

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and dependencies, any State of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Shares will be made in the United States.



## 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)

### PROPOSED ISSUE AND LISTING OF RMB DENOMINATED US DOLLAR SETTLED ZERO COUPON CONVERTIBLE BONDS DUE 2012 AND RESUMPTION OF TRADING

Global Coordinator



Joint Bookrunners



LEHMAN BROTHERS

On 10 May 2007, the Company entered into the Bond Subscription Agreement with the Joint Bookrunners, pursuant to which the Joint Bookrunners have severally agreed to subscribe and pay for or to procure subscribers to subscribe and pay for the Bonds to be issued by the Company in an initial aggregate principal amount of RMB2,310 million (approximately HK\$2,347 million).

Completion of the Bond Subscription Agreement is subject to the satisfaction and/or waiver of certain conditions precedent as described under the section headed "Conditions of the Bond Subscription Agreement" in this announcement. In addition, the Bond Subscription Agreement may be terminated under certain circumstances as described under the section headed "Termination" in this announcement.

**As the Bond Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

The Bonds will be offered and sold to persons whose ordinary business involves buying, selling or investing in securities outside the United States in reliance upon Regulation S of the U.S. Securities Act of 1933 (as amended). None of the Bonds will be offered to the public in Hong Kong nor will they be placed to any connected persons (as defined in the Listing Rules) of the Company.

Based on the initial Conversion Price of HK\$22.14 and assuming full conversion of the Bonds, the Bonds will be convertible into 106,000,240 Shares (subject to adjustment), representing approximately 7.68% of the total issued share capital of the Company as at the date of this announcement and approximately 6.51% of the enlarged issued share capital of the Company (taking into consideration the issuance of new Shares pursuant to the Subscription). These figures assume that none of the 2011 Convertible Bonds is exercised.

The proceeds from the issue of the Bonds, after deduction of the commissions and the estimated expenses relating to the issue the Bonds, is expected to amount to approximately US\$297 million, (approximately HK\$2,320 million) which will mainly be used to finance the development of the Group's existing projects and new projects (including land acquisition costs), with the remainder for the Group's general working capital requirement.

The Conversion Shares will be issued and allotted by the Company pursuant to the general mandate granted to the Directors by written resolution of all its shareholders passed on 22 June 2006.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. The Company intends to apply for the listing of the Bonds on the Singapore Stock Exchange.

Trading in the Shares of the Company was suspended at the request of the Company from 2:30 p.m. on 10 May 2007 pending the release of this announcement. The Company has applied for the resumption of trading in the Shares of the Company with effect from 9:30 a.m. on 11 May 2007.

## **BOND SUBSCRIPTION AGREEMENT DATED 10 MAY 2007**

Parties:           The Company and the Joint Bookrunners

Subject to the fulfilment of the conditions set out below under the section headed "Conditions of the Bond Subscription Agreement", the Joint Bookrunners have severally agreed to subscribe and pay for or procure subscribers to subscribe and pay for the Bonds to be issued by the Company in an initial aggregate principal amount of RMB2,310 million (approximately HK\$2,347 million).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries as at the date of this announcement, the Joint Bookrunners and institutional investors, and their ultimate beneficial owners are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

The Bonds will be offered and sold to persons whose ordinary business involves buying, selling or investing in securities outside the United States in reliance upon Regulation S of the US Securities Act of 1933 (as amended). None of the Bonds will be offered to the public in Hong Kong nor will they be placed to any connected persons (as defined in the Listing Rules) of the Company. The Bonds will be offered or sold in accordance with all applicable laws and regulations. The offer of the Bonds may be subject to stabilisation activities conducted in accordance with applicable laws and regulations.

