
Head Office of ASEAN Project 2	civil engineering works, and electrical and plumbing and drainage installation works	Guangxi Province	53.66	39,944	1,343
Head Office of ASEAN Project 3	civil engineering works, and electrical and plumbing and drainage installation works	Guangxi Province	23.18	17,982	1,289
If Alan Project	civil engineering works, and electrical and plumbing and drainage installation works	Jiangsu Province	211.01	145,562	1,450
<b>Interior Decoration</b>					
Greenland Xinli Haiyue Mansion Project	interior decoration works	Guangdong Province	6.23	13,700	453

Construction Projects	General nature of construction projects	Region	Estimated total contract sum (RMB' million)	Estimated construction area (sq.m.)	Estimated total contract sum per sq.m. (RMB)
<b>Doors &amp; Windows Installation</b>					
Greenland Dongmeng Town Project 1	installation works for doors, windows and louvers	Guangxi Province	7.14	73,000	98
Greenland Dongmeng Town Project 3	installation works for doors and windows	Guangxi Province	20.90	167,500	125
Greenland Art Residence Project	installation works for doors, windows and louvers	Guangxi Province	5.38	43,100	125
<b>Railings &amp; Fences Installation</b>					
Greenland Dongmeng Town Project 2	installation works for railings and fences	Guangxi Province	2.97	95,600	31
Greenland Dongmeng Town Project 4	installation works for railings and fences	Guangxi Province	4.61	167,500	28

According to the annual report of the Company for the year ended 31 December 2020 and information of the Construction Projects provided by the Company, (i) Head Office of ASEAN (東盟總部基地) comprises a mixed development of commercial, office and hotel, located in Wuxiang New District in Nanning City, Guangxi Province, which will be developed as a new strategically benchmarking platform, leveraging the advantages of diversified industry resources and innovative model of the Group. The estimated GFA of Head Office of ASEAN is approximately 224,800 sq.m.; (ii) If Alan (綠地安蘭諾雅) is a residential project of the Group, located in Binhu District, Wuxi City, Jiangsu Province, which is surrounded by abundant tourism resources, attracting millions of people every year. The estimated GFA of If Alan is approximately 207,300 sq.m.; (iii) Greenland Xinli Haiyue Mansion (綠地新里海玥公館) comprises a mixed development of residential, commercial, and office, located in Potou District, Zhanjiang City, Guangdong Province. The estimated GFA of Greenland Xinli Haiyue Mansion is approximately 408,000 sq.m.; (iv) Greenland Dongmeng International Town (綠地東盟國際城) comprises a mixed development of residential, commercial, office and hotel, located in the core area of ASEAN Economic Development Zone, Nanning City, Guangxi Province. The project is planned to be developed into a future city including commercial center, garden and residence, family activities, rehabilitation and medical services, themed hotel and international education. The estimated GFA of Greenland Dongmeng International Town is approximately 1,734,000 sq.m.; and (v) Greenland Art Residence (梧州綠地璞悅公館) comprises a mixed development of residential and commercial, located in Wanxiu District, Wuzhou City, Guangxi

Province. The project will be developed into a central life area with seven categories such as science, industry, business, medical, education, environmental and residential, and will be developed into a modern city community with sectors of healthcare and education. The estimated GFA of Greenland Art Residence is approximately 226,800 sq.m.

#### 4. Basis of determining the total contract sum

As stated in the Letter from the Board, the total contract sum (subject to adjustments) payable under each of the Contractor Agreements was negotiated on an arm's length basis and determined with reference to the fees payable by the Group to independent third parties for construction works of a similar nature.

As the total contract sum of the Contractor Agreements was determined with reference to the fees payable by the Group to independent third parties for construction works of a similar nature, we have obtained from the Company a full list of construction projects of the Group (the "**Project List**") including all construction projects similar to the Construction Projects which were engaged with independent third parties contractors for the previous three years and up to the Latest Practicable Date (the "**Independent Construction Projects**"). The Project List contains 43 Main Construction projects and 80 other construction projects (i.e. Interior Decoration projects, Doors & Windows Installation projects and Railings & Fences Installation projects) engaged with independent third parties contractors, whereas the contract sum for (i) Main Construction projects ranging from approximately RMB24 million to RMB483 million; (ii) Interior Decoration projects ranging from approximately RMB1 million to RMB67 million; (iii) Doors & Windows Installation projects ranging from approximately RMB166,000 to RMB47 million; and (iv) Railings & Fences Installation projects ranging from approximately RMB393,000 to RMB9 million. Taking into account (i) the nature of the Construction Projects is similar to those of the Independent Construction Projects; and (ii) the contract sum of the Construction Projects falls within the range of the Independent Construction Projects, we are of the view that the Project List is fair and representative for our assessment of the total contract sum and the payment terms of the Construction Projects.

Based on our discussion with the management of the Group, we understand that the Group has been acquiring steel for its main construction projects since 2019 in order to enjoy bulk purchase discount and save the overall construction costs. Therefore, the contract sum of the Group's existing main construction projects, including the Head Office of ASEAN Projects, does not include cost of steel. While we noted that some of the total contract sum of the Main Construction projects of the Independent Construction Projects located in Guangxi Province in the Project List before 2019 included cost of steel, their total contract sum has been downward adjusted by netting off cost of steel for comparison. The stainless steel being used in the Greenland Xinli Haiyue Mansion Project is for interior decoration purpose, while the galvanized steel being used in the Greenland Dongmeng Town Projects 2 and 4 is for installation works for railings and fences purpose. Both are not the same as the steel being used in the Head Office of ASEAN Projects which is for structural

work of building construction purpose. The Contractors for the Greenland Xinli Haiyue Mansion Project and the Greenland Dongmeng Town Projects 2 and 4 will acquire relevant stainless steel and galvanized steel by themselves and thus the total contract sum of those Construction Projects include the relevant costs.

