

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

CONNECTED TRANSACTIONS FINANCE LEASE AGREEMENTS

The Board is pleased to announce that, on 29 October 2015, each of Hainan Greentown and Qingdao Greentown entered into a finance lease agreement with CCCC Financial Leasing.

LISTING RULES IMPLICATIONS

As at the date of the announcement, CCCG is holding 624,851,793 shares in the Company, representing 28.9% of the issued share capital of the Company, and therefore is a substantial shareholder of the Company. CCCC Financial Leasing is an indirect non-wholly owned subsidiary of CCCG and thus an associate of CCCG and a connected person of the Company. As such, the transactions contemplated under the Finance Lease Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules), on an aggregate basis, are more than 0.1% but all of them are less than 5%, the transactions contemplated under the Finance Lease Agreements are exempted from the circular and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

* *For identification purposes only*

HAINAN GREENTOWN FINANCE LEASE AGREEMENT

On 29 October 2015, Hainan Greentown entered into a finance lease agreement with CCCC Financial Leasing, the principal terms and particulars of which are as follows:

Parties

Lessor: CCCC Financial Leasing

Lessee: Hainan Greentown, a subsidiary of the Company

Sale and purchase arrangement

Pursuant to the Hainan Greentown Finance Lease Agreement, CCCC Financial Leasing shall purchase the Hainan Greentown Leased Assets from Hainan Greentown for a consideration of RMB278,838,523.11.

The consideration in respect of the sale and purchase of the Hainan Greentown Leased Assets was determined after arm's length negotiations between the parties by reference to the carrying values and prevailing market price of the Hainan Greentown Leased Assets.

As at the date of the announcement, the unaudited book value of the Hainan Greentown Leased Assets is approximately RMB278,838,523.11.

Lease back arrangement

Pursuant to the Hainan Greentown Finance Lease Agreement, CCCC Financial Leasing shall lease the Hainan Greentown Leased Assets back to Hainan Greentown for a lease period of 32 months, commencing from the date of payment of the consideration for the Hainan Greentown Leased Assets by Hainan Greentown.

Lease payment

The total lease payment payable by Hainan Greentown to CCCC Financial Leasing shall be RMB302,365,777.65 (including value added tax), which shall be made in five instalments in equal amount. The lease payment was determined after arm's length negotiations between the parties by reference to the principal amounts of the lease and the prevailing market interest rate for finance leases of comparable leased assets.

Ownership of the Hainan Greentown Leased Assets

The ownership of the Hainan Greentown Leased Assets shall be vested in CCCC Financial Leasing throughout the lease period.

Upon expiry of the lease period, CCCC Financial Leasing shall transfer the ownership of the Hainan Greentown Leased Assets back to Hainan Greentown, which is conditional upon (i) the consideration in the amount of RMB100 (including value added tax) having been paid by Hainan Greentown to CCCC Financial Leasing; and (ii) all the obligations of Hainan Greentown under the Hainan Greentown Lease Agreement having been fulfilled.

Guarantee

Greentown Real Estate shall act as guarantor in favour of CCCC Financial Leasing to guarantee the performance of Hainan Greentown under the Hainan Greentown Finance Lease Agreement.

QINGDAO GREENTOWN FINANCE LEASE AGREEMENT

On 29 October 2015, Qingdao Greentown entered into a finance lease agreement with CCCC Financial Leasing, the principal terms and particulars of which are as follows:

Parties

Lessor: CCCC Financial Leasing

Lessee: Qingdao Greentown, a wholly-owned subsidiary of the Company

Sale and purchase arrangement

Pursuant to the Qingdao Greentown Finance Lease Agreement, CCCC Financial Leasing shall purchase the Qingdao Greentown Leased Assets from Qingdao Greentown for a consideration of RMB103,085,757.02.

The consideration in respect of the sale and purchase of the Qingdao Greentown Leased Assets was determined after arm's length negotiations between the parties by reference to the carrying values and prevailing market price of the Qingdao Greentown Leased Assets.

As at the date of the announcement, the unaudited book value of the Qingdao Greentown Leased Assets is approximately RMB103,085,757.02.

Lease back arrangement

Pursuant to the Qingdao Greentown Finance Lease Agreement, CCCC Financial Leasing shall lease the Qingdao Greentown Leased Assets back to Qingdao Greentown for a lease period of 32 months, commencing from the date of payment of the consideration for the Qingdao Greentown Leased Assets by Qingdao Greentown.

Lease payments

The total lease payment payable by Qingdao Greentown to CCCC Financial Leasing shall be RMB111,783,711.75 (including value added tax), which shall be made in five instalments in equal amount. The lease payment was determined after arm's length negotiations between the parties by reference to the principal amounts of the lease and the prevailing market interest rate for finance leases of comparable leased assets.

Ownership of the Qingdao Greentown Leased Assets

The ownership of the Qingdao Greentown Leased Assets shall be vested in CCCC Financial Leasing throughout the lease period.

