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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 TRANSACTIONS

Appointment of connected persons as contractors for construction works in respect of the Group's property development projects

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



Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 9 to 30 of this circular.

A letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 31 to 32 of this circular.

A letter from Octal Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 33 to 61 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to be present at the EGM, 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 22, 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 in person.

1 December 2017

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	9
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	31
LETTER FROM OCTAL CAPITAL	33
APPENDIX — GENERAL INFORMATION	APP-1
NOTICE OF EGM	EGM-1

DEFINITIONS

In this circular and the appendix to it, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below:

“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning as ascribed to it under the Listing Rules
“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 whose ordinary shares are listed on the Stock Exchange (stock code: 337)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Construction Projects”	collectively, the Wuxi Project, the Guangxi Project, the Haikou West A-01 Project, the Haikou East A-13 Project, the Haikou East C-01 Project, the Haikou East A-13 (Bid-section 1) Project, the Haikou East A-13 (Bid-section 2) Project, the Haikou East A-13 Painting Project, the Haikou West A-01 Earth and Stone Works Project, the Haikou West A-01 Foundation Excavation Protection Project, the Haikou West A-01 Pile Foundation Project, the Haikou West A-01 Pile Foundation Testing Project, the Haikou West A-01 Painting Project, the Haikou 802 Decoration Project and the Haikou 802 Painting Project, and a “Construction Project” means any one of them
“Contractor A”	上海綠地建築工程有限公司 (Shanghai Greenland Construction Engineering Co., Ltd.*), a company established in the PRC with limited liability owned as to 100% by Greenland Holdings
“Contractor Agreements”	collectively, the Main Contractor Agreements, the Haikou East C-01 Contractor Agreement, the Haikou East A-13 Contractor Agreement No.1, the Haikou East A-13 Contractor Agreement No.2, the Haikou East A-13 Contractor Agreement No.3, the Haikou West A-01 Contractor Agreement No.1, the Haikou West A-01 Contractor Agreement No.2, the Haikou West A-01 Contractor Agreement No.3, the Haikou West A-01 Contractor Agreement No.4, the Haikou West A-01 Contractor Agreement No.5, the Haikou 802 Contractor Agreement No.1 and the Haikou 802 Contractor Agreement No.2, and a “Contractor Agreement” means any one of them

DEFINITIONS

“Contractor B”	江蘇省建築工程集團有限公司 (Jiangsu Construction Engineering Co., Ltd.*), a company established in the PRC with limited liability owned as to 55% by Greenland Holdings
“Contractors”	collectively Contractor A and Contractor B, and a “Contractor” means any one of them
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held on 21 December 2017 for the purpose 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 59.07% of the issued share capital of the Company as at the Latest Practicable Date
“Greenland Group”	Greenland Holdings and its subsidiaries (for the purpose of this circular, excluding the Group)
“Greenland Haikou”	海口綠地鴻翔置業有限公司 (Haikou Hongxiang Property Co., Ltd.*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“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 (Stock Code: 600606.SH), and the controlling shareholder of the Company
“Greenland Yingcheng”	南寧綠地穎晟置業有限公司 (Nanning Greenland Yingcheng Property Co., Ltd.*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guangxi Main Contractor Agreement”	the main contractor agreement dated 7 November 2017 entered into between Greenland Yingcheng and the Contractor B in relation to the construction works to be conducted for the Guangxi Project

DEFINITIONS

“Guangxi Project”	the property development project for the Greenland Xinli Puyue Mansion (綠地新里•璞悅公館) situated at the interchange between Sanjin Avenue and Zhixing Road, Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市江南區三津大道與智興路交匯處)
“Haikou East A-13 (Bid-section 1) Project”	the fine decoration project (Bid-section 1) to be undertaken in the Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.A-13 (21), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13(21)號地塊)
“Haikou East A-13 (Bid-section 2) Project”	the fine decoration project (Bid-section 2) to be undertaken in the Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.A-13 (21), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13(21)號地塊)
“Haikou East A-13 Contractor Agreement No.1”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the fine decoration works to be conducted for Haikou East A-13 (Bid-section 1) Project
“Haikou East A-13 Contractor Agreement No.2”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the fine decoration works to be conducted for the Haikou East A-13 (Bid-section 2) Project
“Haikou East A-13 Contractor Agreement No.3”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the external wall painting works to be conducted for the Haikou East A-13 Painting Project
“Haikou East A-13 Painting Project”	the external wall painting project in respect of building nos.1 to 14 situated on the land parcel no.A-13, East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13號地塊)

DEFINITIONS

“Haikou East C-01 Contractor Agreement”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the fine decoration works to be conducted for the Haikou East C-01 Project
“Haikou East C-01 Project”	the fine decoration works to be undertaken on three levels of the commercial building no.11 of the Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.C-01 (27), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區 C-01(27)號地塊)
“Haikou West A-01 Contractor Agreement No.1”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the earth and stone works to be conducted for the Haikou West A-01 Earth and Stone Works Project
“Haikou West A-01 Contractor Agreement No.2”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the foundation excavation retaining and protecting works to be conducted for the Haikou West A-01 Foundation Excavation Protection Project
“Haikou West A-01 Contractor Agreement No.3”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the pile foundation works to be conducted for the Haikou West A-01 Pile Foundation Project
“Haikou West A-01 Contractor Agreement No.4”	the contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the pile foundation testing works to be conducted for the Haikou West A-01 Pile Foundation Testing Project
“Haikou West A-01 Contractor Agreement No.5”	the independent subcontract dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the external wall painting works to be conducted for the Haikou West A-01 Painting Project

DEFINITIONS

“Haikou West A-01 Earth and Stone Works Project”	the earth and stone works construction projects in respect of the urban renewal and property development project of West Area (西片區) to be constructed on the land parcel no.A-01 (Bid-section 1-1) situated at the West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊 (1-1標段))
“Haikou West A-01 Foundation Excavation Protection Project”	the foundation excavation retaining and protecting project to be undertaken on the land parcel no.A-01 (Bid-section 1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊 (1-1標段))
“Haikou West A-01 Painting Project”	the external wall painting project in respect of building nos.4, 5, 6 and 18 situated on the land parcel no.A-01, West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊)
“Haikou West A-01 Pile Foundation Project”	the pile foundation construction project in respect of building nos.1, 2, 3, 7, 8, 12, 13, 13-1 and basements located at the land parcel no.A-01 (Bid-section 1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊 (1-1標段))
“Haikou West A-01 Pile Foundation Testing Project”	the pile foundation testing project in respect of building nos.1, 2, 3, 7, 8, 12, 13, 13-1 and basements located at the land parcel no.A-01 (Bid-section 1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊 (1-1標段))
“Haikou West A-01 Project”	the urban renewal and property development project of West Area (西片區) to be constructed on the land parcel no.A-01 (Bid-section 1-1) situated at Cier Road on the east, Cijiu Road on the south, Ciyi Road on the west, Haiyu Avenue on the north, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區東至次二路、南至次九路、西至次一路、北至海榆大道A-01號地塊 (1-1標段))

DEFINITIONS

“Haikou 802 Contractor Agreement No.1”	the contractor agreement dated 3 November 2017 entered into between Hainan Tianhong and the Contractor A in relation to the decoration works to be conducted for the Haikou 802 Decoration Project
“Haikou 802 Contractor Agreement No.2”	the contractor agreement dated 3 November 2017 entered into between Hainan Tianhong and the Contractor A in relation to the external wall painting works to be conducted for the Haikou 802 Painting Project
“Haikou 802 Decoration Project”	the decoration projects to be undertaken at Phase 4, Haichangliu, Changbin 4th Road, Binhai Avenue, Haikou City, Hainan Province of the PRC (中國海南省海口市濱海大道長濱四路海長流四期)
“Haikou 802 Painting Project”	the external wall painting projects of building nos. 1, 2, 8, 9, 10 and S-1 to be undertaken at Changbin 4th Road, Haikou City, Hainan Province of the PRC (Bid-section 2) (中國海南省海口市長濱四路(二標段))
“Haikou West Main Contractor Agreement”	the main contractor agreement dated 3 November 2017 entered into between Greenland Haikou and the Contractor A in relation to the construction works to be conducted for the Haikou West A-01 Project
“Hainan Tianhong”	海南天泓基業投資有限公司 (Hainan Tianhong Jiye Investment Co., Ltd.*), a company established in the PRC with limited liability owned as to 50.1% by the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors (namely, Mr. Cheong Ying Chew, Henry, Mr. Fong Wo, Felix, JP and Mr. Kwan Kai Cheong)
“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

DEFINITIONS

“Independent Shareholders”	Shareholders other than those who are required by the Listing Rules to abstain from voting on the resolutions approving the Contractor Agreements
“Latest Practicable Date”	28 November 2017, 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
“Main Contractor Agreements”	collectively, the Haikou West Main Contractor Agreement, Wuxi Main Contractor Agreement and the Guangxi Main Contractor Agreement, and a “Main Contractor Agreement” means any one of them
“PRC”	the People’s Republic of China which, for the purposes of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“Suzhou Lvjie”	蘇州綠杰置業有限公司 (Suzhou Lvjie Property Co., Ltd.*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Wuxi Guangcheng”	無錫廣成地鐵上蓋置業有限公司 (Wuxi Guangcheng Metro Above-Station Property Development Co., Ltd.*), a company established in the PRC with limited liability owned as to 90% indirectly by the Company

DEFINITIONS

“Wuxi Main Contractor Agreement”	the contractor agreement dated 3 November 2017 entered into between Wuxi Guangcheng and Contractor B in relation to the construction works to be conducted for the Wuxi Project
“Wuxi Project”	the property development project to be constructed in the Southern District of the Xuelangping Railway Station (雪浪坪地鐵站) situated at the northern side of the intersection of Pinghu Road and Shangde Road, Binhu District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市濱湖區平湖路與尚德路交叉口北側)
“%”	per cent.