### **Conditions of the Bond Subscription Agreement**

Completion of the Bond Subscription Agreement is conditional upon, among other things:

- (a) the execution and delivery (on or before the Closing Date) of the Trust Deed, a paying and conversion agency agreement and all other documents ancillary to the transactions contemplated under the Bond Subscription Agreement by the respective parties in a form satisfactory to the Joint Bookrunners;

- (b) the Singapore Stock Exchange having agreed to list the Bonds subject to such conditions satisfactory to the Joint Bookrunners, and the Stock Exchange having granted permission for the listing and trading on the Stock Exchange of the new Shares arising on conversion of the Bonds subject to such conditions as the Stock Exchange may impose and satisfactory to the Joint Bookrunners; and
- (c) the Joint Bookrunners being reasonably satisfied with the results of their due diligence investigations on the Group for the purposes of the preparation of the Offering Circular, and the Offering Circular shall have been prepared in form and content satisfactory to the Joint Bookrunners.

## **Termination**

The Joint Bookrunners may, by notice to the Company, terminate the Bond Subscription Agreement at any time prior to payment of the net subscription monies for the Bonds in any of the following circumstances, among other things:

- (a) if, in the opinion of the Joint Bookrunners, there shall have occurred any of the following events: (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations which would or would likely have a material adverse effect on the financial position of the Group; (ii) a general moratorium on commercial banking activities in Hong Kong, Shanghai, London or New York declared by the relevant authorities; (iii) a suspension or a material limitation in trading in securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the London Stock Exchange, the New York Stock Exchange or Nasdaq;
- (b) if there shall have come to the notice of the Joint Bookrunners any material breach of, or any event rendering untrue or incorrect in any material respect, any of the warranties and representations contained in the Bond Subscription Agreement or any material failure to perform any of the Company's undertakings or agreements in the Bond Subscription Agreement;
- (c) if, in the opinion of the Joint Bookrunners, there shall have been such a change, or any development involving a prospective change, in national or international financial, political or economic conditions or currency exchange rates or foreign exchange controls, such as would in their sole judgement, be likely to prejudice materially the success of the offering; and
- (d) if, in the opinion of the Joint Bookrunners there shall have occurred an occurrence, outbreak or escalation of hostilities or act of terrorism which would in the Joint Bookrunners' reasonable opinion be likely to prejudice materially the success of the offering.

## **Lock-up Undertakings**

The Company has, among other things, undertaken that neither the Company nor any of its subsidiaries or other affiliates over which it exercises management or voting control, nor any person acting on its or their behalf will, for a period from the date of the Bond Subscription Agreement up to 90 days after the Closing Date, without the prior written consent of the Joint Bookrunners (except for: (i) the issue of the Subscription Shares; (ii) the issue of Shares of the Company pursuant to the conversion of outstanding convertible bonds or notes, or any convertible bonds or notes to be issued in connection with any transaction, which bonds or notes have been announced on or prior to the date of the Bond Subscription Agreement; (iii) the issue of Shares of the Company pursuant to options granted under the Company's employee share option schemes; and (iv) the grant of options under the Company's employee share option schemes), issue, offer, sell, contract to sell, pledge or otherwise dispose of (or publicly announce any such issuance, offer, sale or disposal):

- (a) any securities issued by the Company and having a maturity of more than one year from the date of issue;
- (b) any Shares of the Company or securities convertible or exchangeable into or exercisable for Shares of the Company;

- (c) warrants or other rights to subscribe for or purchase Shares of the Company; or
- (d) any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, including equity swaps, forward sales and options representing the right to receive any Shares, save for Shares issued pursuant to the conversion provisions of the Bonds.

## **OFFER AND SALE OF THE BONDS**

The Bonds will be offered and sold to institutional investors. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries as at the date of this announcement, each of the Joint Bookrunners and institutional investors, and their ultimate beneficial owners are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company. It is not expected that any investor of the Bonds will become substantial shareholder of the Company. Therefore, the issue of the Bonds is not expected to have any impact on the public float of the Company.

