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**中新地產**  
NEO CHINA LAND

**NEO-CHINA LAND GROUP (HOLDINGS) LIMITED**

**中新地產集團(控股)有限公司\***

*(incorporated in Bermuda with limited liability)*

(Shares : Stock Code: 563. Convertible bonds due 2011: Stock Code: 2528)

**DISCLOSEABLE AND CONNECTED TRANSACTION**  
**DISPOSAL OF AN ADDITIONAL 40% OF THE EQUITY INTEREST IN**  
**天津市億嘉合置業有限公司**  
**(TIANJIAN CITY YI JIA HE ZHI YE COMPANY LIMITED\*)**

**THE JUNE 2009 AGREEMENT AND THE THIRD SUPPLEMENTAL AGREEMENT**

On 10 June 2009, the Company, Wukuang, Zhongzhi, Lixing and the Project Company entered into (a) the June 2009 Agreement whereby it was agreed, inter alia, that Wukuang shall increase its equity interest in the Project Company to 60% and the aggregate consideration of which shall be RMB1,160 million (approximately HK\$1,315 million); and (b) the Third Supplemental Agreement in respect of the terms of cooperation by the relevant parties associated with the development of the Project. As RMB800 million was paid under the Second Supplemental Agreement, therefore the balance of the consideration payable under the June 2009 Agreement is RMB360 million (approximately HK\$408 million).

The June 2009 Agreement constitutes a discloseable and connected transaction of the Company under Chapters 14 and 14A of the Listing Rules. A circular containing, among other things, details of the June 2009 Agreement and the letters from the Independent Board Committee and the Independent Financial Adviser will be despatched to Shareholders as soon as possible.

The Company will apply to the Stock Exchange for a waiver under Rule 14A.43 of the Listing Rules from the requirement to hold a Shareholders' meeting to consider and approve the June 2009 Agreement and the transactions contemplated thereunder.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the shares and the convertible bonds (stock code: 2528) of the Company was suspended with effect from 10:10 a.m. on 22 January 2008 pending the release of an announcement in respect of certain price-sensitive information. Trading in the shares and convertible bonds of the Company will remain suspended. The Company will continue to work closely with the Stock Exchange on its application for the resumption of trading of the Company's securities.

## **BACKGROUND**

Reference is made to the Company's announcement and circular of 30 May 2008 and 20 June 2008 respectively in relation to the Company entering into the Cooperation Agreements, which consisted of the Master Agreement as amended by the First Supplemental Agreement and the Second Supplemental Agreement, with Wukuang and others for the cooperation in the development of the Project in Tianjin, the PRC and the disposal of 20% of the equity interest in the Project Company by the Group to Wukuang.

The Company is an investment holding company and the principal activities of its subsidiaries are investment holding and/or investment in, or development of, land and real estate in PRC.

Each of Zhongzhi and Lixing is a wholly-owned subsidiary of the Company. The principal activities of Zhongzhi and Lixing are investment holding.

Wukuang is a property development company in the PRC, the principal activities of which include the development and the management of property in the PRC.

The Project Company is a company established in the PRC with a registered capital of RMB38 million (approximately HK\$43 million). The Project Company is currently engaged in property development in Tianjin, the PRC. The Project Company currently owns the development right of the Land situated at 天津北辰區宜興埠舊村 (Tianjin Beichen Qu Yi Xing Bu Jiu Chun\*), the PRC with a gross construction area of approximately 2,040,000 square meters.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, save for its 20% equity interest in the Project Company, Wukuang and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules) and do not hold any Shares as at the date of this announcement.

