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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)

POTENTIAL MAJOR AND CONNECTED TRANSACTION PROPOSED FRAMEWORK AGREEMENT WITH SUNAC CHINA HOLDINGS LIMITED

THE FRAMEWORK AGREEMENT

On 4 May 2015, the Board has approved the entering into of the Framework Agreement and the transactions contemplated thereunder pursuant to which the Group would transact with the Sunac Group in relation to the following proposed transactions:

- (a) acquisition of the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund by Greentown Real Estate from Shanghai Sunac Greentown;
- (b) acquisition of 45% equity interests in, and shareholder's loan of, Beijing Xingye Wanfa by Greentown Real Estate from Sunac Construction;
- (c) acquisition of 50% equity interests in Zhejiang Jinying from Shanghai Forest Golf and shareholder's loan of Zhejiang Jinying from Sunac Zhidi by Greentown Real Estate;
- (d) disposal of 50% equity interests in Shanghai Forest Golf by Greentown Real Estate to Sunac Zhidi;
- (e) disposal of 25% equity interests in Hangzhou Sunac Greentown by On Century Investment to Zhuo Yue Property;
- (f) disposal of 50% equity interests in Shanghai Sunac Greentown by Greentown Investment to Shanghai Sunac Real Estate;
- (g) disposal of 50% of the issued share capital of Sunac Greentown by the Company to Sunac China; and
- (h) development of the Tianjin National Game Village Project on a joint venture basis in the proportion of 51:49 by the Company and Sunac China.

Reference is made to the Company's announcements dated 5 January 2015 and 6 January 2015 in relation to the dispute between the Company and Sunac China arising out of (i) the purported disposal of the entire equity interest in Elegant Trend Limited by Sunac Greentown; and (ii) the purported disposal of certain equity interest in companies incorporated in the PRC by Shanghai Sunac Greentown, as alleged in Sunac China's announcements dated 31 December 2014 and 6 January 2015. As of the date of this announcement, both Sunac Greentown and Shanghai Sunac Greentown are associates of the Company interested as to 50% by the Company and 50% by Sunac China.

As disclosed in the Company's 2014 annual report, the Company is discussing with Sunac China in good faith with a view to resolving the aforesaid dispute amicably. The purpose of the proposed entering into of the Framework Agreement and the transactions contemplated thereunder is to resolve the aforesaid dispute and set out an agreed approach on terminating the various joint ventures between the Company and Sunac China, in light of the aforesaid dispute and the considerable differences in business philosophy between the two companies. As part of the transactions contemplated under the Framework Agreement, the Company and Sunac China have also set out the terms and conditions for the Company to dispose of the Group's equity interests in Sunac Greentown and Shanghai Sunac Greentown.

Taking into account the aforesaid dispute and the existing relationship between the Company and Sunac China, in order to minimise uncertainties and avoid further disagreement, the Board (including the independent non-executive Directors) is of the view that it is in the interest of the Company and the Shareholders as a whole to finalise the major terms and conditions of the Framework Agreement and the transactions contemplated thereunder and put forth the same to the Shareholders for approval, prior to entering into any definitive agreements with the Sunac Group, if proceeded. The Company will make available the final form of the Framework Agreement and the major ancillary documents contemplated thereunder (if any) for inspection by the Shareholders during certain period up to the EGM as required under the Listing Rules. The Company expects that the Framework Agreement together with the underlying documents will not be further amended after seeking the Shareholders' approval at the EGM (as well as the approval by the shareholders of Sunac China), and will be entered into shortly after the aforesaid approval.

EXPECTED FINANCIAL EFFECT

The Company expects that the transactions contemplated under the Framework Agreement, upon completion thereof, will contribute an aggregate net cash flow of approximately RMB3,390,687,000, as well as an aggregate gain from disposal and distribution of profit of approximately RMB781,360,000 to the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (i) in respect of the aggregate acquisition transactions under the Framework Agreement are anticipated to exceed 25% but all the applicable percentage ratios are anticipated to be less than 100% as and when the Framework Agreement is entered into; and (ii) in respect of the aggregate disposal transactions under the Framework Agreement are anticipated to exceed 25% but all the applicable percentage ratios are anticipated to be less than 75% as and when the Framework Agreement is entered into, the transactions contemplated under the Framework Agreement are anticipated to constitute a major transaction for the Company under Chapter 14 of the Listing Rules subject to Shareholders' approval.

In addition, as of the date of this announcement, Sunac China is a substantial shareholder of each of Beijing Xingye Wanfa and Shanghai Forest Golf, which are non-wholly owned subsidiaries of the Company. Sunac China is therefore a connected person of the Company at the subsidiary level. According to Rule 14A.101 of the Listing Rules, a connected person at the subsidiary level on normal commercial terms or better is exempt from the circular, independent financial advice and shareholders' approval requirement if: (i) the listed issuer's board of directors have approved the transactions; and (ii) the independent non-executive directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the listed issuer and its shareholders as a whole.

The Board (including the independent non-executive Directors) has approved the Framework Agreement and the transactions contemplated thereunder and confirmed that the terms of the Framework Agreement and the transactions contemplated thereunder are fair and reasonable, such transactions are on normal commercial terms and in the interests of the Company and the Shareholders as a whole. As such, the Framework Agreement is exempted from the circular, independent financial advice and Shareholders' approval requirements which apply to non-exempt connected transaction under Chapter 14A of the Listing Rules by virtue of Rule 14A.101 of the Listing Rules.

An EGM will be convened and held for the Shareholders to consider, and if thought fit, pass the resolutions to approve (among other things) the Framework Agreement and the transactions contemplated thereunder.

