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If you have sold or transferred all your shares in Greentown China Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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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 TRANSACTION IN RELATION TO THE DISPOSAL OF A PRC SUBSIDIARY

*The Independent Financial Adviser to  
the Independent Board Committee and the Independent Shareholders*



**South West Capital Limited**

A letter from the Board is set out on pages 6 to 17 of this circular and a letter from the Independent Board Committee is set out on page 18 of this circular. A letter from South West Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 19 to 34 of this circular.

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## DEFINITIONS

*In this circular, the following expressions have the meanings as set out below unless the context requires otherwise:*

“Assignment of Loans”	the assignment of all the rights and title to the Loans to SOHO Shanghai pursuant to the terms and conditions of the Framework Agreement
“Board”	the board of Directors
“Business Day”	a day on which banks are generally open for business in the PRC
“Capital Injection”	collectively, the First Stage Capital Injection and the Second Stage Capital Injection
“Capital Verification Account”	a bank account jointly controlled by SOHO Shanghai and Greentown Plaza Development for verification of the Capital Injection
“Company”	Greentown China Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Completion”	completion of the Disposals
“Conditions Precedent”	the conditions precedent as set out in the Framework Agreement, as more particularly set out in the section headed “The Framework Agreement” in the letter from the Board of this circular
“Consideration”	the total consideration for the Disposals payable by SOHO Shanghai to the Vendors, as more particularly set out in the section headed “The Framework Agreement” in the letter from the Board of this circular
“Director(s)”	the director(s) of the Company
“Disposals”	collectively, the Greentown Disposal, the MaAnShan Disposal and the Assignment of Loans
“Equity Pledges”	collectively, the equity pledges over the First Stage Capital Injection and the Second Stage Capital Injection granted by Greentown Real Estate and MaAnShan Development to SOHO Shanghai

## DEFINITIONS

“First Equity Pledge”	the equity pledge granted by Greentown Real Estate and MaAnShan Development to SOHO Shanghai over the registered capital of Greentown Plaza Development as more particularly set out in the section headed “The Framework Agreement” in the letter from the Board of this circular
“First Installment”	the first installment of the Consideration
“First Stage Capital Injection”	the increase in the registered capital of Greentown Plaza Development from RMB100,000,000 to RMB900,000,000
“Framework Agreement”	the framework agreement dated 17 April 2012 entered into between the Company, SOHO China, SOHO Shanghai and the Vendors in relation to, among other things, the Disposals
“Greentown Designated Account”	a bank account jointly controlled by SOHO Shanghai and Greentown Real Estate
“Greentown Disposal”	the disposal of 70% equity interests in Greentown Plaza Development by Greentown Real Estate to SOHO Shanghai
“Greentown Holdings Group”	綠城控股有限公司 (Greentown Holdings Group Limited*), a company incorporated in the PRC with limited liability and owned by Mr Shou, Mr Song and Ms Xia
“Greentown Plaza Development”	上海綠城廣場置業有限公司 (Shanghai Greentown Plaza Development Co., Ltd.*), a company established in the PRC with limited liability and is owned as to 70% by Greentown Real Estate and 30% by MaAnShan Development as at the date of the Framework Agreement
“Greentown Real Estate”	綠城房地產集團有限公司 (Greentown Real Estate Group Co., Ltd.*), a company established in the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company
“Group”	collectively, the Company and its subsidiaries

## DEFINITIONS

“Guarantee Money”	HKD1,398,000,000, being the guarantee money to be paid by SOHO China pursuant to the Framework Agreement
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee comprising all the independent non-executive Directors
“Independent Shareholders”	Shareholders who are not required to abstain from voting on resolution approving the transaction contemplated under the Framework Agreement
“Land”	a parcel of land located at Tianshan Road, Changning District, Shanghai, the PRC
“Latest Practicable Date”	6 June 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	an amount of RMB315,210,000 owed by Greentown Plaza Development to Greentown Real Estate (including the associated companies of Greentown Real Estate)
“MaAnShan Designated Account”	a bank account jointly controlled by SOHO Shanghai and MaAnShan Development
“MaAnShan Development”	馬鞍山華龍置業發展有限公司 (MaAnShan Hualong Real Estate Development Co., Ltd.*), a company established in the PRC with limited liability
“MaAnShan Disposal”	the disposal of 30% equity interests in Greentown Plaza Development by MaAnShan Development to SOHO Shanghai
“Mr Shou”	Mr Shou Bainan, the executive vice chairman of the Board and chief executive officer of the Company

## DEFINITIONS

“Mr Song”	Mr Song Weiping, the chairman of the Board
“Ms Xia”	Ms Xia Yibo, the spouse of Mr Song
“Note Holders”	the holders of the US\$400 million 9.00% senior notes due 2013, 90.3% of the notes was repurchased by the Company in May 2009 as more particularly disclosed in the Company’s announcements dated 21 April 2009 and 20 May 2009
“Option Holders”	the holders of the share option granted by the Company pursuant to the share option scheme adopted by a resolution of the Shareholders on 22 June 2006
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Richwise”	Richwise Holdings Limited (才智控股有限公司), a company incorporated in the British Virgin Islands with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Second Installment”	the second installment of the Consideration
“Second Stage Capital Injection”	the increase in the registered capital of Greentown Plaza Development from RMB900,000,000 to RMB1,550,000,000
“SFO”	the Securities and Future Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	shareholder(s) of the Company
“Shareholder’s Loans”	the interest-bearing shareholder’s loans and other payable in an aggregate amount of RMB1,719,140,000 (including the Loans) owed by Greentown Plaza Development to Greentown Real Estate (including the associated companies of Greentown Real Estate)
“SOHO China”	SOHO China Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange

## DEFINITIONS

“SOHO Shanghai” or “Purchaser”	搜候(上海)投資有限公司 (SOHO (Shanghai) Investment Co., Ltd.*), a company established in Shanghai with limited liability and a wholly-owned subsidiary of SOHO China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“SWCL”	South West Capital Limited, a corporation licensed by the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
“Third Installment”	the third installment of the Consideration
“Vendors”	collectively, Greentown Real Estate and MaAnShan Development
“%”	per cent.

\* For identification purposes only



**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)**

*Executive Directors:*

Mr Song Weiping (*Chairman*)  
Mr Shou Bainian (*Executive Vice-Chairman*)  
Mr Luo Zhaoming (*Vice-Chairman*)  
Mr Guo Jiafeng  
Mr Cao Zhounan

*Registered office:*

M&C Corporate Services Limited  
PO Box 309GT, Uglan House  
South Church Street  
George Town, Grand Cayman  
Cayman Islands

*Independent non-executive Directors:*

Mr Jia Shenghua  
Mr Jiang Wei  
Mr Ke Huanzhang  
Mr Sze Tsai Ping, Michael  
Mr Tang Shiding  
Mr Hui Wan Fai

*Principal place of business  
in Hong Kong:*

Room 1406-8, 14th Floor  
New World Tower 1  
16-18 Queen's Road Central  
Hong Kong

8 June 2012

*To the Shareholders and, for information only, the Note Holders and the Option Holders*

Dear Sir or Madam,

**CONNECTED TRANSACTION  
IN RELATION TO  
THE DISPOSAL OF A PRC SUBSIDIARY**

**INTRODUCTION**

Reference is made to the announcements of the Company dated 17 April 2012 and 30 April 2012, respectively. The Board announced that a wholly-owned subsidiary of SOHO China (as Purchaser) and SOHO China entered into the Framework Agreement with Greentown Real Estate and MaAnShan Development (as Vendors) and the Company for the disposal of the entire equity interests in Greentown Plaza Development by the Vendors and assignment of all the rights and title to the Loans by Greentown Real Estate at an aggregate consideration of RMB2,137,720,000 (subject to adjustment, if any).

\* For identification purposes only



## LETTER FROM THE BOARD

Pursuant to Rule 14A.13(1)(b)(i) of the Listing Rules, the transactions contemplated under the Framework Agreement constitute a connected transaction (in addition to a discloseable transaction) of the Company notwithstanding that the purchaser and its ultimate beneficial owner are independent third parties for the reason that MaAnShan Development, the co-owner of Greentown Plaza Development who will sell its 30% equity interest therein to the purchaser pursuant to the Framework Agreement, is a “controller” (as defined in the Listing Rules) of the Company by virtue of its 30% equity interest in Greentown Plaza Development.