For the purpose of this circular, the exchange rate RMB1.00 = HK\$1.181 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes only and does not constitute representations that any amount in RMB or HK\$ has been, could have been or may be converted at such rate.

** For identification only*

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)

Executive 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. Cheong Ying Chew, Henry

Mr. Fong Wo, Felix, JP

Mr. Kwan Kai Cheong

Principal place of business in

Hong Kong:

Unit 5711, 57th Floor

The Center

99 Queen's Road Central

Hong Kong

1 December 2017

To the Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTIONS

**Appointment of connected persons as contractors
for construction works in respect of the Group's property
development projects**

INTRODUCTION

Reference is made to the announcement of the Company dated 20 October 2017 in relation to the Contractor Agreements.

The main purpose 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 advice of Octal Capital to the Independent Board Committee and the Independent Shareholders in relation to the Contractor Agreements and the transactions contemplated thereunder; (c) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Contractor Agreements and the transactions contemplated thereunder; and (d) a notice of EGM.

LETTER FROM THE BOARD

CONNECTED TRANSACTIONS – THE CONTRACTOR AGREEMENTS

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

1. The Haikou West Main Contractor Agreement

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the main contractor
Subject matter:	To undertake civil construction, electrical, plumbing and drainage installation works and ancillary construction and engineering works in respect of the Haikou West A-01 Project as shown in the relevant construction drawings, and to provide quality control of the construction and the management services of the construction materials sub-contracting in respect of the Haikou West A-01 Project
Project location:	The land parcel no.A-01 (Bid-section no.1-1) situated at Cier Road on the east, Cijiu Road on the south, Ciyi Road on the west, Haiyu Avenue on the north, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區東至次二路、南至次九路、西至次一路、北至海榆大道)
Estimated construction area:	Approximately 93,208 sq.m.
Estimated total contract sum:	RMB143,124,690.18 (Approximately HK\$169,030,259), subject to adjustment in accordance with relevant provisions in the Haikou West Main Contractor Agreement
Contract period:	549 calendar days
Expected completion date:	27 June 2019

LETTER FROM THE BOARD

2. The Wuxi Main Contractor Agreement

Date:	3 November 2017
Parties:	(i) Wuxi Guangcheng as the principal (ii) Contractor B as the main contractor
Subject matter:	To undertake all structural construction, and electrical, plumbing and drainage installation works as well as the ancillary engineering works of all residences, power distribution rooms, basements, security guard rooms and related auxiliary facilities in respect of the Wuxi Project as shown in the relevant tender documents and drawings, and construction specifications
Project location:	The Xuelangping Railway Station (雪浪坪地鐵站) situated at the northern side of the intersection of Pinghu Road and Shangde Road, Binhu District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市濱湖區平湖路與尚德路交叉口北側)
Estimated construction area:	Approximately 74,702 sq.m.
Estimated total contract sum:	RMB125,450,969 (Approximately HK\$148,157,594), subject to adjustment in accordance with relevant provisions in the Wuxi Main Contractor Agreement
Contract period:	912 calendar days
Expected completion date:	18 May 2020

LETTER FROM THE BOARD

3. The Guangxi Main Contractor Agreement

Date:	7 November 2017
Parties:	(i) Greenland Yingcheng as the principal (ii) Contractor B as the main contractor
Subject matter:	To undertake civil construction, electrical and mechanical engineering works, installation works and ancillary construction and engineering works (including but not limited to piping, building of facades, plugging of pipe wells, etc.) in respect of the Guangxi Project as shown in the relevant construction drawings, and to provide quality control and management services of the construction of the Guangxi Project.
Project location:	The Greenland Xinli Puyue Mansion (綠地新里•璞悅公館) situated at the interchange between Sanjin Avenue and Zhixing Road, Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市江南區三津大道與智興路交匯處)
Estimated construction area:	Approximately 203,315.46 sq.m.
Estimated total contract sum:	RMB273,752,175 (Approximately HK\$323,301,319), subject to adjustment in accordance with relevant provisions in the Guangxi Main Contractor Agreement
Contract period:	970 calendar days
Expected completion date:	25 July 2020

LETTER FROM THE BOARD

4. The Haikou East C-01 Contractor Agreement

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To enhance the design and to undertake the fine decoration works of the relevant units (including the lobbies, shops, elevator halls, public corridors, corridor ceilings, walls, floor and elevator door covers) in respect of the Haikou East C-01 Project in accordance with the tender drawings provided by the bidder
Project location:	The commercial building no.11 of the Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.C-01 (27), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區C-01(27)號地塊)
Estimated construction area:	9,092 sq.m.
Estimated total contract sum:	RMB5,176,523.09 (Approximately HK\$6,113,474), subject to adjustment in accordance with relevant provisions in the Haikou East C-01 Contractor Agreement
Contract period:	40 calendar days
Expected completion date:	30 December 2017

LETTER FROM THE BOARD

5. The Haikou East A-13 Contractor Agreement No.1

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To enhance the design and to undertake the fine decoration works of the relevant units of the residential and public areas (which include the interior decoration of building nos.1, 2, 5 and 6; interior decoration of the type-C, type-C-1 and type-D units of building nos.9 and 10; decoration of the lobbies and public areas of building nos.1, 2, 5, 6, 9 and 10; decoration of the public areas of shops located at building nos.1, 2, 9, 10, 13 and 14; and the decoration works involving rooftops, walls, floors, elevator doors and other relevant parts) in respect of the Haikou East A-13 (Bid-section 1) Project in accordance with the tender drawings provided by the bidder
Project location:	The Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.A-13 (21), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13(21)號地塊)
Estimated construction area:	Approximately 75,623.32 sq.m.
Estimated total contract sum:	RMB19,936,452 (Approximately HK\$23,544,950), subject to adjustment in accordance with relevant provisions in the Haikou East A-13 Contractor Agreement No.1
Contract period:	120 calendar days
Expected completion date:	28 March 2018

LETTER FROM THE BOARD

6. The Haikou East A-13 Contractor Agreement No.2

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To enhance the design and to undertake the fine decoration works of the relevant units of the residential and public areas (which include the interior decoration of building nos.3, 4, 7 and 8; interior decoration of type-C, type-C-1 and type-D units of building nos.11 and 12; decoration of the lobbies and public areas of building nos.3, 4, 7, 8, 11 and 12; decoration of the public areas of shops located at building nos.3, 4, 11 and 12; and the decoration works involving rooftops, walls, floors, elevator doors and other relevant parts) in respect of the Haikou East A-13 (Bid-section 2) Project in accordance with the tender drawings provided by the bidder
Project location:	The Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.A-13 (21), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13(21)號地塊)
Estimated construction area:	Approximately 81,420.77 sq.m.
Estimated total contract sum:	RMB23,121,219 (Approximately HK\$27,306,160), subject to adjustment in accordance with relevant provisions in the Haikou East A-13 Contractor Agreement No.2
Contract period:	120 calendar days
Expected completion date:	4 April 2018

LETTER FROM THE BOARD

7. The Haikou East A-13 Contractor Agreement No.3

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the external wall painting works and the ancillary works (including but not limited to purchase of raw materials, transportation, testing of the materials, etc.) of building nos.1 to 14 in respect of Haikou East A-13 Painting Project
Project location:	The land parcel no.A-13, East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13號地塊)
Estimated construction area:	N/A
Estimated total contract sum:	RMB6,816,677.04 (Approximately HK\$8,050,496), subject to adjustment in accordance with relevant provisions in the Haikou East A-13 Contractor Agreement No.3
Contract period:	130 days
Expected completion date:	7 April 2018

LETTER FROM THE BOARD

8. The Haikou West A-01 Contractor Agreement No.1

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the site formation and foundation pits excavation works, including but not limited to design enhancement in accordance with the tender plan in respect of the Haikou West A-01 Earth and Stone Works Project
Project location:	The land parcel no.A-01 (Bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1標段))
Estimated construction area:	N/A
Estimated total contract sum:	RMB4,258,033.39 (Approximately HK\$5,028,737), subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.1
Contract period:	90 days
Expected completion date:	14 February 2018

LETTER FROM THE BOARD

9. Haikou West A-01 Contractor Agreement No.2

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	Foundation excavation retaining and protecting works (including but not limited to mixing piles, slope protection, light well points, drainage, protection works and clearance of pile core soil (if any) and other relevant works after pile construction works for the water wells have been completed) in respect of the Haikou West A-01 Foundation Excavation Protection Project
Project location:	The land parcel no.A-01 (Bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1標段))
Estimated construction area:	N/A
Estimated total contract sum:	RMB8,433,824.30 (Approximately HK\$9,960,346), subject to adjustment in accordance with relevant provisions in Haikou West A-01 Contractor Agreement No.2
Contract period:	30 days
Expected completion date:	23 January 2018

LETTER FROM THE BOARD

10. The Haikou West A-01 Contractor Agreement No.3

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the pile foundation construction works (including but not limited to supplying piles, piling-up, building roads for temporary sites) of building nos.1, 2, 3, 7, 8, 12, 13, 13-1 and basements as well as the protection of the products and cleaning-up of the pile cores after completion of the pile foundation in respect of the Haikou West A-01 Pile Foundation Project
Project location:	The land parcel no.A-01 (Bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1)標段)
Estimated construction area:	N/A
Estimated total contract sum:	RMB10,704,796.83 (Approximately HK\$12,642,365), subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.3
Contract period:	45 days
Expected completion date:	10 January 2018

