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C C Land Holdings Limited

中渝置地控股有限公司

(Incorporated in Bermuda with limited liability)

Website: www.ccland.com.hk

(Stock Code: 1224)

DISCLOSEABLE TRANSACTION

On 4 September 2015 (after trading hours), Marvel Leader and the Purchaser entered into the Agreement, pursuant to which Marvel Leader conditionally agreed to sell, and the Purchaser conditionally agreed to acquire the Sale Share at a consideration of RMB450,000,000 (equivalent to approximately HK\$540,900,000). Upon Completion, the Company will cease to have any interest in the Target Group, all members of which will cease to be subsidiaries of the Company.

GENERAL

As the applicable percentage ratio exceeds 5% but is below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to applicable notification and publication requirements under the Listing Rules.

1. THE AGREEMENT

1.1 Date

4 September 2015

1.2 Parties

- (a) **Vendor:** Marvel Leader
- (b) **Purchaser:** Colour Gold Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties.

1.3 Assets to be disposal of

The Sale Share

1.4 Consideration

The Consideration shall be RMB450,000,000 (equivalent to approximately HK\$540,900,000), which shall be payable in cash or by bank transfer (or by any other method as may be agreed between Marvel Leader and the Purchaser) in two instalments by or on behalf of the Purchaser to Marvel Leader or as it may direct as follows:

- (a) RMB225,000,000 (equivalent to approximately HK\$270,450,000), being 50% of the Consideration, as deposit, within 2 Business Days after the date of signing of the Agreement (or such other date as Marvel Leader and the Purchaser shall agree) (“**Deposit**”); and
- (b) RMB225,000,000 (equivalent to approximately HK\$270,450,000), being the remaining 50% of the Consideration, on or before 15 January 2016 (or such other date as Marvel Leader and the Purchaser shall agree) (“**Balance Consideration**”).

The Consideration was determined following arm’s length negotiations on normal commercial terms between Marvel Leader and the Purchaser by reference to the unaudited consolidated net asset value of the Target Group attributable to Marvel Leader of approximately HK\$431,906,000 as at 30 June 2015. Taking into account the pledge over Dragon Pioneer’s entire equity interest held in CQTP in favour of Marvel Leader (or as it may direct) as security for the Balance Consideration as mentioned in the paragraph headed “1.6 Other material term” below, the Directors consider that the payment arrangement of the Consideration is also on normal commercial terms and the terms thereof are fair and reasonable.

The Directors consider that the Consideration representing a premium of approximately HK\$108,994,000 or 25% over the value of Marvel Leader’s interest in the Target Group of approximately HK\$431,906,000 is fair and reasonable.

1.5 Conditions Precedent

Completion is subject to and conditional upon the fulfillment of the following conditions:

- (a) if required under the Listing Rules, the Company shall obtain all necessary approval by its shareholders in general meeting by way of an ordinary resolution approving the Agreement and the transactions contemplated thereunder (where applicable);
- (b) Marvel Leader shall obtain all necessary approvals from any third parties in relation to the Disposal (where necessary); and
- (c) the Purchaser shall obtain all necessary approvals from any third parties in relation to the Disposal (where necessary).

Upon signing of the Agreement, Marvel Leader and the Purchaser shall use their respective best endeavours to procure the fulfillment of all the Conditions Precedent as soon as practicable and in any event by no later than the date falling on the expiry of 2 months from the date of signing of the Agreement. In the event that any of the Conditions Precedent are not fulfilled by the said deadline, unless Marvel Leader and the Purchaser otherwise agree, the Agreement shall be terminated automatically, upon which Marvel Leader shall return the Deposit (without interest) to the Purchaser, and neither party shall have any further liability to the other party as a result of such termination.

1.6 Other material term

On the Completion Date, the Purchaser shall procure Dragon Pioneer to pledge its entire equity interest held in CQTP in favour of Marvel Leader (or as it may direct) as security for the Balance Consideration. Within 3 Business Days after Marvel Leader's receipt in full of the Balance Consideration (including interest and damages, if any), Marvel Leader and the Purchaser shall endeavour to discharge or cause to be discharged the said pledge.

1.7 Termination

- (a) If Marvel Leader delays in performing its completion obligations under the Agreement for more than 60 days, the Purchaser shall be entitled to terminate the Agreement. If the Purchaser delays in performing its completion and/or payment obligations under the Agreement for more than 60 days, Marvel Leader shall be entitled to terminate the Agreement.
- (b) Save as provided in paragraph 1.7(a) above, if any party commits a breach of its other obligations under the Agreement, the non-defaulting party shall be entitled to notify the defaulting party in writing requiring ratification. If the defaulting party fails or rejects to ratify the breach or fails to ratify the breach within 60 days from the date of request, the non-defaulting party shall be entitled to terminate the Agreement and the defaulting party shall be liable for all losses and damages (including pecuniary and non-pecuniary losses and damages) that the non-defaulting party may suffer as a result of such breach.

