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

If you have sold or transferred all your shares in Greenland Hong Kong Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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GREENLAND HONG KONG HOLDINGS LIMITED

綠地香港控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 337)

CONNECTED TRANSACTION

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

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

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

 **金融有限公司**
OCTAL Capital Limited

Octal Capital Limited

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 6 to 18 of this circular.

A letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages I-1 to I-2 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 II-1 to II-20 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to attend 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.

4 June 2019

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	6
APPENDIX I — LETTER FROM THE INDEPENDENT BOARD COMMITTEE	I-1
APPENDIX II — LETTER FROM OCTAL CAPITAL	II-1
APPENDIX III — GENERAL INFORMATION	III-1
NOTICE OF EGM	EGM-1

DEFINITIONS

In this circular and the appendices to it, unless the context otherwise requires, the following terms and expression have the following meanings:

“Applicable Percentage Ratio”, “associate(s)”, “close associate(s)” and “connected person(s)”	have the meanings ascribed to them under the Listing Rules;
“Board”	the board of Directors;
“Central Park Contractor Agreement”	the contractor agreement dated 7 May 2019 entered into between Central Park Project Company and Contractor C in relation to the earthworks for the Central Park Project;
“Central Park Project”	the development project of Phase 2 of Greenland Hong Kong Kunming Central Park Plaza* (綠地香港昆明中央公園廣場二期) to be undertaken in respect of land parcel situated at the northeast corner of the intersection of Chuncheng Road and Wujia Lane, Wujiaaba sub-district, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市巫家壩片區春城路與巫家巷交叉口東北角);
“Central Park Project Company”	Greenland Kunming Spring City Property Co., Ltd.* (昆明綠地春城置業有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“College Town Contractor Agreement”	the contractor agreement dated 7 May 2019 entered into between College Town Project Company and Contractor D in relation to the construction works to be undertaken for the College Town Project;
“College Town Project”	the development project of Phase 1 of Dongmeng Greenland College Town* (東盟綠地大學城(一期)項目) to be undertaken in respect of land parcels no. 25, 31 and 32 situated at the northeast side of the intersection of Zhushan Road and Zhihe Road, ASEAN Economic and Technological Development Zone, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區東盟經濟技術開發區珠山路與致和路交界處東北側);

DEFINITIONS

“College Town Project Company”	Nanning Overseas Chinese Transport Asset Management Co., Ltd.* (南寧僑運資產管理有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Company”	Greenland Hong Kong Holdings Limited (綠地香港控股有限公司), a company incorporated with limited liability in the Cayman Islands and the ordinary shares of which are listed on the Main Board of the Stock Exchange;
“Construction Projects”	collectively, the Dianchi 1-1 Project, the Dianchi 1-3 Project, the Dianchi 1-4 Project, the Central Park Project, the School Project and the College Town Project, and a “ Construction Project ” means any one of them;
“Contractor A”	Guizhou Construction Engineering Group Co., Ltd.* (貴州建工集團有限公司), a company established in the PRC with limited liability owned as to 51% by Greenland Holdings;
“Contractor Agreements”	collectively the Dianchi 1-1 Contractor Agreement, the Dianchi 1-3 Contractor Agreement, the Dianchi 1-4 Contractor Agreement, the Central Park Contractor Agreement, the School Contractor Agreement and the College Town Contractor Agreement, and a “ Contractor Agreement ” means any one of them;
“Contractor B”	Shanghai Greenland Construction Engineering Co., Ltd.* (上海綠地建築工程有限公司), a company established in the PRC with limited liability owned as to 100% by Greenland Holdings;
“Contractor C”	Shanghai Greenland Construction (Group) Co., Ltd.* (上海綠地建設(集團)有限公司), a company established in the PRC with limited liability owned as to 49% by Greenland Holdings;
“Contractor D”	Jiangsu Construction Engineering Co., Ltd.* (江蘇省建築工程集團有限公司), a company established in the PRC with limited liability owned as to 50% by Greenland Holdings;

DEFINITIONS

“Contractors”	collectively Contractor A, Contractor B, Contractor C and Contractor D, and a “ Contractor ” means any one of them;
“Dianchi 1-1 Contractor Agreement”	the contractor agreement dated 7 May 2019 entered into between Dianchi Project Company and Contractor B in relation to the construction works to be undertaken for the Dianchi 1-1 Project;
“Dianchi 1-1 Project”	the phase 1-1 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-1期33#地塊項目) to be developed on land parcel no.33 situated at Dayu Village, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區大漁鄉);
“Dianchi 1-3 Contractor Agreement”	the contractor agreement dated 7 May 2019 entered into between Dianchi Project Company and Contractor A in relation to the construction works to be undertaken for the Dianchi 1-3 Project;
“Dianchi 1-3 Project”	the phase 1-3 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-3期項目) to be developed on a land parcel situated at Yupu Road, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區漁浦路);
“Dianchi 1-4 Contractor Agreement”	the contractor agreement dated 7 May 2019 entered into between Dianchi Project Company and Contractor B in relation to the construction works to be undertaken for the Dianchi 1-4 Project;
“Dianchi 1-4 Project”	the phase 1-4 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-4期40#地塊項目) to be developed on land parcel no.40 situated at Dayu Village, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區大漁鄉);
“Dianchi Project Company”	Greenland Kunming Dianchi Property Co., Ltd.* (昆明綠地滇池置業有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held on 28 June 2019 at 9:30 a.m. (or as soon thereafter as the annual general meeting of the Company held at 9:00 a.m. on the same day and place shall have been concluded or adjourned) for the purposes of approving the Contractor Agreements;
“Gluon Xima”	Gluon Xima International Limited, an indirectly wholly-owned subsidiary of Greenland Holdings and the immediate controlling shareholder of the Company holding approximately 59% of the issued share capital of the Company as at the Latest Practicable Date;
“Greenland Group”	Greenland Holdings and its subsidiaries (excluding the Group for the purpose of this circular);
“Greenland Holdings”	Greenland Holdings Corporation Limited (綠地控股集團股份有限公司), a company established under the laws of the PRC and listed on the Shanghai Stock Exchange, and the controlling shareholder of the Company;
“Group”	the Company and its subsidiaries;
“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;
“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 May 2019, being the latest practicable date prior to the printing of this circular for the purposes of ascertaining certain information contained in this circular;

