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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)**

### **INSIDE INFORMATION**

### **CONDITIONAL SALE OF SHARES TO CCCG**

### **RESUMPTION OF TRADING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

#### **CONDITIONAL SALE OF SHARES TO CCCG**

The Board has been informed by Mr Song and Mr Shou that the Agreement was entered into on 23 December 2014 among Mr Song, Delta (a company wholly-owned by Mr Song), Mr Shou, Profitwise (a company wholly-owned by Mr Shou), Ms Xia, Wisearn (a company wholly-owned by Ms Xia) and CCCG, pursuant to which each of Delta, Profitwise and Wisearn agreed to sell 246,052,076, 209,940,717 and 68,859,000 Shares, respectively, to CCCG and/or its wholly-owned subsidiary(ies) at HK\$11.46 per Share in cash, representing a total consideration of HK\$6,014,801,547.78. CCCG is a wholly state-owned company established in the PRC.

The Shares to be sold by Delta, Profitwise and Wisearn represent approximately 11.386%, 9.715% and 3.187%, respectively, or an aggregate of approximately 24.288% of the total issued share capital of the Company as of the date of this announcement.

Upon Completion, Mr Song and Mr Shou will be interested or deemed to be interested in an aggregate of 400,621,707 Shares (excluding the share options), representing approximately 18.539% of the total issued share capital of the Company as at the date of this announcement, while CCCG (and/or its wholly-owned subsidiary(ies)) will be interested in 524,851,793 Shares, representing approximately 24.288% of the total issued share capital of the Company as at the date of this announcement. As at the date of this announcement, Wharf is a substantial shareholder of the Company and is interested (through its wholly-owned subsidiary) in 524,851,793 Shares, representing approximately 24.288% of the total issued share capital of the Company.

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange had been halted with effect from 9:00 a.m. on 22 December 2014 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading with effect from 9:00 a.m. on 24 December 2014.

**The Transaction is subject to the fulfilment (or waiver, where applicable) of a number of conditions precedent and may or may not proceed. Shareholders and other investors are advised to exercise extreme caution when dealing in the securities of the Company.**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

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## Consideration

The Shares to be sold by Delta, Profitwise and Wisearn represent approximately 11.386%, 9.715% and 3.187%, respectively, or an aggregate of approximately 24.288% of the total issued share capital of the Company as of the date of this announcement. The price per Share represents:

- (a) a premium of approximately 80.76% over the closing price of the Shares of HK\$6.34 as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 62.09% over the average of the closing price of the Shares as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\$7.07 per Share;
- (c) a premium of approximately 55.28% over the average of the closing price of the Shares as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$7.38 per Share; and
- (d) a premium of approximately 48.64% over the average of the closing price of the Shares as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$7.71 per Share.

## Deposit

A sum of RMB2,500,000,000 (the “**Deposit**”) will be payable by CCCG to a designated account jointly nominated by the Vendors as deposit for the Transaction on the day of or the business day following the day of fulfilment (or waiver by CCCG) of the following conditions:

- (a) the Agreement having been executed by the parties thereto and having become effective;
- (b) the Vendors having repaid 50% of the Outstanding Payment to Sunac China by no later than 26 December 2014 pursuant to the terms of the Termination Agreement, or the Vendors having obtained the waiver in writing from Sunac China in respect of such payment;
- (c) the Existing Share Charge having been unconditionally and irrevocably released or terminated; and
- (d) the New Share Charge having been executed by the Vendors and CCCG and having become effective.

The Deposit shall not be used for any purposes other than the repayment of the Outstanding Payment pursuant to the terms of the Termination Agreement, and shall not be applied for the set-off, reduction or payment of the consideration for the Transaction without the prior written consent of CCCG. The Vendors shall repay the Deposit in full to CCCG upon CCCG’s payment of the total consideration for the Transaction on the date of Completion.

## Conditions precedent to the Completion

Pursuant to the Agreement, the Completion is conditional upon the fulfilment (or, where applicable, waiver by CCCG) of the following conditions precedent:

- (a) CCCG having obtained all necessary applicable approval, registration, filing and/or consent (as the case may be) from government and regulatory authorities (including without limitation to the State-owned Assets Supervision and Administration Commission of the State Council, the National Development and Reform Commission, the Ministry of Commerce and the State Administration of Foreign Exchange) in accordance with applicable laws in respect of the Transaction;
- (b) the SFC not having requested any person to make a general offer by virtue of the transactions contemplated under the Agreement, and the transactions contemplated under the Agreement having not triggered any general offer obligation on any person, under the Takeovers Code (if the SFC is in the process of considering whether or not any person is required as a result of the transactions contemplated under the Agreement to make a general offer under the Takeovers Code, this condition shall be deemed not having been fulfilled);
- (c) from the date of the Agreement to the date of the Completion, the Shares remaining to be listed on the Stock Exchange;
- (d) in respect of the business, assets or operation of the Group, there being no operation that is not conducted on normal business terms, material safety incidents or any circumstances, changes or effects which may have a material adverse effect on the Company's (as a whole) on-going existence, business or operation, asset or liability (including contingent liability), operating results or financial conditions or omission to any disclosure of any material risks having been discovered;
- (e) the Termination Agreement and any supplemental agreement thereto remaining legal and effective, and that all parties thereto having adhered to and performed the terms and conditions thereunder, and:
  - (i) the Vendors having paid all sums of money in accordance with the terms of the Termination Agreement; and
  - (ii) Sunac China having performed its obligations under the Termination Agreement which may concern the transactions contemplated under the Agreement and the Company, including without limitation to having procured the resignation of the management team pursuant to the terms of the Termination Agreement;

