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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

(formerly known as Broad Greenstate International Company Limited 博大綠澤國際有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1253)

INSIDE INFORMATION:

ESTABLISHMENT OF PPP PARENT FUND

INTRODUCTION

This announcement is made by China Greenland Broad Greenstate Group Company Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

ESTABLISHMENT OF PPP PARENT FUND

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 31 July 2017, the Company and Shenwan Hongyuan Securities Company Limited (申萬宏源證券有限公司) (“**Shenwan Hongyuan Securities**”) entered into a public-private-partnership (“**PPP**”) business cooperation agreement (the “**Agreement**”) pursuant to which the Company will establish a PPP investment parent fund (the “**PPP Parent Fund**”) to invest in PPP projects, and the Company will appoint Shenwan Hongyuan Securities as the asset management consultant for the establishment of the PPP Parent Fund. The Company will pay Shenwan Hongyuan Securities a one-time consultancy service fee of RMB500,000 within five business days upon completion of registration at the administration of industry and commerce.

INFORMATION OF PPP PARENT FUND

General partner:	The Company or any party specified by the Company
Limited partner:	The Company or any party specified by the Company
Total equity commitments:	RMB1 billion to be invested by the Company or its associates
Investments:	PPP projects that satisfy the requirements of the PPP Parent Fund
Subsidiary funds:	The PPP Parent Fund shall set up a subsidiary fund for every PPP project in which bidding is successful. Shenwan Hongyuan Securities will act as the asset manager of such subsidiary funds and assist to raise the necessary funds (aside from funds to be invested by the PPP Parent Fund) required for such PPP projects
Responsibilities of the Company:	(i) Search and recommend PPP projects that satisfy the requirements of the PPP Parent Fund, (ii) bidding of such projects, and (iii) construction and maintenance of such projects
Responsibilities of Shenwan Hongyuan Securities:	Provide asset management consultation in relation to the establishment of the PPP Parent Fund and any subsidiary fund the PPP Parent Fund establishes

INFORMATION OF THE PARTIES

The Company

The Company is a fast-growing integrated landscape architecture service provider in the People's Republic of China (the "PRC"). The Company focuses on major urban landscape projects across the PRC and offers customers "one stop" project-based landscape architecture service solutions, including design and planning, design refinement, construction, seedlings cultivation and maintenance.

Shenwan Hongyuan Securities

Shenwan Hongyuan Securities is one of the largest securities company in the PRC with the most comprehensive business operations and geographical coverage. Shenwan Hongyuan Securities has a registered capital of RMB33 billion, approximately 8,000 employees and 18 branches and 309 business units in the PRC. It also has branches overseas, including but not limited to, Hong Kong, Tokyo, Singapore and Seoul.

To the best knowledge, information and belief of the Board, having made all reasonable enquiry, Shenwan Hongyuan Securities is an independent third party independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS AND BENEFITS OF ESTABLISHING PPP PARENT FUND

This transaction will provide financial support for the Company's large PPP projects. Since 2016, the Company has been winning many bids of large PPP projects and such PPP projects require large amount of capital investment with long recovery period. The investment direction of the PPP Parent Fund is in line with the major business of the Company. Allowing industrial fund to participate in PPP projects will broaden the Company's capital raising channels and decrease capital raising costs so as to better control cash flow risks when expanding the scale of the Company's business.

The Board is of the view that the establishment of the PPP Parent Fund is in the interests of the Company and its shareholders as a whole.

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
31 July 2017

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.