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If you have sold or transferred all your shares in C C Land Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

DISCLOSEABLE AND CONNECTED TRANSACTION

**Independent financial adviser to the Independent Board Committee
and the Independent Shareholders**



Shenyin Wanguo Capital (H.K.) Limited

A letter from the Board is set out on pages 4 to 11 of this circular. A letter from the Independent Board Committee is set out on page 12 of this circular. A letter from Shenyin Wanguo containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 13 to 24 of this circular.

A notice convening the special general meeting of the Company (the "SGM") to be held on Friday, 23 March 2012 at 4:30 p.m. at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong is set out on pages 31 to 32 of this circular. A form of proxy for use at the SGM is also enclosed. Whether or not you intend to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

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DEFINITIONS

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

“Agreement”	the conditional sale and purchase agreement dated 1 February 2012 entered into between the Vendor and the Purchasers in relation to the sale and purchase of the Sale Shares
“Announcements”	the announcements of the Company dated 1 and 3 February 2012 in respect of the Disposal
“associate”	has the meaning ascribed thereto in the Listing Rules
“Bank Loan”	all amounts, including principal and interest, owing by Hoi Tin (HK) under the banking facilities granted by a bank to Hoi Tin (HK), the outstanding amount of which as at 13 January 2012 was US\$1,573,646.32
“Board”	the board of Directors
“Business Day”	a day (other than Saturday or other general holidays in Hong Kong) on which licensed banks in Hong Kong are generally open for business
“Chau Sale Shares”	85% of the issued share capital of Ensure Success
“Chau Share Consideration”	HK\$17,000,000, being the consideration for the sale of the Chau Sale Shares
“Company”	C C Land Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the main board of the Stock Exchange (stock code: 1224)
“Completion”	completion of the Disposal
“Completion Date”	the third Business Day after the fulfillment of all the conditions precedent set out in the Agreement, or such other date as the Vendor and the Purchasers may agree in writing upon which Completion shall take place
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchasers in accordance with the terms and conditions of the Agreement and the performance of the transactions contemplated under the Agreement
“Disposal Group”	Ensure Success and its subsidiaries

DEFINITIONS

“Ensure Success”	Ensure Success Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries (other than the Disposal Group)
“Guarantee”	the deeds of guarantee and indemnity executed by the Company in favour of the bank as part of the security for the Bank Loan
“HK Co”	Young Comfort Development Limited, a company incorporated under the laws of Hong Kong with limited liability and wholly-owned by Hoi Tin (HK)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hoi Tin (HK)”	Hoi Tin Universal Limited, a company incorporated under the laws of Hong Kong with limited liability and owned as to 60% by the Vendor and as to 20.8% by Ms. Chau
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company, comprising all independent non-executive Directors, namely Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick, which is formed to advise the Independent Shareholders in relation to the Disposal
“Independent Shareholder(s)”	Shareholder(s), other than Ms. Chau, Mr. Wang and their respective associates
“Latest Practicable Date”	27 February 2012, being the latest practicable date before the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 May 2012 or such later date as the Vendor and the Purchasers may agree in writing
“Mr. Wang”	Mr. Wang Zhe, a former assistant marketing manager of Hoi Tin (HK) and a Shareholder holding 20,000 Shares, representing approximately 0.0008% of the issued Shares as at the Latest Practicable Date
“Ms. Chau”	Ms. Chau Tin Ping, one of the shareholders of Hoi Tin (HK) holding 20.8% of the issued share capital of Hoi Tin (HK), a director of Hoi Tin (HK), PRC Co and HK Co, the legal representative of PRC Co, the company secretary of Hoi Tin (HK) and HK Co and a Shareholder holding 233,000 Shares, representing approximately 0.0092% of the issued Shares as at the Latest Practicable Date

DEFINITIONS

“PRC” or “China”	the People’s Republic of China
“PRC Co”	海天環球旅游用品（蘇州）有限公司 (Hoi Tin Universal Travel Goods (Suzhou) Limited), a company established under the laws of the PRC with limited liability and wholly-owned by Hoi Tin (HK)
“Purchasers”	Ms. Chau and Mr. Wang
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	the Chau Sale Shares and the Wang Sale Shares collectively, representing the entire issued share capital of Ensure Success
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened on 23 March 2012 for the purpose of considering and, if thought fit, approving the Agreement and the transactions contemplated thereunder
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Shenyin Wanguo”	Shenyin Wanguo Capital (H.K.) Limited, a corporation licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Mighty Gain Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Wang Sale Shares”	15% of the issued share capital of Ensure Success
“Wang Share Consideration”	HK\$3,000,000, being the consideration for the sale of the Wang Sale Shares
“%”	per cent

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Cheung Chung Kiu (*Chairman*)
Dr. Lam How Mun Peter
(Deputy Chairman & Managing Director)
Mr. Tsang Wai Choi (*Deputy Chairman*)
Mr. Lam Hiu Lo
Mr. Leung Chun Cheong
Mr. Leung Wai Fai
Ms. Poon Ho Yee Agnes
Mr. Wu Hong Cho

Non-executive Director:

Mr. Wong Yat Fai

Independent non-executive Directors:

Mr. Lam Kin Fung Jeffrey
Mr. Leung Yu Ming Steven
Dr. Wong Lung Tak Patrick

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*

7th Floor
China United Centre
28 Marble Road
North Point
Hong Kong

2 March 2012

To the Shareholders,

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION

1. INTRODUCTION

Reference is made to the Announcements. On 1 February 2012, the Vendor and the Purchasers entered into the Agreement, pursuant to which the Vendor conditionally agreed to sell the Chau Sale Shares to Ms. Chau and the Wang Sale Shares to Mr. Wang and Ms. Chau and Mr. Wang conditionally agreed to purchase the same at the Chau Share Consideration of HK\$17,000,000 and the Wang Share Consideration of HK\$3,000,000 respectively subject to the terms and conditions therein contained.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) details of the Agreement; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder; (iii) a letter of advice from Shenyin Wanguo containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the SGM.

2. THE AGREEMENT

Date

1 February 2012

Parties

- (i) The Vendor, a wholly-owned subsidiary of the Company; and
- (ii) Ms. Chau and Mr. Wang

Assets to be disposed of

Pursuant to the terms and conditions of the Agreement, the Vendor conditionally agreed to sell the Chau Sale Shares to Ms. Chau and the Wang Sale Shares to Mr. Wang and Ms. Chau and Mr. Wang conditionally agreed to purchase the same at the Chau Share Consideration of HK\$17,000,000 and the Wang Share Consideration of HK\$3,000,000 respectively. The Sale Shares represent the entire issued share capital of Ensure Success. As at the date of the Agreement, Ensure Success was the registered and beneficial owner of 60% of the issued share capital of Hoi Tin (HK) which in turn was the registered owner of (i) the entire equity interest in PRC Co; and (ii) the entire issued share capital of HK Co.

The Bank Loan had been granted to Hoi Tin (HK) which was secured by, among others, the Guarantee.

Consideration

The Chau Share Consideration of HK\$17,000,000 and the Wang Share Consideration of HK\$3,000,000 shall be paid in cash by Ms. Chau and Mr. Wang respectively to the Vendor in the following manner:—

Chau Share Consideration

1. A sum of HK\$8,500,000 (the “Chau Deposit”) has been paid upon the signing of the Agreement; and
2. the balance thereof in the sum of HK\$8,500,000 shall be paid upon Completion.