LETTER FROM THE BOARD

11. The Haikou West A-01 Contractor Agreement No.4

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the pile foundation testing works (including but not limited to supplying piles, piling-up, building roads for temporary sites) of building nos.1, 2, 3, 7, 8, 12, 13, 13-1 and basements as well as the protection of the products and cleaning-up of the pile cores after completion of the pile foundation in respect of the Haikou West A-01 Pile Foundation Testing Project
Project location:	The land parcel no.A-01 (Bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區 A-01號地塊 (1-1標段))
Estimated construction area:	N/A
Estimated total contract sum:	RMB214,502.49 (Approximately HK\$253,327), subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.4
Contract period:	3 days
Expected completion date:	19 November 2017

LETTER FROM THE BOARD

12. The Haikou West A-01 Contractor Agreement No.5

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the external wall painting works and the ancillary works (including but not limited to enhancing the design and drawings, protection of the sites prior delivery as well as the management of the relevant subcontracting, etc.) of building nos.4, 5, 6 and 18 in respect of the Haikou West A-01 Painting Project
Project location:	The land parcel no.A-01 situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊)
Estimated construction area:	N/A
Estimated total contract sum:	RMB3,844,677 (Approximately HK\$4,540,564), subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.5
Contract period:	80 days
Expected completion date:	8 February 2018

LETTER FROM THE BOARD

13. The Haikou 802 Contractor Agreement No.1

Date:	3 November 2017
Parties:	(i) Hainan Tianhong as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the decoration works of the mock-up exhibition region (including two mock-up rooms and the related public areas) in respect of the Haikou 802 Decoration Project
Project location:	Phase 4, Haichangliu, Changbin 4th Road, Binhai Avenue, Haikou City, Hainan Province of the PRC (中國海南省海口市濱海大道長濱四路海長流四期)
Estimated construction area:	N/A
Estimated total contract sum:	RMB1,398,863.04 (Approximately HK\$1,652,057), subject to adjustment in accordance with relevant provisions in the Haikou 802 Contractor Agreement No.1
Contract period:	40 days
Expected completion date:	9 January 2018

LETTER FROM THE BOARD

14. The Haikou 802 Contractor Agreement No.2

Date:	3 November 2017
Parties:	(i) Hainan Tianhong as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the external wall painting works and the ancillary works (including but not limited to purchase of raw materials, transportation, testing of the materials, etc.) of building nos.1, 2, 8, 9, 10 and S-1 (Bid-section 2) in respect of the Haikou 802 Painting Project
Project location:	Changbin 4th Road, Haikou City, Hainan Province of the PRC (中國海南省海口市長濱四路)
Estimated construction area:	N/A
Estimated total contract sum:	RMB3,148,872.55 (Approximately HK\$3,718,818), subject to adjustment in accordance with the relevant provisions in the Haikou 802 Contractor Agreement No.2
Contract period:	25 days
Expected completion date:	11 January 2018

Payment terms

The total contract sum (subject to adjustments) payable under each Contractor Agreement shall be payable in stages based on the progress of the construction works.

The final total contract sum payable under each Contractor Agreement is subject to adjustment, which is based on the settlement amount stated in the final settlement report to be prepared by an independent surveyor (the “**Final Settlement Report**”). The Final Settlement Report is to be confirmed and signed by the parties to 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.

For the Main Contractor Agreements, 95% of the adjusted total contract sum shall have been fully paid up within one year from the date on which the Final Settlement Report on the total construction costs payable under the relevant Main Contractor Agreement is issued or from the date of the final settlement. The remaining 5% of the adjusted total contract sum payable under each Main Contractor Agreement shall be

LETTER FROM THE BOARD

withheld as warranty payment and shall, subject to deductions due to necessary repair works, be released in two instalments to the relevant Contractors, the last instalment of which shall be released after the expiry of a five-year warranty period for their respective construction works.

For the Contractor Agreements (other than the Main Contractor Agreements), 95% of the adjusted total contract sum shall have been fully paid up within one year from the date on which the Final Settlement Report on the total construction costs payable under the relevant Contractor Agreement is issued or from the date of the final settlement. The remaining 5% of the adjusted total contract sum payable under each of such Contractor Agreement shall be withheld as warranty payment and shall, subject to deductions due to necessary repair works, be released after the expiry of a two-year warranty period for their respective construction works.

Furthermore, the total contract sum of each of the Main Contractor Agreements and the Haikou West A-01 Contractor Agreement No.3 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 ranges from ±5% to ±10%.

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:

$$\text{Adjusted Price} = \text{Contract Price} + \left[\text{Average Price} - \frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}} \times (1 + \frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}}) \right]$$

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:

$$\text{Adjusted Price} = \text{Contract Price} - \left[\frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}} \times (1 - \frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}}) - \text{Average Price} \right]$$

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 the relevant PRC governmental authorities
- “Pre-agreed Threshold”* means the pre-agreed threshold (ranging from ±5 to ±10) in respect of the fluctuation of the relevant market price of the major construction materials contracted under the relevant Contractor Agreement

LETTER FROM THE BOARD

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. 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.

Basis of determining the total contract sum

The total contract sum (subject to adjustments) payable under the 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 current local rules and regulations in force where the relevant Construction Project is located that govern the fees (in that the rules or regulations provided for the estimated expected quantities of materials to be used in a construction project) that may be charged in respect of the construction works to be conducted under the relevant Contractor Agreement. However, no prior governmental approval for the estimated budgets of the relevant Construction Projects were required.

The contract sums of the Contractor Agreements were determined also with reference to current local rules and regulations governing construction fees. The estimated total contract sum of each Construction Projects was arrived at by totalling up the estimated amount of required construction work (in terms of man-days and quantity of construction materials) set out in the relevant local rules and regulations stated below multiplied by the current reference market prices for the relevant province for such man-days and construction materials as published in writing and/or on-line at the website of the relevant PRC government authority from time to time. Moreover, the Contractors require to comply with the《建設工程工程量清單計價規範》(“**Code of Bills of Quantities and Valuation for Construction Works**”) in the determination of the man-days and the quantity of construction materials being adopted in the Construction Projects. Under the aforesaid code, (i) a independent surveyor engaged by the Group is required to rely on several factors to estimate the amount of construction work and number of man-days 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 number of man-days and quantity of construction materials to its independent surveyor for approval before procurement of certain materials for construction project. Each Contractor Agreement adopted the similar calculation method. The Group engaged independent surveyors to assist it to estimate the man-days and the quantity of construction materials of each Construction Project.

LETTER FROM THE BOARD

Such rules and regulations are set out as follows:

(1) in the case of the Wuxi Main Contractor Agreement:

- 《江蘇省建築與裝飾工程計價表(2004)》 (“2004 Jiangsu Province Construction and Decoration Project Pricing Schedule”);
- 《江蘇省安裝工程計價表(2004)》 (“2004 Jiangsu Province Installation Project Pricing Schedule”);
- 《江蘇省建施工程費用定額(2009)》 (“2009 Jiangsu Province Construction Project Fee Estimate Norm”); and
- 《建設工程工程量清單計價規範》 (“Code of Bills of Quantities and Valuation for Construction Works”) (GB50500-2013).

(2) in the case of the Guangxi Main Contractor Agreement:

- 《廣西壯族自治區建設工程費用定額》 (2016年) (“2016 Guangxi Zhuang Autonomous Region Construction Project Fee Estimate Norm”);
- 《建設工程工程量清單計價規範》 (“Code of Bills of Quantities and Valuation for Construction Works”) (GB50500-2013); and
- 《廣西壯族自治區建築裝飾裝修工程消耗量定額》 (2013年) (“2013 Guangxi Zhuang Autonomous Region Construction and Decoration Project Consumption Rate Estimate Norm”).

(3) in the case of the Contractor Agreements (other than the Wuxi Main Contractor Agreement and the Guangxi Main Contractor Agreement):

- 《海南省房屋建設與裝飾工程計價定額 (2011)》 (“2011 Hainan Province Building Construction and Decoration Projects Price Determination Estimate Norm”);
- 《海南省安裝工程綜合定額 (常用冊2008)》 (“2008 Hainan Province Installation Projects Consolidated Estimate Norm”);
- 《海南省市政工程計價定額 (2011)》 (“2011 Hainan Province Municipal Project Estimate Norm”);
- 《海南省園林工程綜合定額 (2005)》 (“2005 Hainan Province Landscape Projects Consolidated Estimate Norm”);
- 《海南省裝飾工程綜合定額 (2008)》 (“2008 Hainan Province Decoration Projects Consolidated Estimate Norm”);
- 《海南省房屋修繕工程綜合定額 (2007)》 (“2007 Hainan Province Housing Renovation Projects Consolidated Estimate Norm”); and
- 《建設工程工程量清單計價規範 (2008)》 (“2008 Code of Bills of Quantities and Valuation for Construction Works”).

LETTER FROM THE BOARD

All the above rules and regulations are applicable to all the construction projects of the Group located in the relevant locations and outsourced to main contractors for construction works. The cost control department of the Group would oversee the fee composition of main contracting projects and subcontracting projects to ensure that all the rules and regulations have been complied before any commencement of each construction projects of the Group.

Before finalising the total contract sum, according to the Company's policies, the Group would invite at least three independent third parties to tender for the construction works. The Group would compare the fees payable by the Group to independent third parties as well as the connected persons for construction works before entering into the contractor agreements. When comparing such fees, the Group primarily considered the average cost per square metre, the project's construction work costs and the price charged for previous projects. The Company have compared the payment terms and the pricing terms of each of the Contractor Agreements offered to the Contractors with that offered to the independent third parties to ensure that they are no less favourable to the Group than the terms provided by independent third parties. Notwithstanding that the price for construction works is determined with reference to the regulations and the market price published by the relevant PRC governmental authorities, the contract price quoted by the Contractors to the Company are lower than those of the independent third parties on the ground that, in comparison to the independent third parties, the Contractors acquire the construction materials at difference price due to different levels of business relationships with the suppliers, and different time spent on the projects due to different skill levels.