Upon expiry of the lease period, CCCC Financial Leasing shall transfer the ownership of the Qingdao Greentown Leased Assets back to Qingdao Greentown, which is conditional upon (i) the consideration in the amount of RMB100 (including value added tax) having been paid by Qingdao Greentown to CCCC Financial Leasing; and (ii) all the obligations of Qingdao Greentown under the Qingdao Greentown Lease Agreement having been fulfilled.

Guarantee

Greentown Real Estate shall act as guarantor in favour of CCCC Financial Leasing to guarantee the performance of Qingdao Greentown under the Qingdao Greentown Finance Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE AGREEMENTS

The entering into the Finance Lease Agreements enables the Group to broaden its financing channel and raise low-cost capital, which will facilitate the business development and smooth operation of the Group.

The Directors (including the independent non-executive Directors) are of the view that each of the transactions contemplated under the Finance Lease Agreements is entered into in the ordinary course of business of the Company on normal commercial terms, the terms of which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of the announcement, CCCG is holding 624,851,793 shares in the Company, representing 28.9% of the issued share capital of the Company, and therefore is a substantial shareholder of the Company. CCCC Financial Leasing is an indirect non-wholly owned subsidiary of CCCG and thus an associate of CCCG and a connected person of the Company. As such, the transactions contemplated under the Finance Lease Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules), on an aggregate basis, are more than 0.1% but all of them are less than 5%, the transactions contemplated under the Finance Lease Agreements are exempted from the circular and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

As each of Mr Zhu Bixin, Mr Sun Guoqiang, Mr Cao Zhounan, Mr Li Qingan and Mr Liu Wensheng is considered to have a material interest in the transactions contemplated under the Finance Lease Agreements, each of Mr Zhu Bixin, Mr Sun Guoqiang, Mr Cao Zhounan, Mr Li Qingan and Mr Liu Wensheng has abstained at the relevant Board resolutions. Other than the Directors mentioned above, each of the Directors confirmed that he did not have any material interest in the transactions contemplated under the Finance Lease Agreements and therefore was not required to abstain at the relevant Board resolutions.

GENERAL INFORMATION

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. It is one of the leading property developers in the PRC with business operations in various major PRC cities and is primarily engaged in developing quality properties targeting middle and high income residents in the PRC.

Hainan Greentown is a company incorporated in the PRC with limited liability and is principally engaged in property development in the PRC.

Qingdao Greentown is a company incorporated in the PRC with limited liability and is principally engaged in property development in the PRC.

So far as the Directors are aware, CCCC Financial Leasing is a company incorporated in the PRC with limited liability and is principally engaged in provision of financial services.

DEFINITIONS

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

“Board”	the board of Directors
“CCCC Financial Leasing”	CCCC Financial Leasing Co., Ltd.* (中交建融租賃有限公司), a company established under the laws of in the PRC with limited liability and an indirect non-wholly owned subsidiary of CCCG
“CCCG”	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
“Director(s)”	the director(s) of the Company
“Finance Lease Agreements”	the Hainan Greentown Finance Lease Agreement and the Qingdao Greentown Finance Lease Agreement
“Greentown Real Estate”	Greentown Real Estate Group Co., Ltd.* (綠城房地產集團有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company together with its subsidiaries
“Hainan Greentown”	Hainan Greentown Gaodi Investment Co., Ltd.* (海南綠城高地投資有限公司), a company established under the laws of the PRC with limited liability and a subsidiary of the Company
“Hainan Greentown Finance Lease Agreement”	the finance lease agreement dated 29 October 2015 entered into between Hainan Greentown and CCCC Financial Leasing

“Hainan Greentown Leased Assets”	the assets listed in the Hainan Greentown Finance Lease Agreement, which include, among others, furniture and equipment for the operation of certain hotels owned by Hainan Greentown
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“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)
“Qingdao Greentown”	Qingdao Greentown Jiaozhouwan Real Estate Development Co., Ltd.* (青島綠城膠州灣房地產開發有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“Qingdao Greentown Finance Lease Agreement”	the finance lease agreement dated 29 October 2015 entered into between Qingdao Greentown and CCCC Financial Leasing
“Qingdao Greentown Leased Assets”	the assets listed in the Qingdao Greentown Finance Lease Agreement, which include, among others, furniture and equipment for the operation of a hotel and certain residential properties owned by Qingdao Greentown
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Greentown China Holdings Limited
Song Weiping Zhu Bixin
Co-chairmen

Hangzhou, the PRC

29 October 2015

As at the date of this announcement, the Board comprises six executive directors, namely Mr Song Weiping, Mr Zhu Bixin, Mr Sun Guoqiang, Mr Shou Bainian, Mr Cao Zhounan and Mr Li Qingan, one non-executive director, namely Mr Liu Wensheng and four independent non-executive directors, namely Mr Jia Shenghua, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, and Mr Hui Wan Fai.

* *For identification purposes only*