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Overseas Chinese Town (Asia) Holdings Limited
華僑城(亞洲)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03366)

- (A) TERMINATION OF JOINT VENTURE AGREEMENT;**
(B) DISCLOSEABLE AND CONNECTED TRANSACTION – CAPITAL INJECTION TO XI’AN OCT INVESTMENT;
(C) MAJOR AND CONNECTED TRANSACTION – CAPITAL INJECTION TO OCT WUHAN;
(D) PROPOSED REFRESHMENT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
AND
RESUMPTION OF TRADING

TERMINATION OF JOINT VENTURE AGREEMENT

References are made to the announcement of the Company dated 15 September 2009 and the circular of the Company dated 28 September 2009 in relation to the formation of OCT Xi’an pursuant to the Joint Venture Agreement entered into between OCT Properties and Bantix on 14 September 2009. The Joint Venture Agreement was approved by the Independent Shareholders on 15 October 2009.

The Board announces that the Group will not proceed with the Joint Venture in view of certain circumstantial changes. The Board considers that the termination of the Joint Venture Agreement has no adverse impact on the existing business operations of the Group. On 7 December 2009, OCT Properties and Bantix entered into the Termination Agreement to terminate the Joint Venture Agreement with immediate effect upon signing of the Termination Agreement.

CAPITAL INJECTIONS TO XI'AN OCT INVESTMENT AND OCT WUHAN

7 December 2009, Bantix, a wholly-owned subsidiary of the Company, entered into the Xi'an Capital Increase Agreement with OCT Properties, being the original sole shareholder of Xi'an OCT Investment, whereby each of Bantix and OCT Properties conditionally agreed to contribute RMB50,000,000 in cash in Xi'an OCT Investment. After completion of the Xi'an Capital Injection, the registered capital of Xi'an OCT Investment will increase from RMB100,000,000 (which was contributed by OCT Properties solely) to RMB200,000,000, whereby the equity interest of Xi'an OCT Investment will be owned as to 75% and 25% respectively by OCT Properties and Bantix. As a result of the completion of the Xi'an Capital Injection, Xi'an OCT Investment will be converted from a PRC domestic company into a Sino-foreign equity joint venture enterprise. In relation to the Xi'an Capital Injection, Bantix and OCT Properties also entered into the Xi'an Joint Venture Agreement on the same date.

7 December 2009, Bantix also entered into the Wuhan Capital Increase Agreement with OCT Holding and OCT Properties, being the only original shareholders of OCT Wuhan, whereby OCT Holding, OCT Properties and Bantix conditionally agreed to contribute RMB50,000,000, RMB100,000,000 and RMB250,000,000, respectively, in cash in OCT Wuhan. After completion of the Wuhan Capital Injection, the registered capital of OCT Wuhan will increase from RMB600,000,000 (of which RMB450,000,000 (75%) was contributed by OCT Holding and RMB150,000,000 (25%) was contributed by OCT Properties) to RMB1,000,000,000, whereby the equity interest of OCT Wuhan will be owned as to 50%, 25% and 25% respectively by OCT Holding, OCT Properties and Bantix. As a result of the completion of the Wuhan Capital Injection, OCT Wuhan will be converted from a PRC domestic company into a Sino-foreign equity joint venture enterprise. In relation to the Wuhan Capital Injection, OCT Holding, OCT Properties and Bantix also entered into the Wuhan Joint Venture Agreement on the same date.

IMPLICATIONS OF THE LISTING RULES

OCT Holding is the holding company of OCT HK. OCT HK is the holding company of Pacific Climax, which is the controlling shareholder of the Company. OCT Properties is a wholly owned subsidiary of OCT Holding. Hence, OCT Holding and OCT Properties are connected persons of the Company within the meaning of Chapter 14A of the Listing Rules. The transactions contemplated under the Xi'an Capital Increase Agreement and the Wuhan Capital Increase Agreement constitute connected transactions of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the transactions contemplated under the Xi'an Capital Increase Agreement and the Xi'an Joint Venture Agreement exceed 5% but less than 25%, the entering into the Xi'an Capital Increase Agreement constitutes a discloseable transaction under Rule 14.06 of the Listing Rules and is subject to announcement requirement under Chapter 14 of the Listing Rules.

