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中泛控股有限公司
CHINA OCEANWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 715)

MAJOR TRANSACTION SALE AND PURCHASE AGREEMENT IN RELATION TO ACQUISITION OF PROPERTIES

After trading hours on 5 August 2015, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Sellers entered into the Sale and Purchase Agreement, pursuant to which the Purchaser conditionally agreed to acquire and the Sellers conditionally agreed to sell the Properties located in New York, the U.S. at the Consideration of US\$390,000,000 (equivalent to approximately HK\$3,042,000,000).

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 25% but less than 100%, the transaction contemplated under the Sale and Purchase Agreement constitutes a major transaction for the Company and is therefore subject to reporting, announcement and the Shareholders' approval requirements under the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders nor any of their respective associates has any material interest in the transaction contemplated under the Sale and Purchase Agreement and therefore none of them is required to abstain from voting if a special general meeting is to be convened for the approval of the Sale and Purchase Agreement and the transaction contemplated thereunder. The Company has obtained a written approval for the Sale and Purchase Agreement

and the transaction contemplated thereunder in lieu of holding a special general meeting in accordance with Rule 14.44 of the Listing Rules from Oceanwide Holdings International Co., Ltd., the beneficial owner of 6,419,461,847 Shares with voting rights of approximately 59.65% as at the date of this announcement. Oceanwide Holdings International Co., Ltd. has the right to vote at the special general meeting (if convened) to approve such transaction. As such, the Company is not required to convene a special general meeting for the purpose of approving the Sale and Purchase Agreement and the transaction contemplated thereunder as is permitted under Rule 14.44 of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and other information as required by the Listing Rules will be despatched to the Shareholders. In order to allow sufficient time to prepare the information to be included in the circular (including the valuation report of the Properties), the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules which requires the circular to be despatched to the Shareholders within 15 business days after the publication of this announcement. The circular is expected to be despatched to the Shareholders on or before 30 September 2015.

The Board is pleased to announce that after trading hours on 5 August 2015, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Sellers entered into the Sale and Purchase Agreement, pursuant to which the Purchaser conditionally agreed to acquire and the Sellers conditionally agreed to sell the Properties located in New York, the U.S. at the Consideration of US\$390,000,000 (equivalent to approximately HK\$3,042,000,000).

SALE AND PURCHASE AGREEMENT

A summary of the principal terms of the Sale and Purchase Agreement is set out below:

Date

5 August 2015

Parties

- (a) China Oceanwide Real Estate Development III Limited, being the Purchaser
- (b) 80 South and SDH, being the Sellers

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Sellers and their respective ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Assets to be acquired

The Properties to be acquired by the Purchaser include but not limited to (i) certain parcels of land totaling approximately 14,718 square feet located at Section 1, Block 72, Lots 31 and 13, known by street addresses of 80 South Street, New York, the U.S. and 163 Front Street, New York, the U.S.; (ii) the buildings and other improvements (if any) located thereupon; (iii) all right, title, and interest in and to the development rights; (iv) any easement or licenses benefitting the above land, any rights to use streets, alleys and rights of way, open or proposed, in front of, or adjoining, or servicing all or any part of the land, strips and gores in front of or adjoining all or any part of the land, any development rights, water rights and riparian rights and any other rights, benefits, interests, privileges, tenements and hereditaments appurtenant to the land; (v) any governmental permits, entitlements, licenses and approvals issued in connection with the above; and (vi) the Development Rights subject to the area under the Development Rights certified to transfer to the Properties by the CPC Certification, etc. The existing buildings on the Properties are not currently leased. A property valuation of the Properties will be conducted by a qualified and professional valuer in accordance with the Listing Rules and the valuation report will be disclosed in the circular of the Company to be despatched to the Shareholders.

Consideration

The Consideration of the Acquisition is US\$390,000,000 (equivalent to approximately HK\$3,042,000,000), which shall be payable by the Purchaser from the Group's internal resources and/or other financing resources in the following manner:

- (i) US\$5,000,000 (equivalent to approximately HK\$39,000,000), being an initial deposit, paid to the Escrow Agent upon execution of the Sale and Purchase Agreement;

- (ii) US\$10,000,000 (equivalent to approximately HK\$78,000,000), being the Additional Deposit, payable to the Escrow Agent within five (5) Business Days after the date of the Purchaser's receipt of a copy of CPC's written response to Sellers' request for the administrative correction to the zoning resolution of the City of New York, the U.S.; and
- (iii) the remaining balance (the "**Balance**") of US\$375,000,000 (equivalent to approximately HK\$2,925,000,000) payable to the Sellers upon Completion.