## THE JUNE 2009 AGREEMENT

On 10 June 2009, the Company, Wukuang, Zhongzhi, Lixing and the Project Company entered into the June 2009 Agreement whereby the following was agreed upon:

1. Wukuang shall purchase an additional 40% of the equity interest in the Project Company and immediately after completion of the Share Transfer, Wukuang shall hold 60% of the equity interest in the Project Company and the remaining 40% shall be held by (a) Lixing as to 30%; and (b) Zhongzhi as to 10% respectively;
2. the aggregate consideration for 60% of the equity interest in the Project Company shall be RMB1,160 million (approximately HK\$1,315 million), of which RMB800 million (approximately HK\$907 million) was paid and settled pursuant to the terms of the Second Supplemental Agreement. The remaining balance of RMB360 million (approximately HK\$408 million) shall be paid by Wukuang to Lixing within 15 working days upon signing of the June 2009 Agreement; and
3. on the date of signing of the June 2009 Agreement, the relevant parties shall have completed the signing of all relevant necessary documents in relation to the Share Transfer and within 5 working days upon signing of the June 2009 Agreement, the relevant parties shall have completed the necessary registrations with respect to the Share Transfer.

The aggregate consideration for 60% of the equity interest in the Project Company has been arrived at after arm's length negotiations between the parties to the June 2009 Agreement with reference to the market situation in and the city development of Tianjin of the PRC and the market value of similar properties in the relevant locations.

Upon completion of the Disposal, the Group (through Lixing and Zhongzhi) will continue to have a 40% equity interest in the Project Company and will account for its interest in the Project Company on an equity basis as the Project Company will no longer be a subsidiary of the Company.

Based on the unaudited management accounts of the Project Company for the five months ended 31 May 2009, the unaudited net asset of the Project Company as at 31 May 2009 was approximately RMB64 million (approximately HK\$73 million). Based on the audited financial statements for the two years ended 31 December 2008, the Project Company incurred a net loss of RMB66,731 (approximately HK\$75,675), before and after tax, for the

year ended 31 December 2007 and a net loss of RMB285,822 (approximately HK\$324,135) for the year ended 31 December 2008.

With reference to the carrying value of the Group in the Project Company and taking into account the consideration of RMB360 million (approximately HK\$408 million) and subject to review by the auditors of the Company, the gain from the Disposal is expected to be approximately RMB17 million (approximately HK\$20 million after netting off the relevant possible tax charges and expenses).

The Group intends to apply the sale proceeds from the Disposal for use as additional general working capital.

### **THE THIRD SUPPLEMENTAL AGREEMENT**

Also on 10 June 2009, Wukuang, Zhongzhi, Lixing and the Project Company entered into the Third Supplemental Agreement whereby the following material terms in respect of the cooperation by the relevant parties for the development of the Project were agreed upon:

#### **Material Terms of the Third Supplemental Agreement :**

##### **A. With respect to the share of lots within the Land and the share of profit with respect to the Project Land:**

1. Wukuang, Lixing and Zhongzhi agreed to transfer Lot No. 3 of the Land, which has a gross construction area of approximately 410,000 square meters, to Wukuang and Wukuang will be solely responsible for the development of the said lot;
2. Wukuang, Lixing and Zhongzhi unanimously agreed to have the following terms with respect to the development and the sharing of profit of the Project:
  - (a) out of the total construction area of 2,040,000 square meters, Wukuang shall have the sole ownership of the right to develop, handle and share the profit derived from Lot Nos. 3, 7 and 8 which have a total gross construction area of approximately 1,210,000 square meters while Lixing and Zhongzhi shall give up their right to develop, handle and share the profit derived from the above lots;

