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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: 3900)**

### **ESTABLISHMENT OF REAL ESTATE PROJECT COMPANY**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

On 15 February 2007, Wenzhou Greentown was incorporated in Wenzhou City, Zhejiang Province, China as a limited liability company with a registered capital of RMB388 million. Greentown Real Estate and Best Smart, which are two wholly owned subsidiaries of the Company, hold equity interests of 5% and 55% respectively in Wenzhou Greentown, and Hangzhou Jiajing Real Estate Development Co., Ltd., an independent third party to the Company, hold the remaining 40%. Wenzhou Greentown will carry out the development for a real estate project in Wenzhou City.

The Directors are of the view that the Incorporation will facilitate the development of the Wenzhou Project, serve as a solid step of the Company in its strategic exploration of the real estate market of Wenzhou City, and further consolidate the leading position of the Group in the Zhejiang real estate market.

#### **INCORPORATION**

On 15 February 2007, Wenzhou Greentown was incorporated in Wenzhou City, Zhejiang Province, China as a limited liability company with a registered capital of RMB388 million. Wenzhou Greentown is primarily engaged in the development, operation and management of real estate project. Greentown Real Estate and Best Smart, which are two wholly owned subsidiaries of the Company, hold equity interests of 5% and 55% respectively in Wenzhou Greentown, and Hangzhou Jiajing Real Estate Development Co., Ltd., an independent third party to the Company, hold the remaining 40%. The share capital of Wenzhou Greentown was contributed by its shareholders by cash according to their respective shareholding percentages. Greentown Real Estate and Best Smart contributed RMB19.4 million and RMB213.4 million, respectively.

Wenzhou Greentown will carry out the development for a real estate project in Wenzhou City. For details of the Wenzhou Project, please refer to the appendix to this announcement.

#### **BENEFIT FOR THE COMPANY FROM THE INCORPORATION**

The Directors are of the view that the Group will benefit from the Incorporation for the following reasons:

- the Incorporation will facilitate the development of the Wenzhou Project. As the Wenzhou Land locates in the centre of Wenzhou City, a regional center in Zhejiang Province, it adds to the land bank of the Company in Zhejiang Province and in particular the reserve of premium land in key cities of Zhejiang Province. Since the Wenzhou Land is of great scarcity, the development of the Wenzhou Project is expected to make good contribution to the financial performance of the Group;
- the Incorporation will further promote the brand name of the Company in Wenzhou City, and serve as a solid step of the Company in its strategic exploration of the real estate market of Wenzhou City;
- the leading position of the Group in the Zhejiang real estate market will be further consolidated.

## DEFINITIONS

In this announcement, the following capitalised terms shall have the following meanings:

“Best Smart”	Best Smart Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by the Company
“China”	the People’s Republic of China
“Company”	Greentown China Holdings Limited, a company incorporated in the Cayman Islands on 31 August 2005 with limited liability
“Directors”	the directors of the Company
“Greentown Real Estate”	Greentown Real Estate Group Co., Ltd., a wholly owned subsidiary of the Company incorporated in China as a wholly foreign-owned enterprise with limited liability
“Group”	the Company and its subsidiaries
“Incorporation”	the incorporation of Wenzhou Greentown
“RMB”	Renminbi Yuan, the lawful currency of China
“Wenzhou Greentown”	Wenzhou Greentown Real Estate Development Company Limited, a limited liability company incorporated in Wenzhou City, Zhejiang Province, China on 15 February 2007
“Wenzhou Land”	the land area for the development of the Wenzhou Project
“Wenzhou Project”	the real estate project to be carried out by Wenzhou Greentown in Wenzhou City

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

Hangzhou, the PRC, 15 February 2007

*As at the date of this announcement, Mr. Song Weiping, Mr. Shou Bainian, Mr. Chen Shunhua and Mr. Guo Jiafeng are the executive Directors of the Company; Mr. Tsui Yiu Wa, Alec, Mr. Jia Shenghua, Mr. Jiang Wei, Mr. Sze Tsai Ping, Michael and Mr. Tang Shiding are the Independent Non-executive Directors of the Company.*

### **Appendix: Details of the Wenzhou Project**

The Wenzhou Land is located at the crossing of Jiangbin Road and Chezhan Street, in Wenzhou City, Zhejiang Province, China with a total land area of approximately 132,325 square meters (in which approximately 26,650 square meters will be used for a public plaza). The Company succeeded in the bidding for the Wenzhou Land on 30 December 2006.

It is expected that commercial/office real estates and residential real estates will be developed in the Wenzhou Project. The total planned GFA is approximately 410,000 square meters, of which approximately 220,000 square meters will be residential real estates and approximately 190,000 square meters will be commercial and hotel/office real estates.

\* *For identification purpose only*

“Please also refer to the published version of this announcement in The Standard.”