As one of more of the applicable percentage ratios exceeds 5%, the transactions contemplated under the Framework Agreement are subject to the reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee has been established to advise the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement. SWCL has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement.

To the best of the Directors’ knowledge, information and belief, having made reasonable enquiries, no Shareholder is required to abstained from voting at the resolution in relation to the Framework Agreement. A written shareholders’ approval has already been obtained from a closely allied group of Shareholders holding, in aggregate, 925,473,500 Shares (representing approximately 56.42% of the issued share capital of the Company as at the date of such approval) for the transactions contemplated under the Framework Transaction. Such 56.42% shareholding interest represents the Shares controlled by Mr Song, Mr Shou and Ms Xia. Details of the Shares controlled by them are set out below:

	<b>Number of Shares</b>	<i>Notes</i>	<b>Percentage of issued share capital of the Company as at the date of the aforesaid approval</b>
<i>Closely allied group of Shareholders</i>			
– Mr Song	472,124,000	1	28.78
– Ms Xia	68,859,000	2	4.20
– Mr Shou	384,490,500	3	23.44
Sub-total	925,473,500		56.42
<i>Other Shareholders</i>	714,838,397		43.58
Total	1,640,311,897		100

## LETTER FROM THE BOARD

*Notes:*

1. These Shares comprise of 372,124,000 Shares held by Delta House Limited, a company wholly-owned by Mr Song and 100,000,000 Shares held by Hong Kong Orange Osmanthus Foundation Limited, a company limited by guarantee and established by Mr Song as a charitable institution of which Mr Song is the sole member.
2. These Shares are held by Wisearn Limited, a company wholly-owned by Ms Xia.
3. These Shares are held by Profitwise Limited, a company wholly-owned by Mr Shou.

Mr Song is the chairman of the Board while Mr Shou is the executive vice chairman of the Board and the chief executive officer of the Company.

Pursuant to Rule 14A.43 of the Listing Rules, the Company has made an application to the Stock Exchange, and the Stock Exchange has approved, that the written approval from the closely allied group of Shareholders in lieu of holding a physical Shareholders' meeting shall be acceptable for approving the transactions contemplated under the Framework Agreement.

The purpose of this circular is to provide, among other things, (i) further details about the transactions contemplated under the Framework Agreement; (ii) a letter from SWCL containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement; and (iii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement.

### THE FRAMEWORK AGREEMENT

The principal terms of the Framework Agreement are as follows:

- Date: 17 April 2012
- Parties:
- (1) the Company
  - (2) Greentown Real Estate, as one of the Vendors (with MaAnShan Development as another Vendor)
  - (3) SOHO China
  - (4) SOHO Shanghai, as the Purchaser

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser (namely SOHO Shanghai) and its sole shareholder (namely SOHO China) and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

## LETTER FROM THE BOARD

Consideration and payment:

The aggregate consideration payable to Greentown Real Estate for the Greentown Disposal and Assignment of Loans under the Framework Agreement is RMB1,615,848,200 (subject to adjustment, if any), comprising (a) RMB1,300,638,200 being the consideration for the Greentown Disposal; and (b) RMB315,210,000 being the consideration for the Assignment of Loans. The consideration payable to MaAnShan Development for the MaAnShan Disposal under the Framework Agreement is RMB521,871,800 (subject to adjustment, if any).

The Consideration is payable in the following manner:

- (a) *First Installment* – RMB800,000,000, of which RMB560,000,000 being the partial consideration for the Greentown Disposal and RMB240,000,000 being the partial consideration for the MaAnShan Disposal.

SOHO Shanghai shall pay RMB560,000,000 and RMB240,000,000 to the Greentown Designated Account and the MaAnShan Designated Account, respectively, on the date of fulfilment of (i) the due execution of the Framework Agreement; (ii) all Conditions Precedent having been fulfilled or (where applicable) waived by SOHO Shanghai in writing; (iii) the joint control of, among other things, the company seals, corporate chops and licences of Greentown Plaza Development by Greentown Real Estate and SOHO Shanghai; (iv) the passing of a shareholders' resolutions by all the shareholders of Greentown Plaza Development in relation to the Capital Injection and the opening of the Capital Verification Account; and (v) the representations and warranties given by the Vendors under the Framework Agreement remaining valid;

## LETTER FROM THE BOARD

- (b) *Second Installment* – RMB126,300,000, being the partial consideration for the Assignment of Loans by Greentown Real Estate to SOHO Shanghai.

SOHO Shanghai shall pay the Second Installment to the bank accounts as designated by the Vendors before 15 May 2012 and within two Business Days after the fulfilment of (i) Greentown Plaza Development having paid all the deed tax in relation to the grant of the Land and the obtaining of the relevant real estate ownership certificate; (ii) all procedures for the Capital Injection having been completed and the obtaining of the renewed business license of Greentown Plaza Development showing its paid up registered capital of RMB1,550,000,000 from the relevant Administration for Industry and Commerce; (iii) the completion of the registration of the Equity Pledges; and (iv) the representations and warranties given by the Vendors under the Framework Agreement remaining valid; and

- (c) *Third Installment* – RMB1,211,420,000, of which RMB740,638,200 being the balance of the consideration for the Greentown Disposal; RMB281,871,800 being the balance of the consideration for the MaAnShan Disposal; and RMB188,910,000 being the balance of the consideration for the Assignment of Loans by Greentown Real Estate to SOHO Shanghai.

## LETTER FROM THE BOARD

SOHO Shanghai shall pay the Third Installment to the bank accounts as designated by the Vendors within two Business Days after the fulfilment of, among other things: (i) the completion of the business registration for the equity transfers in relation to the Greentown Disposal and the MaAnShan Disposal with the relevant Administration for Industry and Commerce; (ii) the valid proof of an amount which can be treated as deductible costs before tax for the development project of the Land being not less than RMB1,871,485,000 (the “**Deductible Amount**”); (iii) the parties having procured Greentown Plaza Development to fulfil its existing contractual obligations in accordance with the terms of the Framework Agreement; (iv) procedures for Completion having taken place and a confirmation in relation to Completion having been executed by SOHO Shanghai and Greentown Real Estate; (v) SOHO Shanghai and Greentown Real Estate having executed a confirmation in relation to the adjustment to Consideration; (vi) written evidence confirming that the Guarantee Money would be refunded to SOHO China on the date of payment of the Third Installment; and (vii) the representations and warranties given by the Vendors under the Framework Agreement remaining valid.

For the avoidance of doubt, if SOHO Shanghai agrees and waives the payment condition as set out in (ii) above, SOHO Shanghai has the right to deduct from the Third Installment an amount equivalent to the taxation effect arising from the shortfall between the Deductible Amount and the actual deductible amount.

## LETTER FROM THE BOARD

The parties agree that, prior to the payment of the Third Installment, SOHO Shanghai and Greentown Real Estate shall, after taking into account the factors as stated in the Framework Agreement (including but not limited to the amount of outstanding deed tax in relation to the grant of the Land, the amount of working capital of Greentown Plaza Development as at Completion and the fulfilment by Greentown Plaza Development of certain of its contractual obligations as set out in the Framework Agreement), adjust the Consideration and execute a confirmation in relation to the adjustment to Consideration.

The Consideration was arrived at after arm's length negotiation among the parties to the Framework Agreement and was determined by reference to, among other things, the recent market value of comparable land nearby the Land.

### Guarantee Money:

Within two Business Days after the payment of the First Installment (a) SOHO China shall pay the Guarantee Money into a bank account opened by Richwise as designated by Greentown Real Estate as guarantee money for the Third Installment; and (b) the Company shall execute a guarantee in favour of SOHO China for the refund of the Guarantee Money.

The Company and Greentown Real Estate shall procure Richwise to refund the Guarantee Money to SOHO China upon the day when SOHO Shanghai pays the Third Installment or the 5th Business Day after the termination of the Framework Agreement.

## LETTER FROM THE BOARD

Conditions Precedent: Completion is subject to the fulfilment of the following conditions:

- (a) the obtaining by SOHO Shanghai and Greentown Real Estate of the approval of the transactions contemplated under the Framework Agreement from their respective board of directors and the obtaining by MaAnShan Development of the approval of the transactions contemplated under the Framework Agreement from its shareholders;
- (b) the passing of a shareholders' resolutions by all the shareholders of Greentown Plaza Development in relation to, among other things, the approval of the Greentown Disposal and the MaAnShan Disposal and their waiver to the pre-emptive right in relation to such disposals;
- (c) the completion of the registration of the First Equity Pledge; and
- (d) the representations and warranties given by the Vendors under the Framework Agreement remaining valid.