The Directors (excluding Mr. Chen Jun and Mr. Wu Zhengkui, who abstained from voting at the meeting of the Board due to conflict of interest) consider that the total contract sum payable (subject to adjustments) under each of the Contractor Agreements is fair and reasonable.

Funding

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

GENERAL INFORMATION

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 real estate, energy and finance business. Greenland Holdings indirectly holds approximately 59.07% of the entire issued share capital of the Company.

Contractor A and Contractor B 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

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 Board (including the independent non-executive Directors who have taken into account the advice of Octal Capital) 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.

Mr. Chen Jun and Mr. Wu Zhengkui, due to conflict of interest, were required to abstain from voting on the resolutions approving, among others and the Contractor Agreements at the Board meeting.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, an associate of Greenland Holdings (namely Gluon Xima) indirectly holds an aggregate interest in 1,650,244,409 Shares, representing an approximate 59.07% of the entire issued ordinary share capital and the voting rights of the Company. Contractor A and Contractor B are owned as to 100% and 55% by Greenland Holdings respectively. Accordingly, each of the Contractors is an associate of Greenland Holdings and 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.

Each of the Contractor Agreements will not come into effect until such time as the transaction contemplated under the respective agreement has been approved by the Board and the Independent Shareholders in the EGM by poll.

As at the Latest Practicable Date, Gluon Xima, being the controlling shareholder of the Company, controls over the voting rights in respect of 1,650,244,409 Shares, representing approximately 59.07% of the entire issued ordinary share capital of the Company. Save for Gluon Xima, none of Greenland Holdings and its 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

LETTER FROM THE BOARD

respective associates will be required to abstain from voting on the shareholders' resolutions in relation to the Contractor Agreements. Save as disclosed, as at the Latest Practicable Date, the Company is not aware of any other Shareholder which would be required to abstain from voting in respect of the transactions contemplated under each of the Contractor Agreements.

The Independent Board Committee, comprising all independent non-executive Directors, has been formed to consider, and 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 to the Independent Board Committee and the Independent Shareholders in respect of the same.

EGM AND PROXY ARRANGEMENT

The notice convening the EGM is set out in pages EGM-1 to EGM-5 of this circular. At the EGM, ordinary resolutions will be proposed to approve the terms of the Contractor Agreements and the transactions contemplated thereunder.

As the register of members will not be closed for the purpose of determining the Shareholders' eligibility to attend and vote at the EGM, only persons who are registered holders of Shares at the time of the EGM (based on the register of members of the Company) will qualify for attending and voting at the EGM.

In order to qualify for attending and voting at the EGM, unregistered holders of Shares should ensure that all transfer documents 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 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 19 December 2017.

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>), respectively. Whether or not you intend to attend the EGM or any adjournment thereof (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 22, 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 (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 will be made by the Company after the EGM on the results of the EGM.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Independent Board Committee, having taken into account the advice of Octal Capital, considers that the terms of Contractor Agreements are on normal commercial terms and fair and reasonable, and are also in the interest of the Company and its Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of 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 31 and 32 of this circular, and the text of the letter from Octal Capital is set out on pages 33 to 61 of this circular.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information as set out in the appendix to this circular.

By order of the Board
Greenland Hong Kong Holdings Limited
Chen Jun
Chairman

* *For identification only*

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)

1 December 2017

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTIONS

**Appointment of connected persons as contractors
for construction works in respect of the Group's property
development projects**

We refer to the circular dated 1 December 2017 of the Company (“**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 each of the Contractor Agreements are fair and reasonable and whether the transactions contemplated thereunder 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 Octal Capital” in the Circular, which contain, *inter alia*, 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 Octal Capital” on pages 33 to 61 of the Circular, we consider that the entry into the Contractor Agreements are in the usual and ordinary course of business of the Company and that the terms of the Contractor Agreements and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolutions as set out in the notice of EGM to be held on 21 December 2017 and thereby approve the transactions contemplated under the Contractor Agreements.

Yours faithfully

For and on behalf of

Independent Board Committee

Cheong Ying Chew, Henry

Independent

Non-executive

Director

Fong Wo, Felix, JP

Independent

Non-executive

Director

Kwan Kai Cheong

Independent

Non-executive

Director

LETTER FROM OCTAL CAPITAL

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

1 December 2017

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

CONNECTED TRANSACTIONS

Appointment of connected persons as Contractor for construction works in respect of the Group's property development projects

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 1 December 2017 (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 20 October 2017,

1. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou West Main Contractor Agreement with the Contractor A, to appoint the Contractor A as the main contractor of the Haikou West A-01 Project;
2. Wuxi Guangcheng, a 90%-owned subsidiary of the Company, proposes to enter into the Wuxi Main Contractor Agreement with the Contractor B, to appoint the Contractor B as the main contractor of the Wuxi Project;
3. Greenland Yingcheng, a wholly-owned subsidiary of the Company, proposes to enter into the Guangxi Main Contractor Agreement with the Contractor B, to appoint the Contractor B as the main contractor of the Guangxi Project;
4. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou East C-01 Contractor Agreement with the Contractor A, to appoint the Contractor A as the contractor of the Haikou East C-01 Project;

LETTER FROM OCTAL CAPITAL

5. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou East A-13 Contractor Agreement No.1 with the Contractor A, to appoint the Contractor A as the contractor of Haikou East A-13 (Bid-section 1) Project;
6. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou East A-13 Contractor Agreement No.2 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou East A-13 (Bid-section 2) Project;
7. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou East A-13 Contractor Agreement No.3 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou East A-13 Painting Project;
8. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou West A-01 Contractor Agreement No.1 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou West A-01 Earth and Stone Works Project;
9. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou West A-01 Contractor Agreement No.2 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou West A-01 Foundation Excavation Protection Project;
10. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou West A-01 Contractor Agreement No.3 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou West A-01 Pile Foundation Project;
11. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou West A-01 Contractor Agreement No.4 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou West A-01 Pile Foundation Testing Project;
12. Greenland Haikou, a wholly-owned subsidiary of the Company, proposes to enter into the Haikou West A-01 Contractor Agreement No.5 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou West A-01 Painting Project;
13. Hainan Tianhong, a 50.1%-owned subsidiary of the Company, proposes to enter into the Haikou 802 Contractor Agreement No.1 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou 802 Decoration Project; and
14. Hainan Tianhong, a 50.1%-owned subsidiary of the Company, proposes to enter into the Haikou 802 Contractor Agreement No.2 with the Contractor A, to appoint the Contractor A as the contractor of the Haikou 802 Painting Project.

LETTER FROM OCTAL CAPITAL

As at the Latest Practicable Date, an associate of Greenland Holdings (namely Gluon Xima) indirectly holds an aggregate interest in 1,650,244,409 Shares, representing approximately 59.07% of the entire issued share capital and the voting rights of the Company. Contractor A and Contractor B are owned as to 100% and 55% by Greenland Holdings respectively. Accordingly, each of the Contractors is an associate of Greenland Holdings and 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.

As at Latest Practicable Date, Gluon Xima, being the controlling shareholder of the Company, controls over the voting rights in respect of 1,650,244,409 Shares, representing approximately 59.07% of the entire issued ordinary share capital of the Company. Save for Gluon Xima, none of Greenland Holdings and its 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 (other than outright sales) 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 associates, shall abstain from voting on the proposed resolutions to approve the transaction contemplated under the Contractor Agreements at the EGM. Save for the aforesaid and to the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, as at the Latest Practicable Date, no other Shareholder is interested in the transaction contemplated under the Contractor Agreements.

An independent board committee, comprising all the independent non-executive Directors, namely Mr. Cheong Ying Chew, Henry, Mr. Fong Wo, Felix, JP, and Mr. Kwan Kai Cheong, has been established to advise the Independent Shareholders as to whether the terms of the Contractor Agreements are fair and reasonable and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned, conducted on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole; and to give a recommendation to the Independent Shareholders in respect of the voting on the resolutions to be proposed at the EGM.

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 Engagement**") in respect of appointment of connected persons as contractor for construction works in respect of the Group's real estate development. Under the Previous Engagement, we were required to express our opinion on and give recommendation to the Independent Board Committee comprising all the independent non-executive directors and Independent Shareholders in respect of the relevant

LETTER FROM OCTAL CAPITAL

transaction. 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 Greenland Holdings 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, Contractor A, Contractor B 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 real estate, energy and finance business. Greenland Holdings indirectly holds approximately 59.07% of the entire issued share capital of the Company.

Contractor A is a subsidiary of Greenland Holdings owned as to 100% 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 company profile documents including relevant documents issued by relevant authorities of the PRC and the website of Ministry of Housing and Urban-Rural Development of the PRC (住房和城鄉建設部) (the “**Department Website**”), Contractor A was established in 1996 with a registered capital of RMB625 million and possesses the necessary licenses including of Building Construction General Contracting Class 1 (建築工程施工總承包一級) and Foundation Engineering Professional Contracting Works Class 2 (地基基礎工程專業承包二級).

LETTER FROM OCTAL CAPITAL

Contractor B is a subsidiary of Greenland Holdings owned as to 55% 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 the company profile documents including relevant documents issued by relevant authorities of the PRC and the Department Website, Contractor B was established in 1987 with a registered capital of RMB100.7 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), Engineering Design (Construction Industry) Certificate Grade A (工程設計建築行業甲級), Design and Construction of Building Decoration Class 1 (建築裝飾裝修工程設計與施工一級), Intelligent Building Engineering Design and Construction Class 2 (建築智能化工程設計與施工二級), Roadway Project Construction General Contracting Class 2 (公路工程施工總承包二級) and Petrochemical Engineering Construction Contracting Class 3 (石油化工工程施工總承包三級).

