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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)

CONNECTED TRANSACTIONS

On 11 October 2011, Chongqing Top Pioneer and Verakin Group passed the Verakin Resolutions at the Verakin Shareholders Meeting.

GENERAL

As Verakin Group is a substantial shareholder of Verakin Property, it is a connected person of the Company at the level of subsidiaries and the transactions contemplated under the Verakin Resolutions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. The transactions under the Capital Contribution Resolution, being financial assistance provided for the benefit of Verakin Property on better than normal commercial terms and no securities are given, are exempted from the reporting, announcement and independent shareholders' approval requirements. The transactions under the Capital Repatriation Resolution are subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirement since the applicable percentage ratio exceeds 1% but is below 5%.

1. THE VERAKIN RESOLUTIONS

1.1 Date

11 October 2011

1.2 Parties

- (i) Chongqing Top Pioneer; and
- (ii) Verakin Group.

1.3 Background

On 25 May 2011 pursuant to the Land Acquisition Confirmations, Verakin Property successfully acquired the Ludao Land through listing for sale at the total land premium of RMB1,000,000,000 (equivalent to approximately HK\$1,224,000,000) which shall be paid to Bishan Land Bureau in accordance with the terms of the contracts for the conveyance of state-owned land use right to be entered into with the Bishan Land Bureau in respect of the Ludao Land.

Up to 31 August 2011, Verakin Property had paid up RMB308,970,000 (equivalent to approximately HK\$378,179,000) as deposit and part payment of the land premium for the Ludao Land. It is expected that the remaining balance of RMB691,030,000 (equivalent to approximately HK\$845,821,000) for the acquisition of the Ludao Land will be met by cash resources of Verakin Property.

1.4 The Capital Contribution Resolution

Pursuant to the Capital Contribution Resolution, it was resolved that the board of directors of Verakin Property may, should there be a shortfall in the payment of the land premium under the Land Acquisition Confirmations, by resolution require the JV Partners to provide cash contributions to Verakin Property by way of an interest-free shareholder's loan up to a maximum total amount not exceeding RMB200,000,000 (equivalent to approximately HK\$244,800,000) in proportion to their respective percentage interest in the registered capital of Verakin Property. The respective sharing of the cash contributions by Chongqing Top Pioneer and Verakin Group are therefore RMB102,000,000 (equivalent to approximately HK\$124,848,000) and RMB98,000,000 (equivalent to approximately HK\$119,952,000). The sum so contributed shall be applied by Verakin Property to fund, in part, payment of the remaining balance of the land premium payable under the Land Acquisition Confirmations. The cash contributions shall be deemed capital contributions to Verakin Property by the JV Partners.

The cash contributions pursuant to the Capital Contribution Resolution were determined following arm's length negotiations between the JV Partners. The Directors consider that the terms of the Capital Contribution Resolution are fair and reasonable and, to Verakin Property, better than normal commercial terms. Chongqing Top Pioneer's cash contributions to be made, if required, will be financed by internal resources of Chongqing Top Pioneer.

1.5 The Capital Repatriation Resolution

Pursuant to the Capital Repatriation Resolution, it was resolved that the board of directors of Verakin Property may by resolution ("**Repatriation Resolution**") authorize the repatriation of funds in excess of its operational requirements to the JV Partners. The amount to be repatriated to the JV Partners under a Repatriation Resolution shall:

- (a) unless otherwise mutually agreed by the JV Partners, be subject to a maximum total amount not exceeding RMB200,000,000 (equivalent to approximately HK\$244,800,000) and shall be in proportion to the respective percentage interest of the JV Partners in the registered capital of Verakin Property ("**Proportional Repatriation Amount**"); and
- (b) be drawn from Verakin Property in cash ("**Cash Drawing**") in the form of an interest-free inter-company loan repayable by the JV Partners upon a demand ("**Recall Demand**") made at any time by Verakin Property.

