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INTERCHINA HOLDINGS COMPANY LIMITED

國 中 控 股 有 限 公 司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

DISCLOSEABLE TRANSACTIONS

THE ACQUISITIONS

The Board is pleased to announce that after the trading hours on 25 April 2012, the Purchasers (being the Company and Shanghai Interchina Club Limited, a wholly-owned subsidiary of the Company) and the Vendor entered into the Sale and Purchase Agreements, pursuant to which the Vendor has agreed to sell and the Purchasers have agreed to acquire from the Vendor the Properties, being 5 units located at Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC, at the aggregate cash consideration of RMB194,127,315 (equivalent to approximately HK\$239,663,352). The Properties are residential units with a total gross floor area of approximately 1,748.77 sq. m.. The Properties were in aggregate valued at RMB205,000,000 as at 23 April 2012 by an independent professional valuer.

As the applicable percentage ratios (as set out in the Listing Rules) of the Acquisitions are more than 5% but less than 25%, the Acquisitions constitute discloseable transactions for the Company under the Listing Rules.

THE ACQUISITIONS

Save for the location of the Properties and the consideration payable for each Property, the terms of the Sale and Purchase Agreements are the same, a summary of which are set out below:

Date:

25 April 2012 (after the trading hours)

Parties:

Vendor: 上海萊因思置業有限公司 (Shanghai Lai Yin Si Zhiye Company Limited*)

Purchasers: the Company and Shanghai Interchina Club Limited

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

There is no prior transaction and relationship between the Purchasers and the Vendor in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

Assets to be acquired — the Properties:

The Properties are 5 residential units located at Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC, details of which are as follows:

- (1) Room 1901, 17/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC;
- (2) Room 2001, 18/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC;
- (3) Room 2101, 19/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC;
- (4) Room 2201, 20/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC; and
- (5) Room 2301, 21/F., Block B, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC.

The Group has obtained a valuation report in respect of the Properties from 世聯土地房地產評估有限公司 (Worldunion Land Property Appraisal Company Limited*), an independent professional valuer, of approximately RMB205,000,000 as at 23 April 2012 (the “**Property Valuation**”). The professional valuer has adopted the market approach by making reference to the historical transaction with similar property.

Consideration and payment terms:

The aggregate consideration for the Properties is RMB 194,127,315 (equivalent to approximately HK\$239,663,352), details of which are set out below:

The Property	Consideration <i>RMB</i>	Floor area <i>sq. m.</i>
(1) Room 1901, 17/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC	38,791,899	360.93
(2) Room 2001, 18/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC	39,911,737	360.93

The Property	Consideration <i>RMB</i>	Floor area <i>sq. m.</i>
(3) Room 2101, 19/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC	40,471,247	360.93
(4) Room 2201, 20/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC	41,030,757	360.93
(5) Room 2301, 21/F., Block B, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC	33,921,675	305.05

The consideration shall be payable in cash on or before 1 May 2012.

The consideration for the Properties was determined after arm's length negotiations between the Vendor and the Purchasers after taking into account the Property Valuation. The Directors (including independent non-executive Directors) consider that the consideration is fair and reasonable.

The consideration is expected to be funded by the existing internal resources of the Group.

Conditions precedent

There is no condition precedent attached to the transactions contemplated under the Sale and Purchase Agreements. The Sale and Purchase Agreements are not inter-conditional among each other.

Delivery

The Vendor shall deliver the Properties to the Purchasers within 90 days after the payment of all consideration by the Purchasers in accordance with the Sale and Purchase Agreements.

Purchasers' default

If the Purchasers do not pay the relevant consideration for the relevant Property in accordance with the terms of the relevant Sale and Purchase Agreement, the Purchasers shall pay a penalty to the Vendor. The penalty shall be calculated based on 0.03% of the amount in default multiplied by the number of days overdue. If the Purchasers do not pay after overdue for 30 days, the Vendor shall have the right to terminate the Sale and Purchase Agreements. In such event, the Purchasers shall pay compensation (in addition to the penalty) to the Vendor, which shall be equivalent to 5% of the consideration for the relevant Property.