According to the relevant PRC laws and regulations, enterprises contracted to undertake construction related projects must obtain the relevant requisite licenses and qualifications before being allowed to undertake those contracting projects within a permitted scope. We have reviewed the permitted scope of the licenses and qualifications of the Contractors and noted that the scopes of the Construction Projects are within the scopes of those licenses and qualifications which mainly include maximum building height, maximum gross floor area, specific foundation work and specific steel structure engineering. Therefore, we are of the view that the Contractors possess necessary licenses and qualification 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 the construction works are completed up to the standards desired by the Company. We understand from the Department Website that the Contractors participated in a number of large residential building construction projects in the PRC for past several years. 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 3 years and 1 year respectively. Except the Construction Projects, the Contractors have undertaken more than 17 construction projects subcontracted by the Group, of which 2 of them have been successfully completed as at the Latest Practicable Date. Among those construction projects, the Contractors have been able to meet timelines of construction projects and have not involved in any dispute with the Group with regard to settlement, construction progress and construction work such that the Group and the Contractors have been able to work effectively and efficiently.

Having considered (i) the capability of the Contractors to carry out the Construction Projects; (ii) the proven track records of the Contractors; and (iii) the long-term and efficient cooperation relationship with the Contractors, we are of the view that engaging the Contractors to handle the Construction Projects, which will allow the Group to (i) capitalize on the expertise of the Contractors; (ii) ensure the construction works are completed up to the standards required by the Company; and (iii) mitigate the risk arising

LETTER FROM OCTAL CAPITAL

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 Main Contractor Agreements are summarised as follows:

2.1 *The Haikou West Main Contractor Agreement*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the main contractor
Subject matter:	To undertake civil construction, electrical, plumbing and drainage installation works and ancillary construction and engineering works in respect of the Haikou West A-01 Project as shown in the relevant construction drawings, and to provide quality control of the construction and the management services of the construction materials sub-contracting in respect of the Haikou West A-01 Project
Project location:	The land parcel no.A-01 (bid-section no.1-1) situated at Cier Road on the east, Cijiu on the south, Ciyi on the west, Haiyu Avenue on the North, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區東至次二路、南至次九路、西至次一路、北至海榆大道)
Estimated construction area:	Approximately 93,208 sq.m.
Estimated total contract sum:	RMB143,124,690.18 (Approximately HK\$169,030,259), subject to adjustment in accordance with relevant provisions in the Haikou West Main Contractor Agreement
Contract period:	549 calendar days
Expected completion date:	27 June 2019

LETTER FROM OCTAL CAPITAL

2.2 *The Wuxi Main Contractor Agreement*

Date:	3 November 2017
Parties:	(i) Wuxi Guangcheng as the principal (ii) Contractor B as the main contractor
Subject matter:	To undertake all structural construction, and electrical, plumbing and drainage installation works as well as the ancillary engineering works of all residences, power distribution rooms, basements, security guard rooms and related auxiliary facilities in respect of the Wuxi Project as shown in the relevant tender documents and drawings, and construction specifications
Project location:	The Xuelangping Railway Station (雪浪坪地鐵站) situated at the northern side of the intersection of Pinghu Road and Shangde Road, Binhu District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市濱湖區平湖路與尚德路交叉口北側)
Estimated construction area:	Approximately 74,702 sq.m.
Estimated total contract sum:	RMB125,450,969 (Approximately HK\$148,157,594), subject to adjustment in accordance with relevant provisions in the Wuxi Main Contractor Agreement
Contract period:	912 calendar days
Expected completion date:	18 May 2020

LETTER FROM OCTAL CAPITAL

2.3 *The Guangxi Main Contractor Agreement*

Date:	7 November 2017
Parties:	(i) Greenland Yingcheng as the principal (ii) Contractor B as the main contractor
Subject matter:	To undertake civil construction, electrical and mechanical engineering works, installation works and ancillary construction and engineering works (including but not limited to piping, building of facades, plugging of pipe wells, etc.) in respect of the Guangxi Project as shown in the relevant construction drawings, and to provide quality control and management services of the construction of the Guangxi Project.
Project location:	The Greenland Xinli Puyue Mansion (綠地新里•璞悅公館) situated at the interchange between Sanjin Avenue and Zhixing Road, Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區南寧市江南區三津大道與智興路交匯處)
Estimated construction area:	Approximately 203,315 sq.m.
Estimated total contract sum:	RMB273,752,175 (Approximately HK\$323,301,319), subject to adjustment in accordance with relevant provisions in the Guangxi Main Contractor Agreement
Contract period:	970 calendar days
Expected completion date:	25 July 2020

LETTER FROM OCTAL CAPITAL

2.4 *The Haikou East C-01 Contractor Agreement*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To enhance the design and to undertake the fine decoration works of the relevant units (including the lobby, shop, elevator hall, public corridor, corridor ceiling, walls, floor and elevator door cover) in respect of the Haikou East C-01 Project in accordance with the tender drawings provided by the bidder
Project location:	The commercial building no.11 of the Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.C-01 (27), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區C-01(27)號地塊)
Estimated construction area:	9,092 sq.m.
Estimated total contract sum:	RMB5,176,523.09 (Approximately HK\$6,113,474) subject to adjustment in accordance with relevant provisions in the Haikou East C-01 Contractor Agreement
Contract period:	40 calendar days
Expected completion date:	30 December 2017

LETTER FROM OCTAL CAPITAL

2.5 *The Haikou East A-13 Contractor Agreement No.1*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To enhance the design and to undertake the fine decoration works of the relevant units of the residential and public areas (which include the interior decoration of building nos.1, 2, 5 and 6; interior decoration of the type-C, type-C-1 and type-D units of building nos.9 and 10; decoration of the lobbies and public areas of building nos.1, 2, 5, 6, 9 and 10; decoration of the public areas of shops located at building nos.1, 2, 9, 10, 13 and 14; and the decoration works involving rooftops, walls, floors, elevator doors and other relevant parts) in respect of the Haikou East A-13 (Bid-section 1) Project in accordance with the tender drawings provided by the bidder
Project location:	The Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.A-13 (21), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13(21)號地塊)
Estimated construction area:	Approximately 75,623.32 sq.m.
Estimated total contract sum:	RMB19,936,452 (Approximately HK\$23,544,950) subject to adjustment in accordance with relevant provisions in the Haikou East A-13 Contractor Agreement No.1
Contract period:	120 calendar days
Expected completion date:	28 March 2018

LETTER FROM OCTAL CAPITAL

2.6 *The Haikou East A-13 Contractor Agreement No.2*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To enhance the design and to undertake the fine decoration works of the relevant units of the residential and public areas (which include the interior decoration of building nos.3, 4, 7 and 8; interior decoration of type-C, type-C-1 and type-D units of building nos.11 and 12; decoration of the lobbies and public areas of building nos.3, 4, 7, 8, 11 and 12; decoration of the public areas of shops located at building nos.3, 4, 11 and 12; and the decoration works involving rooftops, walls, floors, elevator doors and other relevant parts) in respect of the Haikou East A-13 (Bid-section 2) Project in accordance with the tender drawings provided by the bidder
Project location:	The Haikou Lingshan Greenland City (海口靈山綠地城) situated on the land parcel no.A-13 (21), East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13(21)號地塊)
Estimated construction area:	Approximately 81,420.77 sq.m.
Estimated total contract sum:	RMB23,121,219 (Approximately HK\$27,306,160) subject to adjustment in accordance with relevant provisions in the Haikou East A-13 Contractor Agreement No.2
Contract period:	120 calendar days
Expected completion date:	4 April 2018

LETTER FROM OCTAL CAPITAL

2.7 *The Haikou East A-13 Contractor Agreement No.3*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the external wall painting works and the ancillary works (including but not limited to purchase of raw materials, transportation, testing of the materials, etc.) of building nos.1 to 14 in respect of Haikou East A-13 Painting Project
Project location:	The land parcel no.A-13, East Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮東片區A-13號地塊)
Estimated construction area:	N/A
Estimated total contract sum:	RMB6,816,677.04 (Approximately HK\$8,050,496) subject to adjustment in accordance with relevant provisions in the Haikou East A-13 Contractor Agreement No.3
Contract period:	130 days
Expected completion date:	7 April 2018

LETTER FROM OCTAL CAPITAL

2.8 *The Haikou West A-01 Contractor Agreement No.1*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the site formation and foundation pits excavation works, including but not limited to design enhancement in accordance with the tender plan in respect of the Haikou West A-01 Earth and Stone Works Project
Project location:	The land parcel no.A-01 (bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1標段))
Estimated construction area:	N/A
Estimated total contract sum:	RMB4,258,033.39 (Approximately HK\$5,028,737), subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.1
Contract period:	90 days
Expected completion date:	14 February 2018

LETTER FROM OCTAL CAPITAL

2.9 Haikou West A-01 Contractor Agreement No.2

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	Foundation excavation retaining and protecting works (including but not limited to mixing pile, slope protection, light well point, drainage, protection work and clearance of pile core soil (if any) and other relevant work after pile construction works for the water wells have been completed) in respect of the Haikou West A-01 Foundation Excavation Protection Project
Project location:	The land parcel no.A-01 (bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1標段))
Estimated construction area:	N/A
Estimated total contract sum:	RMB8,433,824.30 (Approximately HK\$9,960,346) subject to adjustment in accordance with relevant provisions in Haikou West A-01 Contractor Agreement No.2
Contract period:	30 days
Expected completion date:	23 January 2018