DEFINITIONS

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Project Company”	any one of Central Park Project Company, Dianchi Project Company, College Town Project Company and School Project Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“School Contractor Agreement”	the contractor agreement dated 7 May 2019 entered into between School Project Company and Contractor B in relation to the construction works to be undertaken for the School Project;
“School Project”	the construction of a school on a parcel of land situated at Changxiu Sub-district, Xiuying District, Haikou City, Hainan Province, the PRC (中國海南省海口市秀英區長秀片區);
“School Project Company”	Haikou Greenland Wuyuan Property Co., Ltd.* (海口綠地五源置業有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shareholders”	holders of the ordinary share(s) of HK\$0.50 each in the share capital of the Company;
“sq.m.”	square meters;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

For the purposes of this circular, the exchange rates of HK\$1.00=RMB0.86 has been used for currency translation. Such exchange rate is for illustration purposes only and does not constitute any representations that any amount in HK\$ or RMB has been, could have been or may be converted at such rate.

* For identification purposes 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)

Executives Directors:

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

Mr. Wang Weixian (*Honorary Chairman*)

Mr. Hou Guangjun (*Chief Operation Officer*)

Mr. Wu Zhengkui

Ms. Wang Xuling

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

Mr. 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

4 June 2019

To the Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION
Appointment of connected persons
as contractors for construction works

INTRODUCTION

Reference is made to the announcement of the Company dated 7 May 2019 in relation to the Contractors Agreement. On 7 May 2019 (after trading hour), certain subsidiaries of the Company entered into the Contractors Agreement, which constitute connected transactions for the Company under the Listing Rules.

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 TRANSACTION – THE CONTRACTOR AGREEMENTS

The principal terms of the Contractor Agreements are as follows:

Dianchi 1-1 Contractor Agreement

Date:	7 May 2019
Parties:	(i) Dianchi Project Company as the principal (ii) Contractor B as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Dianchi 1-1 Project in accordance with the construction drawings, design modification and the instruction of Dianchi Project Company
Project description and location:	the phase 1-1 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-1期33#地塊項目) to be developed on land parcel no.33 situated at Dayu Village, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區大漁鄉)
Estimated construction area:	106,024.73 sq.m.
Estimated total contract sum:	Approximately RMB124,464,219 (approximately HK\$144.73 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	20 July 2019
Expected completion date:	30 June 2020

LETTER FROM THE BOARD

Dianchi 1-3 Contractor Agreement

Date:	7 May 2019
Parties:	Dianchi Project Company as the principal Contractor A as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Dianchi 1-3 Project in accordance with the design drawings, and the instruction of Dianchi Project Company
Project description and location:	The phase 1-3 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-3期項目) to be developed on a land parcel situated at Yupu Road, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區漁浦路)
Estimated construction area:	296,951 sq.m.
Estimated total contract sum:	Approximately RMB355,138,045 (approximately HK\$412.95 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	5 July 2019
Expected completion date:	3 November 2022

LETTER FROM THE BOARD

Dianchi 1-4 Contractor Agreement

Date:	7 May 2019
Parties:	(i) Dianchi Project Company as the principal (ii) Contractor B as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works in respect of the Dianchi 1-4 Project in accordance with the construction drawings, design modification and the instruction of Dianchi Project Company
Project description and location:	The phase 1-4 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-4期40#地塊項目) to be developed on land parcel no.40 situated at Dayu Village, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區大漁鄉)
Estimated construction area:	179,605.25 sq.m.
Estimated total contract sum:	Approximately RMB212,110,021 (approximately HK\$246.64 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 August 2019
Expected completion date:	16 February 2021

LETTER FROM THE BOARD

Central Park Contractor Agreement

Date:	7 May 2019
Parties:	(i) Central Park Project Company as the principal (ii) Contractor C as the contractor
Subject matter:	To undertake earth and stone excavation works in respect of the Central Park Project in accordance with the relevant drawings and bill of quantities
Project location:	The development project of Phase 2 of Greenland Hong Kong Kunming Central Park Plaza* (綠地香港昆明中央公園廣場二期) to be undertaken in respect of land parcel situated at the northeast corner of the intersection of Chuncheng Road and Wujia Lane, Wujiaba Sub-district, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市巫家壩片區春城路與巫家巷交叉口東北角)
Estimated total contract sum:	Approximately RMB24,986,458 (approximately HK\$29.05 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	20 September 2019
Expected completion date:	22 May 2022

LETTER FROM THE BOARD

School Contractor Agreement

Date:	7 May 2019
Parties:	(i) School Project Company as the principal (ii) Contractor B as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works in respect of the School Project in accordance with the construction drawings, design modification and the instruction of School Project Company, which has been engaged by a governmental authority to construct the school under the School Project for that governmental authority
Project description and location:	The construction of a school on a parcel of land situated at Changxiu Sub-district, Xiuying District, Haikou City, Hainan Province, the PRC (中國海南省海口市秀英區長秀片區)
Estimated construction area:	45,313.16 sq.m.
Estimated total contract sum:	Approximately RMB70,491,443 (approximately HK\$81.97 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	18 October 2019
Expected completion date:	26 January 2021

