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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](http://www.ccland.com.hk)

**(Stock Code: 1224)**

### **DISCLOSEABLE TRANSACTION**

On 4 December 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 (a) the Sale Share and (b) the Loan Receivables at a total consideration of RMB600,000,000 (equivalent to approximately HK\$721,800,000). 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 one or more of the applicable percentage ratios exceed 5% but all are below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to applicable notification and publication requirements under the Listing Rules.

The Board is pleased to announce that Marvel Leader and the Purchaser entered into the Agreement, the material terms of which are summarized below.

#### **1. THE AGREEMENT**

##### **1.1 Date**

4 December 2015 (after trading hours)

##### **1.2 Parties**

- (a) **Vendor:** Marvel Leader
- (b) **Purchaser:** Super Twins Limited

##### **1.3 Assets to be disposal of**

- (a) the Sale Share; and
- (b) the Loan Receivables.

## 1.4 Consideration

The Consideration is RMB600,000,000 (equivalent to approximately HK\$721,800,000), which is payable in cash or by bank transfer (or by any other method as may be agreed between Marvel Leader and the Purchaser) by or on behalf of the Purchaser to Marvel Leader or as it may direct as follows:

- (a) RMB100,000,000 (equivalent to approximately HK\$120,300,000) within 3 Business Days after the date of signing of the Agreement (or such other date as Marvel Leader and the Purchaser may agree in writing) as deposit (“**Deposit**”);
- (b) RMB250,000,000 (equivalent to approximately HK\$300,750,000) on or before 30 June 2016 (or such other date as Marvel Leader and the Purchaser may agree in writing) (“**Second Part Payment**”); and
- (c) RMB250,000,000 (equivalent to approximately HK\$300,750,000) on or before 31 December 2016 (or such other date as Marvel Leader and the Purchaser may agree in writing) (“**Balance Payment**”).

If the Purchaser fails to comply with its payment obligations as set out in sub-paragraphs (b) and/or (c) above:

- (1) the Deposit shall be forfeited by Marvel Leader as liquidated damages, and balance of the Consideration (to the extent it has been paid) shall be returned to the Purchaser upon the Purchaser’s due performance of all of its obligations as set out in sub-paragraphs (2) and (3) below;
- (2) where applicable, the Purchaser shall forthwith transfer and/or procure the transfer of the legal and beneficial ownership of the shares representing the then entire issued share capital of Harbour Crest to Marvel Leader (or as it may direct) and shall forthwith deliver or return to Marvel Leader all documents delivered to the Purchaser by Marvel Leader on Completion and all such other documents as required pursuant to the terms of the Agreement; and
- (3) the Purchaser unconditionally and irrevocably appoints Marvel Leader and any third party or parties appointed by Marvel Leader jointly and each one of them severally to be the attorney of the Purchaser (with power of substitution) and in its name (or otherwise) on its behalf and as its act and deed, including without limitation, to sign seal execute deliver perfect and do all deeds and instruments acts and things which the Purchaser is entitled to perform or do, which may be required or which Marvel Leader or such party or parties appointed by Marvel Leader shall think fit for carrying out any obligations imposed on the Purchaser as set out under sub-paragraph (2) above or for performing any sale lease charge or dealing by Marvel Leader or by any such third party or parties appointed by Marvel Leader or for giving to Marvel Leader the full benefit conferred under sub-paragraph (2) above.

The Consideration was determined following arm’s length negotiations on normal commercial terms between Marvel Leader and the Purchaser, and by reference to the value of Marvel Leader’s interest in the Target Group of approximately HK\$658,201,000, being the aggregate sum of the unaudited consolidated net asset value of the Target Group attributable to Marvel Leader of approximately HK\$289,275,000 as at 31 October 2015 and the Loan Receivables of approximately HK\$368,926,000 as at the date of signing of the Agreement. The Directors consider that the Consideration representing a premium of approximately HK\$63,599,000 or 10% over the value of Marvel Leader’s interest in the Target Group of approximately HK\$658,201,000 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 or by the Stock Exchange, the Company has obtained all necessary approval by its shareholders (by way of obtaining a written shareholders' approval or (if such written approval has not been obtained) by passing an ordinary resolution in a general meeting) 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 the Conditions Precedent (by Marvel Leader in respect of those set out in sub-paragraphs (a) and (b) and by the Purchaser in respect of those set out in sub-paragraph (c)) as soon as practicable and in any event by no later than the Long Stop Date. If the Conditions Precedent are not all fulfilled on or before the Long Stop Date, the Agreement shall terminate on the Long Stop Date, whereupon Marvel Leader shall return the Deposit (without interest) within 5 Business Days and either party shall not be liable for the termination save for any antecedent breaches.

## **1.6 Security**

As security for the Second Part Payment and Balance Payment (including any default interest, damages and expenses payable), the Purchaser shall pledge its entire shareholding held in Harbour Crest and/or the entire equity interest held by Harbour Crest in Grand Fortune as Marvel Leader may request in favour of Marvel Leader (or as it may direct) upon Completion. Within 3 Business Days after Marvel Leader's receipt in full of the Second Part Payment and the Balance Payment (including any default interest and damages payable), Marvel Leader and the Purchaser shall arrange to discharge or cause to be discharged the said pledge.

## **1.7 Completion**

Subject to the Conditions Precedent having all been fulfilled, Completion shall take place on the next Business Day (or such other date as Marvel Leader and the Purchaser may agree in writing) after Marvel Leader has received the Deposit in full.