- (f) the executed New Share Charge and any supplemental agreement thereto remaining legal and effective, and that the Vendors having adhered to and performed the terms and conditions thereunder, and CCCG's right as a chargee thereunder remaining legal, effective and enforceable;
- (g) there having been no encumbrance against the Target Shares other than the encumbrance created under the New Share Charge;
- (h) during the period between the date of the Agreement and the Completion, the Directors (other than the Director(s) who are required to abstain from voting) having voted in favour of all resolutions proposed at the meetings of the Directors, or the Vendors having provided CCCG with explanations or details relating to such resolutions to its reasonable satisfaction (CCCG shall, within two days upon receiving such explanations or details, confirm whether they are reasonably satisfied, failing which CCCG will be deemed to have been so satisfied);
- (i) the number of executive Directors having been reduced from the existing five persons to four persons (including the Directors to be nominated by CCCG), and two persons nominated by CCCG having been appointed as executive Directors (with one of whom acting as the co-chairman of the Board) with effect immediately upon Completion;
- (j) a Director nominated by CCCG having been appointed as a member of the investment committee of the Company;
- (k) the number of directors of Greentown Real Estate having been increased from four to six (including three directors to be nominated by CCCG), and all the relevant registration and/or filing having been completed (if applicable); and
- (l) a person nominated by CCCG having been appointed as the financial controller of Greentown Real Estate, and all the relevant registration and/or filing having been completed (if applicable).

Conditions precedent (a) and (b) cannot be waived.

In the event that:

- (i) the conditions precedent to the Completion (other than condition precedent (b)) are not fulfilled or waived before the first business day after the three-month period from the date of the Agreement or such other date as the parties may otherwise agree in writing;  
or
- (ii) condition precedent (b) is not fulfilled before the last business day after the six-month period from the date of the Agreement or such other date as the parties may otherwise agree in writing,

CCCG may unilaterally terminate the Agreement.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Based on the information available to the Board as at the date of this announcement and on the assumption that the shareholding structure of the Company remains unchanged save as otherwise described in this announcement, set out below are the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion:

	As at the date of this announcement	Approx. % of the total issued share capital of the Company	Immediately upon Completion	Approx. % of the total issued share capital of the Company
Mr Song ( <i>Note 1</i> )	472,124,000	21.848	226,071,924	10.462
Ms Xia ( <i>Note 2</i> )	68,859,000	3.187	–	–
Mr Shou ( <i>Note 3</i> )	384,490,500	17.793	174,549,783	8.077
<b>Sub-total</b>	925,473,500	42.827		18.539
Wharf ( <i>Note 4</i> )	524,851,793	24.288	524,851,793	24.288
CCCG ( <i>Note 5</i> )	–	–	524,851,793	24.288
Mr Luo Zhaoming (an executive Director) ( <i>Note 6</i> )	100,000,000	4.628	100,000,000	4.628
Public shareholders	610,622,397	28.257	610,622,397	28.257
<b>Total</b>	2,160,947,690	100	2,160,947,690	100

### Notes:

- This refers to the Shares held by corporations controlled by Mr Song. Mr Song is the sole shareholder of Delta, a company which holds 372,124,000 Shares as at the date of this announcement. Mr Song is also the sole member of Hong Kong Orange Osmanthus Foundation Limited (“**HKOO Foundation**”), a company limited by guarantee and established by Mr Song as a charitable institution of a public character exempt from tax under Section 88 of the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong). As Mr Song is the sole member of HKOO Foundation, pursuant to Part XV of the SFO, Mr Song is deemed to be interested in 100,000,000 Shares held by it notwithstanding that Mr Song is not beneficially interested in such Shares. In addition, Mr Song holds share options granted by the Company to him on 22 January 2009 which are exercisable into 1,089,000 Shares at HK\$2.89 per Share during the period from 22 January 2009 to 21 January 2019.
- Ms Xia is the sole shareholder of Wisearn, a company which holds these Shares.
- Mr Shou is the sole shareholder of Profitwise, a company which holds these Shares.
- These Shares are held by a wholly-owned subsidiary of Wharf.
- These Shares will be held by CCCG and/or its wholly-owned subsidiary(ies).
- These Shares are held by Tandellen Group Limited, a company owned by him as to 50% and by his spouse as to another 50%.