A circular containing, among other things, further details of the Framework Agreement and a notice of the EGM is expected to be despatched by the Company to the Shareholders as soon as practicable on or before 30 June 2015 since the Board expects that more time will be required to finalise the contents of the circular.

Shareholders and other investors should note that the Framework Agreement has not yet been entered into as of the date of this announcement. There is no assurance that the Framework Agreement will be entered into and the transactions contemplated thereunder will be implemented as contemplated or at all. Shareholders and other investors are advised to exercise extreme caution when dealing in the securities of the Company.

INTRODUCTION

The Board announces that, on 4 May 2015, the Board has approved the entering into of the Framework Agreement and the transactions contemplated thereunder pursuant to which the Group would transact with the Sunac Group in relation to the following proposed transactions:

- (a) acquisition of the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund by Greentown Real Estate from Shanghai Sunac Greentown;
- (b) acquisition of 45% equity interests in, and shareholder's loan of Beijing Xingye Wanfa, by Greentown Real Estate from Sunac Construction;
- (c) acquisition of 50% equity interests in Zhejiang Jinying from Shanghai Forest Golf and shareholder's loan of Zhejiang Jinying from Sunac Zhidi by Greentown Real Estate;
- (d) disposal of 50% equity interests in Shanghai Forest Golf by Greentown Real Estate to Sunac Zhidi;
- (e) disposal of 25% equity interests in Hangzhou Sunac Greentown by On Century Investment to Zhuo Yue Property;
- (f) disposal of 50% equity interests in Shanghai Sunac Greentown by Greentown Investment to Shanghai Sunac Real Estate;
- (g) disposal of 50% of the issued share capital of Sunac Greentown by the Company to Sunac China; and
- (h) development of the Tianjin National Game Village Project on a joint venture basis in the proportion of 51:49 by the Company and Sunac China.

FRAMEWORK AGREEMENT

The Framework Agreement and the transactions contemplated thereunder have been approved by the Board, and the Board has resolved that the entering into of the Framework Agreement together with other underlying documents for the transactions contemplated thereunder, if proceeded, shall be conditional upon the Framework Agreement and the transactions contemplated thereunder being approved by the Shareholders at the EGM. It is expected that the Framework Agreement together with the underlying documents for the transactions contemplated thereunder will be entered into shortly after the aforesaid approval and the approval by the shareholders of Sunac China.

Principal terms of the Framework Agreement are as follows:

(a) Acquisition of the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund by Greentown Real Estate from Shanghai Sunac Greentown

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, Shanghai Sunac Greentown as vendor shall dispose of, and Greentown Real Estate as purchaser shall acquire, the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, the total consideration for the transfer of the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund attributable to Shanghai Sunac Greentown to Greentown Real Estate will be RMB1,970,284,911.43.

The consideration was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of Shanghai Sunac Greentown injected to Shanghai Huazhe Bund and (ii) the market value of the underlying assets of Shanghai Huazhe Bund. The Board (including independent non-executive Directors) is of the view that the consideration in relation to the acquisition of the return on investments in Shanghai Huazhe Bund attributable to Shanghai Sunac Greentown (including the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund) from Shanghai Sunac Greentown is fair and reasonable and in the interests of the Shareholders as a whole.

Payment of the consideration

The consideration shall be paid by Greentown Real Estate to Shanghai Sunac Greentown in the following manner:

- (a) Greentown Real Estate shall pay 40% of the total consideration, equivalent to approximately RMB788,114,000, to Shanghai Sunac Greentown within three (3) business days after the date on which the agreement for the transaction is entered into;
- (b) Greentown Real Estate shall pay 30% of the total consideration, equivalent to approximately RMB591,085,000, to Shanghai Sunac Greentown within thirty (30) days after the date on which the agreement for the transaction is entered into; and
- (c) Greentown Real Estate shall pay the remaining of the total consideration, equivalent to approximately RMB591,085,911.43, to Shanghai Sunac Greentown within sixty (60) days after the date on which the agreement for the transaction is entered into.

The consideration payable by Greentown Real Estate is expected to be financed by the Group's internal resources.

Information of Shanghai Huazhe Bund

Shanghai Huazhe Bund is a company established in the PRC and principally engaged in property development of Shanghai Bund House in the PRC. As of the date of this announcement, the return on investment in respect of 51% equity interests in Shanghai Huazhe Bund is beneficially owned by Shanghai Sunac Greentown and 49% of the equity interests in Shanghai Huazhe Bund is beneficially owned by other independent third parties.

The unaudited net asset value of Shanghai Huazhe Bund as at 31 December 2014 was approximately RMB748,504,591 and the unaudited net profit (loss) for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Profit (loss) before taxation	368,437,901	(66,114,393)
Net profit (loss) after taxation	221,455,286	(9,660,485)

Information of Shanghai Bund House

Unit: sq. m

Project name	Type of product	Estimated site area	Estimated total GFA	Estimated saleable area	Areas sold	Estimated area unsold
Shanghai Bund House	High-Rise Apartment	65,758	350,271	228,040	80,707	147,333

(b) Acquisition of 45% equity interests in, and shareholder's loan of, Beijing Xingye Wanfa by Greentown Real Estate from Sunac Construction

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, Sunac Construction as vendor shall dispose of, and Greentown Real Estate as purchaser shall acquire, 45% equity interests in Beijing Xingye Wanfa and the outstanding shareholder's loan in the sum of RMB870,765,730 owing by Beijing Xingye Wanfa to Sunac Construction at a total consideration of RMB1,062,139,459.50.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, the total consideration in the sum of RMB1,062,139,459.50 payable by Greentown Real Estate to Sunac Construction for the acquisition of 45% equity interests in Beijing Xingye Wanfa and the outstanding shareholder's loan in the sum of RMB870,765,730 owing by Beijing Xingye Wanfa to Sunac Construction comprises (i) RMB191,373,729.50 for the 45% equity interests in Beijing Xingye Wanfa and (ii) RMB870,765,730 for the shareholder's loan.

