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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 AND DISCLOSEABLE TRANSACTIONS

Reference is made to the Company's announcement dated 17 July 2012 in relation to the First Facility Agreements.

On 10 October 2012, Verakin Property entered into the Second Facility Agreements whereby Verakin Property granted to each JV Partner a loan facility in proportion to their percentage equity interest in Verakin Property. Under the Verakin Group Second Facility Agreement, Verakin Group was granted a Second Proportional Facility in the sum of RMB210,700,000 (equivalent to approximately HK\$257,897,000) available for drawdown during the period of three months immediately following the date of the Verakin Group Second Facility Agreement.

GENERAL

Since Verakin Group is a substantial shareholder of Verakin Property, it is under the Listing Rules a connected person of the Company at the level of subsidiaries. The Second Proportional Facility granted to Verakin Group constitutes financial assistance by Verakin Property. As the financial assistance provided is not in the ordinary and usual course of Verakin Property's business, but is on normal commercial terms for the benefit of a connected person and the applicable percentage ratio when aggregated with the First Proportional Facility exceeds 5% but is below 25%, the transactions constitute connected and discloseable transactions for the Company under the Listing Rules. Therefore, the transactions are subject to reporting, announcement and the independent shareholders' approval requirement.

Since no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the transactions and written Independent Shareholders' approval of the transactions has been obtained from the Majority Shareholders, the Company has made an application to the Stock Exchange applying for a waiver pursuant to the Listing Rules that written Independent Shareholders' approval of the transactions be accepted in lieu of holding a general meeting.

The Independent Board Committee has been formed to advise the Independent Shareholders in respect of the transactions and Donvex Capital has also been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, further details of the transactions, the recommendation of the Independent Board Committee to the Independent Shareholders and the advice of Donvex Capital to the Independent Board Committee and the Independent Shareholders will be despatched to the Shareholders on or before 1 November 2012.

1. BACKGROUND

As described in paragraph 5 headed “Information on Verakin Property” below, resulting from the successful sale of properties in the Verakin New Park City Project, as at 31 July 2012, Verakin Property and Verakin Subsidiaries had bank and cash balances in the aggregate sum of approximately RMB664,861,000 (equivalent to approximately HK\$813,790,000) standing in their accounts which has not been allocated for any immediate use. As the ongoing pre-sale of properties in the Verakin New Park City Project is expected to generate further surplus cash for Verakin Property, it was decided by Verakin Property that a sum of RMB430,000,000 (equivalent to approximately HK\$526,320,000) should be set aside for the time being for interest earning purposes by way of granting pro-rata loans to the JV Partners which shall be repayable on demand.

2. THE SECOND FACILITY AGREEMENTS

The Second Facility Agreements both dated 10 October 2012 granting Second Proportional Facilities to the JV Partners for a total principal sum of RMB430,000,000 (equivalent to approximately HK\$526,320,000) on identical terms (save as to the amount of facility) as follows:

- (i) Chongqing Top Pioneer Second Facility Agreement in respect of a Second Proportional Facility of RMB219,300,000 (equivalent to approximately HK\$268,423,000) granted by Verakin Property to Chongqing Top Pioneer; and
- (ii) Verakin Group Second Facility Agreement in respect of a Second Proportional Facility of RMB210,700,000 (equivalent to approximately HK\$257,897,000) granted by Verakin Property to Verakin Group.

2.1 Available Period

Three months immediately following the date of the Second Facility Agreements, any facility amount not drawn down during the available period shall be cancelled

2.2 Interest

1% per month to be paid on repayment date

2.3 Security

Unsecured

2.4 Term

On demand and to be repaid upon the expiry of one month’s prior written notice

The terms of the Second Facility Agreements were arrived at after arm’s length negotiation between the JV Partners and Verakin Property and are considered by the Directors to be fair and reasonable and on normal commercial terms.

3. INFORMATION ON THE GROUP

The core business of the Group is property development and investment in Western China and treasury investment.

4. INFORMATION ON VERAKIN GROUP

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

5. 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\$370,627,000). The principal business of Verakin Property is ownership and development of the Verakin New Park City Project located in 重慶南岸區茶園新城 (Chayuan New District, Nan'an District, Chongqing).

