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C C LAND HOLDINGS LIMITED

中渝置地控股有限公司*

(Incorporated in Bermuda with limited liability)

Website: www.ccland.com.hk

(Stock Code: 1224)

DISCLOSEABLE TRANSACTION

On 4 December 2009, Guojia JV entered into the Acquisition Agreement to acquire 96.5% of the registered capital in the Target Company at the consideration of RMB71,217,000 (equivalent to approximately HK\$80,831,000). The principal assets of the Target Company comprise its right under the Land Use Right Contracts to accept conveyance of the Lands on payment of a total land premium of RMB541,800,000 (equivalent to approximately HK\$614,943,000) before tax and auction expenses payable to the Xinjin Land Resources Bureau, Chengdu.

As the applicable percentage ratio exceeds 5% but is below 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules.

1. THE ACQUISITION

1.1 Date of the Acquisition Agreement

4 December 2009

1.2 Parties

Purchaser: Guojia JV, upon completion of a capital contribution by Cheer Gain as announced by the Company on 17 November 2009, an 80% owned indirect subsidiary of the Company.

Vendors: Two Chinese nationals holding respectively 51% (the “First Vendor”) and 49% (the “Second Vendor”) of the registered capital in the Target Company.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

1.3 Assets to be acquired

96.5% of the registered capital in the Target Company which has been fully paid up, comprising 51% from the First Vendor and 45.5% from the Second Vendor.

The principal assets of the Target Company comprise its right under the Land Use Right Contracts to accept conveyance of the Lands on payment of a total land premium of RMB541,800,000 (equivalent to approximately HK\$614,943,000) before tax and auction expenses payable to the Xinjin Land Resources Bureau, Chengdu. A security deposit of RMB26,000,000 (equivalent to approximately HK\$29,510,000) has been paid by the First Vendor to the Xinjin Land Resources Bureau, Chengdu on behalf of the Target Company for the bidding of the Lands, which amount will be set off against the land premium payable by the Target Company for the Lands under the Land Use Right Contracts.

1.4 Consideration

A total consideration of RMB71,217,000 (equivalent to approximately HK\$80,831,000) to be paid by Guojia JV as follows:

- (i) the payment to the Vendors of a total sum of RMB52,254,000 (equivalent to approximately HK\$59,308,000) in cash; and
- (ii) the assumption of the obligation by the Second Vendor to advance an amount of RMB18,963,000 (equivalent to approximately HK\$21,523,000) to the Target Company, being a 3.5% share of the land premium which the Second Vendor would, but for the Acquisition Agreement, have to contribute following the successful bidding of the Lands.

Subject to fulfillment of the condition to the Acquisition described in the sub-paragraph headed “Condition” below, the sum of RMB52,254,000 (equivalent to approximately HK\$59,308,000) will be paid on completion of the Acquisition.

The total consideration for the Acquisition, when added to the amount of RMB522,837,000 (equivalent to approximately HK\$593,420,000) to be contributed by Guojia JV for 96.5% of the land premium payable by the Target Company under the Land Use Right Contracts, amounts to a total cost of RMB594,054,000 (equivalent to approximately HK\$674,251,000) to Guojia JV for a 96.5% effective interest in the Lands. Based on the maximum plot ratio of 1.2 for the Lands, the GFA cost per sq. m. to Guojia JV is approximately RMB1,775 (equivalent to approximately HK\$2,015) before tax and auction expenses.

The consideration for the Acquisition was determined following arm’s length negotiations between the Vendors and Guojia JV having regard to the Target Company’s right under the Land Use Right Contracts to accept conveyance of the Lands and the Vendors’ additional assurances relating to the Lands as described in the sub-paragraph headed “Vendors’ additional assurances” below. The Directors consider the consideration for the Acquisition and the land premium for the Lands to be fair and reasonable and are in line with prices of land offered in the vicinity.

1.5 Condition

Completion of the Acquisition is conditional on Guojia JV being satisfied with the results of a due diligence investigation on the Target Company to be conducted within 3 days of the signing of the Acquisition Agreement. On fulfillment of the condition, Guojia JV will advance a sum of RMB26,000,000 (equivalent to approximately HK\$29,510,000) to the Target Company for the purpose of repaying the amount of RMB26,000,000 (equivalent to approximately HK\$29,510,000) being the security deposit paid by the First Vendor to the Xinjin Land Resources Bureau, Chengdu on behalf of the Target Company for bidding of the Lands. This amount of RMB26,000,000 (equivalent to approximately HK\$29,510,000) will then be set off against the amount of RMB522,837,000 (equivalent to approximately HK\$593,420,000) to be contributed by Guojia JV for 96.5% of the land premium payable for the Lands by the Target Company.

1.6 Completion and payment of land premium

Subject to fulfillment of the condition for the Acquisition, completion shall take place within 5 working days after fulfillment of the aforesaid condition. After completion, the Target Company will be owned as to 96.5% by Guojia JV and as to 3.5% by the Second Vendor.