LETTER FROM THE BOARD

College Town Contractor Agreement

Date:	7 May 2019
Parties:	(i) College Town Project Company as the principal (ii) Contractor D as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works in respect of the College Town Project in accordance with the construction drawings, design modification and the instruction of College Town Project Company
Project description and location:	The development project of Phase 1 of Dongmeng Greenland College Town* (東盟綠地大學城(一期)項目) to be undertaken in respect of land parcels no. 25, 31 and 32 situated at the northeast side of the intersection of Zhushan Road and Zhihe Road, ASEAN Economic and Technological Development Zone, Guangxi Zhuang Autonomous Region, the PRC (中國廣西壯族自治區東盟經濟技術開發區珠山路與致和路交界處東北側)
Estimated construction area:	139,107.10 sq.m.
Estimated total contract sum:	Approximately RMB188,037,219 (approximately HK\$218.65 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 July 2019
Expected completion date:	29 June 2021

Payment terms

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

The final total contract sum under each Contractor Agreement is subject to adjustment, which is the final total contract sum as set out in the completion settlement report prepared by the Contractor and audited by the Project Company or its appointed independent third party costing consultant in accordance with the terms of the relevant Contractor Agreement. In general, 70% of the estimated total contract sum shall have been fully paid up following completion and acceptance of the construction works, and 95% of the adjusted total contract sum shall have been fully paid after the audit of the completion settlement report has been completed. In the case of the School Contractor Agreement, the

LETTER FROM THE BOARD

School Project Company can delay the aforesaid progress payment if it has not received the corresponding progress payment from the government authority which has engaged the School Project Company to undertake the School Project. The remaining 5% of the adjusted total contract sum payable under each 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 period of up to 5 years or, in the case of Central Park Contractor Agreement, 2 years.

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

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

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

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

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

Notes:

“Adjusted Price”	means the adjusted price of the relevant construction materials
“Contract Price”	means the original price of the major construction materials contracted under the relevant Contractor Agreement
“Average Price”	means the average price of the relevant construction materials during the period of price estimation
“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 of $\pm 5\%$ in respect of the fluctuation of the relevant market price of the major construction materials contracted under the relevant Contractor Agreement

The above adjustment is based on dollar-to-dollar basis and is in line with the market practice of the construction industry in the PRC. 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. The Company considers that it is unlikely to have adjustment to the total contract sum exceeding 5% in respect of any of the Contractor Agreements. In the

LETTER FROM THE BOARD

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. In the event that the aforesaid Independent Shareholders' approval cannot be obtained, the relevant Project Company will negotiate in good faith with the relevant Contractor in order to enter into a supplemental agreement to adjust the scope of services and/or materials used for the relevant Construction Project with a view to reducing the adjustment to be made to the total contract sum to be not exceeding 5%. The Company will from time to time monitor the progress of each Construction Project to ensure early identification of any possibility of adjustment of total contract sum exceeding 5% and early compliance of the foregoing measures.

Basis of determining the total contract sum

The total contract sum (subject to adjustments) payable under each of the Contractor Agreements was negotiated on an arm's length basis and determined with reference to the fees payable by the Group to independent third parties for construction works of a similar nature and 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 undertaken under the relevant Contractor Agreement.

Such rules and regulations includes:

- (1) in the case of the Dianchi 1-1 Project, Dianchi 1-3 Project and Dianchi 1-4 Project:
 - 《建設工程工程量清單計價規範》(GB50500-2013) (“Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)”); if GB50500-2013 is not applicable, 《雲南省房屋建築與裝飾工程消耗量定額(2013)》 (“2013 Yunnan Province Building Construction and Decoration Project Consumption Rate Estimate Norm”); and 《雲南省通用安裝工程消耗量定額(2013)》 (“2013 Yunnan Province General Installation Project Consumption Rate Estimate Norm”)
- (2) in the case of the School Project:
 - 《建設工程工程量清單計價規範(GB50500-2013)》 (“Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)”); if GB50500-2013 is not applicable, 《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 Estimate Quota”); 《海南省安裝工程綜合定額(常用冊2008)》 (“2008 Hainan Province Installation Projects Comprehensive Quota”); 《海南省市政工程計價定額(2011)》 (“2011 Hainan Province Municipal Project Price Estimate Quota”); 《海南省裝飾工程綜合定額

LETTER FROM THE BOARD

(2008)》 (“2008 Hainan Province Decoration Projects Comprehensive Quota”*) and 《海南省房屋修繕工程綜合定額(2007)》 (“2007 Hainan Province House Repairing Comprehensive Quota”*)

(3) in the case of the College Town Project:

- 《建設工程工程量清單計價規範》 (GB50500-2013) (“Code of Bills of Quantities and Valuation for Construction Works (GB50500-2013)”*); if GB50500-2013 is not applicable, 《廣西壯族自治區安裝拆除工程消耗量及費用定額(2015)》 (“2015 Guangxi Zhuang Autonomous Region Installation and Demolition Project Consumption Rate and Fee Estimate Norm”*); and 《廣西壯族自治區建設工程費用定額(2013)》 (“2013 Guangxi Zhuang Autonomous Region Construction Project Fee Estimate Norm”*)

The total contract sum of each project 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 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.

Before entering into each of the Contractor Agreement, the Cost Management Department of the Company invited at least two other contractors (which are independent third parties) and the Contractor to tender for the Construction Project. The tenderers invited were those contractors with sufficient capability and expertise to undertake the construction works in a cost efficient manner based on the Company’s experience and/or understanding. The Cost Management Department, Engineering Department and Technology Research and Development Department worked with an independent third party costing consultant to determine which tender was successful by evaluating the prices bided, the terms offered, the expected quality and reliability of services of the tenderer. The Cost Management Department focused on evaluating the prices bided and other commercial terms of the tenders, whereas the Engineering Department and Technology Research and Development Department focused on evaluating the engineering and technical expertise of the tenderer. Before finalising the total contract sum, the Group also compared the fees payable by the Group to independent third parties for construction works of a similar nature. When comparing such fees, the Group primarily considered the average cost per square metre, the project’s construction work costs and the price charged for precedent projects.