- (b) Lixing and Zhongzhi shall have the sole ownership of the right to develop, handle and share the profit derived from the Land other than Lot Nos. 3, 7 and 8;
  - (c) Wukuang, the Company and any related parties shall cease to establish the new project company in accordance with the terms of the Cooperation Agreements, and will not be sharing the profit derived from the development of the Project Land at the ratio of 85:15. Accordingly, the terms relating to the “new project company” and any matters related thereto as set out in the Cooperation Agreements will cease to have any further effect; and
  - (d) in the event that the registered capital of the Project Company and/or the four project companies that the Project Company will be invested in is not paid up, the Company and its related parties shall be responsible for paying up the remaining balance of the registered capital of the above companies;
3. Lixing shall continue to carry out its responsibilities under the Cooperation Agreements, which shall include demolition and re-settlement and obtaining planning, land clearance of the Project Land. After taking over the operation of the Project Company by Wukuang, Lixing shall continue to carry out the above responsibilities on the condition that its work will not affect the development of the Project Land. Wukuang has the right to raise requisitions with respect to the progress of the demolition and re-settlement of the Project Land; and
4. Wukuang, Lixing and Zhongzhi shall have the right to share their profits in accordance with the terms of a shareholders’ agreement.  
(Note: A shareholders’ meeting of the Project Company was held on 10 June 2009 and the basis of sharing the profits of the Project Land as set out above was agreed upon at the same meeting.)

**B. With respect to the contributed amount to the Project Land by Wukuang, the advancement by shareholders’ funds and the terms of payment:**

1. Wukuang is responsible for contributing a total amount of funds of RMB1,584 million (approximately HK\$1,796 million) for the Project Land. The Company, Wukuang, the Project Company, Zhongzhi and Lixing acknowledged that Wukuang has already paid RMB640 million and a balance of RMB944 million remains outstanding. Wukuang has also confirmed that the contributed funds of RMB1,584 million will be treated as a shareholder’s loan by the Project Company;

2. the funds contribution by Wukuang for the Project Land shall be paid as follows:
  - (a) apart from the amount paid by Wukuang to the Project Company of RMB640 million, the remaining amount that is required to be paid for the demolition and re-settlement expenses of the Project Land shall be RMB944 million. If any excess amount is required, Lixing shall be responsible for the payment of such an excess amount and the Company shall ensure that the said responsibility is carried out by Lixing while Wukuang will not be responsible for any of such an excess amount; and
  - (b) Wukuang shall pay its contributed amount as follows:
    - (i) Wukuang shall contribute the remaining balance of RMB944 million in accordance with the progress of the Project; and
    - (ii) the Project Company will only be responsible for the debts incurred by Lixing, Zhongzhi and any of the Company's related companies up to 31 March 2009 and will not be responsible for any debts incurred by any of these companies after 31 March 2009. With respect to any payments incurred by Lixing, Zhongzhi and any of the Company's related companies in relation to demolition and re-settlement of the Project Land from 31 March 2009 to the date of completing the Share Transfer (the "Incurred Amount"), the Project Company will review and confirm whether it will take up any of the Incurred Amount and the Project Company shall settle the Incurred Amount at its discretion after taking into account the progress of the demolition and re-settlement of the Project Land, its cashflow position and the progress of the development of Lot Nos. 3, 7 & 8.

**C. With respect to any agreements entered into by the relevant parties prior to the Third Supplemental Agreement concerning the rights and responsibilities of the relevant parties**

1. upon completion of the Share Transfer, Lixing shall take up all of the rights, responsibilities and duties of the Company, Lixing and Zhongzhi under the Cooperation Agreements, including but not limited to the compensation, costs and expenses relating to demolition and re-settlement, land clearance and obtaining government approvals of the Project Land;

2. the Company, Lixing and Zhongzhi agreed to continue being responsible for the relevant matters with respect to the Project and liaising and coordinating with the relevant governmental authorities in Tianjian City and Beichen District (including monitoring the control over costs, the progress of the demolition and re-settlement, obtaining the land use rights for Lot Nos. 3, 7 and 8 and the relevant approvals and completing the necessary procedures in relation the development of the Project); and
3. in the event that there is any change in the shareholding of the Project, the affected outgoing shareholder shall provide complete and full disclosure to the new shareholder of the Project of all relevant matters and legal documents (including the minutes of the shareholders' meetings), and the agreed terms of cooperation among the parties with respect to the Project. The rights and responsibilities of the affected outgoing shareholder shall be taken up by the new shareholder.