LETTER FROM THE BOARD

Wang Share Consideration

1. A sum of HK\$1,500,000 (the “Wang Deposit”) has been paid upon the signing of the Agreement; and
2. the balance thereof in the sum of HK\$1,500,000 shall be paid upon Completion.

The Chau Share Consideration and the Wang Share Consideration were determined after arm’s length negotiations between the Vendor and the Purchasers, after taking into account the Group’s net investment in the Disposal Group in the amount of approximately HK\$33.4 million, its recent financial performance, and the accumulated losses of approximately HK\$33.1 million standing in the accounts of the Disposal Group.

In forming the basis of determining the consideration of the Disposal, the Directors have also taken into account the results of the valuation prepared by an independent valuer that the market value of the property was approximately RMB35 million (equivalent to approximately HK\$42.9 million) as at 31 December 2011, as well as the basis of the valuation, namely, that the valuation was based on the depreciated replacement cost approach and might or might not represent the amount that can be realized by sale of the property in the open market.

The Directors consider that the consideration of the Disposal is fair and reasonable after taken into account the following factors:

- (i) the Disposal Group employs over 640 workers, most of whom are employed for or whose employment is directly related to its manufacture and sale of luggage products business (the “Business”). The Directors have considered to discontinue the Business because of the unsatisfactory financial performance of the Disposal Group. However, discontinuance of the Business would involve the mass laying-off of all the workers which will expose the Disposal Group, and hence the Group, to very substantial amounts of claims and liabilities from retrenchment of workers and work cessation. On the other hand, the Disposal would avoid the Group incurring any such claims and liabilities in the event of the discontinuance of the Business;
- (ii) the bulk of the assets of the Disposal Group comprise raw materials, work in progress and finished goods having a total book value of approximately HK\$21.6 million as at 31 December 2011, a substantial portion of which will need to be written off or sold at a low value on a liquidation sale in the event the Business is discontinued. The Disposal Group also has trade debtors in the total sum of HK\$26.6 million as at 31 December 2011, of which a significant amount is expected to have to be written off in the event of the discontinuance of the Business;
- (iii) taking the circumstances stated in paragraphs (i) and (ii) into account, the Directors consider that the consideration to be received from the Disposal would be more than the amount, after netting off against all claims, liabilities and losses, that can be realized by the Group should the Business be discontinued; and
- (iv) given the financial performance of the Disposal Group, the fact that there is a minority interest of 40% held by the Purchasers and the other shareholders of Hoi Tin (HK), it is difficult to find other buyers to acquire the 60% interest of the Disposal Group held by the Vendor.

LETTER FROM THE BOARD

Based on the above, the Directors consider that the terms of the Agreement are fair and reasonable, on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

Conditions precedent

Completion shall be conditional upon:–

- (a) the obtaining of a written consent from the bank or such other written evidence to the Vendor's satisfaction showing that the Guarantee shall be released on Completion;
- (b) all necessary governmental and regulatory approvals or consents (or waivers) required by the parties to the Agreement or any of them for the consummation of the transactions contemplated therein having been obtained;
- (c) all necessary third party approvals or consents (or waivers) required by the parties to the Agreement or any of them for the consummation of the transactions contemplated therein (including those persons entitled to any pre-emption rights) having been obtained; and
- (d) if required, the obtaining of an ordinary resolution by the Shareholders (other than those who are required to abstain from voting under the Listing Rules) passed either at a general meeting of the Company or by way of written resolutions approving the entering into of the Agreement and the performance of all the transactions contemplated thereunder by the Vendor.

All the above conditions precedent are not waivable. If any of the above conditions precedent has not been fulfilled by the Long Stop Date, the Vendor and the Purchasers shall be entitled to rescind the Agreement by giving written notice to the other, whereupon, subject to the provision mentioned below, the provisions of the Agreement shall from such date have no further force and effect and no party to the Agreement shall have any liability under them (without prejudice to the rights of the parties in respect of any antecedent breaches). It is provided in the Agreement that if any of the conditions precedent set out in paragraphs (b) to (d) above has not been fulfilled by the Long Stop Date, the Vendor shall refund the Chau Deposit and the Wang Deposit (both without interest) to Ms. Chau and Mr. Wang respectively. If the condition precedent set out in paragraph (a) above has not been fulfilled by the Long Stop Date, the Vendor shall be entitled to forfeit the Chau Deposit and the Wang Deposit (together with interest accrued thereon (if any)) absolutely. As at the Latest Practicable Date, the condition precedent set out in paragraph (a) above had been fulfilled.

Completion

Completion shall take place on the third Business Day after the fulfillment of all the conditions precedent set out above, or such other date as the Vendor and the Purchasers may agree in writing.

LETTER FROM THE BOARD

3. REASONS FOR THE DISPOSAL

Over the years, the Group has sought to expand its core business from manufacturing and sale of packaging products and display products into other businesses, with property development in Western China as its main focus. With the fast growing economy and continuous urbanization in China, the Group's business of property development in Western China is now contributing the bulk of the profit attributable to the Shareholders. In view of this performance of the property development business and given the Disposal Group had recorded accumulated losses of approximately HK\$33.1 million as of 31 December 2011, the Group's business of manufacturing and sale of luggage products contributed a relatively less significant portion of the revenue of the Group. The Disposal, along with the proposed spin-off and separate listing of the Group's business of manufacturing and sale of packaging products and display products announced on 29 December 2011, follows the Company's plan to maintain a clear business focus on property development in Western China. The Directors consider that the Disposal would enable the Group to further streamline its business and commit the available resources of the Group to its principal business of property development in Western China.

As at 31 December 2011, the net liabilities of the Disposal Group attributable to the Group amounted to approximately HK\$28.7 million, being the net liabilities of approximately HK\$27.9 million of the Disposal Group after deducting therefrom the net assets of approximately HK\$0.8 million attributable to the non-controlling interests of the Disposal Group. Accordingly, the Group's net investment in the Disposal Group as at 31 December 2011 amounted to approximately HK\$33.4 million, which was represented by the shareholder's loan advanced to the Disposal Group of approximately HK\$66.5 million less the aggregate of (i) the net liabilities of approximately HK\$28.7 million attributable to the Group; and (ii) the exchange fluctuation reserve of approximately HK\$4.4 million to be released upon Completion.

Owing to the European sovereign debt crisis which resulted in a decrease in demand for luggage products, sale of travel bags to Europe dropped considerably in the second half of 2011, causing the revenue of the Disposal Group for the year ended 31 December 2011 to decrease by approximately 10% as compared to that of 2010 to approximately HK\$157.7 million. The net loss of the Disposal Group for the year ended 31 December 2011 was approximately HK\$6.0 million as compared to a net profit of approximately HK\$1.6 million for the previous year. Profit margin of the Disposal Group was adversely affected by the continuous increase in wages in the PRC and the appreciation of Renminbi. The net liabilities of approximately HK\$27.9 million of the Disposal Group as at 31 December 2011 were mainly due to the accumulated losses of approximately HK\$33.1 million which were attributed to the impairment loss of approximately HK\$28.7 million on the goodwill and the losses of approximately HK\$4.4 million generated from its operating activities since the acquisition by the Group on 4 July 2005.

