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SUNAC CHINA HOLDINGS LIMITED

融創中國控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01918)



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)

JOINT ANNOUNCEMENT

VOLUNTARY ANNOUNCEMENT

ACQUISITION OF 50% EQUITY INTEREST AND CREDITOR'S RIGHT IN ZHEJIANG JINYING

TRANSFER

On 16 April 2013, Shanghai Greentown Golf and Jindu Real Estate entered into a framework agreement, and on 30 May 2013, both parties entered into an equity transfer agreement and a creditor's right transfer agreement, respectively, pursuant to which, Shanghai Greentown Golf agreed to acquire, and Jindu Real Estate agreed to dispose of its equity interest in Zhejiang Jinying and the Creditor's Right. The aggregate actual investment by Jindu Real Estate is approximately RMB1,872,636,900, including (i) 50% of equity interest in Zhejiang Jinying (capital contribution of RMB200 million); and (ii) the Creditor's Right of approximately RMB1,672,636,900. The aggregate consideration payable by Shanghai Greentown Golf for such acquisition is RMB1,200 million.

As at the date of this joint announcement, Zhejiang Jinying is 50% owned by Jindu Real Estate and 50% owned by Huiying Real Estate. Following the completion of the Equity Transfer, Zhejiang Jinying will be held as to 50% by Shanghai Greentown Golf and 50% by Huiying Real Estate, respectively. Upon the completion of the Transfer, Zhejiang Jinying will be indirectly held as to 25% by Sunac China and 25% by Greentown China.

LISTING RULES IMPLICATIONS

As all applicable percentage ratios for Greentown China calculated under Rule 14.07 of the Listing Rules are less than 5%, the Transfer will not constitute a notifiable transaction of Greentown China under Chapter 14 of the Listing Rules. This joint announcement is made by Sunac China and Greentown China on a voluntary basis.

TRANSFER

On 16 April 2013, Shanghai Greentown Golf and Jindu Real Estate entered into a framework agreement, and on 30 May 2013, both parties entered into an equity transfer agreement and a creditor's right transfer agreement, respectively, pursuant to which, Shanghai Greentown Golf agreed to acquire, and Jindu Real Estate agreed to dispose of its equity interest in Zhejiang Jinying and the Creditor's Right. The aggregate actual investment by Jindu Real Estate is approximately RMB1,872,636,900, including (i) 50% of equity interest in Zhejiang Jinying (capital contribution of RMB200 million); and (ii) the Creditor's Right of approximately RMB1,672,636,900. The aggregate consideration payable by Shanghai Greentown Golf for such acquisition is RMB1,200 million.

As at the date of this joint announcement, Zhejiang Jinying is 50% owned by Jindu Real Estate and 50% owned by Huiying Real Estate. Following the completion of the Equity Transfer, Zhejiang Jinying will be held as to 50% by Shanghai Greentown Golf and 50% by Huiying Real Estate, respectively. Upon the completion of the Transfer, Zhejiang Jinying will be indirectly held as to 25% by Sunac China and 25% by Greentown China.

PRINCIPAL TERMS OF THE AGREEMENTS

Parties:

Transferor: Jindu Real Estate

Transferee: Shanghai Greentown Golf

Debtor: Zhejiang Jinying

Assets subject to the Transfer:

Shanghai Greentown Golf will acquire from Jindu Real Estate (i) 50% equity interest in Zhejiang Jinying held by Jindu Real Estate (capital contribution of RMB200 million); and (ii) the Creditor's Right under the creditor's right transfer agreement of approximately RMB1,672,636,900.

Consideration:

The total consideration of the Transfer is RMB1,200 million, of which the consideration for the Equity Transfer is RMB200 million and that for the Creditor's Right Transfer is RMB1,000 million, which has been determined by Shanghai Greentown Golf and Jindu Real Estate after arm's length negotiation.

Basis of the Consideration:

The consideration of the Transfer was determined with reference to, among other things: (i) the registered paid-up capital of Zhejiang Jinying of RMB200 million contributed by Jindu Real Estate; and (ii) the Creditor's Right of approximately RMB1,672,636,900. The total consideration of the Transfer will be funded equally by internal resources of Sunac China and Greentown China, in proportion to their investment in Shanghai Greentown Golf (50% respectively).

Payment terms:

Pursuant to the Agreements, Shanghai Greentown Golf and Jindu Real Estate have agreed to procure to open a bank account in the name of Shanghai Greentown Golf (the “**Escrow Account**”) within two working days upon the signing of the framework agreement.