LETTER FROM OCTAL CAPITAL

2.10 *The Haikou West A-01 Contractor Agreement No.3*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the pile foundation construction works (including but not limited to supplying piles, piling-up, building roads for temporary sites) of building nos.1, 2, 3, 7, 8, 12, 13, 13-1 and basements as well as the protection of the products and cleaning-up of the pile cores after completion of the pile foundation in respect of the Haikou West A-01 Pile Foundation Project
Project location:	The land parcel no.A-01 (bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1)標段)
Estimated construction area:	N/A
Estimated total contract sum:	RMB10,704,796.83 (Approximately HK\$12,642,365) subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.3
Contract period:	45 days
Expected completion date:	10 January 2018

LETTER FROM OCTAL CAPITAL

2.11 *The Haikou West A-01 Contractor Agreement No.4*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the pile foundation testing works (including but not limited to supplying piles, piling-up, building roads for temporary sites) of building nos.1, 2, 3, 7, 8, 12, 13, 13-1 and basements as well as the protection of the products and cleaning-up of the pile cores after completion of the pile foundation in respect of the Haikou West A-01 Pile Foundation Testing Project
Project location:	The land parcel no.A-01 (bid-section no.1-1) situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊(1-1標段))
Estimated construction area:	N/A
Estimated total contract sum:	RMB214,502.49 (Approximately HK\$253,327) subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.4
Contract period:	3 days
Expected completion date:	19 November 2017

LETTER FROM OCTAL CAPITAL

2.12 *The Haikou West A-01 Contractor Agreement No.5*

Date:	3 November 2017
Parties:	(i) Greenland Haikou as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the external wall painting works and the ancillary works (including but not limited to enhancing the design and drawings, protection of the sites prior delivery as well as the management of the relevant subcontracting, etc.) of building nos.4, 5, 6 and 18 in respect of the Haikou West A-01 Painting Project
Project location:	The land parcel no.A-01 situated at West Area, Lingshan Town, Meilan District, Haikou City, Hainan Province of the PRC (中國海南省海口市美蘭區靈山鎮西片區A-01號地塊)
Estimated construction area:	N/A
Estimated total contract sum:	RMB3,844,677 (Approximately HK\$4,540,564) subject to adjustment in accordance with relevant provisions in the Haikou West A-01 Contractor Agreement No.5
Contract period:	80 days
Expected completion date:	8 February 2018

LETTER FROM OCTAL CAPITAL

2.13 *The Haikou 802 Contractor Agreement No.1*

Date:	3 November 2017
Parties:	(i) Hainan Tianhong as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the decoration works of the mock-up exhibition region (including two mock-up rooms and the related public area) in respect of the Haikou 802 Decoration Project
Project location:	Phase 4, Haichangliu, Changbin 4th Road, Binhai Avenue, Haikou City, Hainan Province (海南省海口市濱海大道長濱四路海長流四期)
Estimated construction area:	N/A
Estimated total contract sum:	RMB1,398,863.04 (Approximately HK\$1,652,057) subject to adjustment in accordance with relevant provisions in the Haikou 802 Contractor Agreement No.1
Contract period:	40 days
Expected completion date:	9 January 2018

LETTER FROM OCTAL CAPITAL

2.14 *The Haikou 802 Contractor Agreement No.2*

Date:	3 November 2017
Parties:	(i) Hainan Tianhong as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake the external wall painting works and the ancillary works (including but not limited to purchase of raw materials, transportation, testing of the materials, etc.) of building nos.1, 2, 8, 9, 10 and S-1 (bid-section 2) in respect of the Haikou 802 Painting Project
Project location:	Changbin 4th Road, Haikou City, Hainan Province of the PRC (中國海南省海口市長濱四路)
Estimated construction area:	N/A
Estimated total contract sum:	RMB3,148,872.55 (Approximately HK\$3,718,818), subject to adjustment in accordance with the relevant provisions in the Haikou 802 Contractor Agreement No.2
Contract period:	25 days
Expected completion date:	11 January 2018

3. **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 and current local rules and regulations in force where the relevant Construction Project is located that govern the fees (in that the rules or regulations provided for the estimated expected quantities of materials to be used in a construction project) that may be charged in respect of the construction works to be conducted under the relevant Contractor Agreement. However, no prior governmental approval for the estimated budgets of the relevant Construction Projects were required.

The contract sums of the Contractor Agreements were determined also with reference to current local rules and regulations governing construction fees. The estimated total contract sum of each Construction Project was arrived at by totaling up the estimated amount of required construction work (in terms of man-days and quantity of construction

LETTER FROM OCTAL CAPITAL

materials) set out in the relevant local rules and regulations multiplied by the current market prices for the relevant province for such man-days and construction materials as published in writing and/or on-line at the website of the relevant PRC government authority from time to time. Moreover, the Contractors require to comply with the 《建設工程工程量清單計價規範》(“Code of Bills of Quantities and Valuation for Construction Works”) in the determination of the man-days and the quantity of construction materials being adopted in the Construction Projects. Under the aforesaid code, (i) an independent surveyor engaged by the Group is required to rely on several factors to estimate the amount of construction work and number of man-days 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 number of man-days and quantity of construction materials to its principal for approval before procurement of certain materials for construction project. Each Contractor Agreement adopted the similar calculation method. The Group engaged independent surveyors to assist it to estimate the man-days and the quantity of construction materials of each Construction Project.

Before finalising the estimated total contract sum, according to the Company’s policies, the Group would invite at least three independent third parties to tender for the construction works. The Group would compare the fees payable by the Group to independent third parties as well as the connected persons for construction works before entering into the contractor agreements. When comparing such fees, the Group primarily considered the average cost per sq.m., the project’s construction work costs and the price charged for precedent projects. The Company have compared the payment terms and the pricing terms of each of the Contractor Agreements offered to the Contractors with that offered to the independent third parties to ensure that they are no less favourable to the Group than the terms provided by independent third parties. Notwithstanding that the price for construction works is determined with reference to the regulations and the market price published by the relevant PRC governmental authorities, the contract price quoted by the Contractors to the Company are different from those of the independent third parties on the ground that, in comparison to the independent third parties, the Contractors acquire the construction materials at difference price due to different levels of business relationships with the suppliers, and different time spent on the projects due to different skill levels.

The Construction Projects, comprising the Wuxi Project, the Guangxi Project and certain construction, improvement and other auxiliary projects in Haikou of Hainan Province (the “**Haikou Projects**”). As advised by the Company, we note that the Construction Projects are expected to generate economic benefits to the Group in the future. According to the annual report of the Company for the year ended 31 December 2016 and certain brochures of the Construction Projects, (i) the Wuxi Project is a residential development project in respect of a piece of land in the Wuxi Guangcheng section connected to the entrance of Subway Line 1 in Wuxi. The land area comprises approximately 164,624 square meters and the total GFA is approximately 338,000 square meters, of which 70% and 30% have been earmarked for residential purpose and commercial purpose respectively; (ii) the Guangxi Project is a residential development project in respect of a piece of land in the Jiangnan District Sanjin Road and Zhixing Road Interchange in Nanning of Guangxi. The land area comprises approximately 86,087 square meters and the total GFA is approximately 258,260 square meters, of which 99% and 1%

LETTER FROM OCTAL CAPITAL

have been earmarked for residential purpose and commercial purpose respectively; and (iii) the Haikou Projects are related to a large residential development project of the Group in Haikou. The land area comprises approximately 2,524,679 square meters and the total GFA is approximately 4,396,600 square meters, of which 80% and 20% have been earmarked for residential purpose and commercial purpose respectively. All of the above projects are related to commercial projects owned by the Group instead of projects owned by government, therefore, prior governmental approval for the estimated budgets are not necessary for the Construction Projects.

Set out below is the summary of the details of the Construction Projects:

Agreements	Category of projects	General nature of construction projects	Estimated total contract sum (RMB)	Estimated construction area (sq.m.)	Estimated cost per sq.m. (RMB)
Haikou West Main Contractor Agreement	Main Contractor Project	Civil construction and ancillary construction works	143,124,690	93,208	1,536
Wuxi Main Contractor Agreement	Main Contractor Project	Structural construction and ancillary engineering works	125,450,969	74,702	1,679
Guangxi Main Contractor Agreement	Main Contractor Project	Civil construction and ancillary construction works	273,752,175	203,315	1,346
Haikou East C-01 Contractor Agreement	Design and Decoration Projects	Design and decoration	5,176,523	9,092	569
Haikou East A-13 Contractor Agreement No.1	Design and Decoration Projects	Design and decoration	19,936,452	75,623	264
Haikou East A-13 Contractor Agreement No.2	Design and Decoration Projects	Design and decoration	23,121,219	81,420	284
Haikou East A-13 Contractor Agreement No.3	Painting and Small Scale Decoration Projects	Wall painting	6,816,677	N/A	N/A
Haikou West A-01 Contractor Agreement No.1	Painting and Small Scale Decoration Projects	Wall painting	4,258,033	N/A	N/A

LETTER FROM OCTAL CAPITAL

Agreements	Category of projects	General nature of construction projects	Estimated total contract sum (RMB)	Estimated construction area (sq.m.)	Estimated cost per sq.m. (RMB)
Haikou West A-01 Contractor Agreement No.2	Foundation Project	Foundation	8,433,824	N/A	N/A
Haikou West A-01 Contractor Agreement No.3	Foundation Project	Foundation	10,704,797	N/A	N/A
Haikou West A-01 Contractor Agreement No.4	Foundation Project	Foundation	214,502	N/A	N/A
Haikou West A-01 Contractor Agreement No.5	Painting and Small Scale Decoration Projects	Wall painting	3,844,677	N/A	N/A
Haikou 802 Contractor Agreement No.1	Painting and Small Scale Decoration Projects	Small scale decoration	1,398,863	N/A	N/A
Haikou 802 Contractor Agreement No.2	Painting and Small Scale Decoration Projects	Wall painting	3,148,873	N/A	N/A

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 list of construction projects of the Group (the “**Project List**”) with construction projects similar to the Construction Projects which were engaged with independent third parties contractors for the last three years (the “**Independent Construction Projects**”) to assess the fairness and reasonableness of the total contract sum of the Contractor Agreements. The Directors confirmed that the Independent Construction Projects provided are in line with the normal course of business of the Group. The Project List contains details of each project including natures, contractors, regions, scope of projects, status of projects, expected construction amounts, actual construction amounts, basic of construction budgets and payment terms. Apart from the Project List, we also obtained relevant constructions contracts (the “**Independent Construction Contracts**”) for our analysis. We are of the view that the Independent Construction Projects being identified in the last three years provide us with relevant information for our analysis are sufficient to support our opinion.

