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SPG LAND (HOLDINGS) LIMITED

盛高置地(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0337)

MAJOR AND CONNECTED TRANSACTION

AGREEMENT

The Board is pleased to announce that on 30 September 2013 (after trading hours), Greenland Holding Group, the Vendor, the Purchaser and the Company entered into the Agreement, pursuant to which, the Vendor has agreed to sell and the Purchaser has agreed to purchase the Sale Share and the Sale Loan at the Consideration of US\$145,508,200 (equivalent to approximately HK\$1,127,970,543).

As at the date of this announcement, the Target Company is owned as to 50% by Xu Fu, an indirect wholly-owned subsidiary of CIFI Holdings, and as to 50% by the Vendor, an indirect wholly-owned subsidiary of Greenland Holding Group. The Target Company owns the entire issued share capital of Xu Bao which in turn owns the entire registered capital of the Project Company. The Project Company is undertaking the development of the Project.

Upon Completion, the Purchaser will own 50% of the issued share capital of the Target Company and it is intended that the Target Company will be accounted for as an indirect subsidiary of the Company through the control of the majority of the board members of the Target Company. Therefore, the accounts of the Target Company will be consolidated in the Company's accounts.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the Transaction exceeds 25% but is less than 100%, the Transaction constitutes a major transaction of the Company and is subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Greenland Holding Group indirectly holds approximately 60% of the entire issued ordinary share capital of the Company (representing approximately 60% of the voting rights of the Company) and the Vendor is an indirect wholly-owned subsidiary of Greenland Holding Group. Accordingly, Greenland Holding Group, being a substantial shareholder of the Company, together with the Vendor, being the associate of Greenland Holding Group, are connected persons of the Company. The Transaction constitutes a non-exempt connected transaction of the Company and is subject to the reporting, announcement and approval of the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

Greenland Holding Group and its associates (including Gluon Xima International Limited) will be required to abstain from voting on the shareholders' resolutions in relation to the Agreement and the Transaction. Save as disclosed, no Shareholder will be required to abstain from voting in respect of the Transaction.

An Independent Board Committee has been formed to consider, and to advise the Independent Shareholders on, the fairness and reasonableness of the terms of the Agreement. An independent financial adviser will be appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in respect of the same.

The Directors (excluding the Independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Group and the terms of the Agreement have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The advice from the independent non-executive Directors (i.e. the Independent Board Committee) will be set out in the circular to the Shareholders, after receiving from the independent financial adviser its recommendations.

A circular containing, among others, details of the Agreement and the Transaction, a letter from the Independent Board Committee and a letter from the independent financial adviser, both advising on the terms of the Agreement, and a notice of EGM will be despatched to the Shareholders no later than 24 October 2013.

BACKGROUND

As at the date of this announcement, the Target Company is owned as to 50% by Xu Fu, an indirect wholly-owned subsidiary of CIFI Holdings, and as to 50% by the Vendor, an indirect wholly-owned subsidiary of Greenland Holding Group. The Target Company owns the entire issued share capital of Xu Bao which in turn owns the entire registered capital of the Project Company. The Project Company is undertaking the development of the Project.

On 21 May 2013, Xu Bao acquired the land use rights of the Land from Hangzhou Land Bureau by way of bidding, and on 28 May 2013, Xu Bao and Hangzhou Land Bureau entered into the Land Use Rights Grant Contract in respect of the Land for the Land Consideration of RMB3,565,000,000 (equivalent to approximately HK\$4,495,019,544). The first instalment of the Land Consideration in the sum of RMB1,782,500,000 (equivalent to approximately HK\$2,247,509,772) has been paid by Xu Bao which was contributed by CIFI Group and Greenland Group in equal share. Such sum together with other capital contributions to be made by the Target Company, Xu Bao or the Project Company for acquisition of the Land, including the remainder of the Land Consideration in the sum of RMB1,782,500,000 (equivalent to approximately HK\$2,247,509,772) shall be borne by CIFI Group and Greenland Group (or after Completion, the Group) in equal share.

AGREEMENT

On 30 September 2013 (after trading hours), Greenland Holding Group, the Vendor, the Company and the Purchaser entered into the Agreement, pursuant to which, the Vendor has agreed to sell and the Purchaser has agreed to purchase the Sale Share and the Sale Loan at the Consideration of US\$145,508,200 (equivalent to approximately HK\$1,127,970,543).