## **PRINCIPAL TERMS OF THE BONDS**

The principal terms of the Bonds, which will be constituted by the Trust Deed to be entered into between the Company and a trustee are summarised as follows:

<b>Issuer of the Bonds</b>	The Company
<b>Principal Amount</b>	The initial aggregate principal amount of the Bonds will be RMB2,310 million (approximately HK\$2,347 million).
<b>Form and Registration of the Bonds</b>	The Bonds will be represented by beneficial interests in the global certificate, which will be registered in the name of a nominee of, and shall be deposited on the Closing Date with a common depository for Euroclear and Clearstream.
<b>Maturity Date</b>	18 May 2012 (or such other date being the fifth anniversary of the Closing Date).
<b>Issue Price</b>	100% of the principal amount of the Bonds (US\$12,992.92 based on the fixed RMB:US\$ Exchange Rate).
<b>Denomination</b>	RMB100,000
<b>Interest</b>	Save for default interest at the rate of 5% per annum, the Bonds do not bear any interest.
<b>Transferability</b>	The Bonds can be transferred without restrictions.
<b>The Subsidiary Guarantees</b>	Each of the Subsidiary Guarantors will, jointly and severally, guarantee the due payment of all sums expressed to be payable by the Company under the Bonds and the Trust Deed.

## **Negative Pledge**

Save for any security created (i) as at the Closing Date, and (ii) from time to time for the benefit of the holders of the High Yield Notes in accordance with the Indenture, so long as any of the Bonds remains outstanding or any amount is due under or in respect of any Bond or otherwise under the Trust Deed, it will not, and will procure that none of its subsidiaries will, create or permit to subsist or arise any mortgage, charge, pledge, lien or other encumbrance or security interest securing any obligation of any person upon the whole or any part of their respective present or future assets or revenues to secure any Relevant Indebtedness of the Company or any subsidiary of the Company or any other person or entity or to secure any guarantee of or indemnity in respect of any such Relevant Indebtedness unless, at the same time or prior thereto, the Company's obligations under the Bonds are secured (a) equally and rateably therewith or, (b) at the option of the Company, by such other security, guarantee, indemnity or other arrangement as the trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an extraordinary resolution of the Bondholders.

## **Status of the Bonds**

The Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Company, and shall at all times rank pari passu and without any preference or priority among themselves. The payment obligations of the Subsidiary Guarantors under the Guarantee shall at all times rank at least equally with all their other present and future unsecured and unsubordinated obligations.

## **Conversion Price**

Initially HK\$22.14 per Share, which will be subject to adjustment under the following circumstances: (i) consolidation, subdivision or reclassification of Shares, (ii) capitalisation of profits or reserves, (iii) capital distribution (including standard dividend protection), (iv) rights issues, (v) issues at less than current market price, (vi) other dilutive events, the Company will engage independent investment banks, as experts, under certain circumstances to determine adjustment to the Conversion Price.

The Conversion Price may not be reduced so that, on conversion of the Bonds, Shares would be issued at a discount to their nominal value.

This Conversion Price was agreed after arm's length negotiations and represents:

- (i) a premium of approximately 41.00% to the closing price of HK\$15.70 per Share as quoted on the Stock Exchange on 10 May 2007, being the last trading day of the Shares immediately before and including the date of this announcement; and
- (ii) a premium of approximately 40.00% to the average closing price of approximately HK\$15.81 per Share as quoted on the Stock Exchange for the last five trading days of the Shares immediately before and including the date of this announcement.

The Shares issued on conversion will be fully paid and will rank pari passu in all respects with the Shares in issue on the conversion date, including with regard to trading and settlement.

**Final Redemption**

Unless previously redeemed, converted or purchased and cancelled in the circumstances referred to in the terms and conditions of the Bonds, the Bonds will be redeemed on the Maturity Date at 105.638% of their principal amount.

**Redemption at the option of the Company**

At any time after 18 May 2009 (or such other date being the second anniversary of the Closing Date) but prior to the Maturity Date, the Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders, the trustee of the Bonds and the principal paying, conversion and transfer agent (which notice will be irrevocable), redeem the Bonds in whole or in part, at their US Dollar equivalent of the Early Redemption Amount provided that no such redemption may be made unless the closing price of the Shares, for any 20 Trading Days within a period of 30 consecutive Trading Days prior to the date upon which notice of such redemption is given, was, for each of such 20 Trading Days, at least 120% of the Conversion Price then in effect translated into Renminbi at the fixed rate of exchange of HK\$1.00 to RMB0.9843.