Based on the comparison of total contract sum of the Construction Projects and the Independent Construction Projects, we note that the cost per sq.m. (as derived from the relevant total contract sum) of the projects of the Main Contractor Agreements (the “**Main Contractor Projects**”), ranging from approximately RMB1,346 per sq.m. to RMB1,679 per sq.m., is lower than the cost per sq.m. of the relevant main contractor projects of the

LETTER FROM OCTAL CAPITAL

Independent Construction Projects, ranging from approximately RMB1,480 per sq.m. to RMB4,125 per sq.m., which were of similar natures, regions and types of constructions.

As for the Contractor Agreements, we understand from that the management of the Company that the total contract sum of the projects of the Haikou East C-01 Contractor Agreement, the Haikou East A-13 Contractor Agreement No.1 and the Haikou East A-13 Contractor Agreement No.3 (the “**Design and Decoration Projects**”) are related to design and decoration works of certain residential and public areas of the Haikou Project. We note that the cost per sq.m. of the Design and Decoration Projects, ranging from approximately RMB264 per sq.m. to RMB569 per sq.m., is lower than the cost per sq.m. of the relevant design and decoration projects of the Independent Construction Projects, ranging from approximately RMB865.8 per sq.m. to RMB1,226.0 per sq.m.

As for the other Construction Projects (other than the projects of the Main Contractor Agreements and the Design and Decoration Projects), which could be generally categorised as painting and small scale projects (the “**Painting and Small Scale Decoration Projects**”) and foundation works (the “**Foundation Projects**”), we understand from the management of the Company that the total contract sum of the Painting and Small Scale Decoration Projects and the Foundation Projects, are mainly related to the area of painting and small scale works and the number of piles to be used on the foundation projects respectively. We note that (i) the unit price per sq.m. of the Painting and Small Scale Decoration Projects ranging from approximately RMB36.0 per sq.m. to RMB52.1 per sq.m. is lower than the cost per sq.m. of the relevant painting and decoration projects of the Independent Construction Projects ranging from approximately RMB40.0 per sq.m. to RMB61.9 per sq.m.; and (ii) the unit price per number of pile of the Foundation Projects ranging from approximately RMB102.6 per pile to RMB240.2 per pile is lower than the cost per pile of the relevant foundation projects of the Independent Construction Projects ranging from approximately RMB124.7 per pile to RMB408.9 per pile.

As set out in the Letter from the Board, we note that the estimated total contract sum of each Construction Project was based on number of man-days and quantity of construction materials set out in the relevant local rules and regulations multiplied by the current market prices. In relation to the number of man-days and quantity of construction materials of each Construction Project, we have obtained a list of construction schedule for the Construction Projects (the “**Construction Schedule**”) and detailed breakdown of the estimated construction costs of the Construction Projects (the “**Detailed Breakdown**”) from the Company, which indicate number of man-days required for each work and their target completion dates in accordance with the work plan in the Contractor Agreements and composition of the estimated total contract sum of the Construction Projects, respectively. Based on our studies of the Construction Schedule and further discussions with the management of the Company, we note that (i) the number of man-days required in each work depends on the size of construction area and the complexity of the work; (ii) the man-days and the quantity of construction materials of each Construction Project were determined by the Company and the Contractors after arm’s length negotiation; and (iii) the man-days and the quantity of construction materials of each Construction Project were reviewed by independent surveyors. We have also obtained the background information of the independent surveyors appointed by the Group for its recent construction projects and noted that they are professional surveyors whose qualification in surveying has been

LETTER FROM OCTAL CAPITAL

approved by the Construction Department in the PRC. We have reviewed their working experiences and noted that they have over nine years' experience in participating relevant surveying projects in the PRC. Based on our further discussion with the Company, except for being appointed as the independent surveyors of the Group, we note that the independent surveyors do not have any relationship with the Company. Having considered (i) the qualification and the practical experience of the independent surveyors; and (ii) the independence of the independent surveyors, we are satisfied that the independent surveyors are independent and capable of performing the relevant estimation of the amount of construction work and number of man-days for each of the Construction Projects.

In addition, regarding the market price of construction materials, we compared the prices of several main construction materials with the market prices of those relevant construction materials obtained from an online database namely "Information Centre of Construction" (www.iccchina.com) (the "**Construction Material Price Website**"), which contains updated pricing information of construction materials in different regions in the PRC. We have obtained and reviewed the prices of construction materials being used for the Construction Projects on sample basis, and noted that they are close to or lower than their market prices 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 the operation size.

As for the local rules and regulations governing the determination of the total contract sum, we have reviewed the relevant official documents issued by local government in relation to the rules and regulations governing the construction costs and subcontracting fees in terms of (i) the standard and quantity of materials being used in construction projects; (ii) the manpower hour and hour rate of labour being used in construction projects; and (iii) the use of construction equipment in construction projects. After discussing with the management of the Company, we understand that the determination of the construction costs and subcontracting fees for all of the construction projects of the Group, including construction projects assigned to associated companies of Greenland Holdings or independent third parties contractors, had complied with the relevant local rules and regulations. Moreover, we have been advised by the management of the Company that the Contractors requires to comply with the 《建設工程工程量清單計價規範》 ("Code of Bills of Quantities and Valuation for Construction Works") (the "**Code**") in the determination of the man-days and the quantity of construction materials being adopted in the Construction Projects. Under the Code, (i) a principal is required to rely on several factors to estimate the amount of construction work and number of man-days 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 number of man-days and quantity of construction materials to its principal for approval before procurement of certain materials for construction project. In case of any non-compliance with the rules above, a principal is required to seek approval from local Construction Project Price Administration Department (建設工程造價管理總站). After our further discussions with the Company on the relevant construction plans from the Company, we understand that the Company and the Contractors have complied with the relevant rules during the determination of the man-days and quantity of construction materials for the Construction Projects, and the Company has discretion to

LETTER FROM OCTAL CAPITAL

adjust the reference market price and amount of construction work if the Company has complied with the relevant rules and regulations as set out in the Letter from the Board. We are also advised by the Company that the cost control department of the Group would oversee the process of the determination of construction costs and subcontracting fees to ensure that all the rules and regulations have been complied before any commencement of each construction projects of the Group.

Having considered (i) the cost per sq.m. of the Main Contractor Agreements is lower than the cost per sq.m. of the relevant main contractor projects of the Independent Construction Projects; (ii) the cost per sq.m. of the Design and Decoration Projects is lower than the cost per sq.m. of the relevant design and decoration projects of the Independent Construction Projects; (iii) the unit price per sq.m. of the Painting and Small Scale Decoration Projects and the unit price per number of pile of the Foundation Projects are lower than those of the relevant painting and foundation projects of the Independent Construction Projects respectively; (iv) the man-days and the quantity of construction materials of each Construction Project were reviewed by independent surveyors who are independent and capable of performing the relevant estimations; (v) the price of the sample construction materials being used for the Construction Projects are close to or lower than the their market prices in the region of the Construction Projects; (vi) the Company and the Contractors have complied with the relevant rules during the determination of the man-days and quantity of construction materials for the Construction Projects; and (vii) the Company has discretion to adjust the reference market price and amount of construction work if the Company has complied with the relevant rules and regulations, we are of the view that 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; and the entering into of the Contractor Agreements is in the interests of the Company and the Independent Shareholders as a whole.

4. Basis of determining the payment terms

The total contract sum (subject to adjustments) 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 based on the settlement amount stated in the Final Settlement Report to be prepared by an independent surveyor. The Final Settlement Report is to be confirmed and signed by the parties to the relevant Contractor Agreement and issued pursuant to 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.

For the Main Contractor Agreements, 95% of the adjusted total contract sum shall have been fully paid up within one year from the date on which the Final Settlement Report on the total construction costs payable under the relevant Main Contractor Agreement is issued or from the date of the final settlement. The remaining 5% of the adjusted total contract sum payable under each Main Contractor Agreement shall be withheld as warranty payment and shall, subject to deductions due to necessary repair

LETTER FROM OCTAL CAPITAL

works, be released in two instalments to the relevant Contractors, the last instalment of which shall be released after the expiry of a five-year warranty period for their respective construction works.

For the Contractor Agreements (other than the Main Contractor Agreements), 95% of the adjusted total contract sum shall have been fully paid up within one year from the date on which the Final Settlement Report on the total construction costs payable under the relevant Contractor Agreement is issued or from the date of the final settlement. The remaining 5% of the adjusted total contract sum payable under each of such Contractor Agreement shall be withheld as warranty payment and shall, subject to deductions due to necessary repair works, be released after the expiry of a two-year warranty period for their respective construction works.