All the above conditions precedent have been fulfilled.

Capital Injection: The parties agree that the registered capital of Greentown Plaza Development shall be increased from RMB100,000,000 to RMB1,550,000,000 in two stages comprising:

- (a) *First Stage Capital Injection* – RMB800,000,000, of which 70% is to be contributed by Greentown Real Estate and 30% by MaAnShan Development. Within five Business Days after the receipt of the First Installment, Greentown Real Estate and MaAnShan Development shall apply the money received from the First Installment to the First Stage Capital Injection. Upon completion of the First Stage Capital Injection, Greentown Plaza Development shall repay RMB753,930,000 to Greentown Real Estate as partial repayment of the Shareholder's Loans. Upon receipt of such partial repayment of the Shareholder's Loans, Greentown Real Estate shall utilise not less than RMB650,000,000 for the Second Stage Capital Injection; and

## LETTER FROM THE BOARD

(b) *Second Stage Capital Injection* – RMB650,000,000. The funds for the Second Stage Capital Injection shall be injected before 15 May 2012. Upon completion of the Second Stage Capital Injection, Greentown Plaza Development shall repay RMB650,000,000 to Greentown Real Estate as partial repayment of the Shareholder's Loans.

Equity pledges:

(a) Within five Business Days after the signing of the Framework Agreement, the Vendors shall pledge the then entire paid up registered capital of Greentown Plaza Development (the "**First Equity Pledge**") to SOHO Shanghai and register the pledge with the relevant Administration for Industry and Commerce.

(b) Upon completion of the First Stage Capital Injection, the Vendors shall pledge the amount of capital injection in Greentown Plaza Development under the First Stage Capital Injection to SOHO Shanghai and register the pledge with the relevant Administration for Industry and Commerce.

(c) Upon completion of the Second Stage Capital Injection, the Vendors shall pledge the amount of capital injection in Greentown Plaza Development under the Second Stage Capital Injection to SOHO Shanghai and register the pledge with the relevant Administration for Industry and Commerce.

Completion:

Subject to the fulfillment of the Conditions Precedent, Completion shall take place on the day when the business registration for the equity transfers in relation to the Greentown Disposal and the MaAnShan Disposal with the relevant Administration for Industry and Commerce is completed, which is expected to be a date before 30 June 2012.

Termination:

The Framework Agreement may be terminated by any party in accordance with any applicable laws or the terms of the Framework Agreement.



## LETTER FROM THE BOARD

If Completion does not take place before 30 June 2012 for any reason not related to any party, all parties shall negotiate for other possible alternative proposals. Upon failure to reach a consensus, any party has the right to terminate the Framework Agreement by written notice.

Upon termination, the Vendors shall refund without interest all the money paid by SOHO Shanghai as Consideration (after any deduction provided in the Framework Agreement, if the reason for termination is related to SOHO Shanghai and SOHO Shanghai is responsible for such breach under the Framework Agreement) within three Business Days.

### **INFORMATION ON SOHO CHINA, SOHO SHANGHAI, MAANSHAN DEVELOPMENT AND GREENTOWN PLAZA DEVELOPMENT**

#### **SOHO China, SOHO Shanghai and MaAnShan Development**

The Directors are informed that: (a) SOHO China is a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange and whose principal business activity is investment holding. The principal business activities of its major subsidiaries are development, operation and sale of commercial properties in central Beijing and Shanghai; (b) SOHO Shanghai is a company established in Shanghai with limited liability and is a wholly-owned subsidiary of SOHO China. The principal business activity of SOHO Shanghai is real property development and investment management; and (c) MaAnShan Development is a company established in the PRC with limited liability and is principally engaged in real estate development in the PRC.

#### **Greentown Plaza Development**

Greentown Plaza Development is a company established in the PRC. As at the date of this circular, the registered capital of Greentown Plaza Development is RMB100,000,000 and is owned as to 70% by Greentown Real Estate and 30% by MaAnShan Development.

The audited net loss both before and after taxation and extraordinary items of Greentown Plaza Development for the financial years ended 31 December 2010 and 31 December 2011 were RMB890,889 and RMB3,632,210, respectively. The net asset value of Greentown Plaza Development as at 31 December 2011 was RMB95,476,901.

Greentown Plaza Development owns the Land, namely a parcel of land located at Tianshan Road, Changning District, Shanghai, the PRC, for commercial and office uses with a total site area of approximately 26,000 square metres. Upon Completion, Greentown Plaza Development will cease to be a subsidiary of the Company.

## LETTER FROM THE BOARD

### INFORMATION ON THE COMPANY AND GREENTOWN REAL ESTATE AND REASONS FOR ENTERING INTO THE FRAMEWORK AGREEMENT

The Group is one of the leading property developers in the PRC and is primarily engaged in developing quality properties targeting middle to higher income residents in the PRC. Greentown Real Estate is a company incorporated in the PRC and a wholly-owned subsidiary of the Company. The Board is of the view that the net proceeds from the Greentown Disposal would strengthen the Group's cash flow and increase its working capital to maintain the liquidity and conserve more financial resources for the funding of future investments when opportunities arise. It is expected that the Greentown Disposal would improve the gearing level and the financial position of the Group. As such, the Directors consider that the terms of the Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has any material interest in the Framework Agreement requiring him to abstain from voting on the board resolution approving the Framework Agreement.

It is estimated that there will be a gain on the Greentown Disposal of approximately RMB200,000,000. This represents the difference between the cost of 70% of the registered capital of Greentown Plaza Development contributed by the Group (namely RMB1,085,000,000) together with the associated costs in relation to Greentown Plaza Development, and the consideration for the sale of such 70% equity interest in Greentown Plaza Development under the Framework Agreement (namely RMB1,300,638,200).

The Board expects that the net proceeds from the Greentown Disposal will be utilised as general working capital for the Group.

### 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 in this circular or this circular misleading.

### RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 18 of this circular which contains its recommendation to the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement. Your attention is also drawn to the letter of advice from SWCL set out on pages 19 to 34 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement and the principal factors and reasons considered by it in formulating its advice.

## LETTER FROM THE BOARD

The Independent Board Committee, after taking into account the advice of Independent Financial Adviser, is of the opinion that the Framework Agreement is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Independent Board Committee accordingly agrees with the closely allied group of Shareholders' decision to approve the Framework Agreement.

### ADDITIONAL INFORMATION

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

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



**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)**

8 June 2012

*To the Shareholders and, for information only, the Note Holders and the Option Holders*

Dear Sir or Madam,

**CONNECTED TRANSACTION  
IN RELATION TO  
THE DISPOSAL OF A PRC SUBSIDIARY**

We refer to the circular of the Company to the Shareholders dated 8 June 2012 (the “**Circular**”), in which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter will have the same meanings given to them in the section headed “Definitions” of the Circular.

We have been authorised by the Board to form the Independent Board Committee to advise the Shareholders on whether the transactions contemplated under the Framework Agreement is fair and reasonable so far as the Company and the Shareholders as a whole are concerned.

We wish to draw your attention to the letter of advice from SWCL, the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the transactions contemplated under the Framework Agreement, as set out on pages 19 to 34 of the Circular and the letter from the Board set out on pages 6 to 17 of the Circular.

Having considered, among other matters, the factors and reasons considered by, and the opinion of, SWCL as stated in its letter of advice, we consider that the transactions contemplated in the Framework Agreement is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. We accordingly agree with the closely allied group of Shareholders’ decision to approve the Framework Agreement.

Yours faithfully,  
**The Independent Board Committee of  
Greentown China Holdings Limited**  
**Mr Jia Shenghua**  
**Mr Jiang Wei**  
**Mr Ke Huanzhang**  
**Mr Sze Tsai Ping, Michael**  
**Mr Tang Shiding**  
**Mr Hui Wan Fai**  
*Independent non-executive Directors*

\* For identification purposes only

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

*The following is the full text of the letter of advice from South West Capital Limited to the Independent Board Committee in respect of the transactions contemplated under the Framework Agreement, which has been prepared for the purpose of inclusion in this Circular.*



Unit 1101-02, 11/F  
Euro Trade Centre  
13-14 Connaught Road, Central,  
Hong Kong

8 June 2012

*To the Independent Board Committee*

Dear Sirs,

### **CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF A PRC SUBSIDIARY**

#### **INTRODUCTION**

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the Framework Agreement (the “**Transactions**”). Details of the Framework Agreement are set out in the “Letter from the Board” contained in the circular of the Company dated 8 June 2012 to the Independent Shareholders (the “**Circular**”), of which this letter form part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

The Independent Board Committee comprising all independent non-executive directors of the Company, namely Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, Mr Tang Shiding, and Mr Hui Wan Fai, has been established to advise the Independent Shareholders in respect of the Transactions.