**D. With respect to the arrangement of protecting the rights and benefits of Wukuang:**

Lixing and Zhongzhi agree to pledge each of their respective shareholdings, which amount to an aggregate of 40% of the equity interest, in the Project Company to Wukuang as security for any possible breach of the responsibilities of the Company, the Project Company, Lixing and Zhongzhi under this agreement. In the event that any of the Company, the Project Company, Lixing and Zhongzhi or any combination of these parties is in breach of any of the responsibilities as agreed under this agreement, Wukuang has the right to use the Pledged Shares as security and can exercise its right over the Pledged Shares in accordance with the relevant laws and regulations.

During the period of pledging the Pledged Shares to Wukuang, all shareholder's rights of Zhongzhi and the rights and benefits of developing the Land, excluding Lot Nos. 3, 7 and 8, shall not be affected.

The procedures relevant to pledging the Pledged Shares and the Share Transfer shall be taken care of and be effective simultaneously and Wukuang shall at the same time settle the payment of RMB360 million pertaining to the Share Transfer in accordance with the terms of the June 2009 Agreement.

**E. With respect to the rights of Wukuang in transferring its ownership of Lot Nos. 3, 7 and 8 of the Project or continuing its ownership of 60% of the Project Company as well as any tax responsibilities**

1. When Lot Nos. 3, 7 and 8 (or any of them) has satisfied the conditions for transfer, Wukuang has the right to transfer these lots (or any of them) to a nominee project company of Wukuang. Lixing and Zhongzhi shall vote for the resolution approving the said transfer in the shareholders' meeting convened to approve the transfer and shall assist Wukuang in completing the necessary procedures with respect to the transfer. All relevant tax charges in respect of the transfer of Lot Nos. 3, 7 and/or 8 shall be borne by Lixing.

Upon completion of the transfer of Lot Nos. 3, 7 and 8 to the nominee project company of Wukuang, Wukuang shall transfer its 60% equity interest in the Project Company to Lixing. All tax charges associated with the said transfer shall be borne by Lixing.

The price for transferring Lot Nos. 3, 7 and 8 shall be deducted from the amount of the shareholder's loan contributed by Wukuang to the Project Company in corresponding to their respective transfer price. Any difference which is in excess of the transfer price shall be paid out of the consideration paid by Wukuang on the transfer of the 60% equity interest in the Project Company (note). The aggregate price for transferring Lot Nos. 3, 7 and 8 shall not exceed the total amount of the shareholder's loan and consideration paid with respect to the equity interest in the Project Company as set out above. Upon completion of the above land and share transfer, Wukuang and its nominee project company shall cease to have any relationship with respect to shareholding, debts and liabilities with the Project Company, Lixing and Zhongzhi.

*(Note: The amount represented RMB1,160 million (approximately HK\$1,315 million in accordance with the terms of the June 2009 Agreement. Based on the Company's understanding, save for the above amount, there is no further amount to be received or paid by Wukuang and/or the Group with respect to this particular term of the Third Supplemental Agreement.)*