In assessing the fairness and reasonableness of the payment terms of the Main Contractor Agreements and the Contractor Agreements (other than the Main Contractor Agreements) (the “**Payment Terms**”), we have discussed with the management of the Company the bases of the Payment Terms and understand that the Payment Terms are similar to other construction projects subcontracted to independent third parties contractors. Based on the Project List and the Independent Construction Contracts, we understand that (i) the 1st settlement regarding 70% of the total contract sum for the majority of the Independent Construction Projects (including main contractor projects and contractor projects) was payable upon completion and acceptance of the construction work; (ii) the 2nd settlement regarding 95% of total contract sum for the majority of the Independent Construction Projects (including main contractor projects and contractor projects) was payable within one year from the date on which the audit report on the total construction costs; (iii) the remaining 5% of the adjusted total contract sum for the majority of the Independent Construction Projects (main contractor projects only) was released in two instalments and last instalment would be released after expiry of a 5-year warranty; and (iv) the remaining 5% of the adjusted total contract sum for the majority of the Independent Construction Projects (contractor projects only) was released after expiry of a 2-year warranty period. As advised by the management of the Company, we understand that longer settlement period for the remaining 5% of adjusted total contract sum for the Main Contractor Agreement than that of the Contractor Agreement is mainly due to more responsibilities for a main contractor in construction project.

We have compared the Payment Terms with the payment terms of the Independent Construction Projects and note that they are comparable and the Payment Terms are not less favorable than the payment terms of the Independent Construction Projects, specifically, (i) the percentages of total contract sum of each settlement are similar; (ii) the settlement criteria of them are similar; and (iii) the payment period of the final settlement for the Main Contractor Agreements and the Contractor Agreements being longer than those of the Independent Construction Projects provide flexibility in cash flow of the Group. Therefore, we are of the view that the Payment Terms, which are comparable with and not less favorable than the payment terms of the Independent Construction Projects, are on normal commercial terms and not prejudicial to the interest of the Company’s minority Shareholders.

LETTER FROM OCTAL CAPITAL

As set out in the Letter from the Board, the total contract sum of each of the Main Contractor Agreements and the Haikou West A-01 Contractor Agreement No.3 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 ranges from $\pm 5\%$ to $\pm 10\%$. We set out below the formula of the adjusted price of the relevant construction materials under the adjustment mechanism.

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

$$\text{Adjusted Price} = \text{Contract Price} + \left[\text{Average Price} - \frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}} \times (1 + \frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}}) \right]$$

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

$$\text{Adjusted Price} = \text{Contract Price} - \left[\frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}} \times (1 - \frac{\text{Pre-agreed Reference Price}}{\text{Pre-agreed Threshold}}) - \text{Average Price} \right]$$

Notes:

<i>“Adjusted Price”</i>	<i>means the adjusted price of the relevant construction materials</i>
<i>“Average Price”</i>	<i>means the average price of the relevant construction materials during the period of price estimation</i>
<i>“Contract Price”</i>	<i>means the original price of the major construction materials contracted under the relevant Contractor Agreement</i>
<i>“Pre-agreed Reference Price”</i>	<i>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 the relevant PRC governmental authorities</i>
<i>“Pre-agreed Threshold”</i>	<i>means the pre-agreed threshold (ranging from ± 5 to ± 10) in respect of the fluctuation of the relevant market price of the major construction materials contracted under the relevant Contractor Agreement</i>

As advised by the management of the Company, we understand that the total contract sum of each of the Main Contractor Agreements and the Haikou West A-01 Contractor Agreement No.3 will be adjusted in response to fluctuation in the market price of major construction materials, in which the major construction materials, including cement and steel, accounted for majority of the total contract sum of the relevant agreements. With reference to the Main Contractor Agreements and the Haikou West A-01 Contractor Agreement No.3, the basis of determination of the threshold is by making reference to a maximum of 10% of the estimated construction materials cost of the Main Contractor Agreements and the Haikou West A-01 Contractor Agreement No.3 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

LETTER FROM OCTAL CAPITAL

between the Company and the Contractors. In addition, the adjustment of the Construction Projects, which will be determined based on the Final Settlement Report, is limited to 5% of its total contract sum. In other words, the maximum amount of the total contract sum payable equal to 105% of the total contract sum of the relevant Construction Projects. 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 and the recent increasing trend of major construction materials price. We have been advised by the Company that the adjustment mechanism offer 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 pass on the cost increases to its customers.

In this regard, we have obtained a project list with 3 completed construction projects of the Company (the “**Completed Construction Projects**”) which contains project nature, estimated total contract sum, actual total contract sum and adjustment of total contract sum. We have also obtained the quantity surveyor reports issued by third party quantity surveyors qualified in PRC, who engaged for tender review and construction cost calculation, in order to verify the information in the project list. As advised by the Company, the Completed Construction Projects in the list are all the construction projects which (i) were completed before the Latest Practicable Date; and (ii) did not involve any material change in construction plan during their construction period. In the list, we understand that (i) there were 3 Completed Construction Projects which were commenced in 2014; (ii) the Completed Construction Projects did not involve any material change of their construction plans; and (iii) the adjustment of the estimated contract sum of the Completed Construction Projects range from 0.4% to 2.6% in accordance with the quantity surveyor reports.

In addition, based on our studies of the Independent Construction Contracts, we note that there are similar terms in relation to the adjustment on contract sum and threshold of change in material price in those Independent Construction Projects. Moreover, we have been advised that the terms of the adjustment and the level of the threshold are in line with the market practice of the general contracting construction project in the PRC.

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

LETTER FROM OCTAL CAPITAL

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 24 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 16 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 purpose 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 INTERESTS

(a) Directors' and chief executives' interests and short position in Shares, underlying shares and debentures

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 of 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 4)
Mr. WANG Weixian	Interest of controlled corporation (Note 1)	32,958,571	1.18%
	Founder of discretionary trust (Note 2)	367,254,133	13.15%
Ms. WANG Xuling	Beneficial owner	4,000,000	0.14%
	Interest of controlled corporation (Note 3)	7,010,448	0.25%
	Beneficiary of discretionary trust (Note 2)	367,254,133	13.15%

Name of Director	Capacity/Nature of interest	Number of Shares	Approximately percentage of shareholding in the Company's issued share capital (<i>Note 4</i>)
Mr. CHEONG Ying Chew, Henry	Beneficial owner	500,000	0.02%
Mr. FONG Wo, Felix, JP	Beneficial owner	500,000	0.02%
Mr. KWAN Kai Cheong	Beneficial owner	500,000	0.02%

Notes:

1. Mr. WANG Weixian was deemed to be interested in 32,958,571 Shares which are held by Prestige Glory Enterprises Limited. The entire issued share capital of Prestige Glory Enterprises Limited was beneficially owned by Mr. WANG Weixian.
2. 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 Duanyuan Trust.
3. 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.
4. Representing the issued and fully paid-up capital of the Company as at the Latest Practicable Date comprising 2,793,676,683 Shares.

(b) Other interests of the Directors

As at the Latest Practicable Date,

- (i) 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;
- (ii) none of the Directors had any interest, direct or indirect, in any asset which have been, since 31 December 2016 (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; and
- (iii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting at the Latest Practicable Date, and which was significant in relation to the business of the Group.

3. 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 2016, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective close associate was interested in any businesses (apart from the businesses of the Group), which competed or were likely to compete, either directly or indirectly, with the businesses of the Group.

6. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualifications of the expert who has given its opinions and advice which are contained in this circular:

Name	Qualification
Octal Capital Limited	a licensed corporation 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 2016 (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 references to its name and/or its opinion and advice in the form and context in which they are included.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Contractor Agreements will be available for inspection at the principal office of the Company in Hong Kong at Unit 5711, 57/F., The Center, 99 Queen's Road Central, Hong Kong during normal business hours from the date of this circular up to and including 15 December 2017.

NOTICE OF EGM

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 IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of Greenland Hong Kong Holdings Limited (the “Company”) will be held at 7th Floor, Conrad Hong Kong Hotel, Pacific Place, 88 Queensway Road, Hong Kong on 21 December 2017 at 9:00 a.m. for the purposes of considering and, if thought fit, passing the following ordinary resolutions of the Company:

1. **“THAT** the Haikou West Main Contractor Agreement (as defined in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Wuxi Main Contractor Agreement (as defined in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Guangxi Main Contractor Agreement (as defined in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 EGM

4. “**THAT** the Haikou East C-01 Contractor Agreement (as defined in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Haikou East A-13 Contractor Agreement No.1 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Haikou East A-13 Contractor Agreement No.2 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Haikou East A-13 Contractor Agreement No.3 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 EGM

8. **“THAT** the Haikou West A-01 Contractor Agreement No.1 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Haikou West A-01 Contractor Agreement No.2 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 Haikou West A-01 Contractor Agreement No.3 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

11. **“THAT** the Haikou West A-01 Contractor Agreement No.4 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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 EGM

12. “**THAT** the Haikou West A-01 Contractor Agreement No.5 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
13. “**THAT** the Haikou 802 Contractor Agreement No.1 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
14. “**THAT** the Haikou 802 Contractor Agreement No.2 (as defined and described in the circular of the Company dated 1 December 2017) 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 do all such further acts and things and execute all such further documents and take all steps as he/she may in his/her absolute opinion deem necessary, desirable or expedient to implement and/or 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

Hong Kong, 1 December 2017

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 EGM

Notes:

1. All the resolutions at the EGM will be taken by way of poll and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any Shareholder entitled to attend and vote at the EGM convened by the above 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.
3. 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 authority or other authority) must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, 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).
4. Completion and return of the form of proxy will not preclude a member from attending and voting in person 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.
5. In the case of joint holders of any share(s), any one of such joint holders may vote (either in person or by proxy) in respect of such share(s) as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the EGM (whether in person or by proxy), the vote of the joint holder whose name stands first in the register of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof.
6. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.