Moreover, as stated in the Letter from the Board, the total contract sum of Construction Projects are determined with reference to the applicable local rules and regulations in force where the relevant construction project is located, we compared the total contract sum of the Construction Projects with those of the Independent Construction Projects according to their type of construction works and the region of the construction site as set out in the section headed “Information of the Construction Projects” in this letter. We also obtained their construction contracts (the “**Independent Construction Contracts**”) and conducted a review on the contract sum of those Independent Construction Projects. We are of the view that the Independent Construction Projects provide us with relevant information for our analysis and such information is sufficient to support our opinion. Set out below are the summary of the total contract sum of the Independent Construction Projects categorized by type of construction work and regions:

<b>Independent Construction Projects/Region</b>	<b>Range of total contract sum per sq. m. (RMB)</b>	<b>Average total contract sum per sq. m. (RMB)</b>
<b>Main Construction</b>		
Guangxi Province	1,111 – 2,161 <sup>Note</sup>	1,277 <sup>Note</sup>
Jiangsu Province	1,320 – 1,473	1,396
<b>Interior Decoration</b>		
Guangdong Province	356 – 1,417	673
<b>Doors and Windows Installation</b>		
Guangxi Province	126 – 137	133
<b>Railings and Fences Installation</b>		
Guangxi Province	31 – 40	34

*Note:* The total contract sum of the Independent Construction Projects has been downward adjusted by netting off the relevant cost of steel for comparison with the Main Construction of the Construction Projects in Guangxi Province.

Upon comparison, we noted that (i) for the Construction Projects under Main Construction located in Guangxi Province, including the Head Office of ASEAN Project 1, the Head Office of ASEAN Project 2 and the Head Office of ASEAN Project 3, have estimated total contract sum per sq. m. of approximately RMB1,390 per sq. m., RMB1,343 per sq. m. and RMB1,289 per sq. m. respectively, being within the range of the total contract sum per sq. m. of the Main Construction of the Independent Construction Projects located in Guangxi Province but higher than the average total contract sum per sq. m. of the corresponding Independent

Construction Projects; (ii) for the Construction Project under Main Construction located in Jiangsu Province, being the If Alan Project, has estimated total contract sum per sq. m. of approximately RMB1,450 per sq. m., being within the range of the total contract sum per sq. m. of the Main Construction of the Independent Construction Projects located in Jiangsu Province but higher than the average total contract sum per sq. m. of the corresponding Independent Construction Projects; (iii) for the Construction Projects under Interior Decoration located in Guangdong Province, being the Greenland Xinli Haiyue Mansion Project, has estimated total contract sum per sq. m. of approximately RMB453 per sq. m. being lower than the average total contract sum per sq. m. of the Interior Decoration of the Independent Construction Projects located in Guangdong Province; (iv) for the Construction Projects under Doors & Windows Installation located in Guangxi Province, including the Greenland Dongmeng Town Project 1, the Greenland Dongmeng Town Project 3 and the Greenland Art Residence Project, have estimated total contract sum per sq. m. of approximately RMB98 per sq. m., RMB125 per sq. m. and RMB125 per sq. m. respectively, being lower than the average total contract sum per sq. m. of the Doors & Windows Installation of the Independent Construction Projects located in Guangxi Province; and (v) for the Construction Projects under Railings & Fences Installation located in Guangxi Province, including the Greenland Dongmeng Town Project 2 and the Greenland Dongmeng Town Project 4, have estimated total contract sum per sq. m. of approximately RMB31 per sq. m. and RMB28 per sq. m. respectively, being lower than the average total contract sum per sq. m. of the Railings & Fences Installation of the Independent Construction Projects located in Guangxi Province.

Based on our further discussion with the management of the Group, for the Main Construction of Head Office of ASEAN Project 1, the Head Office of ASEAN Project 2 and the Head Office of ASEAN Project 3, the higher of their total contract sum per sq. m. than the average total contract sum per sq. m. of the Main Construction of Independent Construction Projects in Guangxi Province is mainly due to the fact that the Head Office of ASEAN Projects comprise development of commercial buildings while the Main Construction of Independent Construction Projects located in Guangxi Province mostly comprised residential buildings. We understand from the management of the Group that the construction cost for commercial buildings is generally higher than that of the residential buildings as the construction structure for commercial buildings is generally more complicated than that of residential buildings taking into account the higher load capacities requirement of commercial buildings. Based on our further review on the Independent Construction Projects, we noted that their average total contract sum per sq. m. of the Main Construction of commercial buildings is higher than that for Main Construction of residential buildings by not less than approximately 10%.