Vendor's default

- (1) If the Vendor does not deliver the relevant Property to the Purchasers in accordance with the Sale and Purchase Agreements, the Vendor shall pay a penalty to the Purchasers. The penalty shall be calculated based on 0.03% of the amount paid by the Purchasers in advance times the number of days in default. If the Vendor does not deliver the relevant Property to the Purchasers after 30 days in default, the Purchasers shall have the right to terminate the relevant Sale and Purchase Agreement; and
- (2) If due to the fault of the Vendor the Purchasers cannot obtain the relevant property ownership certificate of the relevant Property prior to 31 July 2012, the Vendor shall pay a penalty to the Purchasers on the basis of 5% of the consideration of the relevant Property. The Purchasers shall be entitled to terminate the relevant Sale and Purchase Agreement.

Where the Purchasers exercise the right to terminate the relevant Sale and Purchase Agreement as set out above, the Vendor shall refund the consideration paid for the relevant Property and pay compensation (in addition to any penalty payable above) to the Purchasers, which shall be equivalent to 5% of the consideration for the relevant Property.

INFORMATION OF THE PROPERTIES

The Properties are 5 residential units located at Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC, which is located in the northeastern part of the core city of Shanghai, a major residential area of Hongkou District and one of the District's residential zones. It is located in the prime area in the north section of The Bund (外灘). Situating in the north, it captures the views of Huangpu River from a southward perspective, as well as the scenes of Lujiazui and The Old Bund.

On the date of the Sale and Purchase Agreement, Shanghai Interchina Club Limited also entered into a tenancy agreement with the Vendor for the lease of the Properties to the Vendor for a term of 3 years at the aggregate annual rental of RMB11,647,000 (equivalent to approximately HK\$14,379,000).

REASONS FOR THE ACQUISITIONS

The Group is principally engaged in the investment in environmental and water treatment operation, property investment operation, securities and financial operation and natural resources operation. It is the Group's strategy to continue to look for investment opportunities with a view to enhancing the Group's assets portfolio, strengthening the foothold of the Group and maximizing Shareholders' benefit. The Board believes that the Acquisitions would enhance the assets base of the Group while at the same time, the rental income from the Properties will contribute to the future revenue and income growth of the Group. The Directors also consider that the Properties has potential for appreciation.

Taking into account the above factors and the Property Valuation provided by an independent professional valuer, the Directors consider that the terms of the Acquisitions are fair and reasonable and the Acquisitions are in the best interests of the Shareholders and the Company as a whole.

GENERAL

As the applicable percentage ratios (as set out in the Listing Rules) of the Acquisitions are more than 5% but less than 25%, the Acquisitions constitute discloseable transactions for the Company under the Listing Rules.

DEFINITIONS

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

“Acquisitions”	the acquisitions of the Properties upon the terms and conditions of the Sale and Purchase Agreements
“Board”	the board of Directors
“Company”	Interchina Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Shanghai Interchina Club Limited”	上海國中俱樂部有限公司, a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Properties”	together, (1) Room 1901, 17/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC; (2) Room 2001, 18/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC; (3) Room 2101, 19/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC; (4) Room 2201, 20/F., Block A, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC; (5) Room 2301, 21/F., Block B, Above The Bund (白金灣府邸), 18 Hai Ping Road, Hongkou District, Shanghai, the PRC
“Purchasers”	the Company and Shanghai Interchina Club Limited

“Sale and Purchase Agreements”	the 5 commodity housing sale agreements all dated 25 April 2012 and signed by the Vendor and the Purchasers in relation to the sale and purchase of the Properties
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	上海萊因思置業有限公司
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Reminbi, the lawful currency of the PRC
“sq. m.”	square meter

By Order of the Board
Interchina Holdings Company Limited
Lam Cheung Shing, Richard
Chief Executive Officer and Executive Director

Hong Kong, 26 April 2012

** for identification purpose only*

As at the date of this announcement, the executive Directors are Mr. Shen Angang, Mr. Lam Cheung Shing, Richard, Mr. Zhu Yongjun, Mr. Wong Hin Shek and Mr. Choi Fun Tai; and the independent non-executive Directors are Mr. Ho Yiu Yue, Louis, Mr. Ko Ming Tung, Edward, Mr. Chi Chi Hung, Kenneth and Mr. Chen Yi.