In our capacity as the independent financial adviser, our role is to advise the Independent Board Committee and the Independent Shareholders as to whether the Framework Agreement was entered into the ordinary and usual course of business of the Company, the terms of the Framework Agreement were agreed on normal commercial terms and are fair and reasonable, and in the interests of the Company and the Shareholders as a whole; and to give independent advice to the Independent Board Committee.

In formulating our opinion and recommendation, we have relied on the accuracy of the information, opinions and representations contained or referred to in the Circular and provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, opinions and representations contained or referred to in the Circular were true and accurate in all material respects at the time when they were

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

made and continued to be true and accurate in all material respects as at the date of the Circular. We have also assumed that all statements of belief, opinion and intention made by the Directors and management of the Company in the Circular were reasonably made after due enquiries and considerations. We have no reason to doubt that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations and opinions made to us untrue, inaccurate or misleading. We consider that we have reviewed sufficient information to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in the Circular to provide a reasonable basis for our opinions and recommendations. The Directors have confirmed that having made all reasonable enquiries, to the best of their knowledge, there are no other matters the omission of which would make any statement in the Circular misleading. We have also reviewed the opinion and valuation relevant to the Company provided by Ascent Partners Transaction Service Limited, a property valuer (the “Valuer”), including reviewing the independent valuation report dated 8 June 2012 (the “Valuation Report”), and the terms of engagement (having particular regard to the scope of work, whether the scope of work is appropriate to the opinion required to be given and any limitation on the scope of work which might adversely impact on the degree of assurance given by the expert’s report, opinion or statement for the Company).

We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs, financial condition and future prospects of the Company.

We are independent from, and are not associated with the Company or any other party to the Transactions, or their respective substantial shareholder(s) or connected person(s), as defined under the Listing Rules and accordingly, are considered eligible to give independent advice to the Independent Board Committee and the Independent Shareholders. Apart from normal professional fees payable to us by the Company in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company or any other party to the Transactions or any of its subsidiaries or their respective associates.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion to Independent Board Committee in respect of the Transactions, we have taken into consideration the following principal factors and reasons:

#### 1. Background of the Transactions

On 17 April 2012, a wholly-owned subsidiary of SOHO China (as Purchaser) and SOHO China entered into the Framework Agreement with Greentown Real Estate and MaAnShan Development (as Vendors) and the Company for the disposal of the entire equity interests in Greentown Plaza Development by the Vendors and assignment of all the rights and title to the Loans by Greentown Real Estate. Greentown Plaza Development was owned as to 70% by Greentown real Estate and 30% by MaAnShan Development as at

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

the Date of the Framework Agreement. The total consideration payable to Greentown Real Estate under the Framework Agreement for the Greentown Disposal and Assignment of Loans is RMB1,615,848,200 (subject to adjustment, if any).

Reference is made to the announcements of the Company dated 17 April 2012 and 30 April 2012, pursuant to Rule 14A.13(1)(b)(i) of the Listing Rules, the Transactions constitute a connected transaction (in addition to a discloseable transaction) of the Company notwithstanding that the purchaser and its ultimate beneficial owner are independent third parties for the reason that MaAnShan Development, the co-owner of Greentown Plaza Development who will sell its 30% equity interest therein to the purchaser pursuant to the Framework Agreement, is a “controller” (as defined in the Listing Rules) of the Company by virtue of its 30% equity interest in Greentown Plaza Development.

### **2. Reasons and benefits for the Transactions**

#### ***A. Business of the Group and Greentown Plaza Development***

The Group is one of the leading property developers in the PRC and is primarily engaged in developing quality properties targeting middle to higher income residents in the PRC. It commands a leading position in the industry by leveraging on its quality properties. The Company focuses on developing high quality real estate, and now offers widely-received high quality housing types, such as villa, flat mansion, low-rise apartment, high-rise apartment, urban complex, integrated community and commercial. According to the 2011 Annual Report of the Company, the Company has extended its business to other cities such as Shanghai, Nanjing, Suzhou, Wuxi and Nantong in Yangtze River Delta, Beijing, Tianjin, Qingdao, Jinan and Dalian in Bohai Rim Economic Belts, as well as other provincial cities such as Hefei, Zhengzhou, Changsha and Urumqi, since the commencement of the Company’s national expansion strategy in 2000.

Greentown Plaza Development is a company established in the PRC. As at the date of the Framework Agreement, the registered capital of Greentown Plaza Development is RMB100,000,000 and is owned as to 70% by Greentown Real Estate and 30% by MaAnShan Development.

The audited net loss both before and after taxation and extraordinary items of Greentown Plaza Development for the financial years ended 31 December 2010 and 31 December 2011 were approximately RMB890,889 and approximately RMB3,632,210, respectively. The net asset value of Greentown Plaza Development as at 31 December 2011 was approximately RMB95,476,901.

Greentown Plaza Development owns the Land, namely a parcel of land located at Tianshan Road, Changning District, Shanghai, the PRC, for commercial and office uses with a total site area of approximately 26,000 square metres. Upon Completion, Greentown Plaza Development will cease to be a subsidiary of the Company.



***B. Overview of Shanghai property market***

As disclosed by the Statistics Bureau of Shanghai ([www.stats-sh.gov.cn](http://www.stats-sh.gov.cn)), the Shanghai economy continued to grow steadily for 2011, and achieved the target set at the beginning of 2011. The value of the gross domestic product in Shanghai increased 8.2% year-on-year to approximately RMB1.92 trillion in 2011.

As disclosed by the Statistics Bureau of Shanghai ([www.stats-sh.gov.cn](http://www.stats-sh.gov.cn)), the real estate investment in Shanghai increased 0.7% year-on-year to RMB47.18 billion for the first quarter of 2012, occupying 52.1% of total fixed asset investment of the city. Within this, residence investment increased 0.2% year-on-year to RMB29.367 billion, office building investment decreased 17.4% year-on-year to RMB3.799 billion, and commercial use investment increased 23% year-on-year to RMB5.626 billion. The average selling price of office in Shanghai is RMB29,481 per square metre, representing a year-on-year increase of 9.5%. In February 2012, the sales unit of office in Shanghai increased 42.9% on a month-on-month basis; while in March 2012, a month-on-month increase of 130.4% was witnessed on sales unit of office in Shanghai.

As stated in the prospectus of the Company, property development was capital intensive. The Group financed property projects primarily through a combination of pre-sale and sale proceeds, borrowings from financial institutions, internal funds and loans from project partners. Considering the channels of funding resources in Shanghai real estate market, as affected by tight control over loans to property developers from domestic banks, funds from domestic loans decreased 4.1% year-on-year to RMB33.603 billion, and self-raised funds increased 7.9% year-on-year to RMB57.134 billion. The benchmark loan rate from The People's Bank of China ([www.pbc.gov.cn](http://www.pbc.gov.cn)) has continued to increase since October 2010. The benchmark rate of loans for a time period from six months to one year has increased from 5.56% on 20 October 2010 to 6.56% on 7 July 2011 after four times of adjustment, and the benchmark rate of loans for a time period from one year to three years has increased from 5.60% on 20 October 2010 to 6.65% on 7 July 2011 after four times of adjustment. The average interest rates for the Group have also increased from 5.73% in 2010 to 6.67% in 2011 as to bank loans, and from 8.23% in 2010 to 11.62% in 2011 as to other loans. It is clear that the credit environment for the Company has been worsened over the year of 2011.

***C. Information about the Land Parcel in Changning District***

As stated in the Valuation Report, the land parcel involved in the Transactions, which is approximately 25,594 square metres, is located at 1/2 Qiu, 98 Jiefang, Tianshan Road, Changning District, Shanghai City, the PRC. The land use rights of the Land were contracted to be transferred to Greentown Plaza Development at a land premium of RMB1,535,640,000. The permitted gross floor area is 102,376 square metres with plot ratio of not greater than 4. The land use rights of the Land were granted to Greentown Plaza Development for commercial use for a term commencing on 11 October 2010 and expiring on 10 October 2050; and office use for a term commencing on 11 October 2010 and expiring on 10 October 2060. The market value in existing state as at 15 May 2012 is RMB1,900,000,000.



## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### *D. Reasons for the Transactions*

#### *1. Realizing the value of the investment*

The Greentown Disposal will enable the Company to realize the initial investment in Greentown Plaza Development. As stated in the Letter from the Board, it is estimated that there will be a gain on the Greentown Disposal of approximately RMB200,000,000. This represents the difference between the cost of 70% of the registered capital of Greentown Plaza Development contributed by the Group (namely RMB1,085,000,000) together with the associated costs in relation to Greentown Plaza Development, and the consideration for the sale of such 70% equity interest in Greentown Plaza Development under the Framework Agreement (namely RMB1,300,638,200).

#### *2. Immediate cash flow to the Group*

As mentioned in the Letter from the Board, the Board is of the view that the net proceeds from the Greentown Disposal would strengthen the Group's cash flow and increase its working capital to maintain the liquidity and conserve more financial resources for the funding of future investments when opportunities arise. It is expected that the Greentown Disposal would improve the gearing level and the financial position of the Group. The Board expects that the net proceeds from the Greentown Disposal will be utilised as general working capital for the Group.

The Greentown Disposal provides immediate cashflow to the Group. As stated in 2011 Annual Report of the Company, bank balances and cash decreased to RMB3,615,149,000 as at 31 December 2011 from RMB12,407,659,000 as at 31 December 2010. Compared with the result of 2010, of which the ending bank balance and cash was RMB12,407,659,000 and a net increase in bank balance and cash of RMB2,992,921,000 over the year. While the net cash used in operating activities decreased in 2011, the Company invested more capital into its associates and granted more prepayments to third parties, which increased the net cash used in investing activities. Hence, it is apparent that the cashflow position of the Group can be improved upon Completion.

The PRC government has increased the interest rates of bank loans, and reduced the availability of bank loans to real estate purchasers, according to the policy issued by Shanghai municipal government (Hu Fu Ban Fa (2012) No.7). According to the 2011 Annual Report, the Company has been affected by such national situation. As stated in 2011 Annual Report, bank and other borrowings raised in 2011 decreased substantially by 47.07% from RMB28,263,587,000 in 2010 to RMB14,958,498,000 in 2011. The Company repaid trust loans, amounting to approximately RMB3,150,000,000. Such activity has further worsened the liquidity condition of the Company.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As stated in the Letter from the Board, the net proceeds from the Greentown Disposal are estimated to be approximately RMB1,615,848,200, and will be utilized as general working capital for the Group. The proceeds will bring positive cash flow to the Company and increase its working capital to maintain the liquidity and conserve more financial resources for the funding of future investments when opportunities arise. The gearing level and the financial position of the Company will also be improved.

### *E. Principal terms of the Transactions*

#### *1. The Framework Agreement*

As stated in the Letter from the Board, the principal terms of the Framework Agreement are as follows:

Date:	17 April 2012
Parties:	(1) the Company
	(2) Greentown Real Estate, as one of the Vendors (with MaAnShan Development as another Vendor)
	(3) SOHO China
	(4) SOHO Shanghai, as the Purchaser
Consideration and Payment:	The aggregate consideration payable to Greentown Real Estate for the Greentown Disposal and Assignment of Loans under the Framework Agreement is RMB1,651,848,200 (subject to adjustment, if any), comprising (a) RMB1,300,638,200 being the consideration for the Greentown Disposal; and (b) RMB315,210,000 being the consideration for the Assignment of Loans. The consideration payable to MaAnShan Development for the MaAnShan Disposal under the Framework Agreement is RMB521,871,800 (subject to adjustment, if any).

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Consideration is payable in the following manner:

(a) First Installment

RMB800,000,000, of which RMB560,000,000 being the partial consideration for the Greentown Disposal and RMB240,000,000 being the partial consideration for the MaAnShan Disposal.

SOHO Shanghai shall pay RMB560,000,000 and RMB240,000,000 to the Greentown Designated Account and the MaAnShan Designated Account, respectively, on the date of fulfilment of (i) the due execution of the Framework Agreement; (ii) all Conditions Precedent having been fulfilled or (where applicable) waived by SOHO Shanghai in writing; (iii) the joint control of, among other things, the company seals, corporate chops and licences of Greentown Plaza Development by Greentown Real Estate and SOHO Shanghai; (iv) the passing of a shareholders' resolutions by all the shareholders of Greentown Plaza Development in relation to the Capital Injection and the opening of the Capital Verification Account; and (v) the representations and warranties given by the Vendors under the Framework Agreement remaining valid;

(b) Second Installment

RMB126,300,000, being the partial consideration for the Assignment of Loans by Greentown Real Estate to SOHO Shanghai. SOHO Shanghai shall pay the Second Installment to the bank accounts as designated by the Vendors before 15 May 2012 and within two Business Days after the fulfilment of (i) Greentown Plaza Development having paid all the deed tax in relation to the grant of the Land and the obtaining of the relevant real estate ownership certificate; (ii) all procedures for the Capital Injection having been completed and the obtaining of the renewed business license of Greentown Plaza Development showing its paid up registered capital of RMB1,550,000,000 from the relevant Administration for Industry and Commerce; (iii) the completion of the registration of the Equity Pledges; and (iv) the representations and warranties given by the Vendors under the Framework Agreement remaining valid; and

(c) Third Installment

RMB1,211,420,000, of which RMB740,638,200 being the balance of the consideration for the Greentown Disposal; RMB281,871,800 being the balance of the consideration for the MaAnShan Disposal; and RMB188,910,000 being the balance of the consideration for the Assignment of Loans by Greentown Real Estate to SOHO Shanghai.

SOHO Shanghai shall pay the Third Installment to the bank accounts as designated by the Vendors within two Business Days after the fulfilment of, among other things: (i) the completion of the business registration for the equity transfers in relation to the Greentown Disposal and the MaAnShan Disposal with the relevant Administration for Industry and Commerce; (ii) the valid proof of an amount which can be treated as deductible costs before tax for the development project of the Land being not less than RMB1,871,485,000 (the "**Deductible Amount**"); (iii) the parties having procured Greentown Plaza Development to fulfil its existing contractual obligations in accordance with the terms of the Framework Agreement; (iv) procedures for Completion having taken place and a confirmation in relation to Completion having been executed by SOHO Shanghai and Greentown Real Estate; (v) SOHO Shanghai and Greentown Real Estate having executed a confirmation in relation to the adjustment to Consideration; (vi) written evidence confirming that the Guarantee Money would be refunded to SOHO China on the date of payment of the Third Installment; and (vii) the representations and warranties given by the Vendors under the Framework Agreement remaining valid.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For the avoidance of doubt, if SOHO Shanghai agrees and waives the payment condition as set out in (ii) above, SOHO Shanghai has the right to deduct from the Third Installment an amount equivalent to the taxation effect arising from the shortfall between the Deductible Amount and the actual deductible amount.

The parties agree that, prior to the payment of the Third Installment, SOHO Shanghai and Greentown Real Estate shall, after taking into account the factors as stated in the Framework Agreement (including but not limited to the amount of outstanding deed tax in relation to the grant of the Land, the amount of working capital of Greentown Plaza Development as at Completion and the fulfilment by Greentown Plaza Development of certain of its contractual obligations as set out in the Framework Agreement), adjust the Consideration and execute a confirmation in relation to the adjustment to Consideration.

The Consideration was arrived at after arm's length negotiation among the parties to the Framework Agreement and was determined by reference to, among other things, the recent market value of comparable land nearby the Land.

Guarantee  
Money:

Within two Business Days after the payment of the First Installment (a) SOHO China shall pay the Guarantee Money into a bank account opened by Richwise as designated by Greentown Real Estate as guarantee money for the Third Installment; and (b) the Company shall execute a guarantee in favour of SOHO China for the refund of the Guarantee Money.