Completion of the sale and purchase of the Sale Share and the assignment of the Loan Receivables shall take place simultaneously.

## **1.8 Default and Termination**

- (a) If Marvel Leader fails to perform its completion obligations pursuant to the Agreement, it shall pay the Purchaser a default sum calculated at a daily rate of 0.05% of such part of the Consideration already paid by the Purchaser for each day of default. If the default lasts over 30 days, the Purchaser shall be entitled to terminate the Agreement and Marvel Leader shall be liable to pay the Purchaser damages amounting to 10% of the Consideration.
- (b) If the Purchaser fails to perform its payment obligations pursuant to the Agreement, it shall pay Marvel Leader a default interest calculated at a daily rate of 0.05% of the Consideration for each day of default. If the Purchaser fails to perform its completion and/or payment obligations pursuant to the Agreement and the default lasts over 30 days without having been rectified, Marvel Leader may choose to terminate the Agreement and the Purchaser shall be liable to pay Marvel Leader damages amounting to 10% of the Consideration.

## 2. INFORMATION ON THE PURCHASER

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties, and the Purchaser is a private limited company incorporated in the BVI 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 Harbour Crest. The principal business activity of Marvel Leader is investment holding.

Harbour Crest is a private limited company incorporated in the BVI on 13 December 2006 with a current issued share capital of US\$1 (equivalent to approximately HK\$7.75) which is directly wholly-owned by Marvel Leader. Harbour Crest is an investment holding company and the registered and beneficial owner of the entire issued share capital of Grand Fortune. The sole business of Harbour Crest is the ownership of Grand Fortune.

Grand Fortune is a private limited company incorporated in Hong Kong on 21 June 2007 with a current issued share capital of HK\$1 which is directly wholly-owned by Harbour Crest. Grand Fortune is an investment holding company and the registered and beneficial owner of CQ Top Construction. The sole business of Grand Fortune is the ownership of CQ Top Construction.

CQ Top Construction is a company established in the PRC in 2007 with a current registered and paid-up capital of HK\$700,000,000 which is directly wholly-owned by Grand Fortune. CQ Top Construction is an investment holding company and the registered and beneficial owner of CQ Juxin. The sole business of CQ Top Construction is the ownership of CQ Juxin.

CQ Juxin is a company established in the PRC in 1996 with a current registered and paid-up capital of RMB469,200,000 (equivalent to approximately HK\$564,448,000) which is directly wholly-owned by CQ Top Construction. CQ Juxin currently owns the project, Phoenix County (梧桐郡), with a total completed and planned GFA of about 96,000 sqm consisting of residential, commercial 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:

	<b>10 months ended 31 October 2015</b>	<b>12 months ended 31 December 2014</b>	<b>12 months ended 31 December 2013</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	982,496	923,904	311,858
Profit Before Tax	164,829	222,783	63,438
Net Profit/(Loss)	(15,393)	58,957	31,818
	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31 October 2015</b>	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Total Assets	1,957,629	2,094,181	2,093,354
Total Liabilities	1,668,354	1,746,753	1,801,485
Net Assets	289,275	347,428	291,869

#### **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\$63,599,000, being the excess of the Consideration over the net asset value of the Target Group attributable to Marvel Leader of HK\$289,275,000 as at 31 October 2015 and the Loan Receivables of approximately HK\$368,926,000 as at the date of signing of the Agreement.

Exchange reserve in the amount of approximately HK\$111,701,000 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 and Loan Receivables on Completion. The proceeds from the Disposal will be applied as working capital of the Group.

#### **5. REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Disposal is in keeping with the Group's recent measure of strategic disposals of its portfolio of properties, joint investments and investment projects in response to the current market challenges. The Directors consider that the Disposal will further benefit the Group by accelerating the realization of its properties inventory holdings and enhancing its cash position, and that the entering into 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 one or more of the applicable percentage ratios exceed 5% but all are 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 December 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 total consideration for the Disposal
“CQ Juxin”	重慶聚信房地產開發(集團)有限公司 (Chongqing Juxin Property Development (Group) Company Limited), a company established in the PRC with limited liability and directly wholly-owned by CQ Top Construction
“CQ Top Construction”	重慶卓建房地產有限公司 (Chongqing Top Construction Realty Company), a company established in the PRC with limited liability and directly wholly-owned by Grand Fortune
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Share and the Loan Receivables by Marvel Leader to the Purchaser pursuant to the Agreement
“GFA”	gross floor area
“Grand Fortune”	Grand Fortune Enterprises Limited, a company incorporated in Hong Kong with limited liability and directly wholly-owned by Harbour Crest
“Group”	the Company and its subsidiaries
“Harbour Crest”	Harbour Crest Holdings Limited, a company incorporated in the BVI with limited liability and directly wholly-owned by Marvel Leader
“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
“Loan Receivables”	the aggregate amount of the non-interest bearing loans due and owing by Harbour Crest to Marvel Leader as at the Completion Date, which, as at the date of signing of the Agreement, amounted to HK\$368,926,000
“Long Stop Date”	the date falling on the expiry of 15 Business Days from the date of signing of the Agreement

“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”	Super Twins 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 Harbour Crest, representing the entire issued share capital of Harbour Crest
“sqm”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	Harbour Crest and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	percent

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

Hong Kong, 4 December 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\$1.203 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.*