The Group expects that the Disposal will result in an estimated loss before tax of approximately HK\$13.9 million, being the total consideration received under the Disposal less the total of (i) the Group's net investment in the Disposal Group of approximately HK\$33.4 million (represented by the waiver of the shareholder's loan advanced to the Disposal Group of approximately HK\$66.5 million, less the Group's share of the Disposal Group's net liabilities of approximately HK\$28.7 million and the exchange fluctuation reserve of approximately HK\$4.4 million to be released from the deconsolidation of the

LETTER FROM THE BOARD

Group's equity interest in Ensure Success at Completion) as at 31 December 2011; and (ii) the estimated expenses of approximately HK\$0.5 million to be incurred in relation to the Disposal. Such calculation is only an estimate provided for illustrative purposes and the actual loss to be booked by the Group will depend on the actual net investment in the Disposal Group on the Completion Date.

The Directors intend to apply the net proceeds from the Disposal of approximately HK\$19.5 million as general working capital of the Group.

Immediately after Completion, Ensure Success will cease to be an indirect wholly-owned subsidiary of the Company and the accounts of the Disposal Group will no longer be consolidated into the consolidated financial statements of the Group.

The Directors consider that the terms of the Disposal are fair and reasonable and in the interests of the Group and the Shareholders as a whole. As no Director has a material interest in the Disposal under the Agreement, none of them are required to abstain from voting on any board resolutions relating thereto.

4. PRINCIPAL ACTIVITIES OF THE GROUP AND THE DISPOSAL GROUP

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

Ensure Success is a company incorporated under the laws of the British Virgin Islands with limited liability and is legally and beneficially owned by the Vendor. Ensure Success is an investment holding company and the registered and beneficial owner of 60% of the issued share capital of Hoi Tin (HK). The sole business of Ensure Success is the investment and holding of 60% interest in Hoi Tin (HK).

Hoi Tin (HK) is a company incorporated under the laws of Hong Kong with limited liability and is legally and beneficially owned as to 60% by Ensure Success, as to 20.8% by Ms. Chau and as to the remaining 19.2% by Mr. Wong Kong ("Mr. K Wong") and Mr. Wong Kam Hoi ("Mr. KH Wong"). Hoi Tin (HK) is the registered owner of (i) the entire equity interest in PRC Co, a company established under the laws of the PRC with limited liability; and (ii) the entire issued share capital of HK Co, a company incorporated under the laws of Hong Kong with limited liability. HK Co is dormant. Hoi Tin (HK) and PRC Co are engaged in the manufacturing and sale of luggage products. The major assets of the Disposal Group are its inventories which amount to approximately HK\$21.6 million, trade receivables of approximately HK\$26.6 million and a property located in Suzhou, the PRC with a net book value of approximately HK\$24.0 million recorded as property, plant and equipment in the books of the Disposal Group. Specifically, the property is used by the Disposal Group as a manufacturing plant for its luggage products business and accounted for approximately 28% of the total assets of the Disposal Group as at 31 December 2011.

To the best knowledge of the Directors after having made enquiries, as at the Latest Practicable Date, except that Mr. KH Wong was a shareholder of Hoi Tin (HK) and a director of Hoi Tin (HK), PRC Co and HK Co and Mr. K Wong was a shareholder of Hoi Tin (HK), they had no relationship with each of the Company, its connected persons including Ms. Chau or Mr. Wang. To the best knowledge of the Directors after having made enquiries, both Mr. K Wong and Mr. KH Wong did not hold any Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

The following sets forth certain financial information on the Disposal Group for the three years ended 31 December 2011 which was prepared in accordance with Hong Kong Financial Reporting Standards:

	For the year ended 31 December 2009 (HK\$'000)	For the year ended 31 December 2010 (HK\$'000)	For the year ended 31 December 2011 (HK\$'000)
Revenue	132,438	175,573	157,681
Profit/(Loss) before tax	(4,594)	1,566	(6,049)
Profit/(Loss) after tax	(4,547)	1,576	(6,040)

The net liabilities and the accumulated losses of the Disposal Group were approximately HK\$27,882,000 and HK\$33,113,000 respectively as of 31 December 2011.

5. LISTING RULES IMPLICATIONS

Ms. Chau (being one of the shareholders of Hoi Tin (HK) holding 20.8% of the issued share capital of Hoi Tin (HK), a director of Hoi Tin (HK), PRC Co and HK Co, the legal representative of PRC Co, the company secretary of Hoi Tin (HK) and HK Co and a Shareholder holding 233,000 Shares, representing approximately 0.0092% of the issued Shares) is a connected person of the Company. Mr. Wang together with his associates hold 20,000 Shares, representing approximately 0.0008% of the issued Shares. The Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios (as defined in the Listing Rules) for the Disposal exceed 5% but are below 25%, the Disposal also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Therefore, the Disposal is subject to reporting, announcement and the independent Shareholders' approval requirements. Ms. Chau, Mr. Wang and their respective associates are required to abstain from voting on the proposed resolution approving the Disposal at the SGM.

6. SGM

The SGM will be held at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong on Friday, 23 March 2012 at 4:30 p.m., at which a resolution will be proposed to the Shareholders to consider and, if thought fit, approve the Agreement and the transactions contemplated thereunder. The notice of the SGM is set out on pages 31 to 32 of this circular. Votes of the Independent Shareholders will be taken at the SGM on a poll and results of voting at the SGM will be announced by the Company in accordance with the Listing Rules.

A form of proxy for use at the SGM is enclosed. Whether or not you intend to attend the SGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

The Independent Board Committee, comprising all the independent non-executive Directors namely Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick, has been established to advise the Independent Shareholders on the Disposal. Shenyin Wanguo has been appointed as the independent financial adviser by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in this regard.

7. ADDITIONAL INFORMATION

Your attention is drawn to (a) the letter from the Independent Board Committee set out on page 12 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the Disposal; and (b) the letter from Shenyin Wanguo set out on pages 13 to 24 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Disposal, together with the principal factors and reasons considered in providing its advice.

Having taken into account the advice of Shenyin Wanguo, the Independent Board Committee considers that the Disposal is in the interests of the Group and the Shareholders as a whole and the terms thereof are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Agreement and the transactions contemplated thereunder.

Your attention is also drawn to the information set out in the Appendix to this circular.

Yours faithfully,
By the order of the Board of
C C Land Holdings Limited
Lam How Mun Peter
Deputy Chairman & Managing Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the Disposal.



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)

Members of the Independent Board Committee:

Mr. Lam Kin Fung Jeffrey
Mr. Leung Yu Ming Steven
Dr. Wong Lung Tak Patrick

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*

7th Floor, China United Centre
28 Marble Road, North Point
Hong Kong

2 March 2012

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION

We refer to the circular (the “Circular”) issued by the Company to the Shareholders dated 2 March 2012 of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings when used in this letter, unless the context otherwise requires.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders in relation to the Disposal, details of which are set out in the “Letter from the Board” contained in the Circular. Having taken into account the advice of Shenyn Wanguo, the independent financial adviser, as set out in its letter of advice on pages 13 to 24 of the Circular, we consider that the Disposal is in the interests of the Group and the Shareholders as a whole and that it is on normal commercial terms and the terms thereof are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Agreement and the transactions contemplated thereunder.