As the applicable percentage ratios of the transactions contemplated under the Wuhan Capital Increase Agreement and the Wuhan Joint Venture Agreement exceed 25% but less than 100%, the entering into the Wuhan Capital Increase Agreement constitutes a major transaction under Rule 14.06 of the Listing Rules and is subject to announcement and Independent Shareholders' approval requirements under Chapter 14 of the Listing Rules.

REFRESHMENT OF GENERAL MANDATES

Under the Existing Issue Mandate granted by the Shareholders at the AGM, the Directors are authorized to allot and issue up to 57,608,000 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

On 12 November 2009, the Company announced that it had entered into the Placing and Subscription Agreement to issue and allot a total of 57,000,000 Shares under the Existing Issue Mandate to Pacific Climax pursuant to the Placing and Subscription Agreement. As detailed in the announcement of the Company dated 24 November 2009, the Placing and Subscription Agreement was completed on 24 November 2009.

As the Existing Issue Mandate granted to the Directors was almost fully utilized after the completion of the Placing and Subscription Agreement, the Directors would only be allowed to allot and issue up to approximately 0.21% of the issued share capital (equivalent to 608,000 Shares) of the Company at the date of the AGM under the Existing Issue Mandate as at the date of this announcement if the Existing Issue Mandate is not refreshed. In order to allow the flexibility to raise further capital to finance future investments and/or for future business development, the Company wishes to seek approval of Independent Shareholders at the EGM to grant the Issue Mandate to the Directors. Based on the total number of issued shares of the Company as at the date hereof (i.e. 346,750,000 Shares) and assuming there is no change in the issued share capital until the date of the grant of Issue Mandate, the Issue Mandate will allow the Directors to issue and allot up to 69,350,000 new Shares. However, the Company does not have any immediate plans for any new issue of Shares at present.

The Company has not repurchased any Shares under the Existing Repurchase Mandate since the date of the AGM. However, as the share base of the Company was increased after the Subscription, the Company would like to seek approval of the Independent Shareholders at the EGM to grant the Repurchase Mandate to the Directors. The Company does not have any immediate plans for repurchase of any Shares at present.

At the EGM, resolutions will be proposed to grant the Issue Mandate and the Repurchase Mandate. Pacific Climax and its associates will abstain from voting at the EGM.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, pass the resolutions to approve, among other things, the Xi'an Capital Increase Agreement, the Wuhan Capital Increase Agreement, the Xi'an Joint Venture Agreement, the Wuhan Joint Venture Agreement, the grant of the Issue Mandate and the Repurchase Mandate. A circular containing, among other things, further details of (i) the Xi'an Capital Increase Agreement, the Wuhan Capital Increase Agreement, the Xi'an Joint Venture Agreement, the Wuhan Joint Venture Agreement, the Issue Mandate and the Repurchase Mandate, (ii) letter of recommendation from the independent board committee of the Company on the Capital Injections, the New Joint Ventures, and the refreshment of the Existing Issue Mandate; (iii) letter of recommendation from the independent financial adviser to the independent board committee of the Company and Independent Shareholders on the Capital Injections, the New Joint Ventures and the refreshment of the Existing Issue Mandate; and (iv) a notice convening the EGM will be despatched to the Shareholders as soon as practicable. Pacific Climax and its associates will abstain from voting at the EGM.

RESUMPTION OF TRADING

Trading of the issued Shares has been suspended with effect from 9:30 a.m. on 7 December 2009 pending the release of this announcement. Trading of the issued Shares will resume at 9:30 a.m. on 8 December 2009.