As at the date of this announcement, the condition for the Acquisition has been fulfilled and completion is expected to take place on or before 10 December 2009.

Land premium for the Lands will be payable as from 10 December 2009. As payment has to be made through Guojia JV's capital contribution to the Target Company, the actual settlement date will be subject to regulatory procedures including approval of the expansion of the registered scope of business of Guojia JV and, if required, foreign exchange clearance by the relevant authorities of the PRC.

1.7 Vendors' additional assurances

Having regard to the development history of the Lands, in addition to particulars relating to the Lands contained in the conditions of bidding for the Lands, the Vendors are required under the Acquisition Agreement to provide to Guojia JV separate and additional assurances including:

- (i) An assurance that upon the hand-over of the Lands, all land clearance, levelling and utilities connection work shall have been fully completed; and
- (ii) An assurance that the Lands will be free of any land compensation claim from previous owners/occupiers.

1.8 Options

Under the Acquisition Agreement, Guojia JV has an option (the "Call Option") exercisable at any time to require the Second Vendor to transfer to Guojia JV the remaining 3.5% of the registered capital in the Target Company at the consideration of RMB21,546,000 (equivalent to approximately HK\$24,455,000).

Also under the Acquisition Agreement, the Second Vendor shall endeavour to procure that the Target Company can acquire a certain site of approximately 200 mu adjacent to the Lands. The Second Vendor has an option (the “Put Option”), exercisable on successful acquisition of such adjacent site by the Target Company, to require Guojia JV to accept transfer of the remaining 3.5% of the registered capital in the Target Company at the consideration of RMB21,546,000 (equivalent to approximately HK\$24,455,000).

The consideration of RMB21,546,000 (equivalent to approximately HK\$24,455,000) to be paid to the Second Vendor on exercise of the Call Option/Put Option represents the aggregate of:

- (i) an amount of RMB2,583,000 (equivalent to approximately HK\$2,932,000), representing the value attributed to 3.5% of the registered capital in the Target Company. The amount is calculated based on the same percentage price paid by Guojia JV for the Acquisition, namely, RMB71,217,000 (equivalent to approximately HK\$80,831,000) for 96.5% of the registered capital in the Target Company; and
- (ii) an amount of RMB18,963,000 (equivalent to approximately HK\$21,523,000), representing a 3.5% share of the land premium for the Lands attributable to 3.5% of the registered capital. As stated in item (ii) under sub-paragraph 1.4 headed “Consideration” above, Guojia JV is required, as part of the total consideration payable to the Vendors, to assume the obligation to be discharged by the Second Vendor to advance such an amount to the Target Company for its 3.5% share of the land premium. Accordingly, for the purposes of the Call Option/Put Option, the Second Vendor is deemed to have a beneficial interest in the amount of RMB18,963,000 (equivalent to approximately HK\$21,523,000) so advanced.

1.9 Total payments contemplated under the Acquisition Agreement and funding

The total cost of RMB594,054,000 (equivalent to approximately HK\$674,251,000) to Guojia JV for a 96.5% effective interest in the Lands as referred to in sub-paragraph headed “Consideration” above, when aggregated to the amount of RMB21,546,000 (equivalent to approximately HK\$24,455,000) to be paid on exercise of the Call Option/Put Option, will amount in total to RMB615,600,000 (equivalent to approximately HK\$698,706,000). This amount will be provided as to approximately RMB350,000,000 (equivalent to approximately HK\$397,250,000) by Guojia JV through its currently available internal resources with the balance to be contributed by Cheer Gain and Guojia Property.

As announced by the Company on 24 October 2007, Guojia JV was established jointly by Cheer Gain and Guojia Property pursuant to a joint venture agreement dated 23 October 2007 (the “JV Agreement”). In line with the principle for project funding in the JV Agreement, Cheer Gain and Guojia Property will after completion of the Acquisition review the development proposal and cost estimates for the Lands so as to arrive at the amount each party has to contribute. In the event the contribution constitutes a transaction between Cheer Gain and Guojia Property which requires to be disclosed by the Company under the Listing Rules, the Company will comply with the relevant requirements under Chapter 14 or Chapter 14A of the Listing Rules.

2. INFORMATION ON THE GROUP

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

3. INFORMATION ON THE LANDS AND THE TARGET COMPANY

The Lands comprise the land use right over three land parcels with a total site area of 430 mu located at the Baiyun Village, Huayuan Town, Xinjin County, Chengdu (成都新津縣花源鎮白雲村), a suburban district approximately 15 kilometers south-west of Chengdu. The site on which the Lands are located has been cleared and upgraded by the local government from rural land into land for low-density residential property development. According to the Land Use Right Contracts the Lands have a maximum plot ratio of 1.2. Located in the scenic Mumashan (牧馬山) district south-west of Chengdu and a mere 10 kilometers from the Shuangliu International Airport (雙流國際機場), the Lands and the districts around them are well suited for development of high-end villas and town-houses. Based on the maximum plot ratio of 1.2 stipulated in the Land Use Right Contracts, the Lands will provide approximately 344,000 sq. m. GFA of residential property for development over the next 3 years.