On the other hand, for the Main Construction of the If Alan Project, the higher of its total contract sum per sq. m. than the average total contract sum per sq. m. of the Main Construction of Independent Construction Projects in Jiangsu Province is mainly due to the fact that the If Alan Project comprises of low-rise buildings and villas while the Main Construction of Independent Construction Projects in Jiangsu Province mainly comprises of high-rise residential buildings. As advised by the management of the Group, we understand from the management of the Company

that precast concrete components will be used for construction in the If Alan Project in accordance with relevant local environmental construction requirements, whereas traditional site cast concretes were used in the comparable construction projects. Based on the information provided by the Company, the use of precast concrete components will enhance construction efficiency by shortening construction period, but the cost of precast concrete components is normally higher than the traditional site cast concretes under the same scale of construction area, taking into account higher production cost, transportation cost and installation cost. Therefore, the total contract sum per sq. m. of the If Alan Project is higher than the average total contract sum per sq. m. of the comparable Independent Construction Projects.

In light of the above, based on (i) the total contract sum of the Construction Projects under Interior Decoration, Doors & Windows Installation and Railings & Fences Installation are lower than those of the average total contract sum of the Independent Construction Projects located in relevant regions; (ii) the higher contract sum per sq. m. of the Head Office of ASEAN Projects than the average total contract sum per sq. m. of the corresponding Independent Construction Projects is mainly due to more complicated construction structure of commercial buildings for the Head Office of ASEAN Projects; and (iii) the higher contract sum per sq. m. of the If Alan Project than the average total contract sum per sq. m. of the corresponding Independent Construction Projects is mainly due to major properties to be developed under the If Alan Project being low-rise buildings and villas and the precast concrete components to be used in the If Alan Project, we are of the view that the total contract sum of the Construction Projects is no less favourable than those offered to the Group by independent third parties for the similar nature of construction projects.

As set out in the Letter from the Board, we noted that the total contract sum of each project was determined with reference to current local rules and regulations in force where the relevant Construction Project is located that govern works to be undertaken under the relevant Contractor Agreement, details of the rules and regulations are set out in the section headed "Basis of determining the total contract sum" in the Letter from the Board. According to the relevant requirements, the total contract sum of the Construction Projects was arrived at by totalling up the estimated amount of required construction work (in terms of units of construction work and quantity of construction materials) set out in the relevant local rules and regulations multiplied by the current market prices for the relevant place for each unit of construction works and construction materials respectively as published in writing and/or on-line at the website of the relevant PRC government or industry authority from time to time. The amount of construction works cost per unit of construction works was primarily based on labour cost and other costs stipulated by the relevant PRC government or industry authority. The major construction materials used for the Contractor Agreements are concrete, door, window and railings.

In order to assess the reasonableness of the units of construction work and quantity of construction materials for each of the Construction Projects, we have obtained and reviewed a list of detailed breakdown of total contract sum of the Construction Projects (the "**Detailed Breakdown**") from the Company, which indicates composition of the estimated total contract sum of the Construction Projects.



Based on our studies of the Detailed Breakdown and further discussions with the management of the Company, we noted that the unit of construction work required in each Construction Project depends on the size of construction area and the complexity of the construction work. The unit of construction work and the quantity of construction materials of each Construction Project were estimated by independent surveyors (the “**Independent Surveyors**”), namely, (i) Shanghai Huarong Investment Consultancy Center Co., Ltd.\* (上海華融投資諮詢中心有限公司) for Head Office of ASEAN Projects and If Alan Project; (ii) Zhongtong Construction Engineering Management Co., Ltd.\* (中通建設工程管理有限公司) for Greenland Xinli Haiyue Mansion Project; (iii) Guangxi Xinda Youbang Engineering Cost Consultancy Co., Ltd.\* (廣西信達友邦工程造價諮詢有限責任公司) for Greenland Dongmeng Town Project 1 and Greenland Dongmeng Town Project 2; (iv) Beijing Jianbiao Chenghe Engineering Consultancy Co., Ltd. Shanghai Branch\* (北京建標誠和工程諮詢有限公司上海分公司) for Greenland Dongmeng Town Project 3 and Greenland Dongmeng Town Project 4; and (v) Shanghai Shenyuan Engineering Investment Consultancy Co., Ltd.\* (上海申元工程投資諮詢有限公司) for Greenland Art Residence Project.

To assess the competence and independence of the Independent Surveyors, we have obtained the background information of the Independent Surveyors and conducted interview with them, and noted that they are professional surveyors whose qualification in surveying has been approved by the Construction Department in the PRC and have at least five years’ experience in participating relevant surveying projects in the PRC. As confirmed by the Independent Surveyors, except for being appointed as the surveyors of the Group, the Independent Surveyors do not have any relationship with the Group and the Contractors and their respective associates. Having considered their qualification, practical experience and independence, we are satisfied that the Independent Surveyors are capable and independent of performing the relevant estimation of the unit of construction work and quantity of construction materials for each of the Construction Projects.

Moreover, the Contractors are required to comply with the “Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)” (《建設工程工程量清單計價規範(GB50500-2013)》) (the “**Code**”) in the determination of the units of construction work and the quantity of construction materials being adopted in the Construction Projects. Under the Code, (i) an independent surveyor engaged by the Group is required to rely on several factors to estimate the unit of construction work and quantity of construction materials for each construction project, mainly including proposed size of construction area and nature of the construction; and (ii) a contractor is required to submit relevant construction plan containing units of construction work and quantity of construction materials to its principal for approval before procurement of certain materials for construction project. Based on our interview with the Independent Surveyors, the Independent Surveyors confirmed that (i) the methodology of estimating the unit of construction work, the unit price and quantity of construction materials for the Construction Project are in compliance with the local rules and regulations; and (ii) they have reviewed the calculation of the total contract sum of the Construction Projects based on their professionalism and experience. Moreover, we also understand from the management of the Company that contractors, including any connected contractors and independent contractors, would confirm unit of construction work and quantity of construction materials to the Group for approval before procurement of certain materials for construction project, being in accordance with terms stipulated in contracting agreement.

