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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)**

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

Reference is made to the Announcement in relation to, among other things, the Greentown Disposal and the Assignment of Loans under the Framework Agreement. 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.

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. A circular containing, among other things, information relating to the transactions contemplated under the Framework Agreement, the recommendation of the IBC and an opinion letter from the IFA, will be despatched to the Shareholders within 15 business days after the date of this announcement. 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 this announcement) for the transactions contemplated under the Framework Transaction. Pursuant to Rule 14A.43 of the Listing Rules, the Company has made an application to the Stock Exchange 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.

\* For identification purposes only

## **THE FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 17 April 2012 (the “**Announcement**”) in relation to, among other things, the Greentown Disposal (namely, the disposal of 70% equity interest in Greentown Plaza Development to SOHO Shanghai) and the Assignment of Loans under the Framework Agreement. Unless otherwise required, terms defined in the Announcement shall have the same meanings when used herein.

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.

## **LISTING RULES' IMPLICATIONS**

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. A circular containing, among other things, information relating to the transactions contemplated under the Framework Agreement, the recommendation of the independent board committee comprising all the independent non-executive Directors (“**IBC**”) and an opinion letter from the independent financial adviser (“**IFA**”), will be despatched to the Shareholders within 15 business days after the date of this announcement.

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 this announcement) for the transactions contemplated under the Framework Transaction. Such 56.42% shareholding interest represents the Shares controlled by the Original Shareholders, namely Mr Song

Weiping (“**Mr Song**”), Mr Shou Bainan (“**Mr Shou**”) and Mr Song’s spouse, namely Ms Xia Yibo (“**Ms Xia**”, together with Mr Song and Mr Shou, the “**Original Shareholders**”). Details of the Shares controlled by the Original Shareholders are set out below:

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

*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. As disclosed in the Company’s prospectus dated 30 June 2006, the Original Shareholders have been acting in concert since April 1998 when Mr Shou joined the Group. Pursuant to an agreement entered into among the Original Shareholders on 26 November 2005, the Original Shareholders also confirmed and agreed that they would continue to act in concert in relation to the Group’s business operations and management affairs. The Original Shareholders have been (through entities controlled by them) the single largest group of Shareholders since the Company’s listing and remain so as at the date hereof.

Pursuant to Rule 14A.43 of the Listing Rules, the Company has made an application to the Stock Exchange 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.

## **GREENTOWN PLAZA DEVELOPMENT**

As disclosed in the Announcement, 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).

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

Hangzhou, the PRC, 30 April 2012

*As at the date of this announcement, the Board comprises five executive Directors, namely Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Guo Jiafeng and Mr Cao Zhounan and six independent non-executive Directors, namely Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, Mr Tang Shiding and Mr Hui Wan Fai.*