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China Greenland Broad Greenstate Group Company Limited

中國綠地博大綠澤集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1253)

CONNECTED TRANSACTION — PROPOSED REISSUE OF NOTES

Reference is made to the announcement of the Company dated 20 August 2015, 11 September 2015 and 19 October 2015 and the circular dated 21 September 2015 (the “**Circular**”) in relation to the issue of the Notes. Reference is also made to the announcement of the Company dated 11 October 2016 in relation to the extension of maturity date of the Notes.

The Board hereby announces that after trading hours on 15 November 2017, the Company and Greenland Financial entered into the Deed of Consent pursuant to which the parties conditionally agreed, among other things, that (i) Greenland Financial shall execute the New Note Instrument and release and discharge the Company from all of its present and future covenants, liabilities and obligations owing and/or payable to Greenland Financial under the Old Note Instrument and any further obligations that the Company may have under the Old Note Instrument, and (ii) Greenland Financial shall release the Old Share Charges by way of deeds of release and enter into the New Share Charges as security of the Notes. As at the date of this announcement, the Notes in the principal amount of US\$40,000,000 remain outstanding.

As at the date of this announcement, Greenland Financial is a substantial shareholder of the Company and the Notes is a financial assistance from a connected person of the Company to the Group. Accordingly, the Proposed Reissue of Notes and the transactions contemplated thereunder constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios as defined in Chapter 14 of the Listing Rules in respect of the Proposed Reissue of Notes and the transactions contemplated thereunder are more than 25%, the Proposed Reissue of Notes and the transactions contemplated thereunder are subject to the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules.

The EGM will be held for the purpose of considering and, if thought fit, approving the Proposed Reissue of Notes and the transactions contemplated thereunder. As Greenland Financial is a party to the Proposed Reissue of Notes, Greenland Financial is required to abstain from voting on the resolutions approving the Proposed Reissue of Notes and the transactions contemplated thereunder at the EGM. A circular containing, *inter alia*, (a) further information on the Proposed Reissue of Notes and the transactions contemplated thereunder; (b) a letter of advice containing the recommendations from the Independent Board Committee to the Independent Shareholders in relation to the Proposed Reissue of Notes and the transactions contemplated thereunder; (c) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Reissue of Notes and the transactions contemplated thereunder; and (d) a notice convening the EGM, will be despatched to the Shareholders on or before 6 December 2017.

BACKGROUND

The Board hereby announces that after trading hours on 15 November 2017, the Company and Greenland Financial entered into the Deed of Consent pursuant to which the parties conditionally agreed, among other things, that (i) Greenland Financial shall execute the New Note Instrument and release and discharge the Company from all of its present and future covenants, liabilities and obligations owing and/or payable to Greenland Financial under the Old Note Instrument and any further obligations that the Company may have under the Old Note Instrument, and (ii) Greenland Financial shall release the Old Share Charges by way of deeds of release and enter into the New Share Charges as security of the Notes. As at the date of this announcement, the Notes in the principal amount of US\$40,000,000 remain outstanding.

DEED OF CONSENT

Date: 15 November 2017

Parties: The Company

Greenland Financial

Pursuant to the Deed of Consent, the parties conditionally agreed as follows:

1. Subject to entry and execution of the New Share Charges, Greenland Financial absolutely and irrevocably agreed to release the Old Share Charges by executing deeds of release of share charge in relation to the Old Share Charges.

2. The Old Conditions under the Old Note Instrument shall be amended and restated in their entirety (the “**New Conditions**”) with effect from the date of the New Note Instrument. For the avoidance of doubt, the Old Note Instrument shall become null and void with effect from the date of the New Note Instrument.
3. Between the period from 15 October 2017 (inclusive) to the date of the New Note Instrument, the Notes shall not bear any interest.
4. Between the period from 15 October 2017 (inclusive) to the date of the New Note Instrument, the Company and Greenland Financial shall waive their respective redemption rights in relation to the Notes under the Old Conditions.
5. Between the period from 15 October 2017 (inclusive) to the date of the New Note Instrument, Greenland Financial shall waive its rights under the Old Conditions.
6. Greenland Financial agreed to return to the Company the Notes certificate number 1 dated 15 October 2015, on the condition that a new Notes certificate in the principal amount of US\$40,000,000 due one year from the date of the New Note Instrument will be issued to, and registered in the name of, Greenland Financial on terms of the New Conditions.
7. Subject to entry and execution of the New Note Instrument, Greenland Financial absolutely, irrevocably and unconditionally agreed to release and discharge the Company from all of its present and future covenants, liabilities and obligations owing and/or payable to Greenland Financial under the Old Note Instrument and any further obligations that the Company may have under the Old Note Instrument.
8. The entry and execution of the New Share Charges and the New Note Instrument are subject to the approval of the shareholders of the Company. If the Company is unable to obtain approval from its shareholders on the entry and execution of the New Share Charges and the New Note Instrument within two months, the Company shall redeem the Notes at their principal amount within seven days.