If, pursuant to the CPC Certification obtained by the Sellers, the area under the Development Rights certified to transfer to the Properties is less than 303,113 square feet but not less than 157,953 square feet, the Consideration (and accordingly, the Balance) shall be adjusted and reduced by an amount to be calculated by the following formula:

$$(303,113 - A) \times \text{US}\$476.89$$

For the purpose of the above calculation, "A" means the area under the Development Rights certified to transfer to the Properties pursuant to the CPC Certification obtained by the Sellers.

If, pursuant to the CPC Certification obtained by the Sellers, the area under the Development Rights certified to transfer to the Properties is less than 157,953 square feet, then the Sale and Purchase Agreement shall automatically (and without further act of the Parties) be terminated whereupon the Deposit Monies shall be refunded to the Purchaser and thereafter neither party to the Sale and Purchase Agreement shall have any further rights or obligations under the Sale and Purchase Agreement.

If the CPC Certification is not issued by the CPC within eight (8) months after the date of the Sale and Purchase Agreement (the "**CPC Certification Deadline**"), or unless the Parties agree otherwise, the Purchaser may at its sole option extend the CPC Certificate Deadline for up to (but not more than) one hundred and twenty (120) days, and if the CPC Certification is still not issued by the CPC by the extended CPC Certificate Deadline, then the Sale and Purchase Agreement shall automatically (and without further act of the Parties) be terminated whereupon the Deposit Monies shall be refunded to the Purchaser and except as otherwise expressly provided in the Sale and Purchase Agreement, neither party to the Sale and Purchase Agreement shall have any further rights or obligations under the Sale and Purchase Agreement.

The Escrow Agent shall hold in escrow or deliver the Deposit Monies in the following manner:

- (i) deliver the Deposit Monies to the Sellers upon Completion;
- (ii) if prior to Completion, the Sellers deliver a written demand to the Escrow Agent stating that the Sellers are entitled to the Deposit Monies under the terms of the Sale and Purchase Agreement, then the Escrow Agent shall deliver a copy of the Sellers' written demand to the Purchaser, and if the Purchaser, within the period of ten (10) Business Days after such delivery, does not give the Escrow Agent a notice objecting to the Sellers' written demand, then the Escrow Agent shall deliver the Deposit Monies to the Sellers;
- (iii) if prior to Completion, the Purchaser delivers a written demand to the Escrow Agent stating that the Purchaser is entitled to the Deposit Monies under the terms of the Sale and Purchase Agreement, then the Escrow Agent shall deliver a copy of the Purchaser's written demand to the Sellers, and if the Sellers, within the period of ten (10) Business Days after such delivery, do not give the Escrow Agent a notice objecting to the Purchaser's written demand, then the Escrow Agent shall deliver the Deposit Monies to the Purchaser; or
- (iv) save for the above, the Escrow Agent shall continue to hold the Deposit Monies until otherwise directed by the joint written instructions from the Sellers and the Purchaser or a final judgment of a court having jurisdiction.

Further, in addition to the Consideration, the Purchaser shall pay to the Sellers US\$100 (equivalent to approximately HK\$780), which amount the Sellers and the Purchaser expressly acknowledged and agreed as consideration for the Sellers' execution and delivery of the Sale and Purchase Agreement.

The above Consideration was determined by the Parties on an arm's length basis with reference to the development of Lower Manhattan District in the City of New York, the U.S. (where the Properties located), the recent sales of land in the relevant area and the estimated costs and returns of the potential development of the Properties.

Conditions precedent to Completion

Completion shall be conditional upon, among other things, the following Conditions having been fulfilled or waived:

- (i) payment of the Balance by the Purchaser, subject to any adjustments or any and all other sums payable by Purchaser under the Sale and Purchase Agreement, at or prior to Completion;
- (ii) execution and delivery of all documents that the Purchaser is required to execute and deliver under the Sale and Purchase Agreement;
- (iii) no outstanding Purchaser Default Event, nor any event which would constitute a Purchaser Default Event, and the Sellers not having a present right to terminate the Sale and Purchase Agreement;
- (iv) the Sellers obtaining a CPC Certification consistent with, and qualified as a bona fide CPC Certification (i.e. the area under the Development Rights certified to transfer to the Properties equals to 303,113 square feet or if less than 303,113 square feet, it is at least 157,953 square feet) under the Sale and Purchase Agreement;
- (v) the Sellers delivering a fully executed and acknowledged amendment to the Lot 27 merger documents whereby the owner of Lot 27 shall relinquish and release all of its right, title and interest in and to any Development Rights pursuant to the Sale and Purchase Agreement;
- (vi) execution and delivery (or caused to be executed and delivered) of all documents that the Sellers are required to execute and deliver under the Sale and Purchase Agreement;
- (vii) possession of the Properties, vacant and free of any tenancies, tendered to the Purchaser pursuant to the Sale and Purchase Agreement;
- (viii) title to the Properties conveyed to the Purchaser pursuant to the Sale and Purchase Agreement; and

(ix) no outstanding Seller Default Event, nor any event which would constitute a Seller Default Event, and the Purchaser not having a present right to terminate the Sale and Purchase Agreement.