On the other hand, regarding the market price of construction materials, we understand from the management of the Group that the Cost Management Department would compare the price of the major construction materials as stated on each of the Detailed Breakdown of the Construction Projects with the market price of those construction materials to ensure that they are no less favourable to the Group than the prices provided by independent third parties. The Cost Management Department has made reference to the local price from third party websites (the “**Construction Material Price Websites**”), including but not limited to Guangxi Nanning Housing and Urban-Rural Development Bureau Website\* (廣西南寧市住房和城鄉建設局網站), Wuxi Project Cost Website\* (無錫工程造價網), Zhanjiang Project Cost Information Website\* (湛江工程造價信息網) and Wuzhou Project Cost Information Website\* (梧州造價資訊網). Based on our interview with the Independent Surveyors, the Independent Surveyors confirmed that the Construction Material Price Websites are commonly used in the industry and are authorised by local government in disclosing pricing information of the construction materials. In view of the above, we consider the pricing information of the construction materials published from the Construction Material Price Websites is reliable.

To assess whether the price of construction materials being used in the Construction Projects are no less favourable to the Group than the prices provided by independent third parties, we identified major construction materials (the “**Major Construction Materials**”) being used in the Construction Projects from the Detailed Breakdown, on a sample basis, which accounted for majority of the total expenditure on construction materials of each Construction Project. For the Main Construction projects, we identified 10 major construction materials (including aerated concrete blocks, small blocks and cement) from their Detailed Breakdown, in which the expected expenditure on those construction materials accounts for approximately half of the expected total expenditure on the relevant construction materials being used in the Main Construction projects. For the Interior Decoration project, we identified five major construction materials (including stainless steel, mortar and marble) from its Detailed Breakdown, in which the expected expenditure on those construction materials accounts for approximately half of the expected total expenditure on the relevant construction materials being used in the Interior Decoration project. For the Doors & Windows Installation projects, we identified five major construction materials (including doors and windows) from their Detailed Breakdown, in which the expected expenditure on those construction materials accounts for approximately half of the expected total expenditure on the relevant construction materials being used in the Doors & Windows Installation projects. For the Railings & Fences Installation projects, we identified three major construction materials (including galvanized steel and glass, being major raw material of railings) from their Detailed Breakdown, in which the expected expenditure on those construction materials accounts for approximately half of the expected total expenditure on the relevant construction materials being used in the Railings & Fences Installation projects. For details of the pricing information of the abovementioned construction materials, please refer to the section headed “Basis of Determining the Total Contract Sum” in the Circular. Based on the above sampling basis, we considered that the above selected samples of the construction materials

are fair and representative. Upon comparison, we noted that the price of the Major Construction Materials is comparable to or lower than their market price in the region of the Construction Projects. We have been advised that the prices of those materials are lower as the Contractors can usually enjoy discount for bulk purchase of raw materials and lower fixed costs because of their operation scale and relationship with their suppliers.

Before finalising the total contract sum and entering into contracting agreement with any contractor, we understand from the management of the Company that the Cost Management Department of the Group would invite contractors from the Approved List to tender for the Construction Projects. The Approved List is reviewed and updated on an ongoing basis by the Cost Management Department, with reference to the performance assessment of each contractor on regular basis. In selecting potential contractors from the Approved List, the Group considers a range of factors such as geographical coverage of operations, size of registered capital and permitted scope of qualifications. After the assessment, the Group sent invitation documents to those have met the above standards with preliminary total contract sum of the Construction Projects to at least three potential contractors, of which majority of them are independent third parties. We have obtained and reviewed the assessment documents and the list of the contractors being invited to submit tenders to the Construction Projects and noted that (i) the selected potential contractors have met above factors in the assessments; (ii) the potential contractors, including Contractors and independent third party contractors, were assessed based on the same factors as abovementioned; and (iii) under each of the Construction Projects, majority of the potential contractors being invited were independent third party contractors. Based on above, we are of the view that the tender invitation procedures for the Construction Projects are fair and reasonable.

The preliminary total contract sum of the Construction Projects was determined (i) after taking into abovementioned fees payable by the Group to independent third parties for construction works of a similar nature and current local rules and regulations; and (ii) the pricing of major raw materials, which is in compliance with the local rules and regulations. The invited contractors who wish to participate in the tendering would submit tendering documents with bidding price to the Group. In evaluating biddings from the invited contractors, except for the factors being considered during the tender invitation procedures, the Group would primarily consider the bidding price of tenders. The Group would allocate different tasks of bidding evaluation to its departments, including Cost Management Department, Engineering Department and Technical Research and Development Department, to determine which tender would be successful by (i) reviewing the unit price of the construction materials quoted by the tenders, the results of which show that the unit prices of the major components of construction materials quoted by the Contractors were lower than or the same as those under the preliminary total contract sum set by the Company; (ii) evaluating the commercial terms of the tenderers, the results of which show that the commercial terms of the Contractors are in compliance with the Company's policy; and (iii) evaluating the reliability of services of the tenderers through a review conducted by the Company

to assess a tenderers' financial capacity, its degree of cooperation, its technical expertise and whether it has any adverse track record. After above evaluation, the departments would prepare a tender review report to determine the winning candidate.