Principle terms of the Notes under the New Note Instrument

The principal terms of the Notes are summarized as follows:

Issuer:	The Company
Principal amount of the Notes:	US\$40,000,000

Maturity date:	One year from the Issue Date (as defined below) or on the expiration date of the extended period in accordance with the new terms and conditions of the Notes under the New Note Instrument.
Form:	The Notes are issued in certified form and will be issued upon approval of the shareholders of the Company at the EGM (the “ Issue Date ”).
Interest rate:	The Notes bear interest from and including the Issue Date to and excluding the maturity date or redemption date at the rate of 9.00% per annum (computed on the basis of a 365-day year), payable semi-annually in arrear, until the principal amount of the Notes shall have become due and payable, <i>provided</i> that the first interest shall be prepaid by the Issuer on the Issue Date.
Status of the Notes:	The Notes constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Transferability:	The Notes are freely transferable.
Security:	The Notes will have the benefit of the security constituted by the New Share Charges.
Redemption:	Unless previously redeemed, or purchased and cancelled, or extended by Greenland Financial as holder of the Notes in accordance with the terms of the Notes, the Notes will be redeemed at the principal amount on the date falling on the maturity date of the Notes.

In addition, following the occurrence of a change of control as defined in the terms of the Notes, the holder of any Notes will have the right to require the Issuer to redeem all, but not some of such holder's Notes at 101% of the principal amount together with accrued interest to the date of change of control.

The Notes may not be redeemed at the option of the Issuer other than for taxation reasons and in accordance with the terms of the Notes.

Events of default:

Events of default include but not limited to the following:

- (a) the Issuer fails to pay the principal of or any interest on any of the Notes when due except in circumstances where such failure was caused by an administrative or technical error and payment of the amount due is made within three Business Days of the due date for payment;
- (b) the Issuer or the Obligors does not perform or comply with one or more of its respective obligations in the Notes or the New Share Charges, which default is incapable of remedy or, if capable of remedy, is not remedied within thirty days after notice of such default shall have been given to the Issuer by the holders of the Notes;
- (c) winding-up or insolvency of the Issuer or any of its principle subsidiaries; and
- (d) the New Share Charges are not in full force and effect, or any of the New Share Charges is modified, amended or terminated other than in accordance with its terms.

REASONS FOR AND BENEFITS OF THE PROPOSED REISSUE OF NOTES

The Company issued the Notes to Greenland Financial for the purpose of financing general working capital. Since the issuance of the Notes, the Company has used the funds for the construction of Public-Private Partnership (“**PPP**”) projects, contributing to the development of the Company. As the amount used in PPP projects will not be generating cash inflows until the end of their respective construction periods, the

Company and Greenland Financial spent considerable time to discuss the structure of the Proposed Reissue of Notes, resulting in a time gap between the maturity date of the Old Note Instrument and the effective date of the New Note Instrument, which is subject to approval of Shareholders. The Company acknowledges that between the maturity date of the Old Note Instrument and the effective date of the New Note Instrument, the Old Share Charges remain effective and the Company did not comply with the disclosure requirements under Chapter 14A of the Listing Rules in a timely manner. Upon agreement with Greenland Financial on the structure of the Proposed Reissue of Notes, the Company immediately made arrangements to comply with the disclosure requirements under Chapter 14A of the Listing Rules. Greenland Financial is a substantial shareholder of the Company and the terms of the Deed of Consent and the transactions contemplated thereunder (including the interest rate), were agreed by the parties after arm's length negotiations.

The Directors (including independent non-executive Directors who will form an opinion after considering the recommendation from the independent financial advisor to be appointed by the Company for the purpose of the Deed of Consent and the transactions contemplated thereunder) consider that the terms of the Deed of Consent 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.

LISTING RULES IMPLICATIONS

Greenland Financial is a substantial shareholder of the Company directly holding approximately 29.97% of the issued share capital of the Company. Greenland Financial is therefore a connected person of the Company. Accordingly, the Proposed Reissue of Notes and the transactions contemplated thereunder constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios as defined in Chapter 14 of the Listing Rules in respect of the Proposed Reissue of Notes and the transactions contemplated thereunder is more than 25%, the Proposed Reissue of Notes and the transactions contemplated thereunder are subject to the reporting, announcement and independent shareholders' approval requirement under the Listing Rules.

INFORMATION ABOUT THE PARTIES

The Company is an investment holding company and the Group is a fast-growing integrated landscape architecture service provider in China. The Group focuses on major urban landscape projects across China and offers customers "one-stop" project-based landscape architecture service solutions, including design and planning, design refinement, construction, seedlings cultivation and maintenance.

Greenland Financial is a company incorporated under the laws of the British Virgin Islands with limited liability in June 2014. Greenland Financial is principally engaged in IPO investments, pre-IPO investments, mergers and acquisitions, real estate finance, micro finance, financial leasing. It is directly wholly-owned by Greenland Financial Investment Holding Company Limited* (綠地金融投資控股有限公司), which in turn is directly wholly-owned by Greenland. Greenland Financial serves as Greenland's main investment and finance platform to conduct diversified domestic and overseas investments in accordance with Greenland's global strategy. Greenland Financial is a substantial shareholder of the Company.