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

LETTER FROM THE BOARD

GENERAL INFORMATION

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

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

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. From 1 January 2018 up to the Latest Practicable Date, the Group had entered into 32 construction contracts for its property development projects. 11 of the said construction contracts (including the Contractor Agreements) were entered into with the connected persons of the Company.

The Board (excluding Mr. Chen Jun and Mr. Wu Zhengkui, who abstained from voting at the meeting of the Board due to conflict of interest, and the independent non-executive Directors whose opinion is set out in the “Letters from the Independent Board Committee” reproduced in Appendix I of this circular) 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.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Greenland Holdings indirectly holds approximately 59% of the entire issued ordinary share capital of the Company and is a connected person of the Company. Contractor A, Contractor B, Contractor C and Contractor D are owned as to 51%, 100%, 49% and 50% by Greenland Holdings respectively. Accordingly, each of the Contractors is an associate of Greenland Holdings and, thus, a connected person of the Company.

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

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% of the entire issued ordinary share capital of the

LETTER FROM THE BOARD

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 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.

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

The Independent Board Committee, comprising all independent non-executive Directors, has been formed to advise the Independent Shareholders on the fairness and reasonableness of the terms of the Contractor Agreements. Octal Capital Limited 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-3 of this circular. At the EGM, ordinary resolutions will be proposed to approve the Contractor Agreements and the transactions contemplated thereunder.

The register of members of the Company will be closed from Tuesday, 25 June 2019 to Friday, 28 June 2019 (both days inclusive), during which period no transfer of shares will be effected. 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 24 June 2019.

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.

LETTER FROM THE BOARD

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

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 I-1 and I-2 of this circular, and the text of the letter from Octal Capital is set out on pages II-1 to II-20 of this circular.

Yours faithfully,
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)**

4 June 2019

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTIONS
Appointment of connected persons as contractors
for construction works

We refer to the circular dated 4 June 2019 of the Company (the “Circular”) of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider and to advise the Independent Shareholders whether the terms of 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, among other things, information about the Contractor Agreements and the advice from Octal Capital in respect of the transactions contemplated under the Contractor Agreements.

Having taking into account the reasons for and benefits of the transactions contemplated under the Contractor Agreements, the principal factors and reasons considered by Octal Capital in arriving at its opinion regarding such transactions as set out in the “Letter from Octal Capital” on pages II-1 to II-20 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.

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 28 June 2019 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

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

4 June 2019

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

CONNECTED TRANSACTION
Appointment of connected persons
as contractors for construction works

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Contractor Agreements, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 4 June 2019 (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 7 May 2019,

1. Dianchi Project Company, a 100%-owned subsidiary of the Company, entered into the Dianchi 1-1 Contractor Agreement with Contractor B, a 100%-owned subsidiary of Greenland Holdings, to appoint Contractor B as the contractor of the Dianchi 1-1 Project;
2. Dianchi Project Company, entered into the Dianchi 1-3 Contractor Agreement with Contractor A, a 51%-owned subsidiary of Greenland Holdings, to appoint Contractor A as the contractor of the Dianchi 1-3 Project;
3. Dianchi Project Company, entered into the Dianchi 1-4 Contractor Agreement with Contractor B, to appoint Contractor B as the contractor of the Dianchi 1-4 Project;

4. Central Park Project Company, a 100%-owned subsidiary of the Company, entered into the Central Park Contractor Agreement with Contractor C, a company owned as to 49% by Greenland Holdings, to appoint Contractor C as the contractor of the Central Park Project;
5. School Project Company, a 100%-owned subsidiary of the Company, entered into the School Contractor Agreement with Contractor B, to appoint Contractor B as the contractor of the School Project; and
6. College Town Project Company, a 100%-owned subsidiary of the Company, entered into the College Town Contractor Agreement with Contractor D, a company owned as to 50% by Greenland Holdings, to appoint Contractor D as the contractor of the College Town Project.

As at the Latest Practicable Date, Greenland Holdings indirectly holds approximately 59% of the entire issued ordinary share capital of the Company. Contractor A, Contractor B, Contractor C and Contractor D are owned as to 51%, 100%, 49% and 50% 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.

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 (i) whether the terms of the Contractor Agreements are fair and reasonable; (ii) whether the transactions contemplated thereunder are on normal commercial terms or better and in the ordinary and usual course of business of the Group; (iii) whether the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and (iv) 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 (i) the connected transactions in relation to appointment of connected persons as contractor for construction works in respect of the

Group's property development projects (details of which are set out in the circular of the Company dated 14 June 2017); (ii) the connected transactions in relation to appointment of connected persons as contractor for construction works in respect of the Group's property development projects (details of which are set out in the circular of the Company dated 1 December 2017); (iii) the connected transaction in relation to issue of new shares under specific mandate (details of which are set out in the circular of the Company dated 14 February 2018); (iv) the continuing connected transaction in relation to entering into hotel management framework agreement (details of which are set out in the announcement of the Company dated 31 May 2018); (v) the connected transactions in relation to appointment of connected persons as contractor for construction works in respect of the Group's property development projects (details of which are set out in the circular of the Company dated 6 August 2018); and (vi) the major and connected transaction in relation to the disposal of 100% equity interest in Nanchang Shenyang (details of which are set out in the circular of the Company dated 30 November 2018).