1.8 Completion

Completion shall take place on the next Business Day after Marvel Leader has received the Deposit or on the next Business Day after the fulfillment of the last Condition Precedent, whichever is later, or on such other date as Marvel Leader and the Purchaser may agree.

2. INFORMATION ON THE PURCHASER

To the best of the Directors' knowledge, the Purchaser is a private limited company incorporated in the BVI on 21 July 2015 and its principal business activity is investment holding.

3. INFORMATION ON THE GROUP, MARVEL LEADER AND THE TARGET GROUP

The core businesses of the Group are property development and investment in Western China, as well as treasury investments.

Marvel Leader is a private limited company incorporated in the BVI on 11 May 2006 with a current issued share capital of US\$50,000 (equivalent to approximately HK\$387,500) which is directly wholly-owned by the Company. Marvel Leader is an investment holding company and the registered and beneficial owner of the entire issued share capital of Win Peak. The principal business activity of Marvel Leader is investment holding.

Win Peak is a private limited company incorporated in the BVI on 23 May 2007 with a current issued share capital of US\$1 (equivalent to approximately HK\$7.75) which is directly wholly-owned by Marvel Leader. Win Peak is an investment holding company and the registered and beneficial owner of Dragon Pioneer. The sole business of Win Peak is the ownership of Dragon Pioneer.

Dragon Pioneer is a private limited company incorporated in Hong Kong on 12 June 2007 with a current issued share capital of HK\$1 which is directly wholly-owned by Win Peak. Dragon Pioneer is an investment holding company and the registered and beneficial owner of CQTP. The sole business of Dragon Pioneer is the ownership of CQTP.

CQTP is a company established in the PRC in September 2007 with a current registered and paid-up capital of US\$50,000,000 (equivalent to approximately HK\$387,500,000) which is directly wholly-owned by Dragon Pioneer. CQTP is an investment holding company and the registered and beneficial owner of 51% of Verakin Property. The sole business of CQTP is the ownership of Verakin Property.

Verakin Property is a company established in the PRC in July 2005 with a current registered and paid-up capital of RMB302,800,000 (equivalent to approximately HK\$363,966,000) which is directly owned as to 51% by CQTP and as to 49% by Verakin Group. During the period of 2007 to 30 June 2015, Verakin Property and its subsidiaries have completed various property development projects of about 1.9 million sqm. It currently owns a portfolio of completed properties and developing projects with a total completed and planned GFA of about 2.3 million sqm consisting of residential, commercial, office and car park area in Chongqing.

The financial highlights and consolidated operating results of the Target Group included in the consolidated financial statements of the Company are as follows:

	6 months ended <u>30 June 2015</u> HK\$'000 (Unaudited)	12 months ended <u>31 December 2014</u> HK\$'000 (Unaudited)	12 months ended <u>31 December 2013</u> HK\$'000 (Unaudited)
Revenue	1,811,287	1,847,053	2,904,416
Profit/(Loss) Before Tax	344,293	(66,561)	372,248
Net Profit/(Loss)	190,186	(258,611)	130,121
	As at <u>30 June 2015</u> HK\$'000 (Unaudited)	As at <u>31 December 2014</u> HK\$'000 (Unaudited)	As at <u>31 December 2013</u> HK\$'000 (Unaudited)
Total Assets	8,525,205	9,285,563	8,205,344
Total Liabilities	7,801,618	8,569,418	7,009,442
Net Assets	723,587	716,145	1,195,902

4. FINANCIAL EFFECT ON THE DISPOSAL AND USE OF PROCEEDS

Upon Completion, the Company will cease to have any interest in the Target Group, all members of which will cease to be subsidiaries of the Company and their assets and liabilities and their profits and losses will no longer be consolidated into the consolidated financial statements of the Company.

The Company expects to record a gain on Disposal of approximately HK\$108,994,000, being the excess of the Consideration over the net asset value of the Target Group attributable to Marvel Leader of HK\$431,906,000 as at 30 June 2015.

According to Hong Kong Financial Reporting Standards, exchange reserve in the amount of approximately HK\$131,678,000 in relation to the Target Group is required to be reclassified from other comprehensive income to profit and loss accordingly.

The above calculation is only an estimate provided for illustration purposes and the actual gain that the Company is able to realize will depend on the actual net asset value of the Target Group attributable to Marvel Leader as at Completion. The proceeds from the Disposal will be applied as working capital of the Group.