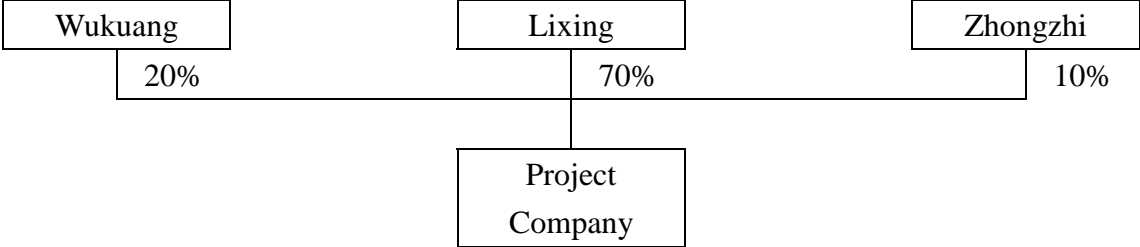


2. If, prior to completion of the demolition and re-settlement of the Project Land, Lixing wishes to transfer the land lots which it has the development right to a designated company, it shall be required to obtain unanimous consent from all the other shareholders of the Project Company and take up all tax related charges with respect to the said transfer. If, upon completion of the demolition and re-settlement and related matters of the Project Land and the relevant land lots have satisfied the conditions for transfer, Lixing has the right to transfer the said land lots to a designated company. Wukuang and the Project Company shall give their unanimous consent to the said transfer. The tax charges associated with the said transfer shall be borne by Lixing. If Lixing and Zhongzhi transfer and have completed the transfer of the development right and benefit on the Land other than Lot Nos. 3, 7 and 8 to their designated company, they shall return the 40% equity interest in the Project Company to Wukuang. All tax charges associated with the said transfer shall be borne by Lixing. Upon completion thereof, Lixing and Zhongzhi shall cease to have any relationship with respect to shareholding, debts and liabilities with the Project Company and Wukuang.

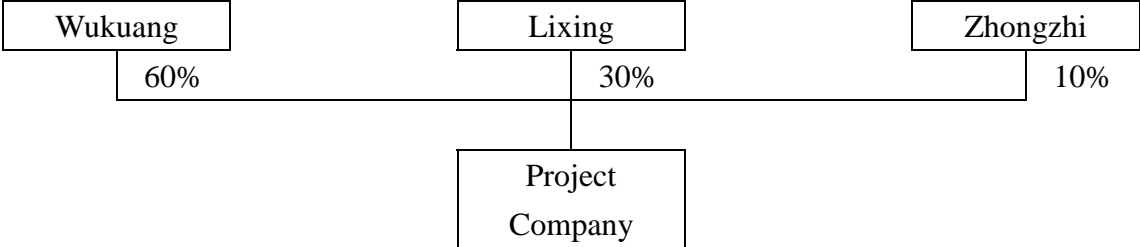
The Third Supplemental Agreement serves mainly to change the rights and responsibilities of each of the shareholders of the Project Company in accordance with their respective proportionate interests in the Project Company. Upon completion of the June 2009 Agreement, Wukuang, being the controlling shareholder of the Project Company, will take over the operations of the Project Company and at the same time, it will have the sole ownership of the right to develop, handle and share the profit derived from Lot Nos. 3, 7 and 8 which have a total gross construction area of approximately 1,210,000 square meters (representing approximately 59% of the total construction area of the Land of 2,040,000 square meters) while Lixing and Zhongzhi shall have the sole ownership of the right to develop, handle and share the profit derived from the Land other than Lot Nos. 3, 7 and 8. Save for the above changes, the other major terms of the Third Supplemental Agreement are basically in line with the terms of the Cooperation Agreements.

**SHAREHOLDING AND OWNERSHIP OF THE PROJECT COMPANY**

Shareholding of the Project Company before completion of the Disposal:



Shareholding of the Project Company after completion of the Disposal:



Upon completion of the Disposal, Wukuang shall have the sole ownership of the right to develop, handle and share the profit derived from Lot Nos. 3, 7 and 8 which have a total gross construction area of approximately 1,210,000 square meters (representing approximately 59% of the total construction area of the Land of 2,040,000 square meters) while Lixing and Zhongzhi shall have the sole ownership of the right to develop, handle and share the profit derived from the Land other than Lot Nos. 3, 7 and 8. Details of the ownership of the lots are as follows:

	Square meters
Total area of the Land	2,042,800 =====
Lots of Wukuang:	
Lot No. 3	408,900
Lot No. 7	278,200
Lot No. 8	523,900
Total of Lot Nos. 3,7,8	----- 1,211,000 =====
Lots of the Group	831,800 =====

## **REASONS FOR THE DISPOSAL**

The Group is principally involved in the business of property investment and development in the PRC. The terms of the Cooperation Arrangements and the Third Supplemental Agreement enabled the Group to further its property investment and development business with relatively low capital commitment. The Disposal allows the Group to realize part of its investment in the Project, which will bring a cash inflow of approximately RMB360 million (or approximately HK\$408 million) as the Group's additional working capital, and to further enhance its partnership arrangement with Wukuang in the development of the Project.

