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GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03900)

CONNECTED TRANSACTIONS SUPPLEMENTAL AGREEMENT TO INVESTMENT AGREEMENT

References are made to the announcements of the Company dated 8 and 29 June 2012 in relation to, among other things, the issue of Shares and Convertible Securities.

THE SUPPLEMENTAL AGREEMENT

On 16 July 2012, the Company and the Issuer entered into the Supplemental Agreement pursuant to which the parties have conditionally agreed on certain amendments to the PSCS Terms and Conditions to the effect that:

- (a) a holder of the Convertible Securities may only convert such number of Convertible Securities as would not cause any Public Float Issues;
- (b) the Convertible Securities are freely transferable; and
- (c) at any time after the third anniversary of the Issue Date, holder(s) of the then outstanding Convertible Securities may require the Issuer to use its best endeavours to effect the listing of the Convertible Securities within three months (or such longer period of time as such holder(s) may agree) after the date on which the relevant request is made.

* For identification purposes only

BOARD RESOLUTIONS AND UNDERTAKINGS FROM MR SONG, MR SHOU AND MR LUO

With a view to better managing any Public Float Issues, the Board has passed certain board resolutions in relation to, among other things, any future share repurchase and share placement, and each of Mr Song, Mr Shou and Mr Luo has given an undertaking to the Company in relation to, among other things, any future increment of the Shares and/or share options of the Company held by him and/or his associates during the period when the Convertible Securities remain outstanding.

GENERAL

A circular containing, among other things, (i) further details of the Investment Agreement (as amended and supplemented by the Supplemental Agreement), (ii) a letter from the Independent Board Committee; (iii) a letter from the independent financial adviser; (iv) a notice of the EGM; and (v) other information concerning the Company as required under the Listing Rules is expected to be despatched to the Shareholders on 17 July 2012.

Shareholders and potential investors should note that completion of the transactions under the Investment Agreement (as amended and supplemented by the Supplemental Agreement) is subject to a number of conditions and may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

References are made to the announcements of Greentown China Holdings Limited (the “**Company**”) dated 8 and 29 June 2012 in relation to, among other things, the issue of Shares and Convertible Securities. Unless otherwise stated, capitalised terms used in this announcement have the same meanings as those defined in the announcement of the Company dated 8 June 2012.

THE SUPPLEMENTAL AGREEMENT

On 16 July 2012, the Company and the Issuer entered into a supplemental agreement to the Investment Agreement with the Share Investor, the PSCS Investor and Wharf (the “**Supplemental Agreement**”), pursuant to which the parties have conditionally agreed on certain amendments to the terms and conditions of the Convertible Securities (the “**PSCS Terms and Conditions**”) to the effect that:

- (a) a holder of the Convertible Securities may only convert such number of Convertible Securities as would not cause the Company not to comply with the minimum public float requirement under the Listing Rules, following the conversion (the “**Public Float Issues**”);
- (b) the Convertible Securities are freely transferable; and

- (c) at any time after the third anniversary of the Issue Date, holder(s) of the then outstanding Convertible Securities may require the Issuer to use its best endeavours to effect the listing of the Convertible Securities within three months (or such longer period of time as such holder(s) may agree) after the date on which the relevant request is made.

BOARD RESOLUTIONS AND UNDERTAKINGS FROM MR SONG, MR SHOU AND MR LUO

With a view to better managing any Public Float Issues, the Board has passed certain board resolutions in relation to, among other things, any future share repurchase and share placement, and each of Mr Song, Mr Shou and Mr Luo Zhaoming (“**Mr. Luo**”) has given an undertaking to the Company in relation to, among other things, any future increment of the Shares and/or share options of the Company held by him and/or his associates during the period when the Convertible Securities remain outstanding.