The consideration was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of Sunac Construction injected to Beijing Xingye Wanfa; (ii) the market value of the underlying assets of Beijing Xingye Wanfa; and (iii) the face value of the outstanding shareholder's loan. The Board (including independent non-executive Directors) is of the view that the consideration in relation to the acquisition of 45% equity interests in, and shareholder's loan of, Beijing Xingye Wanfa by Greentown Real Estate from Sunac Construction is fair and reasonable and in the interests of the Shareholders as a whole.

Payment of the consideration

The consideration shall be paid by Greentown Real Estate to Sunac Construction in the following manner:

- (a) Greentown Real Estate shall pay 40% of the total consideration, equivalent to approximately RMB424,856,000, to Sunac Construction within three (3) business days after the date on which the agreement for the transaction is entered into;
- (b) Greentown Real Estate shall pay 30% of the total consideration, equivalent to approximately RMB318,642,000, to Sunac Construction within thirty (30) days after the date on which the agreement for the transaction is entered into; and
- (c) Greentown Real Estate shall pay the remaining of the total consideration, equivalent to approximately RMB318,641,459.50, to Sunac Construction within sixty (60) days after the date on which the agreement for the transaction is entered into.

The consideration payable by Greentown Real Estate is expected to be financed by the Group's internal resources.

Completion

Completion of the transaction shall take place within ten (10) business days upon payment of the consideration having been paid in full by Greentown Real Estate to Sunac Construction.

Information of Beijing Xingye Wanfa

Beijing Xingye Wanfa is a company established in the PRC and principally engaged in property development of Beijing Majestic Mansion in the PRC. As of the date of this announcement, Beijing Xingye Wanfa is owned as to 55% by Beijing Greentown Investment Co., Ltd. and 45% by Sunac Construction.

The unaudited net asset value of Beijing Xingye Wanfa as at 31 December 2014 was approximately RMB-92,524,836.27 and the unaudited net loss for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Loss before taxation	1,576,765.96	6,526,140.44
Net loss after taxation	1,638,348.49	6,526,140.44

Information of Beijing Majestic Mansion

Unit: sq. m

Project name	Type of product	Estimated site area	Estimated total GFA	Estimated saleable area	Areas sold	Estimated area unsold
Beijing Majestic Mansion	Low-Rise Apartment	452,000	346,000	224,000	74,000	150,000

(c) Acquisition of 50% equity interests in Zhejiang Jinying from Shanghai Forest Golf and shareholder's loan of Zhejiang Jinying from Sunac Zhidi by Greentown Real Estate

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, (i) Shanghai Forest Golf as vendor shall dispose of, and Greentown Real Estate as purchaser shall acquire, 50% equity interests in Zhejiang Jinying at a consideration of RMB200,000,000; and (ii) Sunac Zhidi shall assign to Greentown Real Estate the outstanding shareholder's loan in the sum of RMB866,068,429.50 owing by Zhejiang Jinying to Sunac Zhidi at a consideration of RMB679,750,000.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, (i) Shanghai Forest Golf as vendor shall dispose of, and Greentown Real Estate as purchaser shall acquire, 50% equity interests in Zhejiang Jinying at a consideration of RMB200,000,000; and (ii) Sunac Zhidi shall assign and Greentown Real Estate as purchaser shall acquire the outstanding shareholder's loan in the sum of RMB866,068,429.50 owing by Zhejiang Jinying to Sunac Zhidi at a consideration of RMB679,750,000.

The consideration was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of Shanghai Forest Golf injected to Zhejiang Jinying; (ii) the market value of the underlying assets of Zhejiang Jinying; and (iii) and the face value of the shareholder's loan. The Board (including independent non-executive Directors) is of the view that the consideration in relation to the acquisition of the 50% equity interests in Zhejiang Jinying by Greentown Real Estate from Shanghai Forest Golf and the acquisition of shareholder's loan of Zhejiang Jinying by Greentown Real Estate from Sunac Zhidi is fair and reasonable and in the interests of the Shareholders as a whole.

Payment of the consideration

The consideration for (i) the acquisition of the 50% equity interests in Zhejiang Jinying by Greentown Real Estate from Shanghai Forest Golf and (ii) the assignment of shareholders' loan by Sunac Zhidi to Greentown Real Estate shall be paid by Greentown Real Estate in the following manner:

- (a) Greentown Real Estate shall pay 40% of the total consideration, equivalent to approximately RMB351,900,000 within three (3) business days after the date on which the agreement for the transaction is entered into;
- (b) Greentown Real Estate shall pay 30% of the total consideration, equivalent to approximately RMB263,925,000 within thirty (30) days after the date on which the agreement for the transaction is entered into; and
- (c) Greentown Real Estate shall pay the remaining of the total consideration, equivalent to approximately RMB263,925,000 within sixty (60) days after the date on which the agreement for the transaction is entered into.

The consideration payable by Greentown Real Estate is expected to be financed by the Group's internal resources.

Completion

Completion of the transaction shall take place within 30 days upon payment of the consideration having been paid in full by Greentown Real Estate to Shanghai Forest Golf and Sunac Zhidi in relation to the acquisition of 50% equity interests in Zhejiang Jinying from Shanghai Forest Golf and the assignment of shareholders' loan by Sunac Zhidi.