GENERAL

The EGM will be held for the purpose of considering and, if thought fit, approving the Proposed Reissue of Notes and the transactions contemplated thereunder. As Greenland Financial is a party to the Proposed Reissue of Notes and the transactions contemplated thereunder, Greenland Financial is required to abstain from voting on the resolutions approving the Proposed Reissue of Notes and the transactions contemplated thereunder at the EGM. A circular containing, *inter alia*, (a) further information on the Proposed Reissue of Notes and the transactions contemplated thereunder; (b) a letter of advice containing the recommendations from the Independent Board Committee to the Independent Shareholders in relation to the Proposed Reissue of Notes and the transactions contemplated thereunder; (c) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Reissue of Notes and the transactions contemplated thereunder; and (d) a notice convening the EGM, will be despatched to the Shareholders on or before 6 December 2017.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which commercial banks are generally open for banking business in Hong Kong

“China” or the “PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company”	中國綠地博大綠澤集團有限公司 (China Greenland Broad Greenstate Group Company Limited) (stock code: 1253), a limited company incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“Company Share Charge”	the share charge entered into between the Company and Greenland Financial on 15 October 2015 in relation to the charge of all rights, entitlements, interests and benefits in the entire issued share capital of Greenstate Times, in favour of Greenland Financial
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Proposed Reissue of Notes and the transactions contemplated thereunder
“Greenland”	Greenland Holding Group Company Limited* (綠地控股集團有限公司), a company incorporated under the laws of the PRC
“Greenland Financial”	Greenland Financial Overseas Investment Group Co., Ltd. (綠地金融海外投資集團有限公司), a company incorporated under the laws of the British Virgin Islands, an indirectly wholly-owned subsidiary of Greenland
“Greenstate International”	Greenstate International Company Limited (綠澤國際有限公司), a company incorporated in Hong Kong with limited liability on 12 November 2013 and a wholly-owned subsidiary of Greenstate Times

“Greenstate Times”	Greenstate Times International Company Limited (綠澤時代國際有限公司), a company incorporated in the British Virgin Islands on 30 October 2013 and a wholly-owned subsidiary of the Company
“Greenstate Times Share Charge”	the share charge entered into between Greenstate Times and Greenland Financial on 15 October 2015 in relation to the charge of all rights, entitlements, interests and benefits in the entire issued share capital of Greenstate International, in favour of Greenland Financial
“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 independent committee of the Board, comprising Mr. Dai Guoqiang, Mr. Zhang Qing and Dr. Jin Hexian, the independent non-executive Directors of the Company, established for the purpose of making recommendations to the Independent Shareholders in respect of the Proposed Reissue of Notes and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders who are not required to abstain from voting in respect of the Proposed Reissue of Notes and the transactions contemplated thereunder
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Company Share Charge”	the charge of all rights, entitlements, interests and benefits in 50,000 ordinary shares of Greenstate Times, representing 50% of the entire issued share capital of Greenstate Times, legally and beneficially held by the Company as at the date of the Deed of Consent and charged in favour of Greenland Financial

“New Greenstate Times Share Charge”	the charge of all rights, entitlements, interests and benefits in 5,000 ordinary shares of Greenstate International, representing 50% of the entire issued share capital of Greenstate International, legally and beneficially held by Greenstate Times as at the date of the Deed of Consent and charged in favour of Greenland Financial
“New Note Instrument”	the instrument to be issued by the Company for the reissue of the Notes in favour of Greenland Financial pursuant to the Deed of Consent
“New Share Charges”	the New Company Share Charge and the New Greenstate Times Share Charge
“Notes”	the redeemable fixed coupon promissory note with a principal amount of US\$40,000,000 at the rate of 9.00% per annum issued pursuant to the terms and conditions set out in the Old Note Instrument and reissued pursuant to the terms and conditions set out in the New Note Instrument
“Obligors”	Greenstate Times as well as any future subsidiaries of the Company that owns capital stock of another subsidiary of the Company organized outside the PRC
“Old Note Instrument”	the instrument issued by the Company on 15 October 2015 for the creation and issue of the Notes in favour of Greenland Financial
“Old Share Charges”	the Company Share Charge and the Greenstate Times Share Charge
“Proposed Reissue of Notes”	the proposed reissue of the Notes by the Company to Greenland Financial on the terms and subject to the conditions set out in the New Note Instrument
“Share(s)”	ordinary share(s) of par value of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent.

By Order of the Board
China Greenland Broad Greenstate Group Company Limited
Wu Zhengping
Chairman and Executive Director

Shanghai, the People’s Republic of China
15 November 2017

** for identification purposes only*

As at the date of this announcement, our executive Directors are Mr. Wu Zhengping, Ms. Xiao Li, Ms. Zhu Wen and Ms. Chen Min and our independent non-executive Directors are Mr. Dai Guoqiang, Mr. Zhang Qing and Dr. Jin Hexian.