Yours faithfully,
Independent Board Committee

Lam Kin Fung Jeffrey
*Independent
non-executive Director*

Leung Yu Ming Steven
*Independent
non-executive Director*

Wong Lung Tak Patrick
*Independent
non-executive Director*

LETTER FROM SHENYIN WANGUO

The following is the full text of the letter of advice from Shenyin Wanguo, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Disposal for the purpose of incorporation in this circular.



Shenyin Wanguo Capital (H.K.) Limited

28th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Hong Kong

2 March 2012

To: *The Independent Board Committee and the Independent Shareholders
of C C Land Holdings Limited*

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTIONS

I. INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders, in relation to the Disposal, details of which are set out in the “Letter from the Board” contained in the circular dated 2 March 2012 issued by the Company to the Shareholders (the “Circular”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise specifies.

On 1 February 2012, the Vendor and the Purchasers entered into the Agreement, pursuant to which the Vendor conditionally agreed to sell the Sale Shares to the Purchasers at a total consideration of HK\$20,000,000.

As one of the Purchasers, Ms. Chau (being one of the shareholders of Hoi Tin (HK) holding 20.8% of the issued share capital of Hoi Tin (HK), a director of Hoi Tin (HK), PRC Co and HK Co, the legal representative of PRC Co and the company secretary of Hoi Tin (HK) and HK Co), is a connected person of the Company at the level of subsidiaries, the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios (as defined in the Listing Rules) for the Disposal exceed 5% but are below 25%, the Disposal also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Therefore, the Disposal is subject to reporting, announcement and the Independent Shareholders’ approval requirements.

LETTER FROM SHENYIN WANGUO

Ms. Chau also held 233,000 Shares, representing approximately 0.0092% of the issued Shares; and Mr. Wang together with his associates held 20,000 Shares, representing approximately 0.0008% of the issued Shares. As such, both Ms. Chau and Mr. Wang and their respective associates are required to abstain from voting on the proposed resolution approving the Disposal at the SGM to be held.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick, has been established to advise the Independent Shareholders as to whether (i) the terms of the Disposal are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) whether the Disposal is in the interests of the Group and the Shareholders as a whole.

As the independent financial adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion in relation to the Disposal for the Independent Board Committee's consideration when making its recommendation to the Independent Shareholders.

II. BASIS AND ASSUMPTIONS

In formulating our opinion, we have relied upon the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company for which it is solely responsible, and to its information and knowledge, were true and accurate and valid at the time they were made and given and continue to be true and valid as at the date of the Circular. We have assumed that all the opinions and representations made or provided by the Directors contained in the Circular have been reasonably made after due and careful enquiry. We have also sought and obtained confirmation from the Company that no material facts have been omitted from the information provided and referred to in the Circular.

We consider that we have reviewed all available information and documents which are made available to us to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Company and their respective advisers to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents. We have not, however, conducted any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Company or any of its subsidiaries or associates.

III. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion, we have considered the following principal factors and reasons:

1. Principal activities of the Group

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

LETTER FROM SHENYIN WANGUO

Set out below is a summary of the operating and segment results of the Group for the two years ended 31 December 2010 and for the six months ended 30 June 2011 (“Interim Period”) as extracted from the Company’s annual report for the year ended 31 December 2010 and the interim report for the Interim Period (the “Interim Report”), respectively:

	(Unaudited) For the six months ended 30 June 2011 <i>HK\$’000</i>	(Audited) For the year ended 31 December 2010 <i>HK\$’000</i>	2009 <i>HK\$’000</i>
A. Operating results			
Revenue			
– Sale of packaging products	209,161	391,052	294,671
– Sale of travel bags	93,188	175,573	132,438
– Treasury investment	30,155	15,804	6,392
– Property development and investment	1,027,882	1,334,546	647,137
	<u>1,360,386</u>	<u>1,916,975</u>	<u>1,080,638</u>
Total	1,360,386	1,916,975	1,080,638
Other income and gains	186,775	308,968	80,212
Profit/(loss) before tax	242,887	402,339	(7,275)
Profit/(loss) for the year/period	145,086	255,561	(42,926)
B. Segment results			
– Sale of packaging products	24,472	35,847	21,324
– Sale of travel bags	1,069	1,912	(4,086)
– Treasury investment	116,343	11,463	7,655
– Property development and investment	146,961	401,870	37,841
	<u>288,845</u>	<u>451,092</u>	<u>62,734</u>
Total	288,845	451,092	62,734

LETTER FROM SHENYIN WANGUO

As revealed from the above, the Group's total revenue for the year ended 31 December 2010 increased by approximately 77.4% to approximately HK\$1,917 million (2009: approximately HK\$1,081 million). Profit for the year ended 31 December 2010 was recorded at approximately HK\$255.6 million as compared to a loss of approximately HK\$42.9 million for the previous year. Increase in the Group's revenue was mainly attributed to the increase in revenue of the property development and investment business. The Group's major revenue was derived from the business of property development and investment which was recorded at approximately HK\$1,335 million and accounted for approximately 69.6% of the Group's total revenue for the year ended 31 December 2010 (2009: approximately HK\$647.1 million and 59.9% respectively). On the other hand, sale of packaging products, sale of travel bags and treasury investment also had growth in revenue for the year ended 31 December 2010, which accounted for approximately 20.4%, 9.2% and 0.8% respectively of the Group's total revenue. Increase in the Group's profit were also due to the increase in segment result of the property development and investment business from approximately HK\$37.8 million in 2009 to approximately HK\$401.9 million in 2010, representing 89.1% of the Group's total segment results.

Other income and gains of approximately HK\$309.0 million was recorded for the year ended 31 December 2010. This comprised mainly gain on disposal of a jointly-controlling entity and subsidiaries with a total amount of approximately HK\$248.7 million. Through these transactions, the Group disposed of its interests in three land lots in order to further enhance the quality of its land bank.

For the Interim Period, the Group's total revenue and profit was recorded at approximately HK\$1,360 million and HK\$145.1 million respectively (same period in 2010: approximately HK\$678.7 million and HK\$60.1 million respectively). The increase in revenue and profit for the Interim Period was mainly attributed by the increase in revenue and segment result for the property development and investment business as well as the treasury investment business of the Group. For the Interim Period, property development and investment business and treasury investment business accounted for approximately 75.6% and 2.2% respectively of the Group's total turnover. On the other hand, sale of packaging products and sale of travel bags accounted for approximately 15.4% and 6.9% respectively of the Group's total revenue.

Other income and gains for the Interim Period were approximately HK\$186.8 million comprising of mainly fair value gains on equity investments at fair value through profit or loss, a net of approximately HK\$35.8 million and gain on disposal of available-for-sale investments of approximately HK\$50.6 million.

2. Information on the Disposal Group

Ensure Success is a company incorporated under the laws of the British Virgin Islands with limited liability and is legally and beneficially owned by the Vendor. Ensure Success is an investment holding company and the registered and beneficial owner of 60% of the issued share capital of Hoi Tin (HK). The sole business of Ensure Success is the investment and holding of 60% interest in Hoi Tin (HK).