In the event a Repatriation Resolution has been made but any of the JV Partners does not make a Cash Drawing, or makes a Cash Drawing below its Proportional Repatriation Amount, for so long as Verakin Property has not made a Recall Demand, the JV Partners shall be entitled to a payment from Verakin Property equal to 1% per month (or such other rate as the board of directors of Verakin Property may agree) on the balance of its Proportional Repatriation Amount not drawn from the date of the Repatriation Resolution until the Proportional Repatriation Amount is fully drawn or repaid pursuant to a Recall Demand. The payment of 1% per month by Verakin Property in respect of the balance of the Proportional Repatriation Amount not drawn by a JV Partner pursuant to the Capital Repatriation Resolution was determined following arm's length negotiations between the JV Partners. The Directors consider that the payment is fair and reasonable.

2. INFORMATION ON THE GROUP

The core business of the Group is property development and investment in Western China, manufacturing and trading of packaging and luggage products, as well as treasury investment.

3. INFORMATION ON VERA KIN GROUP

To the Directors' best knowledge, Verakin Group is principally engaged in property development and investment in the PRC.

4. INFORMATION ON VERA KIN PROPERTY AND LUDAO LAND

Verakin Property is a property development company incorporated in the PRC in 2005 with a current registered and paid-up capital of RMB302,800,000 (equivalent to approximately HK\$370,627,000). The principal business of Verakin Property is ownership and development of the Verakin New Park City Project.

Verakin New Park City is located at 重慶南岸區茶園新城 (Chayuan New District, Nan'an District, Chongqing) with an aggregate site area which had been increased to about 907,000 sqm and a total GFA expanded to approximately 1.9 million sqm following the acquisition of Chongqing Lian Xing Investment Company Limited. As of 31 August 2011, the accumulated contract sales derived from the Verakin New Park City Project amounted to approximately RMB3,969,000,000 (equivalent to approximately HK\$4,858,056,000), with contract sales for the 8 months ended 31 August 2011 amounting to approximately RMB1,141,000,000 (equivalent to approximately HK\$1,396,584,000).

Ludao Land is the state-owned land use right over two adjacent residential sites located in 重慶璧山縣璧城街道養魚村 (Yang Yu Cun, Bicheng Jie Dao, Bishan County, Chongqing) with a total site area of approximately 219,000 sqm and has a permitted GFA of approximately 659,000 sqm.

The financial highlights and operating results of Verakin Property are as follows:

	8 months ended 31 August 2011	12 months ended 31 December 2010	12 months ended 31 December 2009
	RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Audited)
Turnover	28,619	253,199	359,518
Profit (Loss) Before Tax	(121,278)	(29,242)	43,467
Net Profit (Loss)	(152,161)	(29,729)	36,777
	As at 31 August 2011	As at 31 December 2010	As at 31 December 2009
	RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Audited)
Total Assets	3,591,176	2,497,228	829,589
Total Liabilities	3,344,350	2,079,288	452,819
Net Assets	181,282	351,657	376,770

5. REASONS FOR AND BENEFITS OF THE VERA KIN RESOLUTIONS

Following the acquisition of Chongqing Lian Xing Investment Company Limited as announced by the Company on 1 February 2011 and 26 April 2011, Verakin Property has been investigating further

opportunities presented to it for high quality land being offered at reasonable prices, leveraging on its available cash resources derived from sales (including pre-sale) of the Verakin New Park City Project. The acquisition of the Ludao Land provided such an opportunity.

The Capital Contribution Resolution is a prudent measure which provides the mechanism for the JV Partners to provide the funding backup for the acquisition of the Ludao Land in the event of an unforeseen shortfall in available funds of Verakin Property. As the Verakin New Park City Project is currently entering its harvesting cycle, its cash inflow more than covers the budgeted development costs. The Capital Repatriation Resolution provides the JV Partners with the flexibility of freeing up in a timely manner a part of the cash resources in Verakin Property in excess of its operational requirements. Under the Capital Repatriation Resolution, the board of directors of Verakin Property may authorize Cash Drawings out of surplus funds up to a maximum total amount of RMB200,000,000 (equivalent to approximately HK\$244,800,000) without resorting to the payment of a cash dividend, which could only be effected after final completion of the relevant phases of the Verakin New Park City Project and after payment of the assessed tax.