A. TERMINATION OF JOINT VENTURE AGREEMENT

References are made to the announcement of the Company dated 15 September 2009 and the circular of the Company dated 28 September 2009 in relation to the formation of OCT Xi'an pursuant to the Joint Venture Agreement entered into between OCT Properties and Bantix on 14 September 2009. The Joint Venture Agreement was approved by the Independent Shareholders on 15 October 2009.

The Board announces that the Group will not proceed with the Joint Venture in view of certain circumstantial changes. The Board considers that the termination of the Joint Venture Agreement has no adverse impact on the existing business operations of the Group. On 7 December 2009, OCT Properties and Bantix entered into the Termination Agreement to terminate the Joint Venture Agreement with immediate effect upon signing of the Termination Agreement.

It was agreed that each of OCT Properties and Bantix shall bear their own cost and expenses incurred under the Joint Venture Agreement. Upon termination of the Joint Venture Agreement, neither OCT Properties nor Bantix shall have any claims against the other.

B. XI'AN CAPITAL INCREASE AGREEMENT

Date : 7 December 2009

Parties : (1) OCT Properties; and

(2) Bantix

Pursuant to the Xi'an Capital Increase Agreement, each of OCT Properties and Bantix conditionally agreed to contribute RMB50,000,000 in cash in Xi'an OCT Investment. After completion of the Xi'an Capital Injection, the registered capital of Xi'an OCT Investment will increase from RMB100,000,000 (which was contributed by OCT Properties solely) to RMB200,000,000, whereby the equity interest of Xi'an OCT Investment will be owned as to 75% and 25% respectively by OCT Properties and Bantix. As a result of the completion of the Xi'an Capital Injection, Xi'an OCT Investment will be converted from a PRC domestic company into a Sino-foreign equity joint venture enterprise. In relation to the Xi'an Capital Injection, Bantix and OCT Properties also entered into the Xi'an Joint Venture Agreement on the same date.

The amounts of contribution to be made by OCT Properties and Bantix were determined on the basis of their respective shares of registered capital in Xi'an OCT Investment.

The equity interest holding structure of Xi'an OCT Investment before and after completion of the Xi'an Capital Injection is set out as follows:

Shareholders	Contribution before completion of Xi'an Capital Increase RMB'000	Shareholding before completion of Xi'an Capital Increase	Contribution after completion of Xi'an Capital Increase RMB'000	Shareholding after completion of Xi'an Capital Increase
OCT Properties	100,000	100%	150,000	75%
Bantix	<u>0</u>	<u>0%</u>	<u>50,000</u>	<u>25%</u>
Total	<u>100,000</u>	<u>100%</u>	<u>200,000</u>	<u>100%</u>

It is agreed that before and excluding the Xi'an Capital Injection Reference Date, OCT Properties will enjoy all the rights and be responsible for the obligations as shareholder of Xi'an OCT Investment, whereas from and including the Xi'an Capital Injection Reference Date, OCT Properties and Bantix shall enjoy the rights and be responsible for the obligations as shareholders of Xi'an OCT Investment in proportion to their respective shareholdings in Xi'an OCT Investment.

It is further agreed that the respective contributions of capital of RMB50,000,000 by each of OCT Properties and Bantix shall be paid in cash within 90 days from the date of issue of the business licence of Xi'an OCT Investment as a Sino-foreign equity joint venture enterprise.

The Directors intends to finance the cash contribution of RMB50,000,000 by internal resources of the Group and bank borrowings.

Conditions precedent of the Xi'an Capital Increase Agreement

The Xi'an Capital Increase Agreement is conditional upon (1) the Company having complied with the approval procedures as set out in the Listing Rules and (2) the Xi'an Capital Increase Agreement being approved by the Ministry of Commerce of the PRC or such approval authority as delegated by the Ministry of Commerce of the PRC.