Since commencement of the Verakin New Park City Project in 2005, a total of 746,000 sqm GFA has been completed and most of the completed properties have been sold. In respect of the total of 453,000 sqm GFA of property scheduled for completion before the end of 2013, 商品房預售許可證 (Licence for Presale of Commercial Houses) has been obtained and pre-sale has commenced.

As of 31 July 2012, the accumulated contract sales derived from the Verakin New Park City Project amounted to approximately RMB5.6 billion (equivalent to approximately HK\$6.9 billion), with contract sales for the 7 months ended 31 July 2012 amounting to approximately RMB602,660,000 (equivalent to approximately HK\$737,656,000).

As at 31 July 2012, in the accounts of Verakin Property and the Verakin Subsidiaries there were bank and cash balances in the aggregate sum of approximately RMB664,861,000 (equivalent to approximately HK\$813,790,000) which has not been allocated for any immediate use.

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

	7 months ended 31 July 2012 RMB'000 (Unaudited)	12 months ended 31 December 2011 RMB'000 (Audited)	12 months ended 31 December 2010 RMB'000 (Audited)
Turnover	1,171,380	695,374	250,645
Profit (Loss) Before Tax	302,286	30,705	(21,713)
Net Profit (Loss)	220,995	23,464	(22,179)
	As at 31 July 2012 RMB'000 (Unaudited)	As at 31 December 2011 RMB'000 (Audited)	As at 31 December 2010 RMB'000 (Audited)
Total Assets	3,545,627	4,077,509	2,129,032
Total Liabilities	2,942,980	3,695,857	1,770,844
Net Assets	602,647	381,652	358,188

The financial highlights and operating results of Verakin Property and the Verakin Subsidiaries, on a consolidated basis are as follows:

	7 months ended 31 July 2012	12 months ended 31 December 2011	12 months ended 31 December 2010
	RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Audited)
Turnover	1,196,950	989,652	253,335
Profit (Loss) Before Tax	309,272	42,991	(28,971)
Net Profit (Loss)	227,895	28,600	(29,927)
	As at 31 July 2012	As at 31 December 2011	As at 31 December 2010
	RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Audited)
Total Assets	6,433,324	4,618,899	2,497,673
Total Liabilities	5,611,444	4,024,914	2,079,288
Net Assets	821,880	593,985	418,385

6. REASONS FOR AND BENEFITS OF THE SECOND FACILITY AGREEMENTS

Due to its early market entry, Verakin Property has been the profit and cash centre for the group of companies comprising Verakin Property and the Verakin Subsidiaries. Additionally, funds were made available to the Verakin Subsidiaries through injection of capital from other shareholders, and through individual funding channels available to the Verakin Subsidiaries. Due to the success of the Verakin New Park City Project and as a result of additional funds available to the Verakin Subsidiaries, Verakin Property and the Verakin Subsidiaries had in the aggregate an amount of approximately RMB664,861,000 (equivalent to approximately HK\$813,790,000) of bank and cash balances as at 31 July 2012 which has not been allocated for any immediate use. As distribution of Verakin Property's profits to the JV Partners would have to wait until final completion of the phases of the Verakin New Park City Project now under construction, the transactions under the Second Facility Agreements serve to put the surplus fund in Verakin Property and the Verakin Subsidiaries to profitable use. In line with the arrangement in the First Facility Agreements, the Second Facility Agreements provided for loan facilities to be provided to the JV Partners in proportion to their shareholding in Verakin Property. The Second Facility Agreements therefore enable Verakin Property to free up a part of its surplus cash (including the surplus cash in the Verakin Subsidiaries) for use by the JV Partners, and at the same time would enable Verakin Property to receive interest earnings from the loans provided.

The Directors consider the terms of the Second Facility Agreements to be fair and reasonable and on normal commercial terms, and that the entry into the Second Facility Agreements is in the best interests of the Group and the Shareholders as a whole.

7. GENERAL

Since Verakin Group is a substantial shareholder of Verakin Property, it is under the Listing Rules a connected person of the Company at the level of subsidiaries. The Second Proportional Facility granted to Verakin Group constitutes financial assistance by Verakin Property. As the financial assistance provided is not in the ordinary and usual course of Verakin Property's business, but is on normal commercial terms for the benefit of a connected person and the applicable percentage ratio when aggregated with the First Proportional Facility exceeds 5% but is below 25%, the transactions constitute connected and discloseable transactions for the Company under the Listing Rules. Therefore, the transactions are subject to reporting, announcement and the independent shareholders' approval requirement.