The Company and Greentown Real Estate shall procure Richwise to refund the Guarantee Money to SOHO China upon the day when SOHO Shanghai pays the Third Installment or the 5th Business Day after the termination of the Framework Agreement.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Conditions  
Precedent:

Completion is subject to the fulfilment of the following conditions:

- (a) the obtaining by SOHO Shanghai and Greentown Real Estate of the approval of the transactions contemplated under the Framework Agreement from their respective board of directors and the obtaining by MaAnShan Development of the approval of the transactions contemplated under the Framework Agreement from its shareholders;
- (b) the passing of a shareholders' resolutions by all the shareholders of Greentown Plaza Development in relation to, among other things, the approval of the Greentown Disposal and the MaAnShan Disposal and their waiver to the pre-emptive right in relation to such disposals;
- (c) the completion of the registration of the First Equity Pledge; and
- (d) the representations and warranties given by the Vendors under the Framework Agreement remaining valid.

As stated in the Letter from the Board, all the conditions precedent above have been fulfilled.

**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

Capital Injection: The parties agree that the registered capital of Greentown Plaza Development shall be increased from RMB100,000,000 to RMB1,550,000,000 in two stages comprising:

(a) First Stage Capital Injection

RMB800,000,000, of which 70% is to be contributed by Greentown Real Estate and 30% by MaAnShan Development. Within five Business Days after the receipt of the First Installment, Greentown Real Estate and MaAnShan Development shall apply the money received from the First Installment to the First Stage Capital Injection. Upon completion of the First Stage Capital Injection, Greentown Plaza Development shall repay RMB753,930,000 to Greentown Real Estate as partial repayment of the Shareholder's Loans. Upon receipt of such partial repayment of the Shareholder's Loans, Greentown Real Estate shall utilise not less than RMB650,000,000 for the Second Stage Capital Injection; and

(b) Second Stage Capital Injection

RMB650,000,000. The funds for the Second Stage Capital Injection shall be injected before 15 May 2012. Upon completion of the Second Stage Capital Injection, Greentown Plaza Development shall repay RMB650,000,000 to Greentown Real Estate as partial repayment of the Shareholder's Loans.



**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

- Equity pledges:
- (a) Within five Business Days after the signing of the Framework Agreement, the Vendors shall pledge the then entire paid up registered capital of Greentown Plaza Development (the “**First Equity Pledge**”) to SOHO Shanghai and register the pledge with the relevant Administration for Industry and Commerce.
  - (b) Upon completion of the First Stage Capital Injection, the Vendors shall pledge the amount of capital injection in Greentown Plaza Development under the First Stage Capital Injection to SOHO Shanghai and register the pledge with the relevant Administration for Industry and Commerce.
  - (c) Upon completion of the Second Stage Capital Injection, the Vendors shall pledge the amount of capital injection in Greentown Plaza Development under the Second Stage Capital Injection to SOHO Shanghai and register the pledge with the relevant Administration for Industry and Commerce.

Completion: Subject to the fulfillment of the Conditions Precedent, Completion shall take place on the day when the business registration for the equity transfers in relation to the Greentown Disposal and the MaAnShan Disposal with the relevant Administration for Industry and Commerce is completed, which is expected to be a date before 30 June 2012.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Termination: The Framework Agreement may be terminated by any party in accordance with any applicable laws or the terms of the Framework Agreement.

If Completion does not take place before 30 June 2012 for any reason not related to any party, all parties shall negotiate for other possible alternative proposals. Upon failure to reach a consensus, any party has the right to terminate the Framework Agreement by written notice.

Upon termination, the Vendors shall refund without interest all the money paid by SOHO Shanghai as Consideration (after any deduction provided in the Framework Agreement, if the reason for termination is related to SOHO Shanghai and SOHO Shanghai is responsible for such breach under the Framework Agreement) within three Business Days.

### *2. Basis of determining the Consideration*

As stated in the Letter from the Board, the Consideration was arrived at after arm's length negotiation among the parties to the Framework Agreement and was determined by reference to, among other things, the recent market value of comparable land nearby the Land. The aggregate consideration for the Land of approximately RMB2,137,720,000 represented a premium over the valuation of approximately RMB1,900,000,000 as in the Valuation Report.

To assess the basis in determining the Consideration, we have reviewed the Valuation Report. We have discussed with the Valuer and noted that they have adopted the market-based valuation approach in valuing the Land, and the direct comparison method is adopted where comparison based on prices realised on actual sales of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighted against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of values. Certain adjustments have been made based on the professional judgment of the Valuer through careful consideration of factors such as respective locations, and the size of the Land.

The market value of the Land is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The Valuer advised that the market-based valuation approach is commonly adopted and well recognized methodology in valuing the Land.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We further understand that the real estate market for offices in Shanghai witnessed a stable growth during the time period of the first quarter of 2012. (Please refer to the sub-paragraph headed “B. Overview of Shanghai property market” under the section headed “2. Reasons and benefits for the Transactions”.)

After communicating with the Valuer to understand the basis and relevant work the Valuer performed, and also taking the current situation of Shanghai real estate market into account, we consider that the basis of determining the Consideration is fair and reasonable and in the interest of the Company and shareholders as a whole.

### *F. Financial Impacts of the Disposal*

Upon Completion, Greentown Plaza Development will become the wholly-owned subsidiary of the Purchaser. The financial performance and the financial position of Greentown Plaza Development will cease to be consolidated into the accounts of the Company.

#### *Earnings*

As set out in the Letter from the Board, the audited net loss both before and after taxation and extraordinary items of Greentown Plaza Development for the financial years ended 31 December 2010 and 31 December 2011 were RMB890,889 and RMB3,632,210, respectively. Upon Completion, it is expected that the Company will record a gain on disposal of subsidiaries of approximately RMB200,000,000.

#### *Cashflow*

As stated in 2011 Annual Report of the Company, the bank balances and cash of the Company as at 31 December 2011 amounted to RMB3,615,149,000. Pursuant to the Framework Agreement, the consideration for Greentown Disposal of RMB1,615,848,200 is payable with three installments. Upon Completion, it is expected that the bank balances and cash of the Company will increase to RMB5,230,997,200.

#### *Net Asset Value*

As stated in 2011 Annual Report of the Company, the consolidated net assets of the Company were RMB17,643,314,000. Pursuant to the Framework Agreement, the Consideration of RMB1,615,848,200 was determined with reference to the recent market value of comparable land nearby the Land. Upon Completion, it is expected that the consolidated net assets of the Company will be increased by the net gain on the Transactions approximately RMB200,000,000.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### *Liquidity Ratio*

As stated in 2011 Annual Report of the Company, the current liability of the Company amounted to approximately RMB92,858,427,000 with bank balances and cash amounted to approximately RMB3,615,149,000 as at 31 December 2011. Upon completion of the Transactions, it is expected that the bank balances and cash of the Company will increase by RMB1,615,848,200. Under such condition, the quick ratio of the Company, defined as current assets minus stock divided by current liabilities, would be slightly improved from 0.33 to 0.35.

### RECOMMENDATION

Having considered the above principal factors and reasons as discussed above, in particular the following (which should be read in conjunction with and interpreted in the full context of this letter):

- (1) The general property market condition has been affected by series of recent austerity measures with an unclear outlook;
- (2) The liquidity and gearing leverage of the Company will be improved after the cash proceeds from the Transactions are applied as general working capital; and
- (3) The consideration of the Transactions is with reference to the recent market value of comparable land nearby the Land.

We consider that the Framework Agreement was entered into the ordinary and usual course of business of the Company which was agreed on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned and the Transactions is in the best interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to, and we recommend the Independent Shareholders to, agree with closely allied group of Shareholders' decision to approve the Framework Agreement.

Yours faithfully,  
For and on behalf of  
**South West Capital Limited**  
**Helen Zee**  
*Managing Director*

*The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from Ascent Partners Transaction Service Limited, an independent valuer, in connection with its valuation as at 15 May 2012 of the property interests of Greentown Plaza Development.*



Suite 2102, Hong Kong Trade Centre  
161-167 Des Voeux Road Central  
Hong Kong  
Tel: 3679-3890  
Fax: 3586-0683

Date: 8 June 2012

The Board of Directors  
Greentown China Holdings Limited  
Room 1406-08, New World Tower 1  
16-18 Queen's Road Central  
Hong Kong

Dear Sirs,

#### INSTRUCTIONS

In accordance with your instructions for us to value a property in which Greentown China Holdings Limited (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**") have interests in the People's Republic of China (the "**PRC**"), we confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interests as at 15 May 2012 (referred to as the "**Valuation Date**").