Financial Information of Xi'an OCT Investment

According to the unaudited accounts of Xi'an OCT Investment prepared in accordance with Hong Kong Financial Reporting Standards, the net assets value of Xi'an OCT Investment as at 30 November 2009 was RMB100,000,000.

As Xi'an OCT Investment was incorporated on 27 October 2009, the profit before and after tax attributable to Xi'an OCT Investment for the two financial years preceding to the signing of the Xi'an Capital Increase Agreement are not available.

Reasons for and benefits of the entering into the Xi'an Capital Increase Agreement

The Directors consider that it would be beneficial to the Company to broaden the Group's business horizon and new profit stream by entering into the Xi'an Capital Increase Agreement. Moreover, as the joint-venture partner of Xi'an OCT Investment, OCT Properties has successful experience on property investment and property developing, the Directors consider that entering into this agreement will leverage the successful experience of the joint venture partner to the Group.

The Directors (excluding the independent non-executive Directors, who will form their view after reviewing the opinion of the independent financial adviser) consider that the Xi'an Capital Increase Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Company after arm's length negotiation, and the terms of which are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

Major terms of the Xi'an Joint Venture Agreement

Pursuant to the proposed Xi'an Joint Venture Agreement, the registered capital of Xi'an OCT Investment will be RMB200,000,000. OCT Properties and Bantix will hold respectively 75% and 25% equity interests in Xi'an OCT Investment. According to the Xi'an Joint Venture Agreement, the total investment amount of Xi'an OCT Investment is RMB400,000,000. The total capital commitment (whether equity, loan or otherwise) of the Company in Xi'an OCT Investment will not exceed RMB100,000,000.

It is intended under the Xi'an Joint Venture Agreement that the board of Xi'an OCT Investment shall comprise 3 directors, of which 2 directors will be appointed by OCT Properties and 1 director will be appointed by Bantix. The chairman of the board of directors of Xi'an OCT Investment will be appointed by OCT Properties. Hence, Bantix will not have control of the board of directors of Xi'an OCT Investment.

Xi'an OCT Investment shall have a term of a fixed period of 4 years and 9 months from the date of issue of the business licence of Xi'an Oct Investment as a Sino-foreign equity joint venture enterprise and renewable upon mutual agreement between the parties and the approval of the board of directors of Xi'an OCT Investment.

The profit and loss of Xi'an OCT Investment will be shared by OCT Properties and Bantix in proportion to their respective contribution to the registered capital in Xi'an OCT Investment.

If each of OCT Properties and Bantix wishes to dispose of their respective equity interests in Xi'an OCT Investment, OCT Properties and Bantix shall be entitled to equal pre-emptive rights to acquire any equity interest proposed to be disposed of by the other party during the term of the Xi'an Joint Venture Agreement.

Each of OCT Properties and Bantix shall not pledge or mortgage their equity interest in Xi'an OCT Investment without written consent from the other party.

Conditions precedent of the Xi'an Joint Venture Agreement

The Xi'an Joint Venture Agreement is conditional upon (1) the Company having complied with the approval procedures as set out in the Listing Rules and (2) the Xi'an Joint Venture Agreement being approved by the Ministry of Commerce of the PRC or such approval authority as delegated by the Ministry of Commerce of the PRC.

Scope of business of Xi'an OCT Investment

It is intended that Xi'an will be principally engaged in property investment and property development for sale or lease in Xi'an, the PRC.