The Board (excluding the independent non-executive Directors whose view will be given after taking into account the advice from the Independent Financial Adviser) considers that the terms and conditions of the June 2009 Agreement, including the consideration thereof, are on normal commercial terms which are fair and reasonable and the entering into of the June 2009 Agreement is in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES REQUIREMENTS**

Wukuang holds 20% and is a substantial shareholder of the Project Company, which is a non-wholly owned subsidiary of the Company, and therefore is a connected person of the Company under the Listing Rules. As the relevant percentage ratios calculated under Chapter 14 of the Listing Rules in relation to the June 2009 Agreement is over 5% but less than 25%, the entering into the June 2009 Agreement constitutes a discloseable and connected transaction of the Company under Chapters 14 and 14A of the Listing Rules and is subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules.

A circular containing, among other things, details of the June 2009 Agreement and the letters from the Independent Board Committee and the Independent Financial Adviser will be despatched to Shareholders as soon as possible.

The Company will apply to the Stock Exchange for a waiver under Rule 14A.43 of the Listing Rules from the requirement to hold a Shareholders' meeting to consider and approve the June 2009 Agreement and the transactions contemplated thereunder. The waiver will be sought on the basis that (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the June 2009 Agreement; and (ii) written approval has been obtained from Mr. Li and his wholly-owned subsidiary, namely Invest Gain Limited, which as at the date of this announcement collectively hold 1,054,920,495 Shares (representing approximately 54% of the entire issued share capital of the Company), giving them the right to attend and vote in the general meeting of the Company to approve the June 2009 Agreement and the transactions contemplated thereunder. Invest Gain Limited is a company wholly and beneficially owned by Mr. Li. Therefore, Mr. Li and Invest Gain Limited will be considered as a closely allied group of Shareholders under Chapter 14A of the Listing Rules.

To the best understanding, knowledge and belief, having made all necessary enquiries, of the Directors, no Shareholder has a material interest in the June 2009 Agreement and therefore is required to abstain from voting if the Company were to convene a general meeting for the approval of the June 2009 Agreement. A written approval has been sought and is expected to be obtained from Mr. Li and Invest Gain Limited prior to the despatch of the circular to Shareholders.

If the written approval cannot be obtained from Mr. Li and Invest Gain Limited and/or the Stock Exchange do not grant the waiver under Rule 14A.43 to the Company, a Shareholders' meeting will be held to consider and approve the June 2009 Agreement and the transactions contemplated thereunder. Further announcement(s) will be made by the Company as and when required.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the shares and the convertible bonds (stock code: 2528) of the Company was suspended with effect from 10:10 a.m. on 22 January 2008 pending the release of an announcement in respect of certain price-sensitive information. Trading in the shares and convertible bonds of the Company will remain suspended. The Company will continue to work closely with the Stock Exchange on its application for the resumption of trading of the Company's securities.

## TERMS USED IN THIS ANNOUNCEMENT

“April 2008 Agreement”	an agreement entered into among the Company, Wukuang, Zhongzhi, Lixing and the Project Company whereby Zhongzhi agreed, inter alia, to sell and transfer 20% of the registered capital of the Project Company to Wukuang at a consideration of RMB800,000,000.
“June 2009 Agreement”	an agreement entered into among the Company, Wukuang, Zhongzhi, Lixing and the Project Company whereby it was agreed, inter alia, that Wukuang shall increase its equity interest in the Project Company to 60% for an aggregate consideration of RMB1,160 million (approximately HK\$1,315 million)
“Board”	the board of Directors
“Company”	Neo-China Land Group (Holdings) Limited, a company incorporated in Bermuda and the issued Shares of which are listed on the main board of the Stock Exchange
“Cooperation Agreements”	the Master Agreement as amended by the First Supplemental Agreement and the Second Supplemental Agreement
“Directors”	the directors of the Company
“Disposal”	the disposal of an additional 40% equity interest in the Project Company by the Group to Wukuang pursuant to the terms of the June 2009 Agreement
“First Supplemental Agreement”	the first supplemental agreement dated 29 November 2007 entered into among the Company, Wukuang and the Project Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	independent board committee of the Company to be formed for the purpose of advising independent Shareholders as to the June 2009 Agreement and the transactions contemplated thereunder