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

In formulating our opinion, we have relied on the accuracy of the information and representations contained in the Circular and have assumed that all information and representations made or referred to in the Circular as provided by the management of the Company were true at the time they were made and continue to be true as at the date of the Circular. We have also relied on our discussion with the management of the Company regarding the Contractor Agreements including the information and representations contained in the Circular. We have also assumed that all statements of belief, opinion and intention made by the management of the Company respectively in the Circular were reasonably made after due enquiry. We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained or opinions expressed in the Circular nor to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Group, Greenland Holdings, Contractor A, Contractor B, Contractor C, Contractor D 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. As at the Latest Practicable Date, Greenland Holdings indirectly holds approximately 59% of the entire issued share capital of the Company.

Contractor A is a subsidiary of Greenland Holdings owned as to 51% 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 its company profile documents including relevant documents issued by relevant authorities of the PRC, Contractor A was established in 1990 with a registered capital of RMB1,679.4 million and possesses the licenses mainly including Building Construction General Contracting Premium Qualification (建築工程施工總承包特級), Municipal Public Construction General Contracting Premium Qualification (市政公用工程施工總承包特級), Road Project Construction General Contracting Class 1 (公路工程施工總承包一級), and Steel Structure Engineering Professional Contracting Works Class 1 (鋼結構工程專業承包一級).

Contractor B 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 its company profile documents including relevant documents issued by relevant authorities of the PRC, Contractor B was established in 1996 with a registered capital of RMB625 million and possesses the 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).

Contractor C is a company owned as to 49% 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 its company profile documents including relevant documents issued by relevant authorities of the PRC, Contractor C was established in 1981 with a registered capital of RMB300 million and possesses the licenses mainly including Building Construction General Contracting Class 1 (建築工程施工總承包一級), Metallurgical Construction General Contracting Class 1 (冶金工程施工總承包一級), Municipal Public Construction General Contracting Class 1 (市政公用工程施工總承包一級) and Steel Structure Engineering Professional Contracting Works Class 1 (鋼結構工程專業承包一級).

Contractor D is a company owned as to 50% 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 its company profile documents including relevant documents issued by relevant authorities of the PRC, Contractor D was established in 1987 with a registered capital of RMB100.7 million and possesses the licenses mainly including Building Construction General Contracting Premium Qualification (建築工程施工總承包特級), Municipal Public Construction General Contracting Class 1 (市政公用工程施工總承包一級), Design and Construction of Building Decoration Class 1 (建築裝飾裝修工程設計與施工一級), Roadway Project Construction General Contracting Class 2 (公路工程施工總承包二級) and Steel Structure Engineering Professional Contracting Works Class 1 (鋼結構工程專業承包一級).

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 their 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 qualifications to undertake the Construction Projects.

As set out in the Letter from the Board, the Contractors have extensive experience in the construction business in the PRC. The Directors believe that engaging the Contractors to carry out the construction works in respect of the Construction Projects will allow the Group to capitalise on the expertise of the Contractors and ensure the construction works are completed up to the standards desired by the Company. Moreover, based on our discussion with the management of the Company, we understand that the Group has engaged Contractor A, Contractor B, Contractor C and Contractor D to carry out construction projects for approximately 1 year, 5 years, 4 years and 3 years respectively. Except the Construction Projects, the Contractors have undertaken more than 26 construction projects subcontracted by the Group, of which 18 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 can allow the Group to capitalize on the expertise of the Contractors, ensure the construction works are completed up to the standards required by the Company and mitigate the risk arising from identifying new third parties contractors to carry out construction works, is in the ordinary and usual course of business of the Group, are in the interest of the Company and the Independent Shareholders as a whole.

2. Principal Terms of the Connected Transactions

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

2.1 Dianchi 1-1 Contractor Agreement

Date:	7 May 2019
Parties:	(i) Dianchi Project Company as the principal (ii) Contractor B as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Dianchi 1-1 Project in accordance with the construction drawings, design modification and the instruction of Dianchi Project Company
Project description and location:	The phase 1-1 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-1期33#地塊項目) to be developed on land parcel no.33 situated at Dayu Village, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區大漁鄉)
Estimated construction area:	106,024.73 sq.m.
Estimated total contract sum:	Approximately RMB124,464,219 (approximately HK\$144.73 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	20 July 2019
Expected completion date:	30 June 2020

2.2 Dianchi 1-3 Contractor Agreement

Date:	7 May 2019
Parties:	(i) Dianchi Project Company as the principal (ii) Contractor A as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works in respect of the Dianchi 1-3 Project in accordance with the design drawings, and the instruction of Dianchi Project Company
Project description and location:	The phase 1-3 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-3期項目) to be developed on a land parcel situated at Yupu Road, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區漁浦路)
Estimated construction area:	296,951 sq.m.
Estimated total contract sum:	Approximately RMB355,138,045 (approximately HK\$412.95 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	5 July 2019
Expected completion date:	3 November 2022

2.3 Dianchi 1-4 Contractor Agreement

Date:	7 May 2019
Parties:	(i) Dianchi Project Company as the principal (ii) Contractor B as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works in respect of the Dianchi 1-4 Project in accordance with the construction drawings, design modification and the instruction of Dianchi Project Company
Project description and location:	The phase 1-4 of Greenland Dian Lake International Health Model Town* (綠地滇池國際健康示範城1-4期40#地塊項目) to be developed on land parcel no.40 situated at Dayu Village, Chenggong District, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市呈貢區大漁鄉)
Estimated construction area:	179,605.25 sq.m.
Estimated total contract sum:	Approximately RMB212,110,021 (approximately HK\$246.64 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 August 2019
Expected completion date:	16 February 2021