C. WUHAN CAPITAL INCREASE AGREEMENT

Date : 7 December 2009

Parties : (1) OCT Holding;
(2) OCT Properties; and
(3) Bantix

Pursuant to the Wuhan Capital Increase Agreement, OCT Holding, OCT Properties and Bantix conditionally agreed to contribute RMB50,000,000, RMB100,000,000 and RMB250,000,000, respectively, in cash in OCT Wuhan. After completion of the Wuhan Capital Injection, the registered capital of OCT Wuhan will increase from RMB600,000,000 (of which RMB450,000,000 (75%) was contributed by OCT Holding and RMB150,000,000 (25%) was contributed by OCT Properties) to RMB1,000,000,000, whereby the equity interest of OCT Wuhan will be owned as to 50%, 25% and 25% respectively by OCT Holding, OCT Properties and Bantix. As a result of the completion of the Wuhan Capital Injection, OCT Wuhan will be converted from a PRC domestic company into a Sino-foreign equity joint venture enterprise. In relation to the Wuhan Capital Injection, OCT Holding, OCT Properties and Bantix also entered into the Wuhan Joint Venture Agreement on the same date.

The amounts of contribution to be made by OCT Holding, OCT Properties and Bantix were determined on the basis of their respective shares of registered capital in OCT Wuhan.

The equity interest holding structure of OCT Wuhan before and after completion of the Wuhan Capital Injection is set out as follows:

Shareholders	Contribution before completion of Wuhan Capital Increase RMB'000	Shareholding before completion of Wuhan Capital Increase	Contribution after completion of Wuhan Capital Increase RMB'000	Shareholding after completion of Wuhan Capital Increase
OCT Holding	450,000	75%	500,000	50%
OCT Properties	150,000	25%	250,000	25%
Bantix	0	0%	250,000	25%
Total	<u>600,000</u>	<u>100%</u>	<u>1,000,000</u>	<u>100%</u>

It is agreed that before and excluding the Wuhan Capital Injection Reference Date, OCT Holding and OCT Properties will enjoy all the rights and be responsible for the obligations as shareholders of OCT Wuhan in proportion to their respective shareholdings in OCT Wuhan, whereas from and including the Wuhan Capital Injection Reference Date, OCT Holding, OCT Properties and Bantix shall enjoy the rights and be responsible for the obligations as shareholders of OCT Wuhan in proportion to their respective shareholdings in OCT Wuhan.

It is further agreed that the respective contributions of capital of RMB50,000,000, RMB100,000,000 and RMB250,000,000 by OCT Holding, OCT Properties and Bantix, respectively, shall be paid in cash within 90 days from the date of issue of the business licence of OCT Wuhan as a Sino-foreign equity joint venture enterprise.

The Directors intend to finance the cash contribution of RMB250,000,000 by internal resources of the Group and bank borrowings.

Conditions precedent of the Wuhan Capital Increase Agreement

The Wuhan Capital Increase Agreement is conditional upon (1) the Company having complied with the approval procedures as set out in the Listing Rules and (2) the Wuhan Capital Increase Agreement being approved by the Ministry of Commerce of the PRC or such approval authority as delegated by the Ministry of Commerce of the PRC.

Financial Information of OCT Wuhan

According to the unaudited accounts of OCT Wuhan prepared in accordance with Hong Kong Financial Reporting Standards, the net assets value of OCT Wuhan as at 30 November 2009 was RMB600,000,000.

As OCT Wuhan was incorporated on 21 October 2009, the profit before and after tax attributable to OCT Wuhan for the two financial years preceding to the signing of the Wuhan Capital Increase Agreement are not available.

Reasons for and benefits of the entering into the Wuhan Capital Increase Agreement

The Directors consider that it would be beneficial to the Company to broaden the Group's business horizon and new profit stream by entering into the Wuhan Capital Increase Agreement. Moreover, as the joint-venture partners of OCT Wuhan, OCT Holding and OCT Properties have successful experience on travel services and property developing, the Directors consider that entering this agreement will leverage the successful experience of the joint venture partners to the Group.