The Sellers may waive Conditions (i) to (iii) above and proceed to Completion, and if the Sellers proceed to Completion, the Sellers shall be deemed to have waived all such Conditions.

The Purchaser may waive Conditions (iv) to (ix) above and proceed to Completion, and if the Purchaser proceeds to Completion, the Purchaser shall be deemed to have waived all such Conditions.

If any of the Conditions is not satisfied or waived pursuant to the Sale and Purchase Agreement as of the Completion Date, and as a result, either the Sellers are or the Purchaser is relieved of its obligation to effectuate Completion on the Completion Date, saved in the case of a Purchaser Default Event or a Seller Default Event, the Parties are relieved of their obligation to effectuate Completion on the Completion Date and may terminate the Sale and Purchase Agreement, whereupon the Deposit Monies shall be refunded to the Purchaser, and except as otherwise provided in the Sale and Purchase Agreement, neither party to the Sale and Purchase Agreement shall have any further rights or obligations under the Sale and Purchase Agreement.

Completion

Subject to fulfillment or waiver of the Conditions, Completion shall take place on the forty-five (45) days after the Sellers obtained the CPC Certification (or if such date is not a Business Day, then the first Business Day thereafter).

INFORMATION OF THE GROUP AND THE PURCHASER

The Group is principally engaged in property investments in the PRC.

The Purchaser, an indirect wholly-owned subsidiary of the Company, is principally engaged in investment holding.

INFORMATION OF THE SELLERS

According to the information available to the Purchaser, 80 South and SDH are both principally engaged in property business.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in property investments in the PRC. As set out in the Company's 2014 annual report, the Group would consider to acquire assets and/or businesses from third parties as and when appropriate, so as to build up the Group's assets and enhance its profitability and return to the Shareholders. In the long term, the Group strives to become a conglomerate with businesses in real estate, finance, energy and strategic investment.

The Acquisition is one of the Group's major steps to expand its real estate business and implement its internationalisation strategy. It does not only expand the current place of business and industry distribution of the Group to diversify risks, but will also enhance the assets structure and profitability of the Group. The Company currently plans to develop a mixed use of commercial and residential tower on the Properties. The Acquisition is in line with the business strategy of the Group and is expected to bring continuous and valuable investment returns to the Shareholders.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the transaction contemplated under the Sale and Purchase Agreement and the terms and conditions thereof are on normal commercial terms, in the ordinary and usual course of business of the Group, fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 25% but less than 100%, the transaction contemplated under the Sale and Purchase Agreement constitutes a major transaction for the Company and is therefore subject to reporting, announcement and the Shareholders' approval requirements under the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders nor any of their respective associates has any material interest in the transaction contemplated under the Sale and Purchase Agreement and therefore none of them is required to abstain from voting if a special general meeting is to be convened for the approval of the Sale and Purchase Agreement and the transaction contemplated thereunder. The Company has obtained a written approval for the Sale and Purchase Agreement and the transaction contemplated thereunder in lieu of holding a special general meeting in accordance with Rule 14.44 of the Listing Rules from Oceanwide Holdings International Co., Ltd., the beneficial owner of 6,419,461,847 Shares with voting rights of approximately 59.65% as at the date of this announcement. Oceanwide Holdings International Co., Ltd. has the right to vote at the special general meeting (if convened) to approve such transaction. As such, the Company is not required to convene a special general meeting for the purpose of approving the Sale and Purchase Agreement and the transaction contemplated thereunder as is permitted under Rule 14.44 of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and other information as required by the Listing Rules will be despatched to the Shareholders. In order to allow sufficient time to prepare the information to be included in the circular (including the valuation report of the Properties), the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules which requires the circular to be despatched to the Shareholders within 15 business days after the publication of this announcement. The circular is expected to be despatched to the Shareholders on or before 30 September 2015.

DEFINITIONS

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

“80 South”	80 South, LLC, a company incorporated in Delaware, the U.S. with limited liability
“Acquisition”	the acquisition of the Properties by the Purchaser from the Sellers pursuant to the Sale and Purchase Agreement

“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	all days except Saturdays, Sundays and the days observed as public holidays by the U.S. Federal government or the New York State or New York City governments of the U.S.
“Company”	China Oceanwide Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 715)
“Completion”	the completion of the Acquisition in the manner provided in the Sale and Purchase Agreement
“Completion Date”	the date on which Completion takes place, which is forty-five (45) days after the Sellers obtained the CPC Certification (or, if such date is not a Business Day, then the first Business Day thereafter)
“Conditions”	the conditions precedent to Completion as specified in the Sale and Purchase Agreement
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Consideration”	the consideration of US\$390,000,000 (equivalent to approximately HK\$3,042,000,000) payable by the Purchaser to the Sellers for the Acquisition pursuant to the Sale and Purchase Agreement
“CPC”	City Planning Commission of the City of New York, the U.S.