The principal terms of the Agreement are as follows:

1. Date

30 September 2013

2. Parties

- (i) Greenland Holding Group, acting as a guarantor to secure the performance of the duties and obligations of the Vendor under the Agreement
- (ii) the Vendor, an indirect wholly-owned subsidiary of Greenland Holding Group
- (iii) the Company, acting as a guarantor to secure the performance of the duties and obligations of the Purchaser under the Agreement
- (iv) the Purchaser, an indirect wholly-owned subsidiary of the Company

3. Subject Matter of the Transaction

The Vendor, as the legal and beneficial owner, has agreed to sell and the Purchaser has agreed to purchase the Sale Share and the Sale Loan free from any encumbrances for the Consideration.

4. Consideration

The Consideration of US\$145,508,200 (equivalent to approximately HK\$1,127,970,543) shall be settled in cash by the Purchaser in the following manner:

- (i) US\$72,754,100 (equivalent to approximately HK\$563,985,271), representing 50% of the Consideration, shall be paid at the date of Completion; and
- (ii) US\$72,754,100 (equivalent to approximately HK\$563,985,271), representing 50% of the Consideration, shall be paid within 10 business days upon Completion.

The Consideration was arrived at after arm's length negotiation between the parties and was determined with reference to 50% of the first instalment the Land Consideration contributed by Greenland Group. As at 30 September 2013, the market value of the Project amounted to RMB3,700,000,000 (equivalent to approximately HK\$4,665,237,675).

The payment of the Consideration shall be funded by the internal resources of the Group.

5. Conditions Precedent

Completion is conditional upon the following conditions being fulfilled:

- (i) each of Greenland Holding Group, the Vendor, the Company and the Purchaser having respectively completed the necessary internal and external approval procedures, including but not limited to making the necessary disclosure as required under the Listing Rules, obtaining the relevant board and/or shareholders' approval, complying with the requirements of the Listing Rules and other applicable laws and regulations, amending the memorandum and articles of association of each of the Target Company and Xu Bao and the articles of association of the Project Company and executing new shareholders' agreement relating to the Target Company; and
- (ii) the Company having obtained the Independent Shareholders' approval as required under the Listing Rules (if applicable).

6. Completion

Completion shall take place within 10 business days upon fulfilment of all conditions precedent or on any other date as agreed by the parties. Upon Completion, CIFI Holdings, Xu Sheng, Xu Fu, the Company and the Purchaser will enter into a new shareholders' agreement for the purpose of recording the terms and conditions of the Target Company and of regulating the relationship with each other and certain aspects of the affairs of the Target Company.

