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GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03900)

REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 1 December 2008 in relation to, among other thing, the advertising services provided by Greentown Football Club to the Company under the Original Advertising Services Agreement constituting continuing connected transactions of the Company.

In view of the continuous development of the Group, the Company entered into the Supplemental Advertising Services Agreement to broaden the scope of advertising services provided by Greentown Football Club to the Company under the Original Advertising Services Agreement. In this respect, the annual cap for such advertising services for the year ending 31 December 2011 shall be revised accordingly.

As the applicable percentage ratios under the Listing Rules for such annual cap (as revised) is more than 0.1% but less than 5%, the revision of such annual cap is exempt from the independent shareholders' approval requirements but subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules.

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ORIGINAL ADVERTISING SERVICES AGREEMENT

Background

On 1 December 2008, the Company and Greentown Football Club entered into the Original Advertising Services Agreement pursuant to which the Greentown Football Club agreed to provide advertising services to the Company including (but not limited to) advertising the Company's Greentown Real Estate brand name at the football games and events participated

* *For identification purposes only*

by Greentown Football Club. Under the Original Advertising Services Agreement, Greentown Football Club shall use the name of Greentown Real Estate in all of its publicity materials and prominently show the same in its players' sportswear and shall publish press release including the name on designated newspapers, television programs and websites.

Principal terms

The Original Advertising Services Agreement is for a term of three years commencing from 1 January 2009 and expiring on 31 December 2011. Pursuant to the Original Advertising Services Agreement, annual advertising fees shall be received by Greentown Football Club in return for advertising the brand name of Greentown Real Estate. On the basis that Greentown Football Club has remained within Chinese Football Association Super League (中國足球協會超級聯賽) since the commencement of the Original Advertising Services Agreement and that it will remain so for the year ending 31 December 2011, the annual advertising fees payable under the Original Advertising Services Agreement for each year shall be RMB40 million.

Historical amount

For the two consecutive years ended 31 December 2009 and 2010, the aggregate fees paid to Greentown Football Club for the advertising services under the Original Advertising Services Agreement were RMB40 million and RMB40 million respectively, and hence within the annual caps of RMB40 million and RMB40 million set for the two years ended 31 December 2009 and 2010 respectively for such agreement. The aggregate fees paid to Greentown Football Club for the advertising services under the Original Advertising Services Agreement for the period from 1 January 2011 to 30 November 2011 amounted to approximately RMB20 million. The Company confirms that the annual cap for the Original Advertising Services Agreement for the year ending 31 December 2011 has not been exceeded up to the date of this announcement.

SUPPLEMENTAL ADVERTISING SERVICES AGREEMENT AND REVISION OF THE ANNUAL CAP

In light of the increasing publicity of Greentown Football Club in the PRC on a nationwide basis, the Company is of a view that there has been an increasing marketing effect from the advertising services provided by Greentown Football Club to the Group. In particular, the Company is of the view that Greentown Football Club has effectively enhanced the Company's corporate image on a nationwide basis in recent years. With a view to leveraging further on the successful marketing campaigns under such advertising services, which effectively publicised the Company's Greentown Real Estate brand name on a nationwide basis to spectators and the wider public through various public media reporting on the football events, the Company agreed to strengthen these marketing campaigns in order to meet the continuous growth of the Group and to reinforce the Group's corporate image in the PRC. Accordingly, on 15 December 2011, the Company entered into the Supplemental Advertising Services Agreement with Greentown Football Club to broaden the scope of advertising services under the Original Advertising Services Agreement. In this respect, the annual cap for the advertising services for the year ending 31 December 2011 shall be revised accordingly.