Information of Zhejiang Jinying

Zhejiang Jinying is a company established in the PRC and principally engaged in property development of Hangzhou Zhijiang No.1 in the PRC. As of the date of this announcement, Zhejiang Jinying is owned as to 50% by Shanghai Forest Golf and 50% by Huiying Real Estate, respectively, while Shanghai Forest Golf, being a non-wholly owned subsidiary of the Company, is owned as to 50% by Sunac Zhidi and 50% by Greentown Real Estate.

The unaudited net asset value of Zhejiang Jinying as at 31 December 2014 was approximately RMB145,318,454.49 and the unaudited net loss for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Loss before taxation	7,489,823.66	164,917,426.17
Net loss after taxation	5,845,828.04	144,642,837.31

Information of Hangzhou Zhijiang No. 1

Unit: sq. m

Project name	Type of product	Estimated site area	Estimated total GFA	Estimated saleable area	Areas sold	Estimated area unsold
Hangzhou Zhijiang No. 1	Low-Rise Apartment, High-Rise Apartment	190,143	601,988	454,550	137,338	317,212

(d) Disposal of 50% equity interests in Shanghai Forest Golf by Greentown Real Estate to Sunac Zhidi

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, Sunac Zhidi as purchaser shall acquire, and Greentown Real Estate as vendor shall dispose of, 50% equity interests in Shanghai Forest Golf at the consideration of RMB104,540,000 and distribute profit after taxation of Shanghai Forest Golf in the sum of RMB456,309,237.96 in favour of Greentown Real Estate.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, the consideration payable by Sunac Zhidi for the acquisition of 50% equity interests in Shanghai Forest Golf is RMB104,540,000.

The consideration was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of Greentown Real Estate injected to Shanghai Forest Golf and (ii) the market value of the underlying assets of Shanghai Forest Golf. The Board (including independent non-executive Directors) is of the view that the consideration for the disposal of the 50% equity interests in Shanghai Forest Golf by Greentown Real Estate to Sunac Zhidi is fair and reasonable and in the interests of the Shareholders as a whole.

Conditions precedent

Completion of the disposal is conditional upon (i) the passing of shareholders resolutions of Shanghai Forest Golf to approve the distribution of profit in the sum of RMB456,309,237.96 in favour of Greentown Real Estate and (ii) Sunac Zhidi providing guarantee in favour of Greentown Real Estate of the aforementioned profit distribution.

Payment of the consideration and profit distribution

The consideration of RMB104,540,000, as well as the sum of RMB456,309,237.96 payable to Greentown Real Estate as profit distribution, shall be paid by Sunac Zhidi or its designated project company (in the case for the payment of consideration) and Shanghai Forest Golf (in the case for the profit distribution) to Greentown Real Estate in the following manner:

- (a) 40% of the total consideration, equivalent to approximately RMB224,340,000, to Greentown Real Estate within three (3) business days after the date on which the agreement for the transaction is entered into;
- (b) 30% of the total consideration, equivalent to approximately RMB168,255,000, to Greentown Real Estate within thirty (30) days after the date on which the agreement for the transaction is entered into; and
- (c) the remainder of the total consideration, equivalent to approximately RMB168,254,237.96, to Greentown Real Estate within sixty (60) days after the date on which the agreement for the transaction is entered into.

Completion

Completion of the disposal shall take place within 10 business days upon payment of the consideration having been paid in full to Greentown Real Estate, including the distribution of profit after taxation in the sum of RMB456,309,237.96 by Shanghai Forest Golf in favour of Greentown Real Estate and the consideration of RMB104,540,000 for the acquisition of 50% equity interests in Shanghai Forest Golf by Sunac Zhidi to Greentown Real Estate.

Information of Shanghai Forest Golf

Shanghai Forest Golf is a company established in the PRC and principally engaged in property development and investment in the PRC. As of the date of this announcement, Shanghai Forest Golf (being a non-wholly owned subsidiary of the Company) is owned as to 50% by Sunac Zhidi and 50% by Greentown Real Estate.

The unaudited net asset value of Shanghai Forest Golf as at 31 December 2014 was approximately RMB1,980,386,150 and the unaudited net profit for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Profit before taxation	874,998,573	1,207,092,051
Net profit after taxation	622,979,303	653,388,957

Information of Shanghai Rose Garden and Shanghai Central Garden

Unit: sq. m						
Project name	Type of product	Estimated site area	Estimated total GFA	Estimated saleable area	Areas sold	Estimated area unsold
Shanghai Rose Garden	Villa	803,353	240,040	144,969	137,924	7,045
Shanghai Central Garden	High-Rise Apartment, Serviced Apartment, Office and Commercial	211,626	608,429	507,055	270,253	236,802

Financial effect on the Group and the intended use of proceeds from the disposal

As at the date of this announcement, the Company indirectly holds 50% equity interests in Shanghai Forest Golf and Shanghai Forest Golf is a non-wholly owned subsidiary of the Company. Upon completion of the transaction, the Company will cease to hold any interest in Shanghai Forest Golf and Shanghai Forest Golf will cease to be a subsidiary of the Company and its financial results will cease to be consolidated to the financial results of the Company. It is estimated that the Group will not record any meaningful gain or loss as a result of the disposal of 50% equity interests in Shanghai Forest Golf.