7. Guarantee

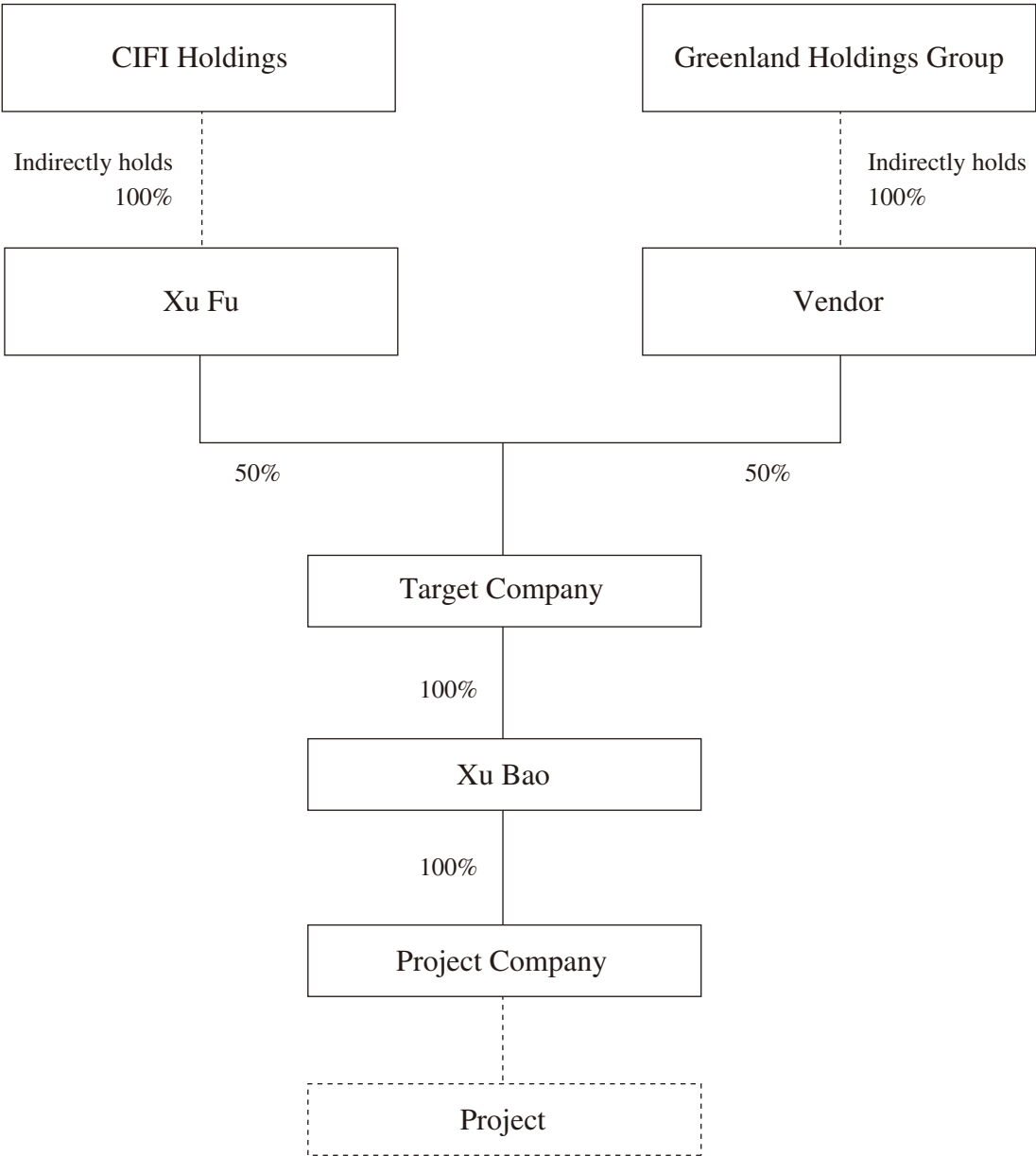
Greenland Holding Group, being the ultimate shareholder of the Vendor, shall procure and guarantee the performance by the Vendor of its duties and obligations under the Agreement. The Company, being the shareholder of the Purchaser, shall procure and guarantee the performance by the Purchaser of its duties and obligations under the Agreement.

8. Others

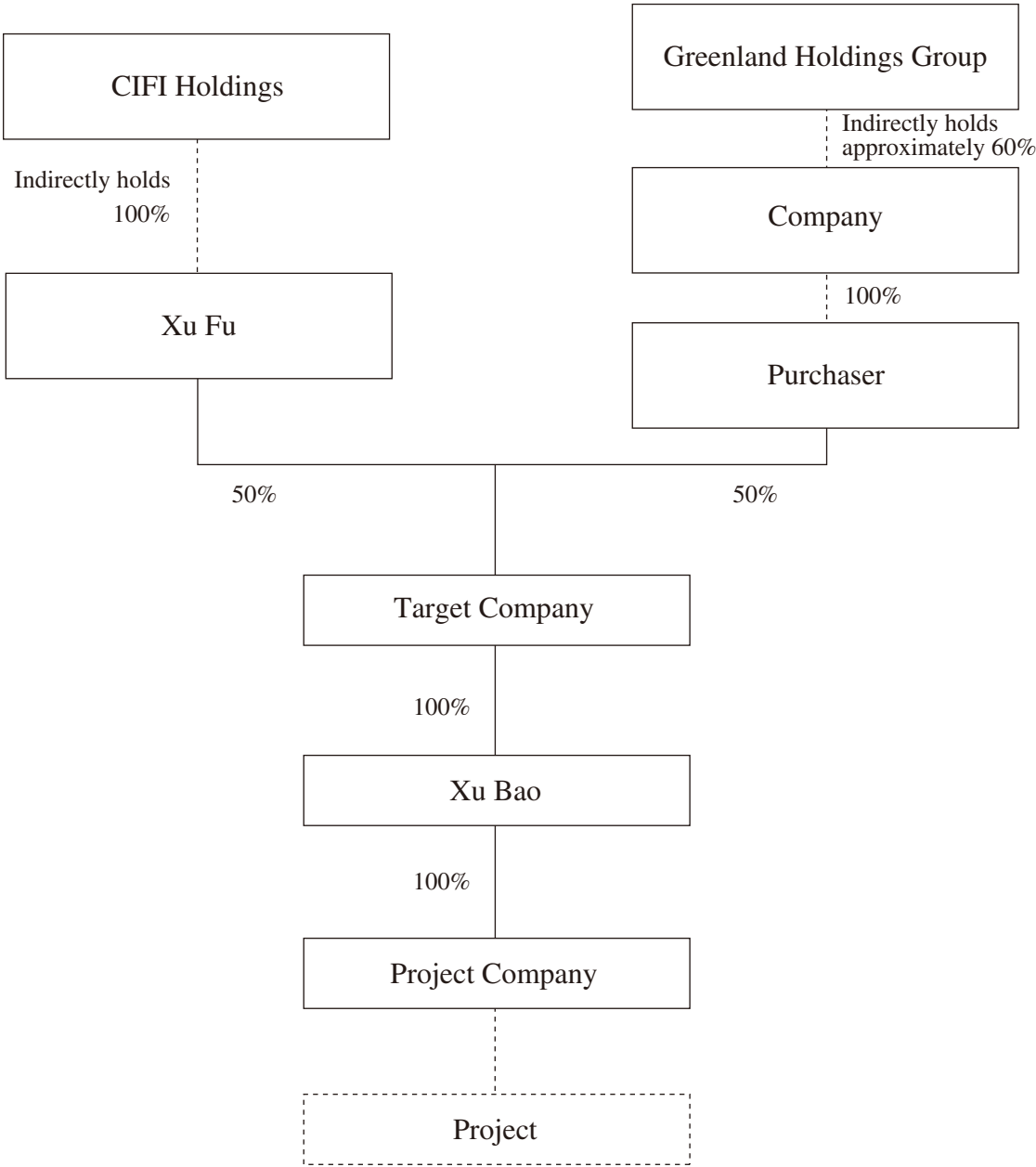
Upon Completion, the Purchaser shall be entitled to all rights and shall assume all functions and duties of the Vendor in respect of the Target Company, Xu Bao, the Project Company and the Project, including but not limited to the following:

- (i) Pursuant to the Land Use Rights Grant Contract, the Project Company shall pay Hangzhou Land Bureau the second instalment of the Land Consideration of RMB713,000,000 (equivalent to approximately HK\$899,003,909) representing 20% of the Land Consideration in December 2013 and the remaining Land Consideration of RMB1,069,500,000 (equivalent to approximately HK\$1,348,505,863) representing the remaining 30% of the Land Consideration in May 2014. Upon Completion and in the event that the Project Company has insufficient funds to meet the aforementioned payment obligations, the Purchaser and Xu Fu shall contribute the shortfall in proportion to their respective shareholding interests in the Target Company.
- (ii) The board of directors of the Target Company will comprise five directors. The Purchaser shall have the right to appoint three directors and Xu Fu shall have the right to appoint two directors. The chairman of the board of directors of the Target Company will be a director appointed by the Purchaser.
- (iii) The Purchaser shall be entitled to share the profit or to bear the loss of the Target Company with Xu Fu in proportion to their respective shareholding interests in the Target Company.

The following chart demonstrates the shareholding structure of the Target Company immediately prior to Completion:



The following chart demonstrates the shareholding structure of the Target Company upon Completion:



INFORMATION ABOUT GREENLAND HOLDING GROUP, THE VENDOR AND THE PURCHASER

Greenland Holding Group is a state-controlled enterprise group headquartered in Shanghai, PRC and is principally engaged in real estate, energy and finance business. Greenland Holding Group indirectly holds approximately 60% of the entire issued ordinary share capital of the Company (representing approximately 60% of the voting rights of the Company).

The Vendor is principally engaged in the business of investment holding and an indirect wholly-owned subsidiary of the Greenland Holding Group.

The Purchaser is principally engaged in the business of investment holding and an indirect wholly-owned subsidiary of the Company.

INFORMATION ABOUT THE TARGET COMPANY

As at the date of this announcement, the Target Company is a joint venture company owned as to 50% by Xu Fu and 50% by the Vendor. The Target Company owns the entire issued share capital of Xu Bao which in turn owns the entire registered capital of the Project Company. The Project Company is undertaking the development of the Project.

Based on the unaudited management accounts of the Target Company and its subsidiaries for the month ended 31 August 2013, the net asset value of the Target Company (including the Land) as at 31 August 2013 was approximately RMB106,299 (equivalent to approximately HK\$134,030). The Target Company, Xu Bao and the Project Company did not recognize any profit for the two financial years immediately preceding the Transaction.

Upon Completion, the Purchaser will own 50% of the issued share capital of the Target Company and it is intended that the Target Company will be accounted for as an indirect subsidiary of the Company through the control of the majority of the board members of the Target Company. Therefore, the accounts of the Target Company will consolidate in the Company's accounts.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Group is principally engaged in the property development in various cities in the PRC including Shanghai, Kunming, Huangshan, Suzhou, Changshu, Wuxi, Haikou and Taiyuan.

It is one of the Group's strategies to acquire quality real estate projects with growing potential to maintain a healthy and sustainable development of the Group in the long run.

The Board believes that the Project is one of the primary focuses of development in Hangzhou. The Project Company is undertaking the development of the Project located at Hangzhou Olympic and International Expo Center (杭州奧體博覽城), Binjiang District (濱江區), Hangzhou City, Zhejiang Province, the PRC with a total site area of 58,789 sq.m.

whereupon a mixed-use real estate project comprising residential units, offices and car parks will be developed. The Board considers that the Project is a quality real estate project with growing potential in a prime location which will have a good sale potential and therefore a positive impact on the profits of the Group in the long run.

The Directors (excluding the Independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Group and the terms of the Agreement have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The advice from the independent non-executive Directors (i.e. the Independent Board Committee) will be set out in the circular to the Shareholders, after receiving from the independent financial adviser its recommendations.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the Transaction exceeds 25% but is less than 100%, the Transaction constitutes a major transaction of the Company and is subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Greenland Holding Group indirectly holds approximately 60% of the entire issued ordinary share capital of the Company (representing approximately 60% of the voting rights of the Company) and the Vendor is an indirect wholly-owned subsidiary of Greenland Holding Group. Accordingly, Greenland Holding Group, being a substantial shareholder of the Company, together with the Vendor, being the associate of Greenland Holding Group, are connected persons of the Company. The Transaction constitutes a non-exempt connected transaction of the Company and is subject to the reporting, announcement and approval of the Independent Shareholders requirements under Chapter 14A of the Listing Rules.

Greenland Holding Group and its associates (including Gluon Xima International Limited) will be required to abstain from voting on the shareholders' resolutions in relation to the Agreement and the Transaction. Save as disclosed, no Shareholder will be required to abstain from voting in respect of the Transaction.

An Independent Board Committee has been formed to consider, and to advise the Independent Shareholders on, the fairness and reasonableness of the terms of the Agreement. An independent financial adviser will be appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in respect of the same.

A circular containing, among others, details of the Agreement and the Transaction, a letter from the Independent Board Committee and a letter from the independent financial adviser, both advising on the terms of the Agreement, and a notice of EGM will be despatched to the Shareholders no later than 24 October 2013.

DEFINITIONS

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

“Agreement”	the agreement for sale and purchase of the Sale Share and the Sale Loan dated 30 September 2013 and entered into among Greenland Holding Group, the Vendor, the Company and the Purchaser
“Board”	the board of Directors
“CIFI Group”	CIFI Holdings and its subsidiaries
“CIFI Holdings”	CIFI Holdings (Group) Co. Ltd. (旭輝控股(集團)有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0884)
“Company”	SPG Land (Holdings) Limited (盛高置地(控股)有限公司) (to be named Greenland Hong Kong Holdings Limited (綠地香港控股有限公司)), a company incorporated with limited liability in the Cayman Islands and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0337)
“Completion”	Completion of the sale and purchase of the Sale Share and Sale Loan in accordance with the terms and conditions of the Agreement
“Consideration”	the consideration for the Sale Share and the Sale Loan in the aggregate amount of US\$145,508,200 (equivalent to approximately HK\$1,127,970,543)
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving the Agreement and the Transaction
“Greenland Group”	Greenland Holding Group and its subsidiaries, excluding the Group
“Greenland Holding Group”	Greenland Holding Group Company Limited (綠地控股集團有限公司), a state-controlled enterprise group headquartered in Shanghai and principally engaged in real estate, energy and finance business

“Group”	the Company and its subsidiaries
“Hangzhou Land Bureau”	杭州市國土資源局 (Hangzhou Municipal Bureau of Land Resources)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors (namely, Mr. Cheong Ying Chew, Henry, Mr. Fong Wo, Felix, JP, Mr. Jiang Simon X. and Mr. Kwan Kai Cheong) established for the purpose of considering and advising the Independent Shareholders in connection with the Agreement and the Transaction
“Independent Shareholders”	Shareholders other than those who are required by the Listing Rules to abstain from voting on the resolutions approving the Agreement and the Transaction
“Land”	a piece of land located at Hangzhou Olympic and International Expo Center (杭州奧體博覽城), Binjiang District (濱江區), Hangzhou City, Zhejiang Province, the PRC with a total site area of 58,789 sq.m.
“Land Consideration”	the consideration for the acquisition of the land use rights in respect of the Land under the Land Use Rights Grant Contract, being RMB3,565,000,000 (equivalent to approximately HK\$4,495,019,544)
“Land Use Rights Grant Contract”	Land Use Rights Grant Contract (國有建設用地使用權出讓合同) dated 28 May 2013 and entered into between Hangzhou Land Bureau and Xu Bao in respect of the Land
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Project”	a residential and commercial project comprising residential units, offices and car parks located at the Land

“Project Company”	杭州拓江置業有限公司 (Hangzhou Tuojiang Zhiye Company Limited*), a company established in the PRC with limited liability for the development of the Project and a direct wholly-owned subsidiary of Xu Bao
“Purchaser”	SPG Investment XVII (BVI) Limited, a company incorporated with limited liability in British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Loan”	the unsecured and interest-free loan and including all associated rights and benefits amounting to US\$145,500,000 (equivalent to approximately HK\$1,127,906,977) due to the Vendor by the Target Company
“Sale Share”	the one (1) ordinary share of HK\$1.00 each in the share capital of the Target Company, representing 50% of the entire issued share capital of the Target Company
“Share(s)”	the ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Xu Bao Co. Limited (旭寶有限公司), a company incorporated with limited liability in British Virgin Islands. The Target Company is a joint venture which is owned as to 50% by Xu Fu and 50% by the Vendor and it directly holds the entire issued share capital of Xu Bao as at the date of this announcement
“Transaction”	the transactions contemplated under the Agreement
“US\$”	United States Dollars, the lawful currency of the United States of America
“Vendor”	Vite Wight International Limited (維特懷國際有限公司), a company incorporated with limited liability in Hong Kong and an indirect wholly-owned subsidiary of Greenland Holding Group

“Xu Bao”	Xu Bao (HK) Co. Limited (旭寶 (香港) 有限公司), a company incorporated with limited liability in Hong Kong and a direct wholly-owned subsidiary of the Target Company
“Xu Fu”	Xu Fu Co. Limited (旭富有限公司), a company incorporated with limited liability in British Virgin Islands and a direct wholly-owned subsidiary of Xu Sheng. Xu Fu and the Vendor each directly holds 50% of the entire issued share capital of the Target Company as at the date of this announcement
“Xu Sheng”	Xu Sheng Limited (旭昇有限公司), a company incorporated with limited liability in British Virgin Islands and a direct wholly-owned subsidiary of CIFI Holdings
“%”	per cent.

For the purpose of this announcement, the exchange rates of HK\$1.00 = US\$0.129 and HK\$1.00 = RMB0.7931 have been used for currency translation, where applicable. Such exchange rates are for illustration purposes and do not constitute representations that any amount in US\$, RMB or HK\$ has been, could have been or may be converted at such rate.

By order of the Board
SPG Land (Holdings) Limited
Chen Jun
Chairman

Hong Kong, 2 October 2013

As at the date of this announcement, the executive Directors are Mr. Chen Jun, Mr. Hou Guangjun, Mr. Wu Zhengkui, Mr. Wang Weixian, Ms. Wang Xuling and Mr. You Defeng; and the independent non-executive Directors are Mr. Cheong Ying Chew, Henry, Mr. Fong Wo, Felix, JP, Mr. Jiang Simon X. and Mr. Kwan Kai Cheong.

* *For identification purpose only*