In relation to the tenderers' financial capacity, the tenderers shall have certain amount of registered capital as required by the Company, which is not less than RMB100 million for Head Office of ASEAN Projects and If Alan Project, not less than RMB10 million for Greenland Xinli Haiyue Mansion Project and not less than RMB5 million for Greenland Dongmeng Town Projects and Greenland Art Residence Project. In relation to the tenderers' degree of cooperation, the Company requires that the tenderers do not have any bad publicities (such as freezing of equity interest, being auctioned, material breaches of law and etc.), and shall achieve certain minimum scores under the internal grading system of the Group, which takes into account various factors such as the cooperation history, site visit results of other projects done by such tenderers and etc. In relation to the tenderers' technical expertise, the tenderers shall meet certain levels of expertise qualifications. The tenderers for the Head Office of ASEAN Projects and the If Alan Project shall have the professional qualification of Building Construction General Contracting Class 1 or above. The tenderers for the Greenland Xinli Haiyue Mansion Project shall generally have the professional qualification of Professional Engineering of Building Decoration Class 1 or above. The tenderers also need to have annual construction works capability (in terms of contract sum), which is not less than RMB1 billion for the Head Office of ASEAN Projects and the If Alan Project, not less than RMB200 million for the Greenland Xinli Haiyue Mansion Project and not less than RMB50 million for the Greenland Dongmeng Town Projects and the Greenland Art Residence Project. If the tenderers have adverse track record, including insufficient degree of cooperation, making troubles, deficiencies in work quality and etc., the tenderers will be removed from the Approved List. The Group will only cooperate with the tenderers which are on the Approved List.

To assess whether the tender review procedure for the Construction Projects implemented by the Group is fair and reasonable, we have obtained and reviewed the tender review reports of the Construction Projects and tender review reports of the construction projects undertaken by independent third party contractors. Based on our review, we noted that same tender selection criteria including historical quality of work, financial capacity, expected completion time and measures on environmental protection, safety and workers' health undertaken, are applicable to tenders submitted by the Contractors and other independent third party contractors. We noted that the tender documents submitted by the potential contractors, including any of the Contractors and independent third parties contractors, are reviewed and evaluated by the Group based on the same standard and systematic tender submission procedure. Moreover, based on our further discussion with the management of the Company, we understand that the Group has (a) conducted site visit at the tenders' operation site and interview with the tenderers; (b) required the tenders to submit a confirmation letter to confirm that they are not involved in any unsettled litigation proceedings; and (c) conducted research in the Group's internal grading system to assess the ranking of the tenders

in terms of different area mainly including cost control and collaboration, work quality and safety, and timeliness of service. Based on above, we are of the view that the above factors in which the Group has considered during the tender review procedure are sufficient to evaluate the reliability of services of the tenderers for each of the Contractors.

Having considered that (i) the total contract sum of the Construction Projects is no less favourable than those offered to the Group by independent third parties for the similar nature of construction projects; (ii) the units of construction work and the quantity of construction materials of each Construction Project were estimated by the Independent Surveyors who are independent and capable of performing the relevant estimations; (iii) the price of the Major Construction Materials being used for the Construction Projects is comparable to or lower than the their market prices in the region of the Construction Projects; (iv) the Company and the Contractors have complied with the relevant rules during the determination of the units of construction work and quantity of construction materials for the Construction Projects; and (v) same standard and systematic tender submission procedure applied to both connected persons and independent third parties in selecting capable contractor, we are of the view that the pricing terms of the Contractor Agreements are on normal commercial terms, in the ordinary and usual course of business of the Company, and fair and reasonable so far as the Independent Shareholders are concerned.

##### **5. Basis of determining the payment terms**

The total contract sum payable under each Contractor Agreement shall be payable in stages based on the progress of the construction works. The final total contract sum under each Contractor Agreement is subject to adjustment, which is the final total contract sum as set out in the completion settlement report (the "**Final Settlement Report**") prepared by the Contractors and audited by the Project Company or its appointed independent third party costing consultant in accordance with the terms of the relevant Contractor Agreement.

In general, 70% of the estimated total contract sum shall have been fully paid up following completion and acceptance of the construction works, and up to 97% of the adjusted total contract sum shall have been fully paid after the audit of the completion settlement report has been completed. The remaining 3% of the adjusted total contract sum payable under each Contractor Agreement shall be withheld as warranty money and shall, subject to deductions due to necessary repair works, be released after the expiry of a period of up to 2 or 5 years (depending on the types of construction works).

In order to assess the fairness and reasonableness of the payment terms of the Contractor Agreements (the “**Payment Terms**”), we have discussed with the management of the Company the basis of the Payment Terms and understand that the Payment Terms are similar to other construction projects contracted to independent third parties contractors. Based on our review on the Project List and the Independent Construction Contracts, we have compared the Payment Terms with the payment terms of the Independent Construction Projects of which the projects were entered into by the Group for the previous year and up to the Latest Practicable Date, and noted that they are comparable and the Payment Terms are no less favorable than the payment terms of those Independent Construction Projects. Specifically, under the payment terms of those Independent Construction Projects, (i) the percentage of 70% of the total contract sum being fully paid up following completion and acceptance of the construction works which are the same as those of the Payment Terms; (ii) the percentage of the adjusted total contract sum being fully paid after the audit of the completion settlement report is 97%, being the same as those of the Payment Terms; and (iii) the percentage of the adjusted total contract sum payable being withheld as warranty money is 3%, being the same as those of the Payment Terms.