The Directors (including the independent non-executive directors) consider that the Verakin Resolutions had been passed on an arm's length basis and on normal commercial terms and the resolutions thereof are fair and reasonable and are in the best interests of the Group and the shareholders of the Company as a whole. As no Director has a material interest in the transactions contemplated under the Verakin Resolutions, none of them are required to abstain from voting on any board resolutions relating thereto.

6. GENERAL

As Verakin Group is a substantial shareholder of Verakin Property, it is a connected person of the Company at the level of subsidiaries and the transactions contemplated under the Verakin Resolutions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. The transactions under the Capital Contribution Resolution, being financial assistance provided for the benefit of Verakin Property on better than normal commercial terms and no securities are given, are exempted from the reporting, announcement and independent shareholders' approval requirements. The transactions under the Capital Repatriation Resolution are subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirement since the applicable percentage ratio exceeds 1% but is below 5%.

7. DEFINITIONS

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

“Bishan Land Bureau”	璧山縣國土房管局 (Bishan County Administration of Land and Housing), a branch of the Chongqing Administration of Land, Resources and Housing located in Bishan County
“Board”	the board of Directors
“Capital Contribution Resolution”	the resolution passed at the Verakin Shareholders Meeting referred to in paragraph 1.4 headed “The Capital Contribution Resolution” in this announcement
“Capital Repatriation Resolution”	the resolution passed at the Verakin Shareholders Meeting referred to in paragraph 1.5 headed “The Capital Repatriation Resolution” in this announcement

“Chongqing Top Pioneer”	重慶頂添置業有限公司 (Chongqing Top Pioneer Realty Company), an indirect wholly-owned subsidiary of the Company incorporated in the PRC, which holds 51% of the registered capital of Verakin Property
“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
“Director(s)”	the director(s) of the Company
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“JV Partners”	Chongqing Top Pioneer and Verakin Group
“Land Acquisition Confirmations”	two confirmations executed between Verakin Property and 璧山縣公共資源交易中心 (Bishan County Centre for Public Resources Transactions) pursuant to which the parties confirmed Verakin Property’s acquisition of the Ludao Land through listing for sale
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ludao Land”	the state-owned land use right over two adjacent residential sites located in 重慶璧山縣綠島新區璧城街道養魚村 (Yang Yu Cun, Bicheng Jie Dao, Ludao New District, Bishan County, Chongqing) with a total site area of approximately 219,000 sqm
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“sqm”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Verakin Group”	同景集團有限公司 (Verakin Group Company Limited), a privately owned enterprise incorporated in the PRC, which holds 49% of the registered capital of Verakin Property
“Verakin New Park City Project”	ownership and development of parcels of land with an aggregate site area of about 907,000 sqm located at 重慶南岸區茶園新城 (Chayuan New District, Nan’an District, Chongqing)
“Verakin Property”	重慶同景置業有限公司 (Chongqing Verakin Real Estate Company Limited), a company incorporated in the PRC which is indirectly owned as to 51% by the Company, and directly owned as to 49% by Verakin Group

“Verakin Resolutions”	the Capital Contribution Resolution and the Capital Repatriation Resolution
“Verakin Shareholders Meeting”	a meeting of the holders of the registered capital of Verakin Property held on 11 October 2011
“%”	per cent

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

Hong Kong, 11 October 2011

As at the date of this announcement, the Board comprises Mr. Cheung Chung Kiu, Dr. Lam How Mun Peter, Mr. Tsang Wai Choi, Mr. Lam Hiu Lo, Mr. Leung Chun Cheong, Mr. Leung Wai Fai, Ms. Poon Ho Yee Agnes and Mr. Wu Hong Cho 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 has been converted to HK\$ at the rate of RMB1 = HK\$1.224 for illustration purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.