Since no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the transactions and written Independent Shareholders' approval of the transactions has been obtained from the Majority Shareholders, the Company has made an application to the Stock Exchange applying for a waiver pursuant to the Listing Rules that written Independent Shareholders' approval of the transactions be accepted in lieu of holding a general meeting.

The Independent Board Committee has been formed to advise the Independent Shareholders in respect of the transactions and Donvex Capital has also been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, further details of the transactions, the recommendation of the Independent Board Committee to the Independent Shareholders and the advice of Donvex Capital to the Independent Board Committee and the Independent Shareholders will be despatched to the Shareholders on or before 1 November 2012.

8. DEFINITIONS

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

“Board”	the board of Directors
“Chongqing Top Pioneer”	重慶頂添置業有限公司 (Chongqing Top Pioneer Realty Company), an indirect wholly-owned subsidiary of the Company incorporated in the PRC which holds 51% of the registered capital of Verakin Property
“Chongqing Top Pioneer Second Facility Agreement”	loan facility agreement dated 10 October 2012 and entered into between Verakin Property as lender and Chongqing Top Pioneer as borrower
“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
“Donvex Capital”	Donvex Capital Limited, a licensed corporation to carry out business in Type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Verakin Group Second Facility Agreement and the transactions thereunder

“First Facility Agreements”	the two separate facility agreements both dated 17 July 2012 and entered into between Verakin Property as lender and each of the JV Partners respectively as borrowers
“First Proportional Facility”	the unsecured loan facility granted by Verakin Property to Verakin Group under the First Facility Agreements in the sum of RMB96,040,000 (equivalent to approximately HK\$117,553,000)
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent board committee of the Company comprising Messrs. Lam Kin Fung Jeffrey, Leung Yu Ming Steven and Wong Lung Tak Patrick which is formed to advise the Independent Shareholders in relation to the Verakin Group Second Facility Agreement and the transactions thereunder
“Independent Shareholders”	any Shareholder that is not required to abstain from voting at a general meeting in relation to the approval of the Verakin Group Second Facility Agreement and the transactions thereunder, in this case being all Shareholders
“JV Partner(s)”	Chongqing Top Pioneer and Verakin Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Majority Shareholders”	Thrivetrade Limited (a company wholly-owned by Mr. Cheung Chung Kiu) and Regulator Holdings Limited, a wholly-owned subsidiary of Yugang International Limited (a company beneficially owned by Mr. Cheung Chung Kiu as to 44.06%), respectively holding 1,070,810,231 shares and 260,395,559 shares, and together holding 1,331,205,790 shares, representing approximately 51.44% of the issued share capital of the Company giving the right to attend and vote at general meeting to approve the Verakin Group Second Facility Agreement and the transactions thereunder
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Second Proportional Facilities”	the unsecured loan facilities granted by Verakin Property to the JV Partners under the Second Facility Agreements, and a “Second Proportional Facility” refers to the unsecured loan facility granted to one of the JV Partners
“Second Facility Agreements”	the Verakin Group Second Facility Agreement and the Chongqing Top Pioneer Second Facility Agreement
“Shareholder(s)”	holder(s) of shares of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Verakin Group”	同景集團有限公司 (Verakin Group Company Limited), a privately owned enterprise incorporated in the PRC, which holds 49% of the registered capital of Verakin Property
“Verakin Group Second Facility Agreement”	loan facility agreement dated 10 October 2012 and entered into between Verakin Property as lender and Verakin Group as borrower
“Verakin New Park City Project”	ownership and development of parcels of land with an aggregate site area of about 721,000 sqm located at 重慶南岸區茶園新城 (Chayuan New District, Nan’an District, Chongqing)
“Verakin Property”	重慶同景置業有限公司 (Chongqing Verakin Real Estate Company Limited), a company incorporated in the PRC which is indirectly owned as to 51% by the Company, and directly owned as to 49% by Verakin Group
“Verakin Subsidiaries”	all direct and indirect subsidiaries of Verakin Property whether it is wholly owned or non-wholly owned
“sqm”	square meters
“%”	per cent

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

Hong Kong, 10 October 2012

As at the date of this announcement, the Board comprises Mr. Cheung Chung Kiu, Dr. Lam How Mun Peter, Mr. Tsang Wai Choi, Mr. Leung Chun Cheong and Mr. Leung Wai Fai 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\$1.224 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.