Based on the above, we are of the view that the Payment Terms, which are comparable with and no less favorable than the payment terms of those Independent Construction Projects, are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned.

As set out in the Letter from the Board, the total contract sum of each of the Contractor Agreement will be adjusted in response to fluctuation in the market price of certain major construction materials when such fluctuation is larger than the threshold agreed upon under each of the Contractor Agreement, which threshold is set at  $\pm 5\%$ .

In the event the market price of the relevant construction materials is higher than the pre-agreed threshold, the adjustment mechanism and formula is as follows:

Adjusted Price = Contract Price + (Average Price – Pre-agreed Reference Price  
x (1 + Pre-agreed Threshold))

In the event the market price of the relevant construction materials is lower than the pre-agreed threshold, the adjustment mechanism and formula is as follows:

$$\text{Adjusted Price} = \text{Contract Price} - (\text{Pre-agreed Reference Price} \times (1 - \text{Pre-agreed Threshold}) - \text{Average Price})$$

*Notes:*

“Adjusted Price”	means the adjusted price of the relevant construction materials
“Contract Price”	means the original price of the major construction materials contracted under the relevant Contractor Agreement
“Average Price”	means the average price of the relevant construction materials during the period of price estimation
“Pre-agreed Reference Price”	means the pre-agreed reference price contracted under the relevant Contractor Agreement, which is the reference price of the relevant construction materials published from time-to-time by: “Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)”* (《建設工程工程量清單計價規範(GB50500-2013)》), “Nanning City Construction Works Cost Information Price Directive”* (《南寧市建設工程造價信息價格指導》) of the fifth period of 2021 issued by the Nanning City Cost Station* (南寧市造價站), “Wuxi City Construction Works Materials and Equipment Price Information”* (《無錫市建設工程材料及設備價格信息》) issued by the Wuxi City Cost Station* (無錫市造價站) in December 2020, “Zhanjiang City Construction Works Cost Information”* (《湛江市建設工程造價信息》) issued by the Zhanjiang City Cost Station* (湛江市造價站) in July 2020 and “Wuzhou City Construction Works Cost Information Price Directive”* (《梧州市建設工程造價信息價格指導》) of the seventh period of 2020 issued by the Wuzhou City Cost Station* (梧州市造價站)
“Pre-agreed Threshold”	means the pre-agreed threshold of ±5% in respect of the fluctuation of the relevant market price of the major construction materials contracted under the relevant Contractor Agreement

The above adjustment is based on dollar-to-dollar basis and is in line with the market practice of the construction industry in the PRC. In addition to the above adjustment mechanism, the original total contract sum of a Contractor Agreement may be adjusted if additional works are subsequently required by the Project Company. Save as disclosed above, there will not be any adjustments to the original total contract sum of the Contractor Agreements. The actual adjustment shall be determined based on the Final Settlement Report, and there is no agreed maximum amount of the total contract sum under each Contractor Agreement. According to the Company’s previous experience and practice, the adjustments to the total contract sum of similar contractor agreements did not exceed 5% of the total contract sum of the relevant contractor agreement. As such, in the event that the adjustment to any of the Contractor Agreements exceeds 5% of its total contract sum, the Company will seek the Independent Shareholders’ approval for the relevant adjustment and the revised total contract sum of such Contractor Agreement at extraordinary general meeting of the Company, and will enter into a supplemental agreement with the relevant contractor to govern the relevant adjustment.

As advised by the management of the Company, we understand that the total contract sum of each of the Contractor Agreements will be adjusted in response to fluctuation in the market price of major construction materials. With reference to the Contractor Agreements, the basis of determination of the threshold is by making reference to a maximum of 5% of the estimated construction materials cost of the Contractor Agreements based on the past experience of the management of the Company which could cater for any possible fluctuation on the construction materials price during the construction period agreed between the Company and the Contractors. We have been advised by the Company that the basis of the adjustment of 5% of the total contract sum is mainly based on historical transaction of similar construction projects of the Group. We have been advised by the Company that the adjustment mechanism offers protection against increasing construction material costs during construction period of the Construction Projects, as the Company has no additional burden if the percentage of increase in construction materials price is within the threshold. Even if the increase in construction material price exceeds the threshold, the Group expected that the Group will be able to shift the burden of the cost increases to its customers.

In this regard, we have obtained a project list of 64 completed construction projects of the Company (the “**Completed Construction Projects**”), representing all completed construction projects of the Group during the previous year and up to the Latest Practicable Date. As advised by the Company, the Completed Construction Projects in the list are all construction projects similar to that of the Construction Projects, which did not involve any material change in construction plan during their construction period. According to the list of Completed Construction Projects, we understand that the Completed Construction Projects did not involve any material change of their construction plans and there were no adjustment on the total contract sum of the Completed Construction Projects.