Board resolutions

- (a) the Company shall not conduct any share repurchase, whether by way of purchase or redemption of Shares (so long as any such proposed share repurchase, if conducted, would result in any of the Convertible Securities being prohibited from conversion into Conversion Shares due to any Public Float Issues) without the prior approval duly passed by the majority of a committee of the Board comprising all of the non-executive Directors and independent non-executive Directors (the “**Special Committee**”), provided that such restriction shall not affect the approval of any general repurchase mandate by the Shareholders at any annual general meeting of the Company;
- (b) if the rights of any holder(s) of the Convertible Securities to convert the Convertible Securities into Conversion Shares is prohibited due to any Public Float Issues and the relevant holder(s) shall have notified the Company in writing of its/their intention to exercise its/their conversion rights attaching to the Convertible Securities, the Company shall as soon as reasonably practicable eliminate the relevant Public Float Issues, including but not limited to conducting placement of new Shares to party or parties not being the Company’s connected person(s) at a price reasonably acceptable to the Board for the purpose of (among other things) maintaining the necessary public float of the Company, subject to compliance with the then applicable Listing Rules, then funding needs of the Company as well as the Directors’ fiduciary duties in making any such placement decisions; and
- (c) the duly passed resolutions of the Board referred to in (a) and (b) above shall not be revised or revoked without the prior approval duly passed by the majority of the Special Committee, unless the amendments to the PSCS Terms and Conditions pursuant to the Supplemental Agreement do not become effective.

Undertakings from Mr Song, Mr Shou and Mr Luo

Each of Mr Song, Mr Shou and Mr Luo has undertaken to the Company to the effect that he shall not, and shall procure his associates not to, (i) increase their shareholding in the Company including but not limited to subscribing for new Shares or acquiring issued Shares (so long as (a) the Company does not comply with the minimum public float requirement under the Listing Rules at the relevant time; or (b) any such proposed increment, if conducted, would result in any of the Convertible Securities being prohibited from conversion due to

insufficient public float of the Company); or (ii) accept any grant of additional share options (which are convertible into Shares) to him and/or his associates by the Group, without the prior approval duly passed by the majority of the Special Committee. For the avoidance of doubt, the aforesaid undertakings shall not restrict any of Mr Song, Mr Shou, Mr Luo and their respective associates from acquiring or subscribing for further Shares under the following circumstances: (a) the exercise of any share options granted by the Company to any of them on or prior to 8 June 2012 for the allotment and issue of an aggregate of 16,698,000 Shares; and (b) the subscription for or acquisition of Shares by any of them unless this will result in any of the following: (i) an increase in their aggregate percentage shareholding in the Company; (ii) a dilution of the aggregate percentage shareholding of Wharf and its associates in the Company; and (iii) a decrease in the then prevailing available buffer for the holder(s) of the Convertible Securities to exercise its/their conversion rights without being prohibited by the Public Float Issues. The aforesaid undertakings will be terminated and of no effect once none of the Convertible Securities remains outstanding.

GENERAL

A circular containing, among other things, (i) further details of the Investment Agreement (as amended and supplemented by the Supplemental Agreement), (ii) a letter from the Independent Board Committee; (iii) a letter from the independent financial adviser; (iv) a notice of the EGM; and (v) other information concerning the Company as required under the Listing Rules is expected to be despatched to the Shareholders on 17 July 2012.

The register of members of the Company will be closed from Monday, 30 July 2012 to Tuesday, 31 July 2012, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, all transfers of Shares, accompanied by the relevant share certificates and appropriate transfer forms, must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on 27 July 2012.

Shareholders and potential investors should note that completion of the transactions under the Investment Agreement (as amended and supplemented by the Supplemental Agreement) is subject to a number of conditions and may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

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

Hangzhou, the PRC, 16 July 2012

As at the date of this announcement, the Board comprises five executive Directors, namely Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Guo Jiafeng and Mr Cao Zhounan, one non-executive Director, namely Mr Ng Tin Hoi, Stephen, and six independent non-executive Directors, namely Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, Mr Tang Shiding and Mr Hui Wan Fai.

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