LETTER FROM SHENYIN WANGUO

Hoi Tin (HK) is a company incorporated under the laws of Hong Kong with limited liability and is legally and beneficially owned as to 60% by Ensure Success, as to 20.8% by Ms. Chau and as to the remaining 19.2% by Mr. Wong Kong (“Mr. K Wong”) and Mr. Wong Kam Hoi (“Mr. KH Wong”). Hoi Tin (HK) is the registered owner of (i) the entire equity interest in PRC Co, a company established under the laws of the PRC with limited liability; and (ii) the entire issued share capital of HK Co, a company incorporated under the laws of Hong Kong with limited liability. HK Co is dormant with no business. Hoi Tin (HK) and PRC Co are engaged in the manufacturing and sale of luggage products such as travel bags. According to the management of the Company, the luggage products are mainly sold to Europe, China and other Asian countries.

To the best knowledge of the Directors after having made enquiries, as at the Latest Practicable Date, except that Mr. KH Wong was a shareholder of Hoi Tin (HK) and a director of Hoi Tin (HK), PRC Co and HK Co and Mr. K Wong was a shareholder of Hoi Tin (HK), they had no relationship with each of the Company, its connected persons including Ms. Chau or Mr. Wang. Both Mr. K Wong and Mr. KH Wong did not hold any Shares.

The following sets forth certain financial information on the Disposal Group for the three years ended 31 December 2011 which was prepared by the management of the Company in accordance with Hong Kong Financial Reporting Standards:

	For the year ended 31 December		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	157,681	175,573	132,438
Profit/(loss) before tax	(6,049)	1,566	(4,594)
Profit/(loss) after tax	(6,040)	1,576	(4,547)
Net liabilities	(27,882)	(23,819)	(26,207)

With the financial backup from the Group, the travel bags business achieved a turnaround in year 2010. According to the management accounts, the Group’s sales of travel bags business in the financial year of 2010 recorded revenue of approximately HK\$175.6 million, representing an increase of approximately 32.6% over that in 2009 of approximately HK\$132.4 million. Unaudited profit before tax was approximately HK\$1.6 million as compared to a loss before tax of approximately HK\$4.6 million in previous year. Through a more focused marketing strategy to enlarge the market share in China, the PRC market has contributed significantly to the increase in revenue for the sale of travel bags business in 2010. Sales to the PRC increased to HK\$46.9 million, accounting for 26.7% of the revenue of this line business and an increase of 109% over that of previous year. Export sales during the year also increased by 17% when compared to that in 2009. The improvement in profit margin was due to a change in sales mix by focusing on products with a higher profit margin and effective cost control measures.

LETTER FROM SHENYIN WANGUO

As revealed from the Interim Report, revenue for the Group's sale of travel bags business for the Interim Period was approximately HK\$93.2 million, representing an increase of approximately 29.3% over that of the same period in 2010 of approximately HK\$72.1 million. Segment result of approximately HK\$1.1 million was recorded for the Interim Period (same period in 2010: approximately HK\$1.2 million). The increase in revenue in this line of business was mainly driven by the demand for luggage products in the PRC. According to the National Bureau of Statistics of China, the growth in gross domestic product in China for the first six months of 2011 was approximately 9.6% as compared to the same period in last year. With the rapid development of the PRC economy and increase in disposable income, PRC citizens travel more frequently and this increases the demand for the luggage products. However, despite the change in product mix to higher profit margin products and the cost control measures adopted, profit margin of this line of business was adversely affected by the increase in raw material prices and worker wages, which resulted in a lower profit margin for the Interim Period.

According to the management of the Company, whilst they are developing the PRC market which has a strong demand, Europe continues to be the key export market for sale of travel bags. During the Interim Period, sales to Europe accounted for 35% of the revenue of the sale of travel bags. However, due to the European sovereign debt crisis which resulted in a sharp decrease in demand for luggage products, sale of travel bags to Europe reduced considerably in the second half of 2011. This completely offset the growth in the PRC market and the profit rebound in 2010. Despite the Group's continuous support by the provision of an additional amount of HK\$10 million of shareholder's loan to the Disposal Group during the year 2011, revenue for the year ended 31 December 2011 still decreased by approximately 10% from approximately HK\$175.6 million in 2010 to HK\$157.7 million. According to the management accounts, unaudited loss before tax of the Disposal Group for the year ended 31 December 2011 was approximately HK\$6.0 million as compared to a profit before tax of approximately HK\$1.6 million for the previous year. Profit margin of the Disposal Group was adversely affected by the continuous increase in wages in the PRC and the appreciation in Renminbi. Accumulated losses of the Disposal Group rose to approximately HK\$33.1 million as at 31 December 2011.

As at 31 December 2011, major assets of the Disposal Group comprising property, plant and equipment in Suzhou, the PRC for its manufacturing process amounted to approximately HK\$29.7 million. Its current assets were mainly inventories of approximately HK\$21.6 million and trade and bills receivables of approximately HK\$26.6 million. The Disposal Group's assets were mainly financed by trade payables of approximately HK\$22.8 million, bank borrowings of HK\$12.3 million and amount due to the immediate holding company of approximately HK\$66.5 million.

LETTER FROM SHENYIN WANGUO

The Disposal Group had net liabilities of approximately HK\$27.9 million as at 31 December 2011. The net liabilities of the Disposal Group had been the result of shareholder's loan advanced by its immediate holding company, as accumulated losses from previous years' operation of the travel bags business has adversely affected the liquidity of the Disposal Group. As at the years ended 31 December 2009, 2010 and 2011, shareholder's loans provided to the Disposal Group were recorded at approximately HK\$56.9 million, HK\$56.7 million and HK\$66.5 million respectively. Given the continuing uncertainties in the Disposal Group's main market in Europe, the management is not optimistic of the profit prospects of the Disposal Group and sees no reasonable likelihood for the amount of HK\$66.5 million due to the immediate holding company to be repaid in the foreseeable future. The amount due to the immediate holding company was therefore fully waived pursuant to an agreement dated 31 January 2012 entered into between the Group and Ensure Success and consideration was given to discontinuing the travel bags business.

3. Principal terms of the Disposal

3.1 Assets to be disposed of

The Sale Shares, representing the Company's entire equity interest in Ensure Success.

3.2 Consideration

The Chau Share Consideration of HK\$17,000,000 and the Wang Share Consideration of HK\$3,000,000 shall be paid in cash by Ms. Chau and Mr. Wang respectively to the Vendor in the following manner:–

Chau Share Consideration

1. A sum of HK\$8,500,000 (the "Chau Deposit") has been paid upon the signing of the Agreement; and
2. the balance thereof in the sum of HK\$8,500,000 shall be paid upon Completion.

Wang Share Consideration

1. A sum of HK\$1,500,000 (the "Wang Deposit") has been paid upon the signing of the Agreement; and
2. the balance thereof in the sum of HK\$1,500,000 shall be paid upon Completion.

LETTER FROM SHENYIN WANGUO

As discussed with the management of the Company, the Chau Share Consideration and the Wang Share Consideration were determined after arm's length negotiations between the Vendor and the Purchasers, after taking into account the Group's net investment in the Disposal Group in the amount of approximately HK\$33.4 million, its recent financial performance, and the accumulated losses of approximately HK\$33.1 million standing in the accounts of the Disposal Group.

The net investment of approximately HK\$33.4 million represented the shareholder's loan advanced to the Disposal Group of approximately HK\$66.5 million less the aggregate of (i) the net liabilities of approximately HK\$28.7 million attributable to the Group; and (ii) the exchange fluctuation reserve of approximately HK\$4.4 million to be released upon Completion.