“CPC Certification”	a certification by the CPC for the proposed development on the combined zoning lot, which the Properties form part, to utilize transferred development rights, so as to permit SDH to execute and deliver the executed development rights grant in the agreed form under the Sale and Purchase Agreement upon Completion
“Deposit Monies”	US\$5,000,000 (equivalent to approximately HK\$39,000,000), being an initial deposit, paid by the Purchaser to the Escrow Agent upon execution of the Sale and Purchase Agreement and US\$10,000,000 (equivalent to approximately HK\$78,000,000) (the “Additional Deposit”), being an additional deposit, payable by the Purchaser to the Escrow Agent within five (5) Business Days after the date of the Purchaser’s receipt of a copy of CPC’s written response to Sellers’ request for the administrative correction to the zoning resolution of the City of New York, the U.S.
“Development Rights”	303,113 square feet of development rights of SDH
“Director(s)”	the director(s) of the Company
“Escrow Agent”	Old Republic Title Insurance Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Parties”	the Purchaser and the Sellers
“percentage ratio(s)”	has the same meaning as ascribed to this terms under the Listing Rules, as applicable to a transaction
“PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Properties”	including (i) certain parcels of land totaling approximately 14,718 square feet located at Section 1, Block 72, Lots 31 and 13, known by street addresses of 80 South Street, New York, the U.S. and 163 Front Street, New York, the U.S.; (ii) the buildings and other improvements (if any) located thereupon; (iii) all right, title, and interest in and to the development rights; (iv) any easement or licenses benefitting the above land, any rights to use streets, alleys and rights of way, open or proposed, in front of, or adjoining, or servicing all or any part of the land, strips and gores in front of or adjoining all or any part of the land, any development rights, water rights and riparian rights and any other rights, benefits, interests, privileges, tenements and hereditaments appurtenant to the land; (v) any governmental permits, entitlements, licenses and approvals issued in connection with the above; and (vi) Development Rights subject to the area under the Development Rights certified to transfer to the Properties by the CPC Certification, etc.
“Purchaser”	China Oceanwide Real Estate Development III Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company

“Purchaser Default Event”	(i) a default by the Purchaser in its obligation to make the Additional Deposit; (ii) a default by the Purchaser in its obligation to effectuate Completion; (iii) any other material default by the Purchaser, which such other material default is not cured by the earlier of (a) the Completion Date, and (b) the date which is ten (10) Business Days after giving notice of such material default by the Sellers to the Purchaser; or (iv) a material inaccuracy in any of the Purchaser’s representations and warranties under the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the sale and purchase agreement in relation to the Acquisition entered into between the Purchaser and the Sellers on 5 August 2015
“SDH”	Seaport Development Holdings, LLC, a company incorporated in Delaware, the U.S. with limited liability
“Seller Default Event”	(i) a default by the Sellers in their obligation to effectuate Completion; (ii) any other material default by the Sellers, which such other material default is not cured by the earlier of (a) the Completion Date, and (b) the date which is ten (10) Business Days after giving notice of such material default by the Purchaser to the Sellers; or (iii) a material inaccuracy in any of the Sellers’ representations and warranties under the Sale and Purchase Agreement
“Sellers”	80 South and SDH
“Shareholder(s)”	the shareholder(s) of the Company
“Shares”	ordinary shares of HK\$0.1 each in the issued share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U.S.”	United States of America
“US\$”	US dollars, the lawful currency of the U.S.
“%”	per cent.

By Order of the Board of
China Oceanwide Holdings Limited
HAN Xiaosheng
Chairman

Hong Kong, 5 August 2015

As at the date of this announcement, the Directors are:

Executive Directors:

Mr HAN Xiaosheng (*Chairman*)
Mr LIU Bing
Mr LIU Hongwei
Mr LIU Guosheng

Non-executive Directors:

Mr QIN Dingguo (*Deputy Chairman*)
Mr ZHENG Dong (*Deputy Chairman*)
Mr ZHAO Yingwei
Mr QI Zixin

Independent Non-executive Directors:

Mr LIU Jipeng
Mr CAI Hongping
Mr YAN Fashan
Mr LO Wa Kei Roy

For the purposes of this announcement, the following exchange rate is used:–
US\$1.00= HK\$7.8