The Directors (excluding the independent non-executive Directors, who will form their view after reviewing the opinion of the independent financial adviser) consider that the Wuhan Capital Increase Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Company after arm's length negotiation, and the terms of which are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

Major terms of the Wuhan Joint Venture Agreement

Pursuant to the proposed Wuhan Joint Venture Agreement, the registered capital of OCT Wuhan will be RMB1,000,000,000. OCT Holding, OCT Properties and Bantix will hold respectively 50%, 25% and 25% equity interests in OCT Wuhan. According to the Wuhan Capital Joint Venture Agreement, the total investment amount of OCT Wuhan is RMB2,000,000,000. The total capital commitment (whether equity, loan or otherwise) of the Company in OCT Wuhan will not exceed RMB500,000,000.

It is intended under the Wuhan Joint Venture Agreement that the board of OCT Wuhan shall comprise 3 directors, of which 1 director will be appointed by OCT Holding, 1 director will be appointed by OCT Properties and 1 director will be appointed by Bantix. The chairman of the board of directors of OCT Wuhan will be appointed by OCT Holding. Hence, Bantix will not have control of the board of directors of OCT Wuhan.

OCT Wuhan shall have a term of a fixed period of 40 years from the date of issue of the business licence of OCT Wuhan as a Sino-foreign equity joint venture enterprise and renewable upon mutual agreement between the parties and the approval of the board of directors of OCT Wuhan.

The profit and loss of OCT Wuhan will be shared by OCT Holding, OCT Properties and Bantix in proportion to their respective contribution to the registered capital in OCT Wuhan.

If each of OCT Holding, OCT Properties and Bantix wishes to dispose of their respective equity interests in OCT Wuhan, OCT Holding, OCT Properties and Bantix shall be entitled to equal pre-emptive rights to acquire any equity interest proposed to be disposed of by the other party(ies) during the term of the Wuhan Joint Venture Agreement.

Each of OCT Holding, OCT Properties and Bantix shall not pledge or mortgage their equity interest in OCT Wuhan without written consent from the other parties.

Conditions precedent of the OCT Wuhan Joint Venture Agreement

The OCT Wuhan Joint Venture Agreement is conditional upon (1) the Company having complied with the approval procedures as set out in the Listing Rules and (2) the OCT Wuhan Joint Venture Agreement being approved by the Ministry of Commerce of the PRC or such approval authority as delegated by the Ministry of Commerce of the PRC.

Scope of Business of OCT Wuhan

It is intended that OCT Wuhan will be principally engaged in travel services and related investment; planning, construction and operation of scenic areas; production and sale of tourists products; garden design; tourist transport service; sports centres; art co-ordination and performance; stage, costume and props design and production; investment, development and operation of hotels; advertising design, production and publishing; property development and operation; leasing, maintenance, repair and management of properties; construction materials and decorations; and sale of furniture, water and electric appliances.

INFORMATION ON THE GROUP

The Group is principally engaged in the manufacture of quality paper-based packaging containers and materials, including corrugated paperboard and printed cartons for customers.

INFORMATION ON OCT HOLDING

OCT Holding is the shareholder of 100% interest in OCT HK (OCT HK owns 100% equity interest in Pacific Climax, which is the controlling shareholder of the Company). OCT Holding is principally engaged in travel services and related investments and operations.

INFORMATION ON OCT PROPERTIES

OCT Holding is the shareholder of OCT HK. OCT Properties is a connected person to the Company within the meaning of the Listing Rules. OCT Properties is principally engaged in properties investment and development business.

INFORMATION ON BANTIX

Bantix is an investment holding company. OCT Investments, a directly wholly-owned subsidiary of the Company, holds the entire interest in Bantix.

IMPLICATIONS OF THE LISTING RULES

OCT Holding is the holding company of OCT HK. OCT HK is the holding company of Pacific Climax, which is the controlling shareholder of the Company. OCT Properties is a wholly owned subsidiary of OCT Holding. Hence, OCT Holding and OCT Properties are connected persons of the Company within the meaning of Chapter 14A of the Listing Rules. The transactions contemplated under the Xi'an Capital Increase Agreement and the Wuhan Capital Increase Agreement constitute connected transactions of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the transactions contemplated under the Xi'an Capital Increase Agreement and the Xi'an Joint Venture Agreement exceed 5% but less than 25%, the entering into the Xi'an Capital Increase Agreement constitutes a discloseable transaction under Rule 14.06 of the Listing Rules and is subject to announcement requirement under Chapter 14 of the Listing Rules.