2.4 Central Park Contractor Agreement

Date:	7 May 2019
Parties:	(i) Central Park Project Company as the principal (ii) Contractor C as the contractor
Subject matter:	To undertake earth and stone excavation works in respect of the Central Park Project in accordance with the relevant drawings and bill of quantities
Project location:	The development project of Phase 2 of Greenland Hong Kong Kunming Central Park Plaza* (綠地香港昆明中央公園廣場二期) to be undertaken in respect of land parcel situated at the northeast corner of the intersection of Chuncheng Road and Wujia Lane, Wujiaba Sub-district, Kunming City, Yunnan Province, the PRC (中國雲南省昆明市巫家壩片區春城路與巫家巷交叉口東北角)
Estimated total contract sum:	approximately RMB24,986,458 (approximately HK\$29.05 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	20 September 2019
Expected completion date:	22 May 2022

2.5 School Contractor Agreement

Date:	7 May 2019
Parties:	(i) School Project Company as the principal (ii) Contractor B as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works in respect of the School Project in accordance with the construction drawings, design modification and the instruction of School Project Company, which has been engaged by a governmental authority to construct the school under the School Project for that governmental authority
Project description and location:	The construction of a school on a parcel of land situated at Changxiu Sub-district, Xiuying District, Haikou City, Hainan Province, the PRC (中國海南省海口市秀英區長秀片區)
Estimated construction area:	45,313.16 sq.m.
Estimated total contract sum:	approximately RMB70,491,443 (approximately HK\$81.97 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	18 October 2019
Expected completion date:	26 January 2021

2.6 College Town Contractor Agreement

Date:	7 May 2019
Parties:	(i) College Town Project Company as the principal (ii) Contractor D as the contractor
Subject matter:	To undertake civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works in respect of the College Town Project in accordance with the construction drawings, design modification and the instruction of College Town Project Company
Project description and location:	The development project of Phase 1 of Dongmeng Greenland College Town* (東盟綠地大學城(一期)項目) to be undertaken in respect of land parcels no. 25, 31 and 32 situated at the northeast side of the intersection of Zhushan Road and Zhihe Road, ASEAN Economic and Technological Development Zone, Guangxi Zhuang Autonomous Region (GZAR), the PRC (中國廣西壯族自治區東盟經濟技術開發區珠山路與致和路交界處東北側)
Estimated construction area:	139,107.10 sq.m.
Estimated total contract sum:	approximately RMB188,037,219 (approximately HK\$218.65 million), subject to adjustment in accordance with relevant provisions in the agreement
Expected commencement date:	1 July 2019
Expected completion date:	29 June 2021

3. Basis of determining the total contract sum

The Construction Projects comprise (i) Dianchi 1-1 Project, Dianchi 1-3 Project, Dianchi 1-4 Project, School Project, and College Town Project, (collectively, the “**Main Contractor Projects**”), mainly including the civil engineering works, and electrical and plumbing and drainage installation works, and outdoor overall engineering works on the relevant construction sites; and (ii) the Central Park Project, mainly including earth and stone excavation works on a construction site situated at Kunming City, Yunnan Province. Set out below is the summary of the details of the Construction Projects:

Agreements	General nature of construction projects	Estimated total contract sum (RMB)	Estimated construction area (sq.m.)	Estimated cost per sq.m. (RMB)
Dianchi 1-1 Contractor Agreement	Civil construction, installation and outdoor engineering	124,464,219	106,025	1,174
Dianchi 1-3 Contractor Agreement	Civil construction, installation and outdoor engineering	355,138,045	296,951	1,196
Dianchi 1-4 Contractor Agreement	Civil construction, installation and outdoor engineering	212,110,021	179,605	1,181
Central Park Contractor Agreement	Earth and stone excavation	24,986,458	N/A	N/A
School Contractor Agreement	Civil construction, installation and outdoor engineering	70,491,443	45,313	1,556
College Town Contractor Agreement	Civil construction, installation and outdoor engineering	188,037,219	139,107	1,352

According to the annual report of the Company for the year ended 31 December 2018 and certain brochures of the Construction Projects provided by the Company, (i) Dianchi 1-1 Project, Dianchi 1-3 Project, and Dianchi 1-4 Project (collectively, the “**Dianchi Projects**”) are residential development projects in respect of a piece of land situated in the intersection of Yuyang Road and Gudian Road, Chenggong District, Kunming City, Yunnan Province of the PRC, the project will be a mixed development of residential, commercial and office units with amenities such as rehabilitation and medical centers and international education facilities. The land area comprises approximately 481,663 sq.m. and the total gross floor area (“**GFA**”) is approximately 980,000 sq.m., of which 52% and 48% have been earmarked for residential and commercial purposes respectively; (ii) the Central Park Project is a residential development project in respect of a piece of land situated at the northeast corner of the intersection of Chuncheng Road and Wujia Lane, Wujiaba Sub-district, Kunming City, Yunnan Province of the PRC, the project will be developed into a mixed development of residential, commercial, office buildings and hotel, including a 458-metre super highrise to be the landmark of Kunming City and Yunnan Province. The land area comprises approximately 141,280 sq.m. and the total GFA is approximately 863,186 sq.m., of which 50%, 25% and 25% have been earmarked for residential, commercial and recreational purposes respectively; (iii) the School Project is a construction project of a public school Cheung Tung School (長彤學校), which is situated in Xiuying District, Haikou City, Hainan Province of the PRC; and (iv) the College Town Project is a residential development project in respect of a piece of land situated in the northeast side of the intersection of Zhushan Road and Zhihe Road, ASEAN Economic and Technological Development Zone, Guangxi Zhuang Autonomous Region of the PRC, the project will be a mixed development of residential, commercial and office units with amenities such as rehabilitation and medical centers, themed hotels and international education facilities. The land area comprises approximately 873,312 sq.m. and the total GFA is approximately 1,783,891 sq.m., of which 75%, 21% and 4% have been earmarked for residential, recreational and commercial purposes respectively. All of the above projects are related to commercial projects owned by the Group instead of the School Project which is owned by government, therefore, prior governmental approval for the estimated budgets are not necessary for the Construction Projects.