(e) Disposal of 25% equity interests in Hangzhou Sunac Greentown by On Century Investment to Zhuo Yue Property

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, (i) Zhuo Yue Property as purchaser shall acquire, and On Century Investment as vendor shall dispose of, 25% equity interests in Hangzhou Sunac Greentown at the consideration of US\$28,729,000; and (ii) Greentown Real Estate shall repay the outstanding amount owed by Greentown Real Estate to Hangzhou Sunac Greentown in the sum of RMB167,826,666.67.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, the consideration payable by Zhuo Yue Property for the acquisition of 25% equity interests in Hangzhou Sunac Greentown is US\$28,729,000, which was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of On Century Investment injected to Hangzhou Sunac Greentown and (ii) the market value of the underlying assets of Hangzhou Sunac Greentown. The Board (including independent non-executive Directors) is of the view that the consideration is fair and reasonable and in the interests of the Shareholders as a whole.

Payment of the consideration

Within three (3) business days after the date on which the agreement for the transaction is entered into, Zhuo Yue Property shall pay the consideration for the acquisition of 25% equity interests in Hangzhou Sunac Greentown in full to On Century Investment and Greentown Real Estate shall repay the amount owed by it to Hangzhou Sunac Greentown.

Completion

Completion of the transaction shall take place within 45 days upon payment of the consideration in full by Zhuo Yue Property.

Information of Hangzhou Sunac Greentown

Hangzhou Sunac Greentown is a company established in the PRC and principally engaged in property development of Hangzhou Melodious Manor in the PRC. As of the date of this announcement, 75% equity interests in Hangzhou Sunac Greentown is owned by Zhuo Yue Property and 25% equity interests in Hangzhou Sunac Greentown is owned by On Century Investment.

The unaudited net asset value of Hangzhou Sunac Greentown as at 31 December 2014 was approximately RMB698,880,941.79 and the unaudited net profit (loss) for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Profit (loss) before taxation	(29,409,278.25)	138,575,594.81
Net profit (loss) after taxation	(22,212,564.36)	79,013,706.15

Information of Hanzhou Melodious Manor

Unit: sq. m

Project name	Type of product	Estimated site area	Estimated total GFA	Estimated saleable area	Areas sold	Estimated area unsold
Hangzhou Melodious Manor	Low-Rise Apartment and Villa	59,360	123,527	82,336	65,347	16,989

Financial effect on the Group and the intended use of proceeds from the disposal

As at the date of this announcement, the Company indirectly holds 25% equity interests in Hangzhou Sunac Greentown. Upon completion of the transaction, the Company will cease to hold any interest in Hangzhou Sunac Greentown. It is estimated that the Group will record a gain of approximately RMB3,375,000 as a result of the disposal of 25% equity interests in Hangzhou Sunac Greentown. The Company intends to use the net proceeds from disposal as working capital.

(f) Disposal of 50% equity interests in Shanghai Sunac Greentown by Greentown Investment to Shanghai Sunac Real Estate

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, Shanghai Sunac Real Estate as purchaser shall acquire, and Greentown Investment as vendor shall dispose of, 50% equity interests in Shanghai Sunac Greentown at the total consideration of RMB1,000,000,000.

Conditions precedent

The disposal of the 50% equity interests in Shanghai Sunac Greentown by Greentown Investment is conditional upon (i) Shanghai Sunac Greentown having distributed profits in favour of Greentown Investment in the sum of RMB897,005,788.17, (ii) the repayment by Shanghai Sunac Greentown of the outstanding shareholders loan owing by it to Greentown Real Estate and (iii) the prepayment of RMB1,000,000,000 payable by Shanghai Sunac Greentown to Greentown Real Estate for the acquisition of the 50% equity interests in Shanghai Sunac Greentown by Shanghai Sunac Real Estate, the prepayment of which shall be made by a provision of an interest-free loan by Shanghai Sunac Greentown in the sum of RMB1,000,000,000 to Greentown Real Estate.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, the consideration payable by Shanghai Sunac Real Estate for the acquisition of 50% equity interests in Shanghai Sunac Greentown is RMB1,000,000,000, which was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of Greentown Investment injected to Shanghai Sunac Greentown and (ii) the market value of the underlying assets of Shanghai Sunac Greentown should the Framework Agreement and the underlying documents being entered into. The Board (including independent non-executive Directors) is of the view that the consideration is fair and reasonable and in the interests of the Shareholders as a whole.

Payment of the consideration

The consideration shall be paid by Shanghai Sunac Real Estate to Greentown Investment in the following manner:

- (a) Shanghai Sunac Real Estate shall pay 40% of the total consideration, equivalent to approximately RMB400,000,000, to Greentown Investment within three (3) business days after the date on which the agreement for the transaction is entered into (the amount of which could be set-off against the outstanding loan owing by Greentown Real Estate to Shanghai Sunac Greentown);
- (b) Shanghai Sunac Real Estate shall pay 30% of the total consideration, equivalent to approximately RMB300,000,000, to Greentown Investment within thirty (30) days after the date on which the agreement for the transaction is entered into (the amount of which could be set-off against the outstanding loan owing by Greentown Real Estate to Shanghai Sunac Greentown); and
- (c) Shanghai Sunac Real Estate shall pay the remainder of the total consideration, equivalent to approximately RMB300,000,000, to Greentown Investment within sixty (60) days after the date on which the agreement for the transaction is entered into (the amount of which could be set-off against the outstanding loan owing by Greentown Real Estate to Shanghai Sunac Greentown).

Completion

Completion of the transaction shall take place within 10 business days upon payment of the consideration in full by Shanghai Sunac Real Estate and fulfillment of other conditions precedents for the acquisition.