## GENERAL INFORMATION

CCCG is a wholly state-owned company established on 8 December 2005 in the PRC and the controlling shareholder of China Communications Construction Co. Ltd., a company established in the PRC whose H shares are listed on the Stock Exchange. Based on publicly available information, CCCG is principally engaged in the design and construction of transportation infrastructure, dredging and heavy machinery manufacturing business and covers the following business aspects: port, terminal, road, bridge, railway, tunnel, civil work design and construction, capital dredging and reclamation dredging, container crane, heavy marine machinery, large steel structure and road machinery manufacturing, and international project contracting, import and export trading services. According to CCCG, it is the largest port construction and design company in the PRC, a leading company in road and bridge construction and design, a leading railway construction company, the largest dredging company in the PRC and the second largest dredging company (in terms of dredging capacity) in the world.

The Board welcomes CCCG to become a substantial shareholder of the Company. The Board believes that the introduction of CCCG as a new substantial shareholder pursuant to the Transaction will strengthen the Company's position as a premier real estate developer in the PRC and provide synergy for the Company's long term development. The Board also considers that the Transaction represents a special circumstances and opportunity for the Vendors to sell the Target Shares to CCCG in bringing in CCCG (being a reputable and large-scale state-owned enterprise) as a new substantial shareholder and in raising funds, subsequent to the entering into of the Termination Agreement.

Upon Completion, Mr Song and Mr Shou will be interested or deemed to be interested in an aggregate of 400,621,707 Shares (excluding the share options), representing approximately 18.539% of the total issued share capital of the Company as at the date of this announcement, while CCCG (and/or its wholly-owned subsidiary(ies)) will be interested in 524,851,793 Shares, representing approximately 24.288% of the total issued share capital of the Company as at the date of this announcement. As at the date of this announcement, Wharf is a substantial shareholder of the Company and is interested (through its wholly-owned subsidiary) in 524,851,793 Shares, representing approximately 24.288% of the total issued share capital of the Company.

## RESUMPTION OF TRADING

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**The Transaction is subject to the fulfilment (or waiver, where applicable) of a number of conditions precedent and may or may not proceed. Shareholders and other investors are advised to exercise extreme caution when dealing in the securities of the Company.**



## TERMS USED IN THIS ANNOUNCEMENT

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Agreement”	the conditional sale and purchase agreement dated 23 December 2014 among the Vendors (as vendors), Mr Song, Mr Shou and Ms Xia (as vendors’ guarantors) and CCCG (as purchaser) in relation to the sale and purchase of an aggregate of 524,851,793 Shares, representing approximately 24.288% of the total issued share capital of the Company as of the date of this announcement
“Board”	the board of Directors
“CCCG”	中國交通建設集團有限公司 (China Communications Construction Group (Limited)), a wholly state-owned company established on 8 December 2005 in the PRC
“Company”	Greentown China Holdings Limited (stock code: 03900), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	the completion of the Transaction pursuant to the Agreement
“Delta”	Delta House Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr Song
“Directors”	the directors of the Company
“Existing Share Charge”	the share charge dated 18 December 2014 whereby the Vendors charged their respective interests in 524,851,793 Shares in favour of Sunac Subsidiary to secure the obligations of the Vendors under the Termination Agreement
“Greentown Real Estate”	Greentown Real Estate Group Co., Ltd.* (綠城房地產集團有限公司), a wholly-owned subsidiary of the Company
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC



“Last Trading Day”	19 December 2014, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr Shou”	Mr Shou Bainian (壽柏年), the chief executive officer of the Company, the executive vice chairman of the Board and an executive Director
“Mr Song”	Mr Song Weiping (宋卫平), the chairman of the Board and an executive Director
“Ms Xia”	Ms Xia Yibo (夏一波), the spouse of Mr Song
“New Share Charge”	a share charge to be executed among the Vendors in favour of CCCG pursuant to which the Vendors shall charge their respective interests in the Target Shares in favour of CCCG to secure the obligations of the Vendors under the Agreement
“Outstanding Payment”	the amount repayable by the Vendors to Sunac Subsidiary pursuant to the terms of the Termination Agreement as more particularly described in the announcement of the Company dated 18 December 2014
“PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan)
“Profitwise”	Profitwise Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr Shou
“SFC”	The Securities and Futures Commission of Hong Kong
“SFO”	Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.1 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Sunac China”	Sunac China Holdings Limited (stock code: 01918), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange or Sunac Subsidiary, as the case may be
“Sunac Subsidiary”	Lead Sunny Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Sunac China Holdings Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases issued by the Hong Kong Securities and Futures Commission
“Target Shares”	524,851,793 Shares, being the Shares subject to the Transaction
“Termination Agreement”	the termination agreement dated 18 December 2014 as more particularly described in the announcement of the Company dated 18 December 2014
“Transaction”	the proposed sale of the Target Shares pursuant to the Agreement
“Wharf”	The Wharf (Holdings) Limited (stock code: 00004), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Wisearn”	Wisearn Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Ms Xia
“Vendors”	Delta, Profitwise and Wisearn

By order of the Board  
**Greentown China Holdings Limited**  
**Song Weiping**  
*Chairman*

Hangzhou, the PRC

23 December 2014

*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, two non-executive directors, namely, Mr Ng Tin Hoi, Stephen and Mr Tsui Yiu Cheung and four independent non-executive directors, namely Mr Jia Shenghua, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, and Mr Hui Wan Fai.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*

*\* For identification purposes only*