If at any time the aggregate principal amount of the Bonds outstanding is less than 10% of the aggregate principal amount originally issued, the Company shall have the option to redeem such outstanding Bonds in whole but not in part at their US Dollar equivalent of the Early Redemption Amount.

**Tax Redemption**

The Company may redeem all, but not some, of the Bonds at their US Dollar equivalent of the Early Redemption Amount in the event of certain changes in PRC or Hong Kong taxation.

**Redemption at the option of the Bondholders**

A Bondholder will have the right, at such Bondholder's option, to require the Company to redeem all or some only of the Bonds of such Bondholder on 18 May 2010 (or such other date being the third anniversary of the Closing Date) at the US Dollar Equivalent of its RMB principal amount multiplied by 103.346%.

**Redemption upon delisting or Change of Control**

A Bondholder will have the right, at such Bondholder's option, to require the Company to redeem in whole but not in part such Bondholder's Bonds at their US Dollar equivalent of the Early Redemption Amount, upon (i) the Shares ceasing to be listed or admitted to trading on the Stock Exchange or (ii) the occurrence of a Change of Control with respect to the Company.

**Listing**

The Company intends to apply for the listing of the Bonds on the Singapore Stock Exchange. The Company will also apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

**EFFECTS ON SHAREHOLDING STRUCTURE**

The number of Conversion Shares to be issued on conversion of a Bond will be determined by dividing the RMB principal amount of the Bond to be converted (translated into Hong Kong dollars at the fixed exchange rate of HK\$1.00 = RMB0.9843) by the Conversion Price. Based on the initial Conversion Price of HK\$22.14 and assuming full conversion of the Bonds, the Bonds will be convertible into 106,000,240

Shares (subject to adjustment), representing approximately 7.68% of the total issued share capital of the Company as at the date of this announcement and approximately 6.51% of the enlarged issued share capital of the Company (taking into consideration the issuance of new Shares pursuant to the Subscription). These figures assume that none of the 2011 Convertible Bonds is exercised.

The Company has announced a placing of 141,500,000 existing Shares and a subscription of 141,500,000 Shares on 4 May 2007 pursuant to a placing, underwriting and subscription agreement dated 4 May 2007. The Subscription is expected to be completed on or before 18 May 2007. The approximate shareholding structure of the Company before and after the Subscription and the issue of the Bonds (before and after conversion of the Bonds) are set out below:

	Existing		Immediately after completion of the Subscription assuming no conversion of the Bonds		Immediately after completion of the Subscription assuming full conversion of the Bonds (Note 2)	
	Shares	%	Shares	%	Shares	%
<i>Controlling shareholders</i>						
— Profitwise Limited	242,143,000	17.53%	383,643,000	25.20%	383,643,000	23.56%
— Delta House Limited	501,524,000	36.32%	501,524,000	32.94%	501,524,000	30.80%
— Wisearn Limited	<u>68,859,000</u>	<u>4.99%</u>	<u>68,859,000</u>	<u>4.52%</u>	<u>68,859,000</u>	<u>4.23%</u>
Subtotal:	812,526,000	58.84%	954,026,000	62.66%	954,026,000	58.59%
Placées of the Placing Shares	141,500,000	10.25%	141,500,000	9.30%	141,500,000	8.69%
Bondholders	—	—	—	—	106,000,240	6.51%
Other public shareholders of the Company	<u>426,919,213</u>	<u>30.91%</u>	<u>426,919,213</u>	<u>28.04%</u>	<u>426,919,213</u>	<u>26.21%</u>
Total	<u><u>1,380,945,213</u></u>	<u><u>100.00%</u></u>	<u><u>1,522,445,213</u></u>	<u><u>100.00%</u></u>	<u><u>1,628,445,453</u></u>	<u><u>100.00%</u></u>

*Note 1: The above figures assume that other than the Subscription Shares, no further Shares are issued or repurchased by the Company and no Share Options or 2011 Convertible Bonds are exercised, and no Shares are sold or purchased by each of Profitwise Limited, Delta House Limited and Wisearn Limited, in each case on or after the date of this announcement and up to the date of the completion of the issue of the Bonds.*

*Note 2: The number of Shares are calculated on the basis that the Bonds with an aggregate principal amount of RMB2,310 million have all been converted at the initial conversion price of HK\$22.14 into the Shares (subject to adjustment).*

## USE OF PROCEEDS

The proceeds from the issue of the Bonds, after deduction of the commissions and the estimated expenses relating to the issue the Bonds, is expected to amount to approximately US\$297 million (approximately HK\$2,320 million), which will mainly be used to finance the development of the Group's existing projects and new projects (including land acquisition costs), with the remainder for the Group's general working capital requirement.