3.3 Conditions of the Agreement

According to the terms of the Agreement, the Completion shall be conditional upon:—

- (a) the obtaining of a written consent from the bank or such other written evidence to the Vendor's satisfaction showing that the Guarantee shall be released on Completion;
- (b) all necessary governmental and regulatory approvals or consents (or waivers) required by the parties to the Agreement or any of them for the consummation of the transactions contemplated therein having been obtained;
- (c) all necessary third party approvals or consents (or waivers) required by the parties to the Agreement or any of them for the consummation of the transactions contemplated therein (including those persons entitled to any pre-emption rights) having been obtained; and
- (d) if required, the obtaining of an ordinary resolution by the Shareholders (other than those who are required to abstain from voting under the Listing Rules) passed either at a general meeting of the Company or by way of written resolutions approving the entering into of the Agreement and the performance of all the transactions contemplated thereunder by the Vendor.

All the above conditions precedent are not waivable. If any of the above conditions precedent has not been fulfilled by the Long Stop Date, the Vendor and the Purchasers shall be entitled to rescind the Agreement by giving written notice to the other, whereupon, subject to the provision mentioned below, the provisions of the Agreement shall from such date have no further force and effect and no party to the Agreement shall have any liability under them (without prejudice to the rights of the parties in respect of any antecedent breaches).

LETTER FROM SHENYIN WANGUO

It is provided in the Agreement that if any of the conditions precedent set out in paragraphs (b) to (d) above has not been fulfilled by the Long Stop Date, the Vendor shall refund the Chau Deposit and the Wang Deposit (both without interest) to Ms. Chau and Mr. Wang respectively. If the condition precedent set out in paragraph (a) above has not been fulfilled by the Long Stop Date, the Vendor shall be entitled to forfeit the Chau Deposit and the Wang Deposit (together with interest accrued thereon (if any)) absolutely. As at the Latest Practicable Date, condition (a) had been fulfilled.

3.4 Completion

Completion shall take place on the third Business Day after the fulfillment of all the conditions precedent set out above, or such other date as the Vendor and the Purchasers may agree in writing.

As at 31 December 2011, net liabilities of the Disposal Group attributable to the Group amounted to approximately HK\$28.7 million. After taking into account of the shareholder's loan waived by the Group of approximately HK\$66.5 million, the Disposal Group will have a net asset position. Net assets attributable to the Group will be approximately HK\$37.8 million. As mentioned above, the Disposal Group's assets include the land and building in Suzhou, the PRC, which has a net book value of approximately HK\$27.4 million as at 31 December 2011. According to the valuation report issued by an independent valuer, the land and building has a market value of approximately RMB35 million (equivalent to approximately HK\$42.9 million) as at 31 December 2011 based on the depreciated replacement cost approach ("DRC"). DRC is based on an estimate of the market value for the existing use of the land, plus the current gross replacement costs of the improvements, less allowances for physical deterioration and all relevant forms of obsolescence and optimization. Replacement cost is the estimated cost of erecting the building having the same area as the existing building at prices current at the relevant date, which includes fees and finance charges payable during the construction period and other associated expenses directly related to the construction of the building. We have discussed with the valuer on their basis and assumptions used and consider that the approach used for the valuation is appropriate. Accordingly, the Disposal Group will have a valuation surplus of approximately HK\$15.5 million. After taking into account of the 60% share of this valuation surplus, i.e. HK\$9.3 million, the pro forma adjusted net asset value of the Disposal Group attributable to the Group will be approximately HK\$47.1 million ("Adjusted NAV"). Based on this, the consideration represents a discount of approximately 57.5% to the Adjusted NAV.

As mentioned above, the Disposal Group's business had been adversely affected by the prevailing uncertainties in the European market. The management expected that further loss may be incurred if these uncertainties continue to prevail. As discussed with the management of the Company, they have also considered discontinuing the travel bags business and realizing its assets in view of the unsatisfactory financial performance of the Disposal Group and the prevailing uncertainties in the European market which is its key export market. However, having considered the liquidation cost which will mainly comprise the redundancy payments, write-off on trade receivables and the diminution in value of inventories, the management of the Group is of the view that the sale proceeds to be received from the Disposal i.e. HK\$20 million which was negotiated at arm's length, would be more than the amount to be recovered from the realization of assets of the Disposal Group on liquidation.

LETTER FROM SHENYIN WANGUO

We have reviewed and discussed with the management of the Company on the terms of the Disposal and the basis of calculation of the liquidation cost, including but not limited to, the salaries and wages paid to the staff and workers in the PRC factory and their years of services, details of the inventories and trade receivables. We considered that the liquidation cost calculated by the Company is reasonable. In view of the current financial position and the operating performance of the Disposal Group, we concur with the management of the Company that it is unlikely for the shareholder's loan of HK\$66.5 million advanced by the Group to the Disposal Group to be repaid in the foreseeable future. Whilst the waiver of the shareholder's loan is not a condition of the Disposal, it is a key factor for the determination of the consideration of the Disposal. As the shareholder's loan advanced by the Group to the Disposal Group is not expected to be repaid, it is considered as part of the Group's cost of investment in the Disposal Group. The financial effect of such waiver was reflected in the expected loss to be incurred by the Disposal. Having considered this and (i) that it may be difficult for the Group to identify independent third party buyers for the Group's interest in the Disposal Group which has net liabilities and accumulated losses as at 31 December 2011 of approximately HK\$27.9 million and HK\$33.1 million respectively; (ii) the value of the Disposal Group attributable to the Group may be further reduced in view of its financial and operating performance; and (iii) the Disposal Group's heavy reliance on financial support from the Group, we consider that the terms of the Disposal including the consideration are on normal and commercial terms and fair and reasonable so far as the Company and the Independent Shareholders are concerned.

4. Reasons for the Disposal and use of proceeds

As mentioned in the "Letter from the Board" in the Circular, with the fast growing economy and continuous urbanization in China, the Group's property development business in Western China is now contributing the bulk of the profit attributable to the Shareholders. As compared to the property development business, the sale of travel bags business contributes a relatively less significant portion to the revenue of the Group. In view of the performance of the property development business, the Company plans to maintain a clear business focus on property development in Western China through the Disposal and the proposed spin-off and separate listing of the Group's business of manufacturing and sale of packaging products and display products as announced on 29 December 2011. The Directors consider that the Disposal would enable the Group to further streamline its business and commit the available resources of the Group to its principal business of property development in Western China.

The Directors intend to apply the net proceeds from the Disposal of approximately HK\$19.5 million as general working capital of the Group.

LETTER FROM SHENYIN WANGUO

As discussed with the management of the Company, the Group's business of sale of travel bags had been adversely affected by the prevailing economic uncertainties the European market which is the key export market of this line of business. Whilst the Group is optimistic on the growing demand for luggage products in the PRC in view of the improving living standard in the country, it is expected that further resources will have to be deployed to develop the PRC market including the increase in inventories, increase in credits to be extended to customers in the PRC as well as the employment of sales and marketing expertise. Currently, the Group's customers for the travel bags business are mainly well-established companies in Europe with proven track record and satisfactory relationship has been maintained with the Group. The Group mainly manufactures the luggage goods on an OEM (original equipment manufacturer) basis both for overseas and the PRC market. To further expand the PRC market, the Group requires a new sales and marketing team specialized in sales networking in the PRC and time to develop its own brand, the sales platform and relationship with new customers. The Group may also be exposed to additional credit risks as credit terms need to be extended to new customers. A higher inventory level as compared to OEM operations may be required in order to stay competitive in terms of product range.