Information of Shanghai Sunac Greentown

Shanghai Sunac Greentown is a company established in the PRC and principally engaged in property development business in the PRC. As of the date of this announcement, Shanghai Sunac Greentown (being an associate of the Company) is owned as to 50% by Sunac Zhidi and 50% by Greentown Investment.

The unaudited net asset value of Shanghai Sunac Greentown as at 31 December 2014 was approximately RMB4,002,800,526.31 and the unaudited net profit for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Profit before taxation	533,874,442.37	398,571,430.59
Net profit after taxation	400,709,982.89	460,709,805.44

Financial effect on the Group and the intended use of proceeds from the disposal

As at the date of this announcement, the Company holds 50% equity interests in Shanghai Sunac Greentown and Shanghai Sunac Greentown is an associate of the Company. Upon completion of the transaction, the Company will cease to hold any interest in Shanghai Sunac Greentown and Shanghai Sunac Greentown will cease to be an associate of the Company. It is estimated that the Group will record a gain of approximately RMB458,501,000 as a result of the disposal of 50% equity interests in and distribution of profits by Shanghai Sunac Greentown. The Company intends to use the net proceeds from disposal as working capital.

(g) Disposal of 50% of the issued share capital of Sunac Greentown by the Company to Sunac China

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, the Company as vendor shall dispose of, and Sunac China as purchase shall acquire, 50% of the issued share capital of Sunac Greentown at the total consideration of US\$1 and approximately RMB1,638,490,610.29 in equivalent US dollars.

Conditions precedent

The disposal of the 50% issued share capital of Sunac Greentown by the Company is conditional upon (i) Sunac Greentown having distributed profits in favour of the Company in the sum of US\$49,240,929.55, (ii) the repayment by Sunac Greentown of the outstanding shareholders loan owed by it to the Company and (iii) the prepayment of US\$1 and approximately RMB1,638,490,610.29 in equivalent US dollars payable by Sunac Greentown to the Company for the disposal of the 50% issued share capital of Sunac Greentown by the Company, the prepayment of which shall be made by the provision of an interest-free loan by Sunac Greentown in the sum of US\$1 and approximately RMB1,638,490,610.29 in equivalent US dollars to the Company.

Consideration and basis of the consideration

Pursuant to the Framework Agreement, the consideration payable by Sunac China for the acquisition of 50% issued share capital in Sunac Greentown is US\$1 and approximately RMB1,638,490,610.29 in equivalent US dollars, which was determined upon arm's length negotiations among the parties with reference to (i) the actual investment costs of the Company injected to Sunac Greentown and (ii) the market value of the underlying assets of Sunac Greentown should the Framework Agreement and the underlying documents being entered into. The Board (including independent non-executive Directors) is of the view that the consideration is fair and reasonable and in the interests of the Shareholders as a whole.

Payment of the consideration

The consideration shall be paid by Sunac China to the Company in the following manner:

- (a) Sunac China shall pay 40% of the total consideration, equivalent to US\$1 and approximately RMB655,396,000 equivalent US dollars, to the Company within three (3) business days after the date on which the agreement for the transaction is entered into (the amount of which could be set-off against the outstanding loan owing by the Company to Sunac Greentown);
- (b) Sunac China shall pay 30% of the total consideration, equivalent to approximately RMB491,547,000 equivalent US dollars, to the Company within thirty (30) days after the date on which the agreement for the transaction is entered into (the amount of which could be set-off against the outstanding loan owing by the Company to Sunac Greentown); and
- (c) Sunac China shall pay the remainder of the total consideration, equivalent to approximately RMB491,547,610.29 equivalent US dollars, to the Company within sixty (60) days after the date on which the agreement for the transaction is entered into (the amount of which could be set-off against the outstanding loan owing by the Company to Sunac Greentown).

Completion

Completion of the transaction shall take place on the next business days upon payment of the consideration in full by Sunac China and fulfillment of other conditions precedents for the acquisition.

Information of Sunac Greentown

Sunac Greentown is a company incorporated in the British Virgin Islands and is an investment holding company. As of the date of this announcement, each of the Company and Sunac China holds 50% of the issued share capital of Sunac Greentown (being an associate of the Company).

The unaudited net asset value of Sunac Greentown as at 31 December 2014 was approximately RMB3,268,600,097 and the unaudited net profit (loss) for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Profit before taxation	406,951,814.27	142,580,057
Net profit (loss) after taxation	229,248,754.55	(237,629,498.11)

Financial effect on the Group and the intended use of proceeds from the disposal

As at the date of this announcement, the Company holds 50% equity interests in Sunac Greentown and Sunac Greentown is an associate of the Company. Upon completion of the transaction, the Company will cease to hold any interest in Sunac Greentown and Sunac Greentown will cease to be an associate of the Company. It is estimated that the Group will record a gain of approximately RMB319,484,000 as a result of the disposal of 50% equity interests in, and distribution of profits by, Sunac Greentown. The Company intends to use the proceeds from disposal as working capital.

(h) Development of the Tianjin National Game Village Project on a joint venture basis in the proportion of 51:49 by the Company and Sunac China

Parties and subject matter

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, the Company and Sunac China shall cooperate in the development of the Tianjin National Game Village Project in the proportion of 51:49 with respect to 80% equity interest of Tianjin National Game Village Project Company. The remaining 20% equity interest in Tianjin National Game Village Project Company is owned by an independent third party.

Capital Contributions

Conditional upon the Framework Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the EGM and the Framework Agreement having been entered into, it is expected that the development of the Tianjin National Game Village Project requires the total investment made by the parties of not exceeding RMB6,550,000,000, RMB1,400,000,000 of which is expected to be made by the aforesaid independent third party, and the remaining amount is expected to be made by Greentown Real Estate and Tianjin Sunac Ao Cheng in the proportion of 51:49.