## REASONS FOR, AND BENEFITS OF, THE ISSUE OF THE BONDS

In view of the current market conditions, the Board considers that the issue of the Bonds represent a good opportunity to raise further funds for the Company, while at the same time broadening its shareholder and capital base. Taking into account that the Conversion Price represents a premium to the closing price of the Shares as quoted on the Stock Exchange on 10 May 2007, notwithstanding the dilutive effect on the existing shareholders of the Company as a whole, the Board considers the terms of the Bond Subscription Agreement to be fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **GENERAL MANDATE TO ISSUE THE CONVERSION SHARES**

The Conversion Shares will be issued pursuant to the general mandate to allot, issue and deal with Shares granted to the Directors by written resolution of all its shareholders passed on 22 June 2006, which authorised the Directors to allot and issue a maximum of 259,740,300 Shares.

Save for the global offering by the Company as part of its listing on the Stock Exchange pursuant to the prospectus dated 30 June 2006 and the placing and subscription of 141,500,000 Shares as disclosed in the announcement of the Company dated 4 May 2007, the general mandate has not been utilised prior to entering into of the Bond Subscription Agreement and the Company has not undertaken any equity fund raising activities in the 12 months immediately before the date of this announcement. Details of the placing and subscription of 141,500,000 Shares are as follows:

- Intended use of proceeds: To be used by the Group mainly to finance the development of the Group's existing projects and new projects (including land acquisition costs), with the remainder for the Group's general working capital requirement
- Actual use of proceeds: To be used in line with the intended use of proceeds
- Use of general mandate: Yes
- Subscriber: Profitwise Limited
- Principal amount raised: The proceeds from the Subscription, after deduction of the commissions and the estimated expenses relating to the Subscription, was approximately HK\$2,309 million
- Placing price: HK\$16.35

## **SUSPENSION AND RESUMPTION OF TRADING**

Trading in the Shares of the Company was suspended at the request of the Company from 2:30 p.m. on 10 May 2007 pending the release of this announcement. The Company has applied for the resumption of trading in the Shares of the Company with effect from 9:30 a.m. on 11 May 2007.

## **GENERAL**

The principal business activity of the Company is investment holding. The Group principally engages in developing quality residential properties targeting middle to higher income residents in the PRC.

No adjustment to the conversion price of the 2011 Convertible Bonds will be required as a result of the issue of the Bonds.

Profitwise Limited, Delta House Limited and Wisearn Limited, being controlling shareholders of the Company under the Listing Rules, are together expected to have approximately 58.59% interest in the Company immediately after completion of the Subscription and assuming full conversion of the Bonds, which is expected to reduce to approximately 57.69% if the 2011 Convertible Bonds are exercised in full.



## DEFINITIONS

The following defined terms are used in this announcement:

“2011 Convertible Bonds”	the US\$65 million aggregate principal amount of non-mandatory convertible bonds due 2011 issued by the Company in January 2006, convertible into Shares, with US\$28 million outstanding as at the date of this announcement
“associate”	has the meaning ascribed to it in the Listing Rules
“Board”	board of directors of the Company
“Bond Subscription Agreement”	the subscription agreement between the Company and the Joint Bookrunners dated 10 May 2007
“Bondholders”	holders of the Bonds
“Bonds”	the US Dollar settled zero coupon convertible bonds due 2012 proposed to be issued by the Company convertible into Shares of the Company with an initial aggregate principal amount of RMB2,310 million (approximately HK\$2,347 million)
“Change of Control”	occurs when:  (a) any person or persons, acting together, acquires Control of the Company if such person or persons does not or do not have, and would not be deemed to have, Control of the Company on the Closing Date;  (b) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring control over the Company or the successor entity; or  (c) one or more other persons acquires the legal or beneficial ownership of all or substantially all of the Company’s issued share capital
“Clearstream”	Clearstream Banking, société anonyme
“Closing Date”	18 May 2007 (or such other date on or before 1 June 2007 as the Company and the Joint Bookrunners shall agree), being the date on which the Bonds are issued
“Company”	Greentown China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Hong Kong Stock Exchange