We also understand from the management of the Company that the Group had provided financial and human resources to assist the management of the Disposal Group to restructure the operations. This had brought about a satisfactory improvement in the operating results for the year ended 31 December 2010 and the Interim Period for the travel bags business. However, in view of the uncertainties in the European market and that future development in the PRC market will require further resources, we concur with the Directors that the Disposal allows the Group to focus its available resources on the principal business i.e. property development and investment business which is the major profit contributor.

Having considered the above and that (i) the Disposal Group has loss making operations with accumulated losses of approximately HK\$33.1 million and net liabilities of approximately HK\$27.9 million as at 31 December 2011; and (ii) the Disposal Group was mainly financed by shareholder's loan from the Group with outstanding amount as at 31 December 2011 of approximately HK\$66.5 million, we consider that the Disposal is in the interests of the Group and the Shareholders as a whole.

5. Possible financial effect of the Disposal

5.1 Earnings

According to the management accounts, the Disposal Group had an unaudited loss before tax of approximately HK\$6.0 million for the year ended 31 December 2011. Upon completion of the Disposal, Ensure Success will cease to be an indirect wholly-owned subsidiary of the Company and the results of the Disposal Group will no longer be consolidated into the consolidated statement of financial position of the Group.

LETTER FROM SHENYIN WANGUO

The Group expects that the Disposal will result in an estimated loss before tax of approximately HK\$13.9 million, being the total consideration of the Disposal less the total of (i) the Group's net investment of HK\$33.4 million (represented by the waiver of the shareholder's loan advanced to the Disposal Group of approximately HK\$66.5 million, less the Group's share of the Disposal Group's net liabilities of approximately HK\$28.7 million and the exchange fluctuation reserve of approximately HK\$4.4 million to be released from the deconsolidation of the Group's equity interest in Ensure Success at Completion) as at 31 December 2011; and (ii) estimated expenses to be incurred from the Disposal of approximately HK\$0.5 million. The actual amount of the loss on the Disposal will depend on the actual book value of the Disposal Group and the exchange fluctuation reserve to be released upon completion of the Disposal.

5.2 Net asset value

According to the management accounts, the Disposal Group had net liabilities of HK\$27.9 million as at 31 December 2011. Upon completion of the Disposal, all assets and liabilities of the Disposal Group will not be consolidated into the consolidated statement of financial position of the Group.

5.3 Working capital

Upon completion of the Disposal, the Group will receive net proceeds of approximately HK\$19.5 million and the cash and cash equivalents of the Disposal Group will not be consolidated into the Group.

IV. RECOMMENDATION

Having considered the above-mentioned principal factors and reasons, we are of the opinion that the terms of the Disposal are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and the Disposal is in the interests of the Group and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the proposed ordinary resolution to approve the Disposal at the SGM.

Yours faithfully,
For and on behalf of
Shenyin Wanguo Capital (H.K.) Limited
Elaine Cheung
Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Company (long positions)

Name of Directors	Interest in Shares		Interest in underlying Shares pursuant to share options ³	Aggregate interest	Approximate percentage ⁴
	Personal interest	Corporate interest			
Cheung Chung Kiu	–	1,294,165,207 ^{1&2}	–	1,294,165,207	50.87
Lam How Mun Peter	311,000	–	43,039,000	43,350,000	1.70
Tsang Wai Choi	3,314,000	–	–	3,314,000	0.13
Leung Chun Cheong	640,000	–	1,500,000	2,140,000	0.08
Leung Wai Fai	–	–	3,000,000	3,000,000	0.12
Poon Ho Yee Agnes	104,000	–	2,000,000	2,104,000	0.08
Wu Hong Cho	–	–	1,800,000	1,800,000	0.07

Notes:

- 1 254,239,636 of such Shares were held through Regulator Holdings Limited (“Regulator”), an indirect wholly-owned subsidiary of Yugang International Limited (“Yugang”), which was owned by Chongqing Industrial Limited (“Chongqing”), Timmex Investment Limited (“Timmex”) and Mr. Cheung Chung Kiu (“Mr. Cheung”) in aggregate as to 44.06%. Mr. Cheung was deemed to be interested in the same number of Shares held by Regulator by virtue of his indirect shareholding interests in Chongqing. As Mr. Cheung had 100% beneficial interest in Timmex, he was also deemed to be interested in the same number of Shares held by Timmex through Regulator.

1,039,925,571 of such Shares were held through Thrivetrade Limited (“Thrivetrade”), a company wholly-owned by Mr. Cheung. Accordingly, he was also deemed to be interested in the same number of Shares held through Thrivetrade.

- 2 Mr. Cheung, Peking Palace Limited, Miraculous Services Limited and Prize Winner Limited had 35%, 30%, 5% and 30% equity interest in Chongqing respectively. Peking Palace Limited and Miraculous Services Limited were beneficially owned by Palin Discretionary Trust, a family discretionary trust, the objects of which included Mr. Cheung and his family. Prize Winner Limited was beneficially owned by Mr. Cheung and his associates. Mr. Cheung had 100% beneficial interest in Timmex.
- 3 Details of the Directors' interest in the share options of the Company are set out below:

Name of Directors	Exercise period	Exercise price of share option (HK\$ per Share)	Number of share options granted and not yet exercised
Lam How Mun Peter	07-05-2009 to 06-05-2019	3.27	17,500,000
	03-09-2010 to 02-09-2020	3.31	21,539,000
	01-01-2011 to 02-09-2020	3.31	4,000,000
Leung Chun Cheong	03-09-2010 to 02-09-2020	3.31	1,500,000
Leung Wai Fai	03-09-2010 to 02-09-2020	3.31	3,000,000
Poon Ho Yee Agnes	03-09-2010 to 02-09-2020	3.31	2,000,000
Wu Hong Cho	03-09-2010 to 02-09-2020	3.31	1,800,000

- 4 Approximate percentage refers to the aggregate interests of a Director expressed as a percentage (rounded to two decimal places) of the issued share capital of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company held any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors or proposed Director had any direct or indirect interests in any assets which have since 31 December 2010 (being the date to which the latest published audited accounts of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

None of the Directors is materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

3. DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER SFO

As at the Latest Practicable Date, so far as was known to the Directors and chief executives of the Company, the following parties (other than a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholders	Capacity	Number of Shares held	Approximate percentage ⁴
(a) Long positions			
Regulator	Beneficial owner	254,239,636 ¹	9.99
Yugang International (B.V.I.) Limited (“Yugang-BVI”)	Interest of controlled corporation	254,239,636 ¹	9.99
Yugang	Interest of controlled corporation	254,239,636 ¹	9.99
Chongqing	Interest of controlled corporation	254,239,636 ¹	9.99
Palin Holdings Limited (“Palin”)	Interest of controlled corporation	254,239,636 ¹	9.99
Thrivetrade	Beneficial owner	1,039,925,571 ²	40.88
T. Rowe Price Associates, Inc. and its Affiliates	Investment manager	178,893,000	7.03
JPMorgan Chase & Co.	Beneficial owner and custodian corporation/ approved lending agent	176,275,406 ³	6.93
(b) Short positions			
JPMorgan Chase & Co.	Beneficial owner	4,180,460	0.16

Notes:

- The interests held by Regulator, Yugang-BVI, Yugang, Chongqing and Palin respectively as shown above refer to interests in the same block of shares. Regulator is a direct wholly-owned subsidiary of Yugang-BVI which is in turn a direct wholly-owned subsidiary of Yugang. Yugang was owned by Chongqing, Timmex and Mr. Cheung in aggregate as to 44.06%. Chongqing, Timmex and Palin are controlled by Mr. Cheung. The said interests were also included in the interest in Shares of the Company of Mr. Cheung as disclosed under paragraph “Interests in the Company (long positions)” of the section headed “Disclosure of Interests” above.