5. REASONS FOR AND BENEFITS OF THE DISPOSAL

As previously announced, the Company has embarked on a series of strategic disposals of its portfolio of properties, joint investments and/or investment projects in order to maximize and accelerate its investment returns in the current challenging PRC property market, particularly in non-tier one cities. The principal property development project undertaken by the Target Group is Verakin New Park City (同景國際城) located in the Nan'an District of Chongqing, having a total GFA, mainly residential, of approximately 2.1 million sqm. The final phases of the project are currently near the completion stage and nearly all the residential portions in the project have been successfully sold by the first half of this year. The remaining non-residential portions of this project, together with the Target Group's other projects in Chongqing which are under development and are of a lesser scale, are slow moving under the current market conditions. The Disposal is in keeping with the Company's policy of disposal and will further benefit the Company by accelerating returns from its investment in the Target Group.

The Disposal will also further enhance the Company's cash position allowing further funds for the Company to undertake other investment options as appropriate. Whilst it remains the Company's intention to continue to engage in the property business in the PRC, the Directors will from time to time evaluate and take advantage of opportunities which may further improve its equity structure and cash flow and enhance or accelerate returns from its projects in order to strengthen further growth of the Group as a whole. The entering into of the Agreement is therefore in line with the Group's prudent and cautious investment strategy.

The Directors consider that the terms of the Agreement have been negotiated on an arm's length basis and on normal commercial terms and the terms thereof are fair and reasonable and are in the interests of the Group and the shareholders of the Company as a whole.

6. GENERAL

As the applicable percentage ratio exceeds 5% but is below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to applicable notification and publication requirements under the Listing Rules.

7. DEFINITIONS

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

“Agreement”	the agreement dated 4 September 2015 entered into between Marvel Leader and the Purchaser in relation to the Disposal
“Board”	the board of Directors
“Business Day”	a day (other than Saturday, Sunday or general holidays) on which major commercial banks in Hong Kong are generally open for business

“BVI”	the British Virgin Islands
“Company”	C C Land Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal pursuant to the Agreement
“Completion Date”	the date on which Completion takes place
“Conditions Precedent”	conditions precedent to Completion specified in the Agreement and as described under the paragraph headed “1.5 Conditions Precedent” of this announcement
“Consideration”	the consideration for the Disposal
“CQTP”	重慶頂添置業有限公司(Chongqing Top Pioneer Realty Company), a company established in the PRC with limited liability and directly wholly-owned by Dragon Pioneer
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Share by Marvel Leader to the Purchaser pursuant to the Agreement
“Dragon Pioneer”	Dragon Pioneer Development Limited, a company incorporated in Hong Kong with limited liability and directly wholly-owned by Win Peak
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	independent third party(ies) who is (are) not connected person(s) (as defined under the Listing Rules) of the Company and is (are) independent of and not connected with the Company and its connected person(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Marvel Leader”	Marvel Leader Investments Limited, a company incorporated in the BVI with limited liability and directly wholly-owned by the Company
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Purchaser”	Colour Gold Limited, a company incorporated in the BVI with limited liability

“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	the one (1) share of US\$1.00 each (equivalent to approximately HK\$7.75) in the share capital of Win Peak, representing the entire issued capital of Win Peak
“sqm”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	Win Peak and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States of America
“Verakin Group”	同景集團有限公司(Verakin Group Company Limited), a company established in the PRC with limited liability
“Verakin Property”	重慶同景置業有限公司 (Chongqing Verakin Real Estate Company Limited), a company established in the PRC with limited liability and owned as to 51% directly by CQTP and 49% directly by Verakin Group
“Win Peak”	Win Peak Group Limited, a company incorporated in the BVI with limited liability and directly wholly-owned by Marvel Leader
“%”	percent

By Order of the Board
Lam How Mun Peter
Deputy Chairman and Managing Director

Hong Kong, 4 September 2015

As at the date of this announcement, the Board comprises Mr. Cheung Chung Kiu, Dr. Lam How Mun Peter, Mr. Tsang Wai Choi, Mr. Leung Chun Cheong and Mr. Leung Wai Fai as Executive Directors; Mr. Wong Yat Fai as Non-executive Director; and Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick as Independent Non-executive Directors.

The English names / translations of the companies established in the PRC, relevant authorities in the PRC and other Chinese terms used in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.

In this announcement, RMB and US\$ have been converted to HK\$ at the rate of RMB1 = HK\$1.202 and US\$1 = HK\$7.75 respectively for illustration purpose only. No representation is made that any amounts in RMB, US\$ or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.