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合景泰富地產

## **KWG PROPERTY HOLDING LIMITED**

**合景泰富地產控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1813)**

### **DISCLOSEABLE TRANSACTIONS**

On 17 September 2010, Beijing KWG and Ping An Trust, among others, entered into the Equity Transfer Agreement pursuant to which Beijing KWG agreed to transfer its 24.54% equity interest in the Joint Venture to Ping An Trust for a consideration of RMB900,000,000. The proceeds of the Disposal would be used to subscribe, indirectly, for the Junior Units in the Trust, which would be set up by Ping An Trust to hold the equity interest in the Joint Venture.

As the applicable percentage ratios (as defined in the Listing Rules) in respect of each of the Disposal and the Subscription exceed 5% but less than 25%, each of the Disposal and Subscription constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

Reference is made to the announcement dated 25 August 2010 issued by, among others, the Company in respect of a discloseable transaction involving the investment in the Joint Venture for the development of the Property (the “**Joint Announcement**”). Unless the context requires otherwise, capitalized terms used in this announcement have the same meanings set out in the Joint Announcement.

### **THE DISPOSAL**

#### **Equity Transfer Agreement**

##### *Date*

17 September 2010

##### *Parties*

The parties to the Equity Transfer Agreement are:

- (a) Beijing KWG;
- (b) the other JV Parties; and

(c) Ping An Trust.

*Assets to be disposed of*

Under the Equity Transfer Agreement, Beijing KWG would transfer its 24.54% equity interest in the Joint Venture to Ping An Trust, which would hold the equity interest in the Joint Venture on behalf of the Trust.

*Consideration*

RMB900,000,000, which would be payable by Ping An Trust on the first business day after fulfillment of all conditions precedent set out in the Equity Transfer Agreement.

The consideration for the Disposal was arrived at after arm's length negotiation between the parties with reference to the paid-up registered capital of the Joint Venture attributable to KWG Beijing in the amount of RMB916,825,000 and the percentage of equity interest subject to the Disposal. The Directors considered that the consideration was fair and reasonable and in the interest of the Company and the Shareholders as a whole.

*Conditions precedent*

Payment of the consideration for the Disposal is subject to fulfillment of, among others, the following conditions:

- (a) the registered capital of and actual capital contribution to the Joint Venture having reached RMB3,667,300,000;
- (b) prior to the set up of the Trust, each of the JV Parties having assisted Ping An Trust and the Joint Venture to complete the transfer of the equity interests in the Joint Venture by the JV Parties to Ping An Trust; and
- (c) the Trust having been set up in accordance with applicable laws.

**SUBSCRIPTION**

Ping An Trust would set up the Trust, which would issue the Senior Units and the Junior Units. Ping An Trust would hold, among others, the equity interest in the Joint Venture acquired pursuant to the Disposal. The proceeds of the Disposal would be used to subscribe, indirectly, for the Junior Units. The principal purpose of setting up the Trust is to raise funds for the development of the Property.

The Trust would be for a term of 18 months. On expiry of the term of the Trust, each holder of the Senior Units would be entitled to a fixed return less the fees and expenses of the Trust attributable to such holder. After holders of the Senior Units are paid in full, the Trust will distribute the equity interest of the Joint Venture in kind to holders of the Junior Units or their designated nominee(s).

## **REASONS FOR AND BENEFITS OF THE DISPOSAL AND SUBSCRIPTION**

The Disposal and the Subscription is part of the Trust arrangement pursuant to which capital is raised for the development of the Property. The Directors considered that the terms of the Disposal and the Subscription were fair and reasonable and were on normal commercial terms and the Disposal and the Subscription was in the interests of the Company and the Shareholders as a whole.

### **GENERAL**

The Company is principally engaged in property development, property investment, hotel operation and property management service provision activities in the PRC. The principal activity of Beijing KWG is property development.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the JV Parties (other than Beijing KWG) and their respective ultimate beneficial owners are independent of, and not connected with, the Company and its connected persons.

Ping An Trust is a limited liability company established in the PRC. The principal activity of Ping An Trust is provision of trust services and fund investment. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Ping An Trust and its ultimate beneficial owners are independent of the Company and its connected persons.

The Joint Venture is a limited liability company established in the PRC and the principal activities of the Joint Venture are to acquire and develop the Property. The registered capital of the Joint Venture is RMB3,667,300,000. Further details on the Joint Venture are set out in the Joint Announcement.

### **LISTING RULES IMPLICATION**

As the applicable percentage ratios (as defined in the Listing Rules) in respect of each of the Disposal and the Subscription exceed 5% but less than 25%, each of the Disposal and the Subscription constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

### **DEFINITIONS**

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

“Disposal”	the transfer of 24.54% equity interest in the Joint Venture by Beijing KWG to Ping An Trust pursuant to the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 17 September 2010 entered into between the JV Parties and Ping An Trust
“Junior Units”	the junior units in the Trust
“Ping An Trust”	平安信托有限公司
“Senior Units”	the senior units in the Trust
“Subscription”	the indirect subscription of the Junior Units by Beijing KWG

“Trust”

the trust scheme known as 平安財富•佳園19號集合信托計劃 established by Ping An Trust in the PRC

On behalf of the Board  
**KWG Property Holding Limited**  
**Kong Jian Min**  
*Chairman*

Hong Kong, 17 September 2010

*As at the date of this announcement, the executive Directors are Mr. Kong Jian Min, Mr. Kong Jian Tao, Mr. Kong Jian Nan, Mr. Li Jian Ming, Mr. Tsui Kam Tim, Mr. He Wei Zhi and Mr. Yu Yao Sheng; and the independent non-executive directors of the Company are Mr. Lee Ka Sze, Carmelo, Mr. Dai Feng and Mr. Tam Chun Fai.*