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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)

CONNECTED TRANSACTION

Reference is made to the Company's announcement dated 1 September 2009 in relation to the Verakin Agreement. Under the Verakin Agreement, Verakin Group has been granted the Buy-Back Option, exercise of which is subject to the satisfaction of the Buy-Back Condition.

On 18 May 2011, following the Buy-Back Condition having been satisfied, Verakin Group notified Chongqing Top Pioneer of its exercise of the Buy-Back Option in accordance with the terms of the Verakin Agreement. Pursuant to the exercise of the Buy-Back Option by Verakin Group, Verakin Group and Chongqing Top Pioneer entered into the Agreement on 18 May 2011 for the repurchase of 10% of the registered and paid-up capital in Verakin Property.

GENERAL

As Verakin Group is a substantial shareholder of Verakin Property, it is a connected person of the Company at the level of subsidiaries and the transaction contemplated under the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratio exceeds 1% but is below 5%, the transaction is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement.

1. THE AGREEMENT

1.1 Date

18 May 2011

1.2 Parties

Transferor: Chongqing Top Pioneer

Transferee: Verakin Group

1.3 Subject matter of the Buy-Back Option

10% of the registered and paid-up capital in Verakin Property.

1.4 Consideration

The consideration payable by Verakin Group on the exercise of the Buy-Back Option amounts to RMB30,145,000 (equivalent to approximately HK\$35,993,000) which is calculated in accordance with the pre-determined formula in the Verakin Agreement, comprising:

- (i) an amount of RMB25,000,000 (equivalent to approximately HK\$29,850,000), being the consideration for repurchasing 10% of the registered and paid-up capital in Verakin Property, which is the same amount paid by Chongqing Top Pioneer to Verakin Group for acquiring the 10% of the registered and paid-up capital in Verakin Property pursuant to the Verakin Agreement; and
- (ii) an amount of RMB5,145,000 (equivalent to approximately HK\$6,143,000), being the aggregate amount of an increment of 1% per month on the said sum in sub-paragraph 1.4(i) above calculated for the period from the Completion Date to the date of completion of the exercise of the Buy-Back Option.

The amount of increment as stated in sub-paragraph 1.4(ii) above was arrived at after arm's length negotiation between the parties and was in accordance with the terms of the Verakin Agreement.

Since the Completion Date, there has been no change in the amount of the registered and paid-up capital of Verakin Property which amounts to RMB302,800,000 (equivalent to approximately HK\$361,543,000) as at the date of this announcement, nor any additional capital contribution provided to Verakin Property by the parties.

The consideration of RMB30,145,000 (equivalent to approximately HK\$35,993,000) shall be paid by Verakin Group within 2 days following the date of signing of the Agreement by both parties, which will be applied to the general working capital of the Group.

1.5 Completion

Completion of the exercise of the Buy-Back Option and the Agreement shall take place on the date of signing of the Agreement by both parties.

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 VERAKIN GROUP

To the Directors' best knowledge, Verakin Group is principally engaged in property development and investment in the PRC.

4. INFORMATION ON VERAKIN PROPERTY

Verakin Property is a property development company incorporated in the PRC in 2005 with a current registered and paid-up capital of RMB302,800,000 (equivalent to approximately HK\$361,543,000). The principal business of Verakin Property is ownership and development of 同景國際城 (Verakin New Park City) which is located in 重慶南岸區茶園新城 (Chayuan New District, Nan'an District, Chongqing) with an aggregate site area of 720,616 sqm and a total GFA of approximately 1,659,000 sqm. As of 30 April 2011, approximately 635,000 sqm GFA of the property developed or being developed have been sold.

The financial highlights and operating results of Verakin Property are as follows:

	12 months ended 31 December 2010	12 months ended 31 December 2009
	RMB'000 (Audited)	RMB'000 (Audited)
Turnover	253,199	359,518
Profit (Loss) Before Tax	(29,242)	43,467
Net Profit (Loss)	(29,729)	36,777
	As at 31 December 2010	As at 31 December 2009
	RMB'000 (Audited)	RMB'000 (Audited)
Total Assets	2,497,228	829,589
Total Liabilities	2,079,288	452,819
Net Assets	351,657	376,770

5. REASONS FOR AND BENEFITS OF THE EXERCISE

The exercise of the Buy-Back Option by Verakin Group will provide Chongqing Top Pioneer with a reasonable compensation by way of the increment in the repurchase price for (i) the 10% increase in its funding obligations towards Verakin Property; and (ii) loss of revenue which could otherwise have been generated for the Group had the same amount for acquiring 10% of the registered and paid-up capital in Verakin Property been put to other uses. After completion of the exercise of the Buy-Back Option and the Agreement, Verakin Property will become a 51% owned indirect subsidiary of the Company with its assets and liabilities consolidated in the financial statements of the Company.

The Directors (including the independent non-executive directors) consider that the terms for the exercise of the Buy-Back Option had 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. As no Director has a material interest in the Agreement, none of them are required to abstain from voting on any board resolutions relating thereto.

6. GENERAL

As Verakin Group is a substantial shareholder of Verakin Property, it is a connected person of the Company at the level of subsidiaries and the transaction contemplated under the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratio exceeds 1% but is below 5%, the transaction is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement.

7. DEFINITIONS

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

“Agreement”	the equity repurchase agreement dated 18 May 2011 entered into between Verakin Group and Chongqing Top Pioneer in relation to the exercise of the Buy-Back Option
“Board”	the board of Directors
“Buy-Back Condition”	the Buy-Back Option may not be exercised by Verakin Group unless the aggregate sales revenue generated by 同景國際城 (Verakin New Park City) (excluding revenue arising from sales contracts for property in Zones A, B and G) at any time during the period of three consecutive years immediately following the execution of the Verakin Agreement reaches RMB200,000,000 (equivalent to approximately HK\$238,800,000) or above
“Buy-Back Option”	the option to repurchase 10% of the registered and paid-up capital in Verakin Property granted to Verakin Group under the Verakin Agreement
“Chongqing Top Pioneer”	重慶頂添置業有限公司 (Chongqing Top Pioneer Realty Company), a company incorporated in the PRC and indirectly wholly-owned by 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
“Completion Date”	the date on which the acquisition by Chongqing Top Pioneer of 10% of the registered and paid-up capital in Verakin Property from Verakin Group pursuant to the Verakin Agreement took place
“Director(s)”	the director(s) of the Company
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“sqm”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Verakin Agreement”	the agreement dated 31 August 2009 and entered into by Verakin Group and Chongqing Top Pioneer, whereby Chongqing Top Pioneer increased its equity holding in Verakin Property by acquiring from Verakin Group 10% of the registered and paid-up capital in Verakin Property
“Verakin Group”	同景集團有限公司 (Verakin Group Company Limited), a privately-owned enterprise incorporated in the PRC
“Verakin Property”	重慶同景置業有限公司 (Chongqing Verakin Real Estate Company Limited), a company incorporated in the PRC and is owned as to 61% by Chongqing Top Pioneer and 39% by Verakin Group
“%”	percent

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

Hong Kong, 18 May 2011

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\$1.194 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*