Pursuant to the Supplemental Advertising Services Agreement, Greentown Football Club shall broaden its advertising services to the Company by strengthening the marketing campaigns and increasing its publicity through various means. For instance, Greentown Football Club shall advertise the Greentown Real Estate brand name in participating Asian Football Confederation Champions League (亞洲俱樂部冠軍聯賽) and Chinese Football Association Cup (中國足球協會杯賽) (in addition to Chinese Football Association Super League (中國足球協會超級聯賽)). Moreover, Greentown Football Club shall increase/prepare publicity materials (e.g. handbooks, albums, posters and billboards (including LED billboards)) in relation to its participation in Chinese Football Association Super League (中國足球協會超級聯賽), Asian Football Confederation Champions League (亞洲俱樂部冠軍聯賽) and Chinese Football Association Cup (中國足球協會杯賽). Moreover, Greentown Football Club shall enhance its publicity through public media channels (e.g. by various internet microblogging in China (weibo 微博) maintained by Greentown Football Club and their football players). The amount payable by or on behalf of the Company to Greentown Football Club under the Supplemental Advertising Services Agreement by 31 December 2011 is RMB30 million. Together with the annual cap for the Original Advertising Services Agreement of RMB40 million, the revised annual cap for the advertising services provided by Greentown Football Club to the Company for the year ending 31 December 2011 shall increase to RMB70 million.

The increase was determined by reference to (among other things) the level, quality and effectiveness of publicity provided to the Group, the strengthening marketing campaigns under the Supplemental Advertising Services Agreement and the comparable advertising campaigns.

LISTING RULES IMPLICATIONS

As Greentown Holdings Group is wholly owned by the Original Shareholders (namely Mr Song Weiping, Mr Shou Bainan and Ms Xia Yibo (being the spouse of Mr Song Weiping)), Greentown Holdings Group is a connected person of the Company under Chapter 14A of the Listing Rules. As Greentown Holdings Group owns 100% of Greentown Football Club, Greentown Football Club is an associate (as defined in the Listing Rules) of Greentown Holdings Group and thus the Company's connected person under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Original Advertising Services Agreement (as supplemented by the Supplemental Advertising Services Agreement) constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Mr. Song Weiping and Mr. Shou Bainan, being the chairman and executive vice-chairman of the Company, respectively, have abstained from voting on the Board resolution approving the Supplemental Advertising Services Agreement and the revised annual cap.

As the applicable percentage ratios under the Listing Rules for the revised annual cap of RMB70 million is more than 0.1% but less than 5%, such revision of annual cap is exempt from the independent shareholders' approval requirements but subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules.

The Directors, including the independent non-executive Directors, consider that the transactions contemplated under the Original Advertising Services Agreement (as supplemented by the Supplemental Advertising Services Agreements) are conducted upon normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Directors (including the independent non-executive Directors), having considered (among other things) the level, quality and effectiveness

of publicity provided to the Group, the strengthening marketing campaigns under the Supplemental Advertising Services Agreement and the comparable advertising campaigns, are also of the view that the revised annual cap for the advertising services for the year ending 31 December 2011 is fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL

The Group

The Group is one of the leading residential property developers in the PRC and is primarily engaged in developing quality residential properties targeting middle to higher income residents in the PRC.

Greentown Football Club

Greentown Football Club is one of the professional football clubs in China which has been participating in football matches within Chinese Football Association Super League since its advancement from China Football League A in 2007.

DEFINITIONS

The terms in this announcement have the following meanings:

“Board”	the board of Directors
“Company”	Greentown China Holdings Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Greentown Football Club”	Zhejiang Greentown Football Club Company Limited, a company wholly-owned by Greentown Holdings Group
“Greentown Holdings Group”	Greentown Holdings Group Limited, a wholly foreign-owned enterprise incorporated in the PRC owned by the Original Shareholders
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Original Advertising Services Agreement”	the advertising services agreement dated 1 December 2008 entered into between the Company and Greentown Football Club for a term up to 31 December 2011

“Original Shareholders”	Mr Song Weiping, Mr Shou Bainian and Ms Xia Yibo. Mr Song Weiping and Mr Shou Bainian are chairman and executive vice-chairman of the Company, respectively
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Advertising Services Agreement”	the supplemental advertising services agreement dated 15 December 2011 entered into between the Company and Greentown Football Club in relation to, among other things, the advertising services provided by Greentown Football Club to the Company for a term up to 31 December 2011

By Order of the Board
Greentown China Holdings Limited
Song Weiping
Chairman

Hangzhou, the PRC, 15 December 2011

As at the date of this announcement, the Board comprises five executive Directors, namely Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Guo Jiafeng and Mr Cao Zhounan, and six independent non-executive Directors, namely Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, Mr Tang Shiding and Mr Xiao Zhiyue.