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 approvals granted by the relevant PRC governmental authorities and/or 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. The total contract sum for each of the Construction Projects was determined by reference to 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 multiplied by the current local market prices of 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”) (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) 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 of the 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.

The total contract sum of all of the Contractor Agreements was also determined with reference to current local rules and regulations governing construction fees. For the estimated total contract sum of the Construction Projects, we understand from the management of the Company that the Cost Management Department of the Group would invite at least three subcontractors to tender for the Construction Projects, of which majority of them are independent third parties. To determine the contractors of the Contractor Projects, the Cost Management Department, Engineering Department and Technical Research and Development Department worked with an independent third party costing consultant to evaluate the prices bided, the terms offered, the expected quality and reliability of services of the tenderer. The Cost Management Department focused on evaluating the prices bided and other commercial terms of the tenders, whereas the Engineering Department and Technical Research and Development Department focused on evaluating the engineering and technical expertise of the tenderer. When comparing the tender prices, the Cost Management Department would primarily consider average cost per sq.m. of the Construction Projects and price charged for precedent projects. For the prices of construction materials, the Cost Management Department would compare the price of the major construction materials as stated on each of the Contractor Agreements with the market price of those construction materials including concrete specially shaped columns, concrete rectangular beams, concrete curved beams and concrete specially shaped beams etc., to ensure that they are no less favourable to the Group than the prices provided by independent third parties. The market price refers to local price from third party website (i.e. www.iccchina.com) (the “**Construction Material Price Website**”), which contains pricing information of construction materials published by the PRC Government. 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 Group 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 their suppliers, and different time spent on the projects due to different skill levels. The Cost Management Department would also compare 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.

As the total contract sum of the Contractor Agreements was determined with reference to the fees payable by the Group to independent third parties for construction works of a similar nature, we have obtained from the Company a full list of construction projects of the Group (the “**Project List**”) including all the construction projects similar to the Construction Projects which were engaged with independent third parties contractors for the previous three years up to the Latest Practicable Date (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 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**”) and conducted a review on the contract sum of those Independent Construction Projects. We are of the view that the Independent Construction Projects identified in the previous three years up to the Latest Practicable Date provide us with relevant information for our analysis is 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 Main Contractor Projects, ranging from approximately RMB1,174 per sq.m. to RMB1,556 per sq.m. with an average of RMB1,292 per sq.m., is lower than the average cost of RMB2,179 per sq.m. of the relevant main contractor projects of the Independent Construction Projects, which were of similar natures, regions and types of construction. As for the Central Park Project mainly includes earth and stone excavation works, we understand from the management of the Company that the total contract sum is mainly related to the volume of earthwork in the construction site. We note that the unit price per cubic meter of the Central Park Project is approximately RMB94 per cubic meter, which is lower than the lowest cost per cubic meter of the relevant earth and stone excavation projects of the Independent Construction Projects ranging from approximately RMB109 per cubic meter to RMB120 per cubic meter.

As set out in the Letter from the Board, we note that the estimated total contract sum for each of the Construction Projects 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 for each of the Construction Projects, 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 from the Company, which indicates 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

estimated 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 approved by the Construction Department in the PRC. We have also reviewed their working experiences and noted that they have over 10 years' experience in participating relevant surveying projects in the PRC. Based on our discussion with the independent surveyors, except for being appointed as the independent surveyors of the Group, we note that the independent surveyors do not have any relationship with the Group. Having considered the qualification and the practical experience of the independent surveyors and 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 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, we chose samples among the major construction materials, including cement and steel, which accounted for majority of the total contract sum of the Construction Projects 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 their operation scale and relationship with their suppliers.

As for the local rules and regulations governing the determination of the total contract sum of the Construction Projects, 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 total contract sum 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 require to comply with 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 adjust the reference market price and amount of construction work under the relevant rules and regulations. 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 that (i) the average cost per sq.m. of the Main Contractor Projects is lower than the average cost per sq.m. of the relevant main contractor projects of the Independent Construction Projects; (ii) the cost per cubic meter of the Central Park Project is lower than the lowest cost per cubic meter of the relevant earth and stone excavation projects of the Independent Construction Projects; (iii) the number of man-days and the quantity of construction materials of each Construction Project were estimated by the independent surveyors who are independent and capable of performing the relevant estimations; (iv) the price of the sample construction materials being used for the Construction Projects is close to or lower than the their market prices in the region of the Construction Projects; (v) 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 (vi) the Company has discretion to adjust the reference market price and amount of construction work under the relevant rules and regulations, we are of the view that the pricing terms of the Contractor Agreements are on normal commercial terms, in the ordinary and usual course of business of the Company, and fair and reasonable so far as the Independent Shareholders are concerned.

4. Basis of determining the payment terms

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

As set out in the Letter from the Board, 70% of the estimated total contract sum of the Construction Projects shall have been fully paid up following completion and acceptance of the construction works and 95% of the adjusted total contract sum shall have been fully paid up after the audit of the completion settlement report has been completed. For the School Contractor Agreement, the School Project Company can delay the aforesaid progress payment if it has not received the corresponding progress payment from the government authority which has engaged the School Project Company to undertake the School Project. The remaining 5% of the adjusted total contract sum payable under each of the Contractor Agreement shall be withheld as warranty payment and shall, subject to deductions due to necessary repair works, be released a period of five years or, in the case of Central Park Contractor Agreement, two years.