The Target Company is a company incorporated in Chengdu, the PRC by the Vendors immediately following their successful bidding for the Lands on 3 November 2009. The Target Company has a registered capital of RMB5,000,000 (equivalent to approximately HK\$5,675,000) fully paid up, which is owned as to 51% by the First Vendor and 49% by the Second Vendor. Other than the entry into the Land Use Right Contracts and performance of initial procedures for land grant, and the holding of an amount representing its registered capital as aforesaid, the Target Company has not conducted any other business. As described in sub-paragraph “Assets to be acquired” in the paragraph headed “The Acquisition” above, under the Land Use Right Contracts, the Target Company will accept conveyance of the Lands from the Xinjin Land Resources Bureau, Chengdu and the total land premium of RMB541,800,000 (equivalent to approximately HK\$614,943,000) will be payable as from 10 December 2009.

4. REASONS FOR AND BENEFITS OF THE ACQUISITION

Due to continuing improvement in the Chinese economy and the growth of the affluent class, there is a constant demand for high quality, low-density residential property. The Acquisition enables the Group to increase its land bank in the Chengdu region and will further expand the Group’s land investments, particularly in the up-market sector. It is consistent with the business strategy of the Company to expand its quality land bank and real estate development in Western China. The Target Company will become a subsidiary of the Company after the Acquisition with its assets and liabilities consolidated in the financial statements of the Company.

The Directors consider that the terms of the Acquisition have been negotiated on an arm’s length basis and on normal commercial terms and the terms thereof are fair and reasonable and are in the best interests of the Group and the shareholders of the Company as a whole.

5. GENERAL

As the applicable percentage ratio exceeds 5% but is below 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules.

6. DEFINITIONS

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

“Acquisition”	the acquisition by Guojia JV of 96.5% of the registered capital in the Target Company from the Vendors pursuant to the Acquisition Agreement
“Acquisition Agreement”	the equity transfer agreement dated 4 December 2009 entered into between the Vendors and Guojia JV in relation to the Acquisition
“Board”	the board of Directors
“Cheer Gain”	Cheer Gain Development Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Company”	C C Land Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Guojia JV”	成都國嘉志得置業有限公司 (Chengdu Guojia Cheer Gain Property Company Limited), and upon completion of a capital contribution by Cheer Gain as announced by the Company on 17 November 2009, an 80% owned indirect subsidiary of the Company with the remaining 20% being owned by Guojia Property
“Guojia Property”	四川省國嘉地產有限公司 (Sichuan Guojia Property Company Limited), a company established in the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Lands”	the state-owned land use right over a low-density residential site comprising three land parcels with a total site area of 430 mu located in Huayuan Town, Xinjin County, Chengdu (成都新津縣花

源鎮) and designated as Groups 7 and 8, Baiyun Village, Huayuan Town, Xinjin County, Chengdu (成都新津縣花源鎮白雲村七、八組)

“Land Use Right Contracts”	3 contracts for the conveyance of state-owned land use right entered into between the Target Company and the Xinjin Land Resources Bureau, Chengdu pursuant to which the Target Company has been granted the right to accept conveyance of the land use right over the Lands
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Target Company”	成都盛世經緯房地產投資有限公司 (Chengdu Shengshi Jingwei Real Estate Investment Company Limited), a company incorporated by the Vendors in Chengdu, the PRC
“Vendors”	two Chinese nationals who had succeeded in bidding for the Lands at a public auction held by the Xinjin Land Resources Bureau, Chengdu on 3 November 2009
“Xinjin Land Resources Bureau, Chengdu”	成都新津縣國土資源局 (Xinjin Land Resources Bureau, Chengdu), a branch of the Chengdu Municipal Land Resources Bureau, Chengdu
“sq. m.”	square meters
“%”	per cent

By Order of the Board
Lam How Mun Peter
Deputy Chairman and Managing Director

Hong Kong, 8 December 2009

As at the date of this announcement, the Board comprises Mr. Cheung Chung Kiu, Dr. Lam How Mun Peter, Mr. Tsang Wai Choi, Mr. Lam Hiu Lo, Mr. Leung Chun Cheong, Mr. Leung Wai Fai, Ms. Poon Ho Yee Agnes, Dr. Wong Kim Wing and Mr. Wu Hong Cho as Executive Directors; Mr. Wong Yat Fai as Non-executive Director; and Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick as Independent Non-executive Directors.

The English names / translations of the companies established in the PRC, relevant authorities in the PRC and other Chinese terms used in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.

In this announcement, RMB has been converted to HK\$ at the rate of RMB1 = HK\$1.135 for illustration purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.

** For identification purposes only*