“Independent Financial Adviser”	the independent financial adviser to the Independent Board Committee and independent Shareholders in respect of the June 2009 Agreement and the transactions contemplated thereunder
“Land”	the piece of land situated at 天津北辰區宜興埠舊村 (Tianjin Beichen Qu Yi Xing Bu Jiu Chun*), PRC, with a gross construction area of approximately 2,040,000 square meters
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lixing”	上海雅閣麗星裝飾有限公司 Shanghai Yage Lixing Zhongzhi Company Limited*), a company which was duly incorporated and is existing with limited liability under the laws of PRC
“Master Agreement”	a master agreement dated 27 November 2007 entered into among the Company, Wukuang and the Project Company
“Mr. Li”	Mr. Li Song Xiao, Chairman of the Board, an executive Director and the controlling Shareholder
“Pledged Shares”	pledging of each of the shareholding, which aggregate to 40% of the equity interest, in the Project Company by Lixing and Zhongzhi to Wukuang as security in accordance with the terms of the Third Supplemental Agreement
“PRC”	the People’s Republic of China
“Project”	the property development project in respect of the Project Land
“Project Company”	天津市億嘉合置業有限公司 (Tianjin City Yi Jia He Zhi Ye Company Limited*), a company which was duly incorporated and is existing with limited liability under the laws of PRC
“Project Land”	the land lot nos. 7 and 8 with a gross construction area of 800,000 square meters comprised in the Land
“RMB”	Renminbi, the lawful currency of the PRC

“Second Supplemental Agreement”	the second supplemental agreement dated 28 April 2008 entered into among the Company, Wukuang, the Project Company, Zhongzhi and Lixing for cooperation in property development of the Project in Tianjian, the PRC and the disposal of 20% of the entire equity interest in the Project Company
“Shareholders”	the holders of the Shares
“Shares”	shares of HK\$0.04 each in the capital of the Company
“Share Transfer”	the transfer of the 40% equity interest in the Project Company from the Group to Wukuang
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Supplemental Agreement”	the third supplemental agreement dated 10 June 2009 entered into among the Company, Wukuang, the Project Company, Zhongzhi and Lixing for cooperation in property development of the Project in Tianjian, the PRC
“Wukuang”	五礦置業公司 (Wukuang Zhiye Company*), a company which was duly incorporated and is existing under the laws of PRC
“Zhongzhi”	中置(北京)企業管理有限公司(Zhongzhi (Beijing) Enterprise Management Company Limited*), a wholly-owned subsidiary of the Company

By Order of the Board of  
**NEO-CHINA LAND GROUP  
(HOLDINGS) LIMITED**

Li Song Xiao  
*Chairman*

Hong Kong, 25 June 2009

*Translation of RMB into Hong Kong dollars are based on the exchange rate of RMB0.8818 to HK\$1 for information purpose only. Such translation should not be considered as a representation that the relevant amounts, have been, could have been, or could be converted at that or any other rate or at all.*

*As at the date hereof, the Board comprises Mr. Li Song Xiao, Mr. Liu Yi, Ms. Niu Xiao Rong, Mr. Yuan Kun, Ms. Liu Yan, Mr. Jia Bo Wei, Ms. Bao Jing Tao and Mr. Lam Kwan Sing as executive Directors; Mr. Lai Leong as non-executive Director and Ms. Nie Mei Sheng, Mr. Zhang Qing Lin and Mr. Gao Ling as independent non-executive Directors.*

*This announcement is made by the order of the Board, of which the Directors individually and jointly accept responsibility for the accuracy of the information contained in this announcement.*

*\* for identification only*