As the applicable percentage ratios of the transactions contemplated under the Wuhan Capital Increase Agreement and the Wuhan Joint Venture Agreement exceed 25% but less than 100%, the entering into the Wuhan Capital Increase Agreement constitutes a major transaction under Rule 14.06 of the Listing Rules and is subject to announcement and Independent Shareholders' approval requirements under Chapter 14 of the Listing Rules.

D. REFRESHMENT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

Under the Existing Issue Mandate granted by the Shareholders at the AGM, the Directors are authorized to allot and issue up to 57,608,000 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

On 12 November 2009, the Company announced that it had entered into a placing agreement dated 12 November 2009 to issue and allot a total of 57,000,000 Shares under the Existing Issue Mandate to Pacific Climax pursuant to the Placing and Subscription Agreement. As detailed in the announcement of the Company dated 24 November 2009, the Placing and Subscription Agreement was completed on 24 November 2009.

As the Existing Issue Mandate granted to the Directors was almost fully utilized after the completion of the Placing and Subscription Agreement, the Directors would only be allowed to allot and issue up to approximately 0.21% of the issued share capital (equivalent to 608,000 Shares) of the Company at the date of the AGM under the Existing Issue Mandate as at the date of this announcement if the Existing Issue Mandate is not refreshed. In order to allow the flexibility to raise further capital to finance future investments and/or for future business development, the Company wishes to seek approval of Independent Shareholders at the EGM to grant the Issue Mandate to the Directors. Based on the total number of issued shares of the Company as at the date hereof (i.e. 346,750,000 Shares) and assuming there is no change in the issued share capital until the date of the grant of Issue Mandate, the Issue Mandate will allow the Directors to issue and allot up to 69,350,000 new Shares. However, the Company does not have any immediate plans for any new issue of Shares at present.

The Company has not repurchased any Shares under the Existing Repurchase Mandate since the date of the AGM. However, as the share base of the Company was increased after the Subscription, the Company would like to seek approval of the Independent Shareholders at the EGM to grant the Repurchase Mandate to the Directors. The Company does not have any immediate plans for repurchase of any Shares at present.

At the EGM, resolutions will be proposed to grant the Issue Mandate and the Repurchase Mandate. Pacific Climax and its associates will abstain from voting at the EGM.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, pass the resolutions to approve, among other things, the Xi'an Capital Increase Agreement, the Wuhan Capital Increase Agreement, the Xi'an Joint Venture Agreement, the Wuhan Joint Venture Agreement, the grant of the Issue Mandate and the Repurchase Mandate. A circular containing, among other things, further details of (i) the Xi'an Capital Increase Agreement, the Wuhan Capital Increase Agreement, the Xi'an Joint Venture Agreement, the Wuhan Joint Venture Agreement, the Issue Mandate and the Repurchase Mandate, (ii) letter of recommendation from the independent board committee of the Company on the Capital Injections, the New Joint Ventures and the refreshment of the Existing Issue Mandate; (iii) letter of recommendation from the independent financial adviser to the independent board committee of the Company and Independent Shareholders on the Capital Injections, the New Joint Ventures and the refreshment of the Existing Issue Mandate; and (iv) a notice convening the EGM will be despatched to the Shareholders as soon as practicable. Pacific Climax and its associates will abstain from voting at the EGM.

RESUMPTION OF TRADING

Trading of the issued Shares has been suspended with effect from 9:30 a.m. on 7 December 2009 pending the release of this announcement. Trading of the issued Shares will resume at 9:30 a.m. on 8 December 2009.