Mr. Cheung, Mr. Lam Hiu Lo, Mr. Leung Yu Ming Steven and Mr. Wong Yat Fai are directors of Yugang.

Mr. Cheung is also a director of each of Regulator, Yugang-BVI, Chongqing, Palin and Thrivetrade.

2. These Shares were also included in the interest in Shares of the Company of Mr. Cheung as disclosed under paragraph “Interests in the Company (long positions)” of the section headed “Disclosure of Interests” above.
3. Of its interests in 176,275,406 Shares, JPMorgan Chase & Co. had interests in 4,180,460 Shares as beneficial owner and in 172,094,946 Shares as a custodian corporation/approved lending agent. 172,094,946 Shares were in the lending pool.
4. Approximate percentage refers to the number of Shares which a Shareholder held or had short positions in expressed as percentage (rounded to two decimal places) of the issued share capital of the Company.

As at the Latest Practicable Date, so far as was known to the Directors and chief executives of the Company, the following parties (other than Directors or chief executives of the Company) were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital (including any options in respect of such capital) carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of the member of the Group	Name of shareholders	Approximate percentage of issued share capital
Hoi Tin Universal Limited	Chau Tin Ping	20.8
Hoi Tin Universal Limited	Wong Kong	10.0
Theme Production House Limited	Yee Chan Chian	24.0
Theme Production House Limited	Chow Hoi Yin Riter	25.0
Win Harbour Investments Limited	Quick Fair Limited	15.0
成都國嘉志得置業有限公司 (Chengdu Guojia Cheer Gain Property Company Limited)	四川省國嘉地產有限公司 (Sichuan Guojia Property Company Limited)	49.0
雲南中渝置地發展有限公司 (Yunnan Zhong Yu Land Development Company Limited)	雲南光華投資有限公司 (Yunnan Guang Hua Investment Company Limited)	30.0
四川經都置業有限公司 (Sichuan Jingdu Real Estate Company Limited)	貴州亨特房地產開發有限公司 (Guizhou Heng Te Real Estate Development Company Limited)	40.0
重慶同景置業有限公司 (Chongqing Verakin Real Estate Company Limited)	同景集團有限公司 (Verakin Group Company Limited)	49.0

Name of the member of the Group	Name of shareholders	Approximate percentage of issued share capital
重慶同景文龍置地有限公司 (Chongqing Verakin Wenlong Real Estate Company Limited)	重慶新華書店集團 房地產開發公司 (Chongqing Xinhua Bookstore Group Real Estate Development Company)	49.0
重慶同景文浩置業有限公司 (Chongqing Verakin Wenhao Real Estate Company Limited)	重慶新華書店集團 房地產開發公司 (Chongqing Xinhua Bookstore Group Real Estate Development Company)	49.0
重慶同景共好置地有限公司 (Chongqing Verakin Ganghao Land Company Limited)	重慶新華書店集團 房地產開發公司 (Chongqing Xinhua Bookstore Group Real Estate Development Company)	49.0

Save as disclosed above, as at the Latest Practicable Date, according to the register of interests kept by the Company under section 336 of the SFO and so far as was known to the Directors and chief executives of the Company, no other person (other than Directors or chief executives of the Company) had any interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital (including any options in respect of such capital) carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. QUALIFICATION AND CONSENT OF THE EXPERT

The following is the qualification of the expert who has been named in this circular or has given its opinion or advice contained in this circular:

Name	Qualification
Shenyin Wanguo	a corporation licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities

Shenyin Wanguo has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its opinion or letter and the reference to its name in the form and context in which it respectively appears. Shenyin Wanguo has no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. Shenyin Wanguo has no direct or indirect interest in any assets which have since 31 December 2010 (being the date to which the latest published audited accounts of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

5. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors nor their respective associates had any interest in any business that competed or was likely to compete, either directly or indirectly, with the business of the Group.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Group other than contracts expiring or terminable by the Group within one year without payment of compensation (other than statutory compensation).

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2010, being the date to which the latest published audited accounts of the Group were made up.

8. MISCELLANEOUS

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business of the Company in Hong Kong is at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Secretaries Limited situated at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The English texts of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts in case of inconsistency.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's principal place of business in Hong Kong at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong up to and including the date of the SGM:

- (a) the Agreement;
- (b) a copy of this circular;
- (c) the letter from the Independent Board Committee, the text of which is set out on page 12 of this circular;
- (d) the letter from Shenyin Wanguo, the text of which is set out on pages 13 to 24 of this circular;
- (e) the written consent of Shenyin Wanguo referred to in this Appendix;
- (f) the consolidated audited accounts of the Group for each of the years ended 31 December 2009 and 2010; and
- (g) a copy of the memorandum of association and the new bye-laws of the Company.

NOTICE OF SGM



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)

NOTICE IS HEREBY GIVEN that a special general meeting of C C Land Holdings Limited (the “Company”) will be held at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong on Friday, 23 March 2012 at 4:30 p.m. for the purpose of considering and, if thought fit, passing the following resolution, with or without amendments, as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** the conditional sale and purchase agreement dated 1 February 2012 (the “Agreement”) entered into between Mighty Gain Enterprises Limited (a wholly-owned subsidiary of the Company) as vendor and Ms. Chau Tin Ping and Mr. Wang Zhe as purchasers in respect of the sale and purchase of the entire issued share capital of Ensure Success Holdings Limited for an aggregate consideration of HK\$20,000,000 on and subject to the terms and conditions contained therein, a copy of the Agreement having been produced to this meeting and marked “A” and initialled by the chairman of this meeting for identification purposes, be and is hereby approved, confirmed and ratified and the performance of the transactions contemplated thereunder be and is hereby approved and that the directors of the Company be and are hereby authorised for and on behalf of the Company to sign, execute and deliver any agreements, deeds, instruments and any other documents, under hand or under seal, and to do and take all actions and arrangements as they may deem necessary, desirable or appropriate to give effect to the Agreement and the transactions contemplated thereunder.”

By the order of the Board of
C C Land Holdings Limited

Lam How Mun Peter

Deputy Chairman & Managing Director

Hong Kong, 2 March 2012

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*
7th Floor
China United Centre
28 Marble Road
North Point
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him/her. A member who is the holder of two or more shares of the Company may appoint one or more proxies to attend and vote instead of him/her.
2. A form of proxy for use at the meeting is enclosed in the circular of the Company of the same date of this notice. The form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be under its seal or the hand of an officer, attorney or other person duly authorised.
3. The form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be lodged at the Company's branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be) and in default the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the meeting or at any adjournment thereof (as the case may be) should they so wish.
4. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members in respect of such share shall be accepted to the exclusion of the votes of the other joint holders.
5. As at the date hereof, the executive directors of the Company are 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; the non-executive director is Mr. Wong Yat Fai and the independent non-executive directors are Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick.