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(Incorporated in Hong Kong with limited liability)

(Stock Code: 21)

MAJOR TRANSACTION

ENTERING INTO OF THE COOPERATION AGREEMENT FOR THE DEVELOPMENT OF LAND IN SHANGHAI

THE COOPERATION AGREEMENT

On 31 October 2013, Champion Delight, being a wholly-owned subsidiary of Greenland HK as at the date of this announcement, succeeded in the bid of land use rights of the Land through listing-for-sale at an aggregate consideration of RMB609.8 million (equivalent to approximately HK\$774.45 million). Champion Delight paid a deposit of HK\$160.00 million (equivalent to approximately RMB125.98 million) to Shanghai Land Bureau.

To leverage on the strength of the Group in developing the Land, on 16 December 2013, Greenland HK, the Company, the Target Company, Champion Delight and Great China (Shanghai), entered into the Cooperation Agreement, pursuant to which (1) the Company conditionally agreed to procure Great China (Shanghai) to subscribe for, and Greenland HK conditionally agreed to procure the Target Company to issue, the Subscription Shares at the Subscription Price of US\$100 (subject to adjustments, if any); and (2) Greenland HK conditionally agreed to procure SPG Management to assign the Sale Loan to Great China (Shanghai) at a consideration of HK\$80 million (subject to adjustments, if any) and the interests on the Sale Loan, if applicable.

Upon completion of the Investment, Greenland HK and Great China (Shanghai) will each hold (1) 50% of the entire issued share capital of the Target Company, which in turn holds the entire equity interests in Champion Delight; and (2) 50% interest in the shareholders' loan due and owing by Champion Delight to SPG Management. The Target Group will not become subsidiaries of the Company and their financial results will not be consolidated into the consolidated financial statements of the Group upon Completion.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Investment (together with the Relevant Group Companies' capital commitment by way of shareholders' loan to the Target Group) exceed 25% but are less than 100%, the Investment constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement and shareholders' approval requirements.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Cooperation Agreement and the transactions contemplated thereunder. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving the entering into of the Cooperation Agreement and the transactions contemplated thereunder. As at the date of this announcement, the Relevant Shareholders control an aggregate of 2,447,473,885 Shares, representing approximately 73.88% of the issued share capital of the Company. Accordingly, pursuant to Rule 14.44 of the Listing Rules, the Company will apply to the Stock Exchange for a waiver from the requirement to hold a general meeting to approve the entering into of the Cooperation Agreement and the transactions contemplated thereunder on the basis that a written approval has been given by the Relevant Shareholders.

GENERAL

A circular of the Company containing, among other things, (i) further details of the Cooperation Agreement and the transactions contemplated thereunder; and (ii) any other information required to be disclosed under the Listing Rules, will be despatched to the Shareholders as soon as possible in accordance with the requirements of the Listing Rules, which is expected to be on or before 9 January 2014.

On 31 October 2013, Champion Delight, being a wholly-owned subsidiary of Greenland HK as at the date of this announcement, succeeded in the bid of land use rights of the Land through listing-for-sale at an aggregate consideration of RMB609.8 million (equivalent to approximately HK\$774.45 million). Champion Delight paid a deposit of HK\$160.00 million (equivalent to approximately RMB125.98 million) to the Shanghai Land Bureau. To leverage on the strength of the Group in developing the Land, on 16 December 2013, Greenland HK, the Company, the Target Company, Champion Delight and Great China (Shanghai) entered into the Cooperation Agreement.

The major terms of the Cooperation Agreement are set forth below.

THE COOPERATION AGREEMENT

Date: 16 December 2013

Parties:

- (i) Greenland HK
- (ii) the Company
- (iii) the Target Company, a direct wholly-owned subsidiary of Greenland HK as at the date of this announcement
- (iv) Champion Delight, a direct wholly-owned subsidiary of the Target Company
- (v) Great China (Shanghai), a direct wholly-owned subsidiary of the Company

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, Greenland HK, the Target Company, Champion Delight and their respective ultimate beneficial owners are third parties independent of the Company and its connected person.

Subject Matter

As at the date of this announcement, Greenland HK directly owns 100% of the entire issued share capital of the Target Company, which in turn owns 100% of the entire issued share capital of Champion Delight, which on 31 October 2013, succeeded in the bid of the land use rights of the Land. Champion Delight will establish the PRC Project Company for the development of the Land.

Pursuant to the Cooperation Agreement, (1) the Company conditionally agreed to procure Great China (Shanghai) to subscribe for, and Greenland HK conditionally agreed to procure the Target Company to issue, the Subscription Shares at the Subscription Price of US\$100 (subject to adjustments, if any); and (2) Greenland HK conditionally agreed to procure SPG Management to assign the Sale Loan to Great China (Shanghai) at a consideration of HK\$80 million (subject to adjustments, if any) and the interests on the Sale Loan, if applicable.

Upon completion of the Investment, Greenland HK and Great China (Shanghai) will each hold (1) 50% of the entire issued share capital of the Target Company, which in turn holds the entire equity interests in Champion Delight; and (2) 50% interest in the shareholders' loan due and owing by Champion Delight to SPG Management. The Target Group will not become subsidiaries of the Company and their financial results will not be consolidated into the consolidated financial statements of the Group upon Completion.

The parties to the Cooperation Agreement agreed that the board of directors of each of the Target Company, Champion Delight and the PRC Project Company shall comprise five directors, of which three directors shall be appointed by Greenland HK and two directors shall be appointed by the Company and the chairman of the board of directors and (in case of the PRC Project Company) the legal representative, of each of the Target Company, Champion Delight and the PRC Project Company shall be appointed by Greenland HK.

Greenland HK shall procure the performance by the Target Company and Champion Delight of their obligations under the Cooperation Agreement.

The Company, being the shareholder of Great China (Shanghai), shall procure and guarantee the performance by Great China (Shanghai) of its duties and obligations under the Cooperation Agreement.

CONSIDERATION AND PAYMENT ARRANGEMENT

Consideration

The Investment comprises:

- (a) the subscription of Subscription Shares at an aggregate Subscription Price of US\$100, being the nominal value of shares of the Target Company, subject to adjustments (if any) to reflect the appraised value of the Subscription Shares, payable by Great China (Shanghai); and
- (b) the assignment of the Sale Loan of HK\$80 million (subject to adjustments to reflect the shareholders' loan due and owing by Champion Delight as stated in its management account). The Loan Consideration shall be an amount equivalent to the Sale Loan, which was determined with reference to 50% interest in the shareholders' loan due and owing by Champion Delight to SPG Management, together with the interests on the Sale Loan, if applicable.

The Consideration for the Investment (subject to adjustments) payable by the Group will be funded by the respective internal resources of the Group.

The Directors, including the independent non-executive Directors, are of the view that the terms of the transaction contemplated under the Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Payment Arrangement

The consideration will be payable in the following manner:

- (a) the Subscription Price shall be payable by Great China (Shanghai) at Completion; and
- (b) the Loan Consideration shall be payable by Great China (Shanghai), or the Company's PRC related companies, at Completion.

Should the RMB Equivalent of HK\$80 million be paid by the Company's PRC related companies for the purpose of settling the Loan Consideration, the Company warranted that Great China (Shanghai) shall pay an amount of HK\$80 million to Greenland HK within 6 months from the payment of such RMB Equivalent. As such, Greenland HK shall return such RMB Equivalent of HK\$80 million to such companies.

COMPLETION

Completion will take place within 30 Business Days of the signing of the Cooperation Agreement. For the avoidance of doubt, the completion of the Subscription and the Loan Assignment shall take place simultaneously.

Upon Completion, the rights and obligations of the Group and the Greenland HK Group, among other things, include:

- (a) Greenland HK and the Relevant Group Companies shall pay an amount of RMB121.96 million (equivalent to approximately HK\$154.89 million) in accordance with terms and conditions of the land use rights grant contract (as referred in paragraph (b)(ii) below) in proportion to their respective shareholding interests in the Target Company, as the initial instalment of the Land Consideration.
- (b) on the condition that (i) the directorship in the Target Group has been changed pursuant to the Cooperation Agreement; and (ii) the PRC Project Company has entered into the land use rights grant contract with Shanghai Land Authority and has obtained the land use rights of the Land, the Relevant Group Companies and Greenland HK shall advance the shareholders' loan in the amount of RMB487.84 million (equivalent to approximately HK\$619.56 million) to the PRC Project Company through Champion Delight in proportion to their respective shareholding interests in the Target Company, which shall then pay such amount to the government as the second instalment of the Land Consideration.
- (c) in the event that the PRC Project Company has insufficient funds to develop the Land, the PRC Project Company shall first obtain external financing, the Relevant Group Companies and Greenland HK shall contribute the shortfall and provide the guarantee (where necessary) to such loans in proportion to their respective shareholding interests in the Target Company. If the PRC Project Company is unable to obtain any external financing, the Relevant Group Companies, Greenland HK or their related parties shall advance the shareholders' loan to the PRC Project Company in proportion to their respective shareholding interests in the Target Company to finance the development of Land.
- (d) the Relevant Group Companies and Greenland HK shall share the profit, or to bear the loss of, the Target Company in proportion to their respective shareholding interests in the Target Company.

CONDITIONS PRECEDENT

Completion of the Investment is subject to the fulfillment of the following conditions:

- (a) other than the shareholders' loan in Champion Delight in connection with the Land, Greenland HK has settled all the outstanding liabilities of the Target Company and Champion Delight; and
- (b) the Company has obtained the Shareholders' approval as required under the Listing Rules (if applicable).

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in the British Virgin Islands, which owns the entire issued share capital of Champion Delight, which succeeded in the bid of land use rights of the Land through listing-for-sale on 31 October 2013.

Each of Great China (Shanghai), the Target Company and Champion Delight is an investment holding company.

Financial information on the Target Group

To the best knowledge of the Directors, the net liabilities of the Target Group as extracted from its management accounts as at 30 November 2013 were approximately RMB1,453.20.

The before and after tax loss of the Target Group as extracted from its management accounts for the two financial years ended 31 December 2012 were nil.

Information on the Land

The Land comprises of two parcels of land located at Heqing Town, Pudong New Area, Shanghai, the PRC, with a total site area of approximately 69,171.5 sq.m., among which, (a) one parcel of land is located at East of land with Lot No. 13-02, West of Qingli Road, South of land with Lot No.13-02, North of Huanqingnan Road, Heqing Town, Pudong New Area, Shanghai, the PRC; and (b) one parcel of land is located at East of land with Lot No. 14-03, West of Lingyang Road, South of land with Lot No. 14-03, North of Huanqingnan Road, Heqing Town, Pudong New Area, Shanghai, the PRC. The Land is intended to be used for commercial and office purposes.

REASONS FOR AND BENEFIT OF THE INVESTMENT

The Group is principally engaged in property development and investment, and investment holding. In March 2013, the Group officially changed its name to "Great China Properties Holdings Limited" to reflect its business and future strategic focus on mid- to high-end commercial and tourism property development and investment. As at the date of this announcement, the Group has several property development projects in the PRC, including (i) a tourism property development project located in Baian Peninsula, Houmen Town, Haifeng

County, Shanwei City, Guangdong Province, the PRC (the “Gold Coast Project”); (ii) a tourism property development project located in Tanghai County of Hebei Province, the PRC which is under preliminary planning as an ecological leisure living area or resort area (the “Tanghai County Project”); (iii) a comprehensive property development project containing residential and commercial properties in Huizhou City of Guangdong Province, the PRC (the “Daya Bay Project”); (iv) a property development project located in Shanwei City, Guangdong Province, the PRC (the “Jin Bao Cheng Project”); and (v) a tourist and entertainment complex with residential development project located in Shanwei City, Guangdong Province, the PRC (the “Hong Hai Bay Project”). Further details of the Gold Coast Project, the Tanghai County Project, the Daya Bay Project, the Jin Bao Cheng Project and Hong Hai Bay Project have been stated in the 2012 annual report and 2013 interim report of the Company. Riding on its solid foundation of existing projects, the Group remains on the lookout for high quality and cost effective investment opportunities to enhance investment returns, as well as to gradually diversify its income source.

The Board considers that the Investment is in line with the Group’s business strategy. The Board also considers that (a) the Land under the Investment could be developed into a 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; and (b) the Investment allows the Group to leverage on the market knowledge, experience and resources provided by Greenland HK Group so as to achieve the synergistic effect in terms of operation effectiveness and branding.

The Directors consider that the Investment is entered into on normal commercial terms, and the terms of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES TO THE COOPERATION AGREEMENT

The Group is principally engaged in property development and investment, and investment holding.

To the best knowledge of the Directors, Greenland HK is a reputable property developer that is principally engaged in the development of quality residential and hotel properties.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Investment (together with the Relevant Group Companies’ capital commitment by way of shareholders’ loan to the Target Group) exceed 25% but are less than 100%, the Investment constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement and shareholders’ approval requirements.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Cooperation Agreement and the transactions contemplated thereunder. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving

the entering into of the Cooperation Agreement and the transactions contemplated thereunder. As at the date of this announcement, the Relevant Shareholders control an aggregate of 2,447,473,885 Shares, representing approximately 73.88% of the issued share capital of the Company. Accordingly, pursuant to Rule 14.44 of the Listing Rules, the Company will apply to the Stock Exchange for a waiver from the requirement to hold a general meeting to approve the entering into of the Cooperation Agreement and the transactions contemplated thereunder on the basis that a written approval has been given by the Relevant Shareholders.

GENERAL

A circular of the Company containing, among other things, (i) further details of the Cooperation Agreement and the transactions contemplated thereunder; and (ii) any other information required to be disclosed under the Listing Rules, will be despatched to the Shareholders as soon as possible in accordance with the requirements of the Listing Rules, which is expected to be on or before 9 January 2014.

DEFINITIONS

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

“Board”	the board of Directors;
“Brilliant China”	Brilliant China Group Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, and is wholly owned by Ms. Huang;
“Business Day”	any day (other than a Saturday, Sunday or public holiday and any weekday on which typhoon signal no. 8 or higher is hoisted or a “black” rainstorm warning is given in Hong Kong at any time during 9:00 a.m. to 5:00 p.m.) on which commercial banks are open for business in Hong Kong;
“Champion Delight”	Champion Delight Holdings Limited (鑫茂控股有限公司), a company incorporated under the laws of Hong Kong with limited liability, and is wholly owned by the Target Company;
“Company”	Great China Properties Holdings Limited, a company incorporated under the laws of Hong Kong with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“Completion”	completion of the Subscription and the Loan Assignment in accordance with the terms and conditions of the Cooperation Agreement;
“connected persons”	has the meaning ascribed to it under the Listing Rules;

“Consideration”	consideration for the Investment;
“Cooperation Agreement”	the cooperation agreement dated 16 December 2013 entered into among Greenland HK, the Company, the Target Company, Champion Delight and Great China (Shanghai) in relation to the Investment;
“Directors”	the directors of the Company;
“Great China (Shanghai)”	Great China Properties (Shanghai) Limited (大中華地產(上海)有限公司), a company established under the laws of Hong Kong with limited liability, and is a direct wholly-owned subsidiary of the Company;
“Greenland HK”	Greenland Hong Kong Holdings Limited (綠地香港控股有限公司) (formerly known as SPG Land (Holdings) Limited (盛高置地(控股)有限公司)), a company incorporated with limited liability in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“Greenland HK Group”	Greenland HK and its subsidiaries;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Investment”	the Subscription and Loan Assignment as contemplated under the Cooperation Agreement;
“Land”	two parcels of land, among which, (a) one parcel of land is located at East of land with Lot No. 13-02, West of Qingli Road, South of land with Lot No.13-02, North of Huanqingnan Road, Heqing Town, Pudong New Area, Shanghai, the PRC* (上海浦東新區合慶鎮，四至範圍東至13-02地塊，西至慶利路，南至13-02地塊，北至環慶南路); and (b) one parcel of land is located at East of land with Lot No. 14-03, West of Lingyang Road, South of land with Lot No. 14-03, North of Huanqingnan Road, Heqing Town, Pudong New Area, Shanghai, the PRC* (上海浦東新區合慶鎮，四至範圍東至14-03地塊，西至凌揚路，南至14-03地塊，北至環慶南路);
“Land Consideration”	the aggregate consideration for the acquisition of the land use rights in respect of the Land, being RMB609.80 million (equivalent to approximately HK\$774.45 million);

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan Assignment”	an assignment of the Sale Loan at the Loan Consideration;
“Loan Consideration”	the consideration for the Loan Assignment;
“Mr. Huang”	Mr. Huang Shih Tsai, the chairman of the Board and an executive Director. He is the father of Ms. Huang;
“Ms. Huang”	Ms. Huang Wenxi, the chief executive officer of the Company and an executive Director. She is the daughter of Mr. Huang;
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan;
“PRC Project Company”	上海合茂房地產發展有限公司 (Shanghai Hemaoy Property Development Co., Ltd.*), a company to be established by the Target Company under the laws of PRC;
“Relevant Group Companies”	the Company and Great China (Shanghai);
“Relevant Shareholders”	Mr. Huang, Ms. Huang and Brilliant China, each being an existing Shareholder;
“RMB”	Renminbi, the lawful currency of the PRC;
“RMB Equivalent”	the RMB equivalent of an HK\$ amount determined with reference to the mid-point of the exchange rate as published by the People’s Bank of China (中國銀行) on the relevant payment date;
“Sale Loan”	being HK\$80 million, representing 50% of the shareholders’ loan (subject to adjustments) due and owing by Champion Delight to SPG Management;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shanghai Land Authority”	上海市浦東新區規劃和土地管理局 (Shanghai Pudong New Area Planning and Land Authority);
“Shanghai Land Bureau”	上海市規劃和國土資源管理局 (Shanghai Urban Planning and Land Resource Administration Bureau);
“Share(s)”	ordinary shares of HK\$0.01 each in the capital of the Company;

“Shareholder(s)”	holder(s) of the Share(s);
“SPG Management”	SPG Land (Management) Limited, a company established under the laws of Hong Kong with limited liability, and, to the best knowledge of the Directors, is a wholly-owned subsidiary of Greenland HK;
“sq.m.”	square metres;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	subscription of the Subscription Shares by Great China (Shanghai);
“Subscription Price”	total subscription price of US\$100, subject to adjustments (if any) to reflect the appraised value of the Subscription Shares;
“Subscription Shares”	100 shares in the Target Company to be allotted and issued by the Target Company pursuant to the Cooperation Agreement;
“subsidiaries”	has the meaning ascribed to it under the Companies Ordinance (Chapter 32 of Laws of Hong Kong);
“Target Company”	Success Yield Group Limited (成耀集團有限公司), a company incorporated under the laws of the British Virgin Islands with limited liability;
“Target Group”	the Target Company, Champion Delight and the PRC Project Company;
“US\$”	United States dollar, the lawful currency of the United States of America; and
“%”	per cent.

* For identification purpose only.

By order of the Board
Great China Properties Holdings Limited
Huang Shih Tsai
Chairman

Hong Kong, 16 December 2013

For the purposes of illustration only, the amounts denominated in RMB in this announcement are translated into HK\$ at the rate of RMB1 = HK\$1.27. For the purposes of illustration only, the amounts denominated in US\$ in this announcement are translated into HK\$ at the rate of US\$1 = HK\$7.75. Such translation should not be construed as a representation that the currency could actually be converted into HK\$ at that rate or at all.

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Huang Shih Tsai (Chairman) and Ms. Huang Wenxi (Chief Executive Officer), three Independent Non-executive Directors, namely Mr. Cheng Hong Kei, Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum.

Please also refer to the published version of this announcement on the Company's website <http://www.greatchinaproperties.com>.