Shanghai Greentown Golf will pay the total consideration for the Transfer to Jindu Real Estate in the following manner:

- (i) the amount of RMB120 million, representing 10% of the total consideration for the Transfer, shall be deposited to the Escrow Account within three working days upon the Escrow Account being set up (the “**First Payment**”);
- (ii) the amount of RMB480 million, representing 40% of the total consideration for the Transfer, shall be payable to Jindu Real Estate within 10 working days after the signing of the equity transfer agreement and the signing of all documents relating to the Equity Transfer (the “**Second Payment**”); and on the date of the new business licence in relation to the Equity Transfer, which shall be within 10 working days upon the receipt of the Second Payment by Jindu Real Estate, all amounts in the Escrow Account shall be released from the Escrow Account and paid to Jindu Real Estate;
- (iii) the amount of RMB300 million, representing 25% of the total consideration for the Transfer, shall be payable within three months upon the completion of the Equity Transfer; and
- (iv) the remaining amount of RMB300 million, representing the remaining 25% of the total consideration for the Transfer, shall be payable within six months upon the completion of the Equity Transfer.

INFORMATION ON ZHEJIANG JINYING

Zhejiang Jinying is a limited liability company established in the PRC on 9 May 2008. As at the date of this joint announcement, Zhejiang Jinying is 50% owned by Jindu Real Estate and 50% owned by Huiying Real Estate. Zhejiang Jinying is mainly engaged in the development of the Hangzhou Golf Villa which is located at Zhuantang Town, West Lake District, Hangzhou, the PRC.

INFORMATION ON THE PROJECT

Hangzhou Golf Villa is located at Zhuantang Town, West Lake District, Hangzhou, the PRC and such piece of land extends from Doumen Road in the east, Hengqiao Road in the south, Xiangshan Road in the west and Doumen Road in the north. Such project is situated in Zhijiang National Tourist Resort Area, with the West Lake Golf Course and China Academy of Art, Xiangshan College as its neighborhood, enjoying the natural view. The site area and the estimated GFA of the project is 214,202 sq. m. and 525,595 sq. m. respectively.

Project	Total site area	Type of property product	Total GFA	Unit: sq. m.
				Land Reserve
Hangzhou Golf Villa	214,202	High-rise residential	353,652	346,592
		Commercial and ancillary facilities	27,843	27,843
		Underground parking lot	144,100	144,100
		Total	525,595	518,535

Note: The figures herein are for reference only which are subject to approval by the Chinese government authority.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE AGREEMENTS

Sunac China has made its strategic move into Hangzhou since December 2012 and achieved an accelerated business growth. Sunac China has reached cooperations with Greentown China for Xixi Rongzhuang project, with Hangzhou Urban Construction and Development Group Co., Ltd.* for Wangjiangfu project, and with Shimao for Zhijiang River Holiday Village project. Hangzhou Golf Villa, another project jointly developed by Sunac China and Greentown China in Hangzhou, is the fourth quality project of Sunac China developed in Hangzhou. Such project is expected to help Sunac China to expand its market share and enhance the influences of its brand name in Hangzhou, which will be helpful to the long-term development of Sunac China in Hangzhou.

Greentown China believes that the transactions contemplated under the Agreements will assist it in further expanding the market share in Hangzhou and enhancing its brand name in the PRC real estate industry. By making use of the advantages of the capital contribution by Greentown China and Sunac China, as well as their respective professional experience in the PRC real estate industry, Greentown China also believes that both parties could further capture the growth opportunity and expand their businesses in Hangzhou through this cooperation.

The directors of Sunac China consider that the Transfer is entered into on normal commercial terms, and the terms are fair and reasonable and in the interests of Sunac China and its shareholders as a whole. The directors of Greentown China consider that the Transfer is entered into on normal commercial terms, and the terms are fair and reasonable and in the interests of Greentown China and its shareholders as a whole.

INFORMATION ON THE PARTIES

Sunac China is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. It is one of the leading real estate developers in the PRC. As at the date of this joint announcement, it has developed or is developing high-end and high-quality property projects in five key economic regions across the PRC, namely Beijing, Tianjin, Shanghai, Chongqing and Hangzhou.

Greentown China is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. It is one of the leading property developers in the PRC and is primarily engaged in developing quality properties targeting middle and high income residents in the PRC.

Shanghai Greentown Golf is a company established in the PRC which is held as to 50% by Sunac China and 50% by Greentown China. It is an indirect non-wholly owned subsidiary of Greentown China and an associate of Sunac China, with principal business of property development in the PRC.