This letter which forms part of our valuation report explains the basis and methodologies of valuation, clarifying assumptions, valuation considerations, title investigation and limiting conditions of this valuation.

#### BASIS OF VALUATION

Our valuation of the property interests represents the market value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion".

## VALUATION METHODOLOGY

We have valued the property interests on market basis and the direct comparison method is adopted where comparison based on prices realised on actual sales of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighted against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of values.

## VALUATION CONSIDERATIONS

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors effective from 1 January 2005.

## VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the seller sells the property interests on the open market in their existing states without the benefit of a deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements, which could serve to affect the values of the property interests.

In undertaking our valuation, we have assumed that, unless otherwise stated, transferable land use rights in respect of the property interests for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have also assumed that the owners of the properties have enforceable titles to the properties and have free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired terms as granted.

No allowance has been made in our report for any outstanding or additional land premium, charges, mortgages or amounts owing on the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

Other special assumptions of the property interests, if any, have been stated out in the footnotes of the valuation certificate attached herewith.

## TITLE INVESTIGATION

We have been, in some instances, shown copies of various title documents and other documents relating to the property interests and have made relevant enquiries. We have not examined the original documents to verify the existing title to the property interests and any material encumbrances that might be attached to the property interests or any lease amendments. However, we have relied considerably on the information given by the Company's PRC legal adviser, 浙江天册律师事务所 (T&C Law Firm), concerning the validity of the Group's title to the property interests located in the PRC.

**LIMITING CONDITIONS**

We have inspected the exterior, and wherever possible, the interior of the properties but no structural survey had been made. In the course of our inspection, we did not note any serious defects. We are not, however, able to report that the properties are free from rot, infestation or any other structural defects. Further, no test has been carried out on any of the building services. All dimensions, measurements and areas are only approximates. We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the properties and we have assumed that the areas shown on the copies of documents handed to us are correct.

We have not carried out any soil investigations to determine the suitability of the soil conditions and the services etc. for any future development. Our valuations are prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period. We do not make any allowance for contamination or pollution of the land, if any, which may have been caused by past usage.

We have relied to a considerable extent on information provided by the Group and have accepted advice given to us on such matters, in particular, but not limited to, the sales records, tenure, planning approvals, statutory notices, easements, particulars of occupancy, site and floor areas and all other relevant matters in the identification of the property interests.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes.

This report is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

**EXCHANGE RATE**

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi (RMB).

Our certificate is herewith attached.

Yours faithfully,  
For and on behalf of  
**Ascent Partners Transaction Service Limited**  
**Ian K. F. Ng**  
*MBA BSc(EstMan) BSc MHKIS MRICS RPS(GP)*  
*Associate Director*

*Mr Ian K. F. Ng is a Registered Professional Surveyor with over 8 years' experience in valuation of properties in HKSAR, Macau SAR and mainland China. Mr Ng is a Professional Member of The Hong Kong Institute of Surveyors as well as a chartered surveyor of The Royal Institution of Chartered Surveyors.*



## VALUATION CERTIFICATE

## Property Interests held by the Group for Future Development in the PRC

Property	Description and Tenure	Particular of Occupancy	Market Value in Existing State as at 15 May 2012
A Parcel of Land Located at 1/2 Qiu, 98 Jiefang, Tianshan Road, Changning District, Shanghai City, the PRC (中華人民共和國上海市長寧區天山路街道98街坊1/2丘土地)	The property comprises a parcel of land with an area of approximately 25,594 sq.m.  The land use rights of the property were granted for commercial use for a term commencing on 11 October 2010 and expiring on 10 October 2050; and office use for a term commencing on 11 October 2010 and expiring on 10 October 2060	The property, as at the Valuation Date, was a vacant land.	RMB1,900,000,000  (Renminbi One Billion Nine Hundred Million)

## Notes:

- (1) Pursuant to a State-owned Land Use Rights Grant Contract dated 19 December 2011 entered into between Shanghai Greentown Plaza Development Co., Ltd. (上海綠城廣場置業有限公司) ("Greentown Plaza Development") and Shanghai Changning Planning & Land Administration Bureau, the land use rights of a land parcel with an area of approximately 25,594.1 sq.m. were contracted to be transferred to Greentown Plaza Development at a land premium of RMB1,535,640,000. The development conditions of the property are set out as follows:

Permitted Gross Floor Area	:	102,376 sq.m.
Plot Ratio	:	Not greater than 4
Land Use	:	40 years for Commercial Use 50 years for Office Use

- (2) Pursuant to a Shanghai Certificate of Real Estate Ownership – Hu Fang Di Chang Zi (2012) Di No. 003819 issued by Shanghai Housing Security & Administration Bureau and Shanghai Planning, Land & Resources Administration Bureau registered on 11 May 2012, the land use rights of a parcel of land with a site area of approximately 25,594 sq.m. were granted to Greentown Plaza Development for commercial use for a term commencing on 11 October 2010 and expiring on 10 October 2050; and office use for a term commencing on 11 October 2010 and expiring on 10 October 2060.
- (3) Pursuant to a Construction Land Use Planning Permit – Hu Chang Di (2011) No. EA31010520110011 issued by Shanghai Changning Planning and Land Administration Bureau date 6 January 2011, Greentown Plaza Development was approved to develop the property for commercial and office uses.
- (4) As advised by the Company, Greentown Plaza Development, a joint venture company in which the Company owns 70% of interest, was formed between Greentown Real Estate Group Co., Ltd. (70% of shares) and MaAnShan Hualong Real Estate Development Co., Ltd. (30% of shares) with a registered capital of RMB1,550,000,000. The profit sharing of 70%: 30% is in accordance to the share ratio and co-operating conditions.
- (5) We have been provided with a legal opinion regarding the property interests by the Company's PRC legal adviser, which contains, *inter alia*, the following:
- (i) Greentown Plaza Development legally owns the property and is entitled to lease, transfer, mortgage and dispose of the property;
  - (ii) The land premium has been paid in full;
  - (iii) The property is not subject to mortgage and other encumbrances.

## 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 in this circular or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' Interests in Shares

As at the Latest Practicable Date, save as disclosed below, none of the Directors or chief executive of the Company has interests or short positions in the Shares and underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to 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 which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange:

#### (i) Long positions in shares and underlying shares of the Company

Name of Director	Personal interests in underlying Shares	Family interests	Interest of controlled corporation	Total number of Shares and underlying Shares held	% of issued share capital of the Company held
Mr Song	1,089,000 <i>(note 3)</i>	68,859,000 <i>(note 2)</i>	472,124,000 <i>(note 1)</i>	542,072,000	33.05%
Mr Shou	609,000 <i>(note 3)</i>	–	384,490,500 <i>(note 4)</i>	385,099,500	23.48%
Mr Luo Zhaoming	15,000,000 <i>(note 6)</i>	–	100,000,000 <i>(note 5)</i>	115,000,000	7.01%
Mr Guo Jiafeng	576,000 <i>(note 3)</i>	–	13,010,000 <i>(note 7)</i>	13,586,000	0.83%
Mr Cao Zhounan	10,000,000 <i>(note 8)</i>	–	–	10,000,000	0.61%

*Notes:*

- (1) Mr Song, being the sole shareholder of Delta House Limited (“Delta”), is deemed to be interested in 372,124,000 shares of the Company held by Delta pursuant to Part XV of the SFO. Hong Kong Orange Osmanthus Foundation Limited (“HKOO Foundation”) is a company limited by guarantee and established by Mr SONG as a charitable institution of a public character exempt from tax under Section 88 of

the Inland Revenue Ordinance, Chapter 112 of the Laws of Hong Kong. As Mr Song is the sole member of HKOO Foundation, pursuant to Part XV of the SFO, Mr Song is deemed to be interested in 100,000,000 shares of the Company held by it notwithstanding that Mr Song is not beneficially interested in such Shares.