“Control”	the acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of the Company or the right to appoint and/or remove all or the majority of the members of the Company’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Conversion Price”	the price per Share at which the Bonds may be converted into Shares, which will be adjusted from time to time in accordance with the terms and conditions of the Bonds
“Conversion Shares”	Shares to be issued upon conversion of the Bonds
“Directors”	directors of the Company
“Early Redemption Amount”	in relation to a Bond means, for each RMB100,000 principal amount of the Bonds, the amount which represents for the Bondholder a gross yield of 1.1 per cent. per annum, calculated on a semi-annual basis
“Euroclear”	Euroclear Bank S.A./N.V.
“Group”	the Company and its subsidiaries
“High Yield Notes”	the US\$400 million 9% senior notes due 2013 issued by the Company in November 2006
“HK\$”	Hong Kong dollars, the legal currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Indenture”	the indenture dated 10 November 2006 representing the High Yield Notes
“Initial Subsidiary Guarantors”	Richwise Holdings Limited, Green Sea International Limited, Hua Yick Investments Limited, Best Smart Enterprises Limited, all of which are subsidiaries of the Company incorporated in the British Virgin Islands
“Joint Bookrunners”	UBS AG and Lehman Brothers Asia Limited
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	18 May 2012 (or such other date being the fifth anniversary of the Closing Date)
“Offering Circular”	the offering circular to be dated not later than two business days prior to the Closing Date for use in connection with the issue and listing of the Bonds on the Singapore Stock Exchange
“Placing Shares”	141,500,000 existing Shares placed to placees pursuant to a placing underwriting and subscription agreement between the Company, Profitwise Limited, UBS AG and J.P. Morgan Securities Ltd. dated 4 May 2007

“PRC”	for the purpose of this announcement, People’s Republic of China, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Relevant Indebtedness”	any future or present indebtedness in the form of or represented by debentures, loan stock, bonds, notes, bearer participation certificates, depository receipts, certificates of deposit or other similar securities or instruments or by bills of exchange drawn or accepted for the purpose of raising money which are, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or any other securities market (whether or not initially distributed by way of private placement)
“RMB”	Renminbi, the legal currency of the PRC
“Share Options”	share options granted under the share option scheme of the Company adopted on 22 June 2006
“Shares”	ordinary shares of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Singapore Stock Exchange”	The Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for the Subscription Shares pursuant to a placing, underwriting and subscription agreement dated 4 May 2007
“Subscription Shares”	141,500,000 Shares to be subscribed for by Profitwise Limited pursuant to the placing, underwriting and subscription agreement dated 4 May 2007 between the Company, Profitwise Limited, UBS AG and J.P. Morgan Securities Ltd.
“Subsidiary Guarantors”	the Initial Subsidiary Guarantors and any other subsidiary guarantor which guarantees the payment of the Bonds pursuant to the Bonds and the Trust Deed provided that Subsidiary Guarantors will not include any person whose subsidiary guarantee has been released
“Trust Deed”	a trust deed to be entered into between the Company and The Bank of New York on or about the Closing Date
“United States” or “US”	the United States of America
“US\$” or “US Dollar”	United States dollars, the legal currency of United States
“US Dollar Equivalent”	the US\$ equivalent of any RMB or HK\$ amount due on a payment due date using the Spot Rate (as defined in the terms and conditions of the Bonds) for exchange of RMB or HK\$ into US Dollars two business days before the payment due date

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

Hangzhou, the PRC, 10 May 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.*

*\* For identification purposes only*

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