Jindu Real Estate is a company established in the PRC which is principally engaged in the property development business in the PRC.

As of the date of this joint announcement: (i) the directors of Sunac China confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, Jindu Real Estate and its ultimate beneficial owners are third parties independent of Sunac China and its connected persons (as defined in the Listing Rules); and (ii) the directors of Greentown China confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, Jindu Real Estate and its ultimate beneficial owners are third parties independent of Greentown China and its connected persons (as defined in the Listing Rules).

LISTING RULES IMPLICATIONS

As all applicable percentage ratios for Greentown China calculated under Rule 14.07 of the Listing Rules are less than 5%, the Transfer will not constitute a notifiable transaction of Greentown China under Chapter 14 of the Listing Rules. This joint announcement is made by Sunac China and Greentown China on a voluntary basis.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Agreements”	the framework agreement dated 16 April 2013 entered into between Jindu Real Estate as the transferor and Shanghai Greentown Golf as the transferee in relation to the Transfer; the equity transfer agreement dated 30 May 2013 entered into between Jindu Real Estate as the transferor and Shanghai Greentown Golf as the transferee in relation to the Equity Transfer; and the creditor’s right transfer agreement dated 30 May 2013 entered into between Jindu Real Estate as the transferor, Shanghai Greentown Golf as the transferee and Zhejiang Jinying as the debtor in relation to the transfer of the Creditor’s Right
“associates”	shall have the meaning ascribed to it under the Listing Rules
“connected person”	shall have the meaning ascribed to it under the Listing Rules
“Creditor’s Right”	the creditor’s right receivable by Jindu Real Estate as creditor as at 31 December 2012 from Zhejiang Jinying as debtor of approximately RMB1,317,585,000 and the interest accrued thereon as at 31 December 2012 of approximately RMB355,051,900
“Creditor’s Right Transfer”	the transfer of the Creditor’s Right pursuant to the creditor’s right transfer agreement
“Equity Transfer”	the transfer of 50% equity interest in Zhejiang Jinying pursuant to the equity transfer agreement
“Greentown China”	Greentown China Holdings Limited (綠城中國控股有限公司*), a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Huiying Real Estate”	會盈房地產(杭州)有限公司 (Huiying Real Estate (Hangzhou) Co., Ltd.*), a company established in the PRC and a subsidiary of The Wharf (Holdings) Limited
“Jindu Real Estate”	金都房產集團有限公司 (Jindu Real Estate Group Co., Ltd.*), a company established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and for the purpose of this announcement excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Greentown Golf”	上海綠城森林高爾夫別墅開發有限公司 (Shanghai Greentown Golf Villa Development Co., Ltd.*), a PRC company held as to 50% by Sunac China and 50% by Greentown China. It is an indirect non-wholly owned subsidiary of Greentown China and an associate of Sunac China
“sq. m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sunac China”	Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Transfer”	the Creditor’s Right Transfer and the Equity Transfer
“Zhejiang Jinying”	浙江金盈置業有限公司 (Zhejiang Jinying Realty Co., Ltd.*), a company established in the PRC and is 50% owned by Jindu Real Estate and 50% owned by Huiying Real Estate as at the date of this joint announcement

By order of the Board
Sunac China Holdings Limited
Sun Hongbin
Chairman

Hong Kong, 2 June 2013

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

Hangzhou, the PRC, 2 June 2013

As at the date of this joint announcement, the executive directors of Sunac China are Mr. Sun Hongbin, Mr. Wang Mengde, Mr. Li Shaozhong, Mr. Chi Xun, Mr. Shang Yu and Mr. Jing Hong; the non-executive directors of Sunac China are Ms. Hu Xiaoling and Mr. Zhu Jia, and the independent non-executive directors of Sunac China are Mr. Poon Chiu Kwok, Mr. Li Qin, Mr. Ma Lishan and Mr. Tse Chi Wai.

As at the date of this joint announcement, the executive directors of Greentown China are Mr. Song Weiping, Mr. Shou Bainian, Mr. Luo Zhaoming, Mr. Guo Jiafeng and Mr. Cao Zhouman; the non-executive directors of Greentown China are Mr. Ng Tin Hoi, Stephen and Mr. Tsui Yiu Cheung and the independent non-executive directors of Greentown China are Mr. Jia Shenghua, Mr. Jiang Wei, Mr. Ke Huanzhang, Mr. Sze Tsai Ping, Michael, Mr. Tang Shiding and Mr. Hui Wan Fai.

* for identification purpose only