- (2) Mr Song is deemed to be interested in such Shares held by Wisearn Limited (“**Wisearn**”), a company wholly-owned by his spouse, Ms Xia.
- (3) Pursuant to the share option scheme adopted by a resolution of the Shareholders on 22 June 2006 (the “**Share Option Scheme**”), these share options were granted on 22 January 2009 and are exercisable at HK\$2.89 per share from 22 January 2009 to 21 January 2019.
- (4) Mr Shou is deemed to be interested in such shares as the sole shareholder of Profitwise Limited (“**Profitwise**”).
- (5) Mr Luo Zhaoming is deemed to be interested in such shares held by Tandellen Group Limited (“**Tandellen**”), a company which is 50% owned by him and 50% owned by his spouse, Ms Ruan Yiling.
- (6) Pursuant to the Share Option Scheme, these share options were granted on 17 July 2009 and are exercisable at HK\$11.59 per share from 17 July 2009 to 16 July 2019.
- (7) Mr Guo Jiafeng is deemed to be interested in such shares as the sole shareholder of Jamuta Investments Limited.
- (8) Pursuant to the Share Option Scheme, these share options were granted on 13 May 2009 and are exercisable at HK\$7.16 per share from 13 May 2009 to 12 May 2019.

(ii) *Long position in shares and underlying shares of associated corporations of the Company*

Name of Director	Name of Associated Corporation	Capacity	Interest in Registered Capital	% of the Total Registered Capital
Mr SONG (note 1)	Greentown Construction Management (綠城房產建設管理有限公司)	Beneficial owner	RMB72,000,000	36%
Mr CAO Zhounan (note 2)	Greentown Construction Management (綠城房產建設管理有限公司)	Beneficial owner	RMB54,000,000	27%

*Notes:*

- (1) Mr Song was beneficially interested in RMB72,000,000 of the total registered capital of Greentown Construction Management.
- (2) Mr Cao Zhounan was beneficially interested in RMB54,000,000 of the total registered capital of Greentown Construction Management.

Other than as disclosed above, none of the directors and chief executive of the Company nor their associates had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at the Latest Practicable Date.

**(b) Substantial Shareholders**

As at the Latest Practicable Date, save as disclosed below, so far as is known to the Board, no persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares of the Company 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 substantial Shareholder		Interest or short position in the Shares or underlying Shares (Note 1)	Capacity in which interests are held	% of issued share capital of the Company held
Ms XIA	(note 2)	542,072,000 (L)	Interest of a controlled corporation and interest of spouse	33.05%
Delta	(note 3)	372,124,000 (L)	Beneficial owner	22.69%
HKOO Foundation	(note 3)	100,000,000 (L)	Beneficial owner	6.10%
Profitwise	(note 4)	384,490,500 (L)	Beneficial owner	23.44%
Ms RUAN Yiling	(note 5)	115,000,000 (L)	Interest of a controlled corporation and interest of spouse	7.01%
Tandellen Group Limited	(note 6)	100,000,000 (L)	Beneficial owner	6.10%
Lehman Brothers Holdings Inc.	(note 7)	101,400,450 (L)	Interest of controlled corporations	6.18%
		31,868,575 (S)	Interest of controlled corporations	1.94%

*Notes:*

- (1) The letter "L" denotes a long position. The letter "S" denotes a short position.
- (2) Ms Xia, being the sole shareholder of Wisearn, is deemed to be interested in 68,859,000 shares of the Company held by Wisearn pursuant to Part XV of the SFO. Ms Xia is the spouse of Mr Song Weiping. Accordingly, pursuant to Part XV of the SFO, Ms Xia is also deemed to be interested in the following: (i) 372,124,000 shares of the Company held by Delta, a corporation of which Mr Song is the sole shareholder, (ii) 100,000,000 shares of the Company held by HKOO Foundation, a charitable institution established by Mr Song of which Mr Song is the sole member (notwithstanding that neither Mr Song nor Ms Xia is beneficially interested in those shares); and (iii) 1,089,000 share options of the Company held by Mr Song. The aforesaid represents an aggregate of 542,072,000 shares of the Company.

- (3) Controlled corporations of Mr Song Weiping, details of which are disclosed above.
- (4) A controlled corporation of Mr Shou Bainian, details of which are disclosed above.
- (5) Ms Ruan Yiling held deemed interest in 100,000,000(L) shares held by Tandellen, a controlled corporation 50% owned by her and 50% owned by her spouse, Mr Luo Zhaoming, and deemed interest in 15,000,000(L) share options held by Mr Luo.
- (6) A controlled corporation of Mr Luo Zhaoming, details of which are disclosed above.
- (7) Lehman Brothers Holdings Inc., according to its disclosure of interest filing, held deemed interest in a total of 101,400,450(L) shares and 31,868,575(S) shares by virtue of its control over certain entities.

Other than the interests disclosed above, the Company has not been notified of any other notifiable interests or short positions in the shares or underlying shares of the Company as at the Latest Practicable Date.

As at the Latest Practicable Date, save as disclosed below, none of the Directors was a director or employee of a company which 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:

<b>Name of Director</b>	<b>Name of company which had such discloseable interest or short position in the Shares</b>	<b>Position within such company</b>
Mr Song	Delta	Director
	HKOO Foundation	Director
Mr Shou	Profitwise	Director
Mr Luo	Tandellen	Director

### 3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into a service contract with the Company which does not expire or which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

#### 4. COMPETING BUSINESS INTEREST OF DIRECTORS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or their respective associates was interested in any other business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

Name of Director	Name of Competing Entity	Nature of business of the competing entity	Nature of interest of the director in the competing entity
Mr Song	Greentown Holdings Group Limited	The development and sale of the Remaining Non-Inclusion Projects (Note)	Director and substantial shareholder
Mr Shou	Greentown Holdings Group Limited	The development and sale of the Remaining Non-Inclusion Projects (Note)	Director and substantial shareholder

*Note:* The remaining four (the “**Remaining Non-Inclusion Projects**”) out of eight property projects (the “**Non-Inclusion Projects**”) as referred to in the deed of non-competition dated 22 June 2006, details of which are disclosed in the section headed “ Business – Non-competition undertaking – Non-inclusion projects” in the prospectus of the Company dated 30 June 2006.

#### 5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011, being the date to which the latest published audited consolidated financial statements of the Company were made up.

#### 6. EXPERT

SWCL and Ascent Partners Transaction Service Limited have given and have not withdrawn their respective written consent to the issue of this circular with the inclusion of their letter/report (as the case may be) and reference to their name in the form and context in which it appears.

The qualifications of SWCL and Ascent Partners Transaction Service Limited which have given their respective opinion or advice (as the case may be) which are contained in this circular are set out below:

<b>Name</b>	<b>Qualifications</b>
SWCL	a corporation licensed by the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Ascent Partners Transaction Service Limited	property valuer

As at the Latest Practicable Date, each of the aforesaid did not have (i) any shareholding in any member of the Group, or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, and (ii) any interest, either direct or indirect, in any assets which, since 31 December 2011 (the date to which the latest audited consolidated financial statements of the Company was made up), had 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.

## 7. GENERAL

- (a) Save as disclosed in the announcement of the Company dated 20 January 2012 in relation to, among other things, the lease of certain properties by Greentown Holdings Group to the Company constituting continuing connected transaction of the Company under Chapter 14A of the Listing Rules, as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of by or leased to any member of the Group since 31 December 2011, being the date to which the latest published audited consolidated financial statements of the Company were made up, and up to the Latest Practicable Date.
- (b) Save as disclosed in the announcement of the Company dated 20 January 2012 as described above, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting and was significant in relation to the business of the Group.
- (c) The company secretary of the Company is Mr Fung Ching Simon. Mr Fung is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the CPA Australia.
- (d) The registered address of the Company is M&C Corporate Services Limited, PO Box 309GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands.

- (e) The principal place of business of the Company in Hong Kong is at Room 1406–08, 14th Floor, New World Tower 1, 16–18 Queen’s Road Central, Hong Kong.
- (f) The branch share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited.
- (g) The principal share registrar of the Company is Butterfield Fulcrum Group (Cayman) Limited (formerly known as Butterfield Fund Services (Cayman) Limited).
- (h) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

#### 8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company’s principal place of business in Hong Kong at Room 1406–08, 14th Floor, New World Tower 1, 16–18 Queen’s Road Central, Hong Kong during normal business hours on any weekdays, except public holidays, from the date of this circular up to and including 28 June 2012:

- (a) the Framework Agreement;
- (b) the letter from the Independent Board Committee to the Shareholders, the text of which is set out on page 18 of this circular;
- (c) the letter of advice from SWCL, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 19 to 34 of this circular;
- (d) the property valuation report from Ascent Partners Transaction Service Limited, the text of which is set out on pages 35 to 39 of this circular;
- (e) the written consent referred to in the paragraph headed “Expert” in this Appendix; and
- (f) this circular.