In addition, based on our studies of the Independent Construction Contracts, we noted that there are similar terms in relation to the adjustment on contract sum and threshold of change in material price in those Independent Construction Contracts. Hence, we consider the terms of the adjustment and the level of the threshold are in line with those of the Group’s construction projects undertaken by independent third party contractors.

On the basis that (i) the adjustment mechanism provides protection against cost fluctuation of construction materials during the construction period; (ii) the adjustment mechanism are determined based on the historical transactions of the Company; (iii) the actual adjustment will be determined based on the Final Settlement Report prepared by the Contractor and audited by the Project Company or its independent surveyor; and (iv) the threshold and the adjustment are common terms in the Group’s contracting construction agreements, we are of the view that the determining of the adjustment mechanism and level of adjustment in the Contractor Agreements are fair and reasonable.



**RECOMMENDATION**

Having considered the above principal factors, we are of the opinion that the terms of the Contractor Agreements are on normal commercial terms, in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, and we advise the Independent Shareholders, to vote in favour of the ordinary resolutions to be proposed at the EGM for approving the terms of the Contractor Agreements.

Yours faithfully,  
For and on behalf of  
**Octal Capital Limited**  
**Alan Fung**      **Louis Chan**  
*Managing Director*      *Director*

*Note:* Mr. Alan Fung has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2003. Mr. Fung has more than 28 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of mergers and acquisitions, connected transactions and transactions subject to the compliance to the Takeovers Code of listed companies in Hong Kong. Mr. Louis Chan has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2008. Mr. Chan has more than 20 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of mergers and acquisitions, connected transactions and transactions subject to the compliance to the Takeovers Code of listed companies in Hong Kong.

## 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 purposes 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 INTEREST

### (a) Directors' and chief executives' interests and short position in shares, underlying shares and debentures of the Company, and its associated corporations

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions 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 the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions 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 therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

#### *Long positions in the Shares:*

Name of Director	Capacity/Nature of interest	Number of Shares	Approximately percentage of shareholding in the Company's issued share capital (Note 6)
Mr. Wang Weixian	Interest of controlled corporation	38,804,571 (Note 1)	1.39%
	Founder of discretionary trust	367,254,133 (Note 2)	13.15%
Ms. Wang Xuling	Beneficial owner	7,390,000	0.26%
	Interest of controlled corporation	7,010,448 (Note 3)	0.25%
	Beneficiary of discretionary trust	367,254,133 (Note 2)	13.15%

Name of Director	Capacity/Nature of interest	Number of Shares	Approximately percentage of shareholding in the Company's issued share capital (Note 6)
Mr. Fong Wo, Felix, JP	Beneficial owner	500,000	0.02%
Mr. Kwan Kai Cheong	Beneficial owner	500,000	0.02%
Mr. Chen Jun	Beneficial owner	3,500,000 (Note 4)	0.13%
Mr. Hou Guangjun	Beneficial owner	2,700,000 (Note 5)	0.10%

*Notes:*

1. Mr. Wang Weixian was deemed to be interested in 38,804,571 Shares which were held by Prestige Glory Enterprises Limited under the SFO. The entire issued share capital of Prestige Glory Enterprises Limited was beneficially owned by Mr. Wang Weixian.
2. Under the SFO, each of Mr. Wang Weixian and Ms. Wang Xuling was deemed to be interested in an aggregate of 367,254,133 Shares, which were held by The Duan Yuan Trust, of which Mr. Wang Weixian is the founder and Ms. Wang Xuling is a discretionary object.
3. Under the SFO, Ms. Wang Xuling was deemed to be interested in 7,010,448 Shares, which were held by Boom Rich Investments Limited which was in turn entirely beneficially owned by Ms. Wang Xuling. Ms. Wang Xuling beneficially owned 7,390,000 Shares, 3,390,000 Shares of which were deemed to be interested by her under the subscription agreement between her and the Company dated 23 January 2018 under the SFO.
4. Mr. Chen Jun was deemed to be interested in 3,500,000 Shares under the subscription agreement between him and the Company dated 23 January 2018 under the SFO.
5. Mr. Hou Guangjun was deemed to be interested in 2,700,000 Shares under the subscription agreement between him and the Company dated 23 January 2018 under SFO.
6. Representing the issued and fully paid-up capital of the Company as at the Latest Practicable Date comprising 2,791,884,683 Shares.

*Long position in the debentures:*

Name of Director	Capacity/Nature of interest	Currency of Debentures	Denomination or Unit Size of the Debentures	Amount of Debentures
Mr. Wang Weixian	Interest of controlled corporation (Note 1)	USD	200,000	4,475,000

*Note:*

- Under the SFO, Mr. WANG Weixian was deemed to be interested in debentures of the Company in an aggregate principal amount of US\$4,475,000, which were held by SPG Investment Holdings Ltd. The entire issued share capital of SPG Investment Holdings Ltd. was beneficially owned by Mr. WANG Weixian. The said debentures comprised 5.625% perpetual securities in the aggregate principal amount of US\$4,475,000.

