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Greentown Service Group Co. Ltd.

綠城服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 2869)

VOLUNTARY ANNOUNCEMENT STRATEGIC COOPERATION AGREEMENT

This is a voluntary announcement made by Greentown Service Group Co. Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide shareholders of the Company and potential investors on the Group’s latest development.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announced that, on 2 August, 2016, Zhejiang Greentown Property Community Service Company Limited (“**Greentown Community Service**”), a wholly owned subsidiary of the Group, has entered into the Greentown Property Service Furnishing Services Project and Red Star Macalline Group Strategic Cooperation Agreement (the “**Strategic Cooperation Agreement**”) with Red Star Macalline Group Corporation Ltd. (“**RS Macalline**”, together with Greentown Community Service, the “**Parties**”) in respect of the promotion of furnishing service projects.

TERMS OF THE STRATEGIC COOPERATION AGREEMENT

The major terms of the Strategic Cooperation Agreement are set out as follows:

1. the Parties agreed to provide each other with exhibition areas, whereby RS Macalline shall be responsible to providing furnished modules for promotion and exhibition purpose without charge;
2. RS Macalline shall provide residential property owners that receive property management services provided by Greentown Community Service or its related companies (the “**Home Owners**”) with furnishing services and products, exclusive pricing and concession packages, eg. gift packages for first time Home Owners, value-added services, exclusive experience for Home Owners;
3. the Parties shall set up the “RS Macalline and Greentown Membership Day” to offer exclusive concession packages and service experience to Home Owners in RS Macalline’s nationwide outlets;
4. the Parties agree to launch special promotion campaigns from time to time; and
5. Greentown Community Service shall provide analysis on demand for furnishing services and products, while RS Macalline shall offer customized concession and promotion services and product campaigns according to such data analysis provided.

The Strategic Cooperation Agreement shall tentatively be effective for one year from the date of the agreement. The Parties shall form a strategic alliance and enter into written agreements governing the specific operational arrangements for carrying out individual projects in accordance with the terms of the Strategic Cooperation Agreement.

INFORMATION ON RS MACALLINE

RS Macalline is a sino-foreign joint stock company incorporated in the People’s Republic of China with limited liability and is listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1528). It is mainly engaged in the business of offering comprehensive services to the merchants, consumers and partners of the home improvement and furnishings shopping malls under “Red Star Macalline” through the operation and management of both portfolio shopping malls and managed shopping malls. RS Macalline is also involved in the online to offline platform business, bulk procurement, sale of pre-paid cards, internet finance, home design and decoration, as well as logistics and delivery services.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquires, RS Macalline and its ultimate beneficial owners are independent of, and not connected with, the Company and any of its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

REASONS AND BENEFITS FOR ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

The Group enters into this Strategic Cooperation Agreement with the intention of leveraging on the Parties' respective strength, resources and expertise, which in turn could enhance Greentown Community Service's competitiveness. The Directors believe the Parties' joint efforts would create synergies that are mutually beneficial, and further enhance the Group's competitiveness in the market. Accordingly, the Strategic Cooperation Agreement would facilitate the long term business development prospects for both Parties.

All terms and conditions of the Strategic Cooperation Agreement are negotiated on arm's length basis. The Board considers that the terms of the Strategic Cooperation Agreement are fair and reasonable and is in the interest of the shareholders of the Company as a whole.

The Board wishes to emphasize that the implementation of the cooperation and transactions contemplated under the Strategic Cooperation Agreement are subject to the service project agreements to be signed for each project, and the aforesaid cooperation may not necessarily be implemented. Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Greentown Service Group Co. Ltd.
Li Hairong
Chairlady

Hong Kong, 2 August, 2016

As at the date of this announcement, the executive Directors are Ms. LI Hairong, Mr. YANG Zhangfa, Mr. WU Zhihua and Mr. CHEN Hao; the non-executive Directors are Mr. SHOU Bainian and Ms. XIA Yibo; and the independent non-executive Directors are Mr. TIAN Zaiwei, Mr. POON Chiu Kwok and Mr. WONG Ka Yi.