In assessing the fairness and reasonableness of the payment terms of the Contractor Agreements (the “**Payment Terms**”), we have discussed with the management of the Company the basis of the Payment Terms and understand that the Payment Terms are similar to other main contractor projects subcontracted to independent third parties contractors. Based on our further discussion with the management of the Company and review 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 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 was payable within one year from the date on which the audit report on the total construction costs; and (iii) the remaining 5% of the adjusted total contract sum for the majority of the Independent Construction Projects was released in two instalments and last instalment would be released after expiry of a five-year warranty.

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 are similar; (iii) the School Project Company has the right to delay the progress payment if it has not received the corresponding progress payment from the government department which represents a reasonable approach to maintain liquidity level of the Group; and (iv) the payment period of the final settlement for the Construction Projects being similar to 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 fair and reasonable so far as the Independent Shareholders are concerned.

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

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

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

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

Notes:

“Adjusted Price”	means the adjusted price of the relevant construction materials
“Average Price”	means the average price of the relevant construction materials during the period of price estimation
“Contract Price”	means the original price of the major construction materials contracted under the relevant Contractor Agreement
“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 of $\pm 5\%$ in respect of the fluctuation of the relevant market price of the major construction materials contracted under the relevant Contractor Agreement

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

In this regard, we have obtained a project list with seven completed construction projects of the Company (the “**Completed Construction Projects**”) in which the relevant contract sum were fully settled, representing all completed construction and fully settled projects of the Group during the previous three years up to the Latest Practicable Date. The project list 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 were engaged to review the actual construction costs and adjustment of contract sum. As advised by the Company, the Completed Construction Projects in the list are all the construction projects which were completed before the Latest Practicable Date and did not involve any material change in construction plan during their construction period. According to the project list, we understand that (i) there were seven Completed Construction Projects which were commenced since 2014; (ii) the Completed Construction Projects did not involve any

material change of their construction plans; and (iii) the adjustment on the estimated contract sum of the Completed Construction Projects range from -7.7% to 3.7% 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.

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 6)
Mr. WANG Weixian	Interest of controlled corporation	38,804,571 (Note 1)	1.39%
	Founder of discretionary trust	367,254,133 (Note 2)	13.15%
Ms. WANG Xuling	Beneficial owner	7,390,000 (Note 3)	0.26%
	Interest of controlled corporation	7,010,448 (Note 3)	0.25%
	Beneficiary of discretionary trust	367,254,133 (Note 2)	13.15%

Name of Director	Capacity/Nature of interest	Number of Shares	Approximately percentage of shareholding in the Company's issued share capital (<i>Note 6</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%
Mr. CHEN Jun	Beneficial owner	3,500,000 (<i>Note 4</i>)	0.13%
Mr. HOU Guangjun	Beneficial owner	2,700,000 (<i>Note 5</i>)	0.10%

Notes:

1. Mr. WANG Weixian was deemed to be interested in 38,804,571 Shares which were held by Prestige Glory Enterprises Limited. 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. Ms. WANG Xuling beneficially owned 7,390,000 Shares, 3,390,000 Shares of which were deemed to be interested by her under the subscription agreement between her and the Company dated 23 January 2018 under the SFO.
4. Mr. CHEN Jun was deemed to be interested in 3,500,000 Shares under the subscription agreement between him and the Company dated 23 January 2018 under the SFO.
5. Mr. HOU Guangjun was deemed to be interested in 2,700,000 Shares under the subscription agreement between him and the Company dated 23 January 2018 under SFO.
6. Representing the issued and fully paid-up capital of the Company as at the Latest Practicable Date comprising 2,791,884,683 Shares.

(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 2018 (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;
- (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 2018, 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 2018 (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 18 June 2019.

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, Pacific Place, 88 Queensway, Hong Kong on 28 June 2019 at 9:30 a.m. (or so soon thereafter as the annual general meeting of the Company convened to be held at 9:00 a.m. on the same day and place shall have been concluded or adjourned) for the purposes of considering and, if thought fit, passing the following ordinary resolutions of the Company:

1. **“THAT** the Dianchi 1-1 Contractor Agreement (as defined in the circular of the Company dated 4 June 2019) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
2. **“THAT** the Dianchi 1-3 Contractor Agreement (as defined in the circular of the Company dated 4 June 2019) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”
3. **“THAT** the Dianchi 1-4 Contractor Agreement (as defined in the circular of the Company dated 4 June 2019) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

NOTICE OF EGM

4. **“THAT** the Central Park Contractor Agreement (as defined in the circular of the Company dated 4 June 2019) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

5. **“THAT** the School Contractor Agreement (as defined in the circular of the Company dated 4 June 2019) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

6. **“THAT** the College Town Contractor Agreement (as defined in the circular of the Company dated 4 June 2019) and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

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

Hong Kong, 4 June 2019

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. Any Shareholder entitled to attend and vote at the EGM convened by this notice is entitled to appoint one or more (if he/she/it holds two or more shares) proxies to attend and vote in his/her/its place. A proxy need not be a member of the Company.
2. In order to be valid, the completed form of proxy together with a power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of that power or other authority) must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 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 the holding of the EGM or any adjournment thereof (as the case may be).
3. Completion and return of the form of proxy will not preclude a member from attending and voting 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.
4. 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.
5. The register of members of the Company will be closed from Tuesday, 25 June 2019 to Friday, 28 June 2019 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the EGM, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 24 June 2019.
6. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time between 7:30 a.m. and 9:30 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the websites of the Company and the Stock Exchange to notify Shareholders of the date, time and place of the adjourned EGM. The EGM will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situation.
7. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.