*Long position in the shares of an associated corporation of the Company (the "Associated Corporation"), namely Guangzhou Guangyun Real Estate Development Co., Ltd.\* (廣州廣雲房地產開發有限公司):*

Name of Director	Capacity/Nature of interest	Amount of registered capital	Approximately percentage of shareholding in the Associated Corporation's registered capital
Mr. Wang Weixian	Founder of discretionary trust	RMB2,858,000 (Note 1)	28.58%
Ms. Wang Xuling	Beneficiary of discretionary trust	RMB2,858,000 (Note 1)	28.58%

*Note:*

- Under the SFO, each of Mr. Wang Weixian and Ms. Wang Xuling was deemed to be interested in RMB2,858,000 of the registered capital of the Associated Corporation, which was indirectly held by a family trust of Mr. Wang Weixian (namely The Duanyuan Trust). Mr. Wang Weixian is the founder of The Duanyuan Trust. Ms. Wang Xuling is a discretionary object of The Duanyuan Trust.

**(b) Other interests of the Directors**

As at the Latest Practicable Date, save as disclosed above and except for Mr. Chen Jun and Mr. Wu Zhengkui (being senior management of Greenland Holdings), none of the Directors is a director or employee of a company which has an interest or short position in the Shares and underlying shares of the Company which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**3. DIRECTOR'S SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into a service contract with the Company or any member of the Group which would not expire or was not determinable by the employer within one year without payment of compensation (other than statutory compensation).

**4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up.

**5. DIRECTORS' INTEREST IN COMPETING BUSINESS**

The Duanyuan Trust, of which Mr. Wang is the founder and Ms. Wang is a discretionary object, indirectly owns a 80% interest in Guangzhou SPG Investment Limited\* (廣州盛高投資有限公司), which, together with its subsidiaries, is currently and principally engaged in urban renewal project investment in the Greater Bay Area, the PRC that competes or is likely to compete, either directly or indirectly, with the business of the Group. Save as disclosed above and as at the Latest Practicable Date, so far as known to the Directors, none of the Directors or their respective close associates had an interest in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

**6. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP****(a) Interests in assets**

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2020 (being the date up to which the latest published audited consolidated financial statements of the Group was made), acquired or disposed of by, or leased to any member of the Group, or which were proposed to be acquired or disposed of by, or leased to any member of the Group.

**(b) Interests in contracts**

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any subsisting contract or arrangement which was significant in relation to the business of the Group.

**7. EXPERT QUALIFICATION AND CONSENT**

The following is the qualification of the expert who has given opinion or advice contained in this circular (the “Expert”):

<b>Name</b>	<b>Qualification</b>
Octal Capital Limited	a licensed corporation permitted under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any interest, direct or indirect, in the promotion of, or in any assets which have been, since 31 December 2020 (being the date to which the latest published audited consolidated financial statements of the Group were made up), 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.

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the reference to its name and/or its opinion and advice in the form and context in which it is included.

**8. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the Contractor Agreements will be available for inspection during normal business hours at the Company’s principal place of business in Hong Kong from the date of this circular up to and including 14 July 2021.

**NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**GREENLAND HONG KONG HOLDINGS LIMITED**

**綠地香港控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 337)**

**NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Greenland Hong Kong Holdings Limited (the “Company”) will be held at 9:00 a.m. on Tuesday, 20 July 2021 for the purpose of considering and, if thought fit, passing the following ordinary resolution of the Company:

1. “**THAT** the Head Office of ASEAN Contractor Agreement 1 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
2. “**THAT** the Head Office of ASEAN Contractor Agreement 2 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
3. “**THAT** the Head Office of ASEAN Contractor Agreement 3 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

4. **“THAT** the If Alan Contractor Agreement (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
5. **“THAT** the Greenland Xinli Haiyue Mansion Contractor Agreement (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
6. **“THAT** the Greenland Dongmeng Town Contractor Agreement 1 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
7. **“THAT** the Greenland Dongmeng Town Contractor Agreement 2 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”



## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

8. “**THAT** the Greenland Dongmeng Town Contractor Agreement 3 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
9. “**THAT** the Greenland Dongmeng Town Contractor Agreement 4 (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
10. “**THAT** the Greenland Art Residence Contractor Agreement (as defined in the circular of the Company dated 30 June 2021) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

By order of the Board  
**Greenland Hong Kong Holdings Limited**  
**Chen Jun**  
*Chairman and Chief Executive Officer*

Hong Kong  
30 June 2021

*Registered office:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

*Principal place of business in Hong Kong:*  
Unit 5711, 57/F  
The Center  
99 Queen’s Road Central  
Hong Kong

## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

*Notes:*

1. Any Shareholder entitled to attend and vote at the EGM convened by this notice is entitled to appoint one or more (if he/she/it holds two or more Shares) proxies to attend and vote in his/her/its place. A proxy need not be a member of the Company.
2. In order to be valid, the completed form of proxy together with a power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of that power or other authority) must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be).
3. Completion and return of the form of proxy will not preclude a member from attending and voting via the e-Meeting System at the EGM or at any adjournment thereof (as the case may be) and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of any share(s), only **ONE PAIR** of log-in username and password will be provided to the joint holders. Any one of such joint holders may attend or vote in respect of such share(s) as if he/she/it was solely entitled thereto.
5. For the purpose of determining shareholders' eligibility to attend and vote via the e-Meeting System at the EGM, the register of members of the Company will be closed from Friday, 16 July 2021 to Tuesday, 20 July 2021 (both dates included), during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the EGM, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 15 July 2021.
6. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time between 7:30 a.m. and 9:30 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the websites of the Company and the Stock Exchange to notify Shareholders of the date and time of the adjourned EGM. The EGM will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force.
7. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.