The amount of capital contribution was determined after arm's length negotiation between the parties to the joint venture with reference to the initial capital requirement of Tianjin National Game Village Project Company and the capital contribution intention of the parties. The capital contribution shall be used to satisfy part of the land premium of the land. The capital contribution to Tianjin National Game Village Project Company is expected to be funded by internal resources of the Group.

Information of the Tianjin National Game Village Project Company

The Tianjin National Game Village Project Company is a company established in the PRC and principally engaged in property development and investment in the PRC. The principal assets of the Tianjin National Game Village Project Company is the interests in Tianjin National Game Village Project.

The unaudited net asset value of the Tianjin National Game Village Project Company as at 31 December 2014 was approximately RMB99,800,075 and the unaudited net loss for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 (RMB)	For the year ended 31 December 2014 (RMB)
Loss before taxation	–	266,567
Net loss after taxation	–	199,925

Information of the Tianjin National Game Village Project

Unit: sq. m

Project name	Type of product	Estimated site area	Estimated total GFA	Estimated saleable area	Estimated area unsold
Tianjin National Game Village Project	Integrated Community	321,418	872,554	673,752	673,752

REASONS FOR AND BENEFITS OF THE FRAMEWORK AGREEMENT AND THE TRANSACTIONS

Reference is made to the Company's announcements dated 5 January 2015 and 6 January 2015 in relation to the dispute between the Company and Sunac China arising out of (i) the purported disposal of the entire equity interest in Elegant Trend Limited by Sunac Greentown; and (ii) the purported disposal of certain equity interest in companies incorporated in the PRC by Shanghai Sunac Greentown, as alleged in Sunac China's announcements dated 31 December 2014 and 6 January 2015. As of the date of this announcement, both Sunac Greentown and Shanghai Sunac Greentown are associates of the Company interested as to 50% by the Company and 50% by Sunac China.

As disclosed in the Company's 2014 annual report, the Company is discussing with Sunac China in good faith with a view to resolving the aforesaid dispute amicably. The purpose of the proposed entering into of the Framework Agreement and the transactions contemplated thereunder is to resolve the aforesaid dispute and set out an agreed approach on terminating the various joint ventures between the Company and Sunac China, in light of the aforesaid dispute and the considerable differences in business philosophy between the two companies. As part of the transactions contemplated under the Framework Agreement, the Company and Sunac China have also set out the terms and conditions for the Company to dispose of the Group's equity interests in Sunac Greentown and Shanghai Sunac Greentown.

Taking into account the aforesaid dispute and the existing relationship between the Company and Sunac Greentown, in order to minimise uncertainties and avoid further disagreement, the Board (including the independent non-executive Directors) is of the view that it is in the interest of the Company and the Shareholders as a whole to finalise the major terms and conditions of the Framework Agreement and the transactions contemplated thereunder and put forth the same to the Shareholders for approval, prior to entering into any definitive agreements with the Sunac Group, if proceeded. The Company will make available the final form of the Framework Agreement and the major ancillary documents contemplated thereunder (if any) for inspection by the Shareholders during certain period up to the EGM as required under the Listing Rules. The Company expects that the Framework Agreement together with the underlying documents will not be further amended after seeking the Shareholders' approval at the EGM (as well as the approval by the shareholders of Sunac China), and will be entered into shortly after the aforesaid approval.

EXPECTED FINANCIAL EFFECT

The Company expects that the transactions contemplated under the Framework Agreement, upon completion thereof, will contribute an aggregate net cash flow of approximately RMB3,390,687,000, as well as an aggregate gain from disposal and distribution of profit of approximately RMB781,360,000 to the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (i) in respect of the aggregate acquisition transactions under the Framework Agreement are anticipated to exceed 25% but all the applicable percentage ratios are anticipated to be less than 100% as and when the Framework Agreement is entered into; and (ii) in respect of the aggregate disposal transactions under the Framework Agreement are anticipated to exceed 25% but all the applicable percentage ratios are anticipated to be less than 75% as and when the Framework Agreement is entered into, the transactions contemplated under the Framework Agreement are anticipated to constitute a major transaction for the Company under Chapter 14 of the Listing Rules subject to Shareholders' approval.

In addition, as of the date of this announcement, Sunac China is a substantial shareholder of each of Beijing Xingye Wanfa and Shanghai Forest Golf, which are non-wholly owned subsidiaries of the Company. Sunac China is therefore a connected person of the Company at the subsidiary level. According to Rule 14A.101 of the Listing Rules, a connected person at the subsidiary level on normal commercial terms or better is exempt from the circular, independent financial advice and shareholders' approval requirement if: (i) the listed issuer's board of directors have approved the transactions; and (ii) the independent non-executive directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the listed issuer and its shareholders as a whole.

The Board (including the independent non-executive Directors) has approved the Framework Agreement and the transactions contemplated thereunder and confirmed that the terms of the Framework Agreement and the transactions contemplated thereunder are fair and reasonable, such transactions are on normal commercial terms and in the interests of the Company and the Shareholders as a whole. As such, the Framework Agreement is exempted from the circular, independent financial advice and Shareholders' approval requirements which apply to non-exempt connected transaction under Chapter 14A of the Listing Rules by virtue of Rule 14A.101 of the Listing Rules.

An EGM will be convened and held for the Shareholders to consider, and if thought fit, pass the resolutions to approve (among other things) the Framework Agreement and the transactions contemplated thereunder.

A circular containing, among other things, further details of the Framework Agreement and a notice of the EGM is expected to be despatched by the Company to the Shareholders as soon as practicable on or before 30 June 2015 since the Board expects that more time will be required to finalise the contents of the circular.

GENERAL

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

Greentown Real Estate is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company principally engaged in property development in the PRC.

On Century Investment is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company principally engaged in investment holdings.

Greentown Investment is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company principally engaged in investment holdings.

Sunac China is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. Based on publicly available information, it is one of the leading real estate developers in the PRC specialised in integrated development of residential and commercial properties.

Shanghai Sunac Greentown is a company established in the PRC with limited liability jointly established by the Company and Sunac China, principally engaged in property development business in the PRC. Shanghai Sunac Greentown is an associate of the Company.

Sunac Construction is a company established in the PRC with limited liability and a wholly-owned subsidiary of Sunac China principally engaged in property development and investment business in the PRC.

Sunac Zhidi is a company established in the PRC with limited liability and a wholly-owned subsidiary of Sunac China, principally engaged in property development in the PRC.

Zhuo Yue Property is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Sunac China principally engaged in investment holdings.

Shanghai Sunac Real Estate is a company established in the PRC with limited liability and a wholly-owned subsidiary of Sunac China principally engaged in property development and investment business in the PRC.

Tianjin Sunac Ao Cheng is a company established in the PRC with limited liability and a wholly-owned subsidiary of Sunac China principally engaged in property development and investment business in the PRC.

Shareholders and other investors should note that the Framework Agreement has not yet been entered into as of the date of this announcement. There is no assurance that the Framework Agreement will be entered into and the transactions contemplated thereunder will be implemented as contemplated or at all. Shareholders and other investors are advised to exercise extreme caution when dealing in the securities of the Company.

TERMS USED IN THIS ANNOUNCEMENT

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

“Beijing Xingye Wanfa”	Beijing Xingye Wanfa Real Estate Development Co., Ltd.* (北京興業萬發房地產開發有限公司), a company established under the laws of the PRC with limited liability
“Board”	the board of Directors
“Company”	Greentown China Holdings Limited (stock code: 03900), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting to be convened by the Company for the purpose of considering, and if thought fit, approving, the entering into of the Framework Agreement and transactions contemplated thereunder
“Framework Agreement”	the framework agreement to be entered into between the Company and Sunac China in relation to certain acquisition and disposal of certain project companies between the Group and the Sunac Group
“Greentown Investment”	Greentown Investment Management Co., Ltd.* (綠城投資管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Greentown Real Estate”	Greentown Real Estate Group Co., Ltd.* (綠城房地產集團有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company together with its subsidiaries
“Hangzhou Sunac Greentown”	Hangzhou Sunac Greentown Real Estate Development Co., Ltd.* (杭州融創綠城房地產開發有限公司), a company established under the laws of the PRC with limited liability

“Huiying Real Estate “	Huiying Real Estate (Hangzhou) Co., Ltd.* (會盈房地產(杭州)有限公司), a company established in the PRC with limited liability and a subsidiary of The Wharf (Holdings) Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“On Century Investment”	On Century Investment Limited 安兆投資有限公司, a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Forest Golf”	Shanghai Greentown Forest Golf Villa Development Co., Ltd.* (上海綠城森林高爾夫別墅開發有限公司), a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company
“Shanghai Huazhe Bund”	Shanghai Huazhe Bund Realty Co., Ltd.* (上海華浙外灘置業有限公司), a company established under the laws of the PRC with limited liability
“Shanghai Sunac Greentown”	Shanghai Sunac Greentown Investment Holdings Limited* (上海融創綠城投資控股有限公司), a company established in the PRC with limited liability and owned as to 50% by each of the Company and Sunac China, being an associate of the Company
“Shanghai Sunac Real Estate”	Shanghai Sunac Real Estate Development Co., Ltd.* (上海融創房地產開發有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sunac China

“Share(s)”	ordinary shares of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq. m”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sunac China”	Sunac China Holdings Limited (stock code: 01918), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Sunac Construction”	Beijing Sunac Construction Investment Real Estate Co., Ltd.* (北京融創建投房地產有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sunac China
“Sunac Greentown”	Sunac Greentown Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and owned as to 50% by each of the Company and Sunac China, being an associate of the Company
“Sunac Group”	Sunac China and its subsidiaries
“Sunac Zhidi”	Tianjin Sunac Zhidi Co., Ltd.* (天津融創置地有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sunac China
“Tianjin National Game Village Project Company”	Tianjin Greentown National Game Village Construction and Development Co., Ltd.* (天津綠城全運村建設開發有限公司), a company established under the laws of the PRC with limited liability
“Tianjin Sunac Ao Cheng”	Tianjin Sunac Ao Cheng Investment Co., Ltd.* (天津融創奧城投資有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Sunac China
“US\$”	United States dollar, the lawful currency of the United States of America
“Zhejiang Jinying”	Zhejiang Jinying Realty Co., Ltd.* (浙江金盈置業有限公司), a company established under the laws of the PRC with limited liability

“Zhuo Yue Property”

Zhuo Yue Property Investment Holdings Limited 卓越資產投資控股有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Sunac China

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

Hangzhou, the PRC

4 May 2015

As at the date of this announcement, the Board comprises four executive Directors, namely Mr Song Weiping, Mr Zhu Bixin, Mr Sun Guoqiang and Mr Shou Bainian, two non-executive Directors, namely, Mr Andrew Chow and Mr Tsui Yiu Cheung and four independent non-executive Directors, namely Mr Jia Shenghua, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, and Mr Hui Wan Fai.

* *For identification purposes only*