DEFINITIONS

“AGM”	the annual general meeting of the Company held on 14 May 2009
“Bantix”	Bantix International Limited, a company incorporated in Hong Kong on 11 October 2007, is an indirect wholly owned subsidiary of the Company
“Board”	the board of Directors
“Capital Injections”	the Xi’an Capital Injection and the Wuhan Capital Injection
“Company”	Overseas Chinese Town (Asia) Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, pass the resolutions to approve, the Capital Injections and the grant of the Issue Mandate and the Repurchase Mandate
“Existing Issue Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to issue, allot and deal with up to 20% of the issued share capital of the Company as at the date of the AGM
“Existing Repurchase Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to repurchase Shares up to 10% of the issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders other than Pacific Climax and its associates

“Issue Mandate”	the mandate proposed to be sought at the EGM to authorize the Directors to issue, allot and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM
“Joint Venture”	the joint venture contemplated under the Joint Venture Agreement
“Joint Venture Agreement”	the joint venture agreement entered into between OCT Properties and Bantix on 14 September 2009
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Joint Ventures”	the new joint ventures contemplated under the Xi’an Joint Venture Agreement and the Wuhan Joint Venture Agreement
“OCT HK”	Overseas Chinese Town (HK) Company Limited (香港華僑城有限公司), a company incorporated in Hong Kong on 31 October 1997; OCT HK is wholly owned by OCT Holding
“OCT Holding”	Shenzhen Overseas Chinese Town Holding Company (深圳華僑城控股股份有限公司), a company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange; OCT Holding is non-wholly owned by 華僑城集團公司 (Overseas Chinese Town Enterprises Company) as to 56.36%
“OCT Investments”	OCT Investments Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company
“OCT Properties”	深圳華僑城房地產有限公司 (Overseas Chinese Town Real Estate Company Limited), a wholly-owned subsidiary of OCT Holding
“OCT Wuhan”	武漢華僑城實業發展有限公司 (Wuhan OCT Industrial Development Ltd.), a company incorporated in the PRC with limited liability and is owned as to 75% and 25% by OCT Holding and OCT Properties, respectively, as at the date of this announcement
“OCT Xi’an”	Overseas Chinese Town (Xi’an) Industry Company Limited (西安華僑城實業有限公司), a Sino-foreign equity joint venture enterprise proposed to be established in the PRC and held by OCT Properties as to 75% and by Bantix as to 25% under the Joint Venture Agreement

“Pacific Climax”	Pacific Climax Limited, a company incorporated in the British Virgin Islands with limited liability, the controlling Shareholder which held 196,620,000 Shares, representing 56.70% of the existing issued share capital of the Company as at the date of this announcement; the entire issued share capital of Pacific Climax is wholly owned by OCT HK
“Placing and Subscription Agreement”	the placing and subscription agreement entered into between the Company, Pacific Climax and China Merchants Securities (HK) Co., Limited on 12 November 2009, details of which are set out in the announcement of the Company dated 12 November 2009
“PRC”	The People’s Republic of China
“Repurchase Mandate”	the mandate proposed to be sought at the EGM to authorize the Directors to exercise power of the Company to repurchase Shares on the Stock Exchange not exceeding 10% of the issued share capital of the Company as at the date of the EGM
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.10 in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for 57,000,000 Shares by Pacific Climax contemplated under the Placing and Subscription Agreement
“Termination Agreement”	The termination agreement entered into between OCT Properties and Bantix and dated 7 December 2009 in relation to the termination of the Joint Venture Agreement
“Wuhan Capital Increase Agreement”	the conditional capital increase agreement entered into between OCT Holding, OCT Properties and Bantix on 7 December 2009 in relation to the capital injection into OCT Wuhan
“Wuhan Capital Injection”	the capital injection of RMB400,000,000 into OCT Wuhan to be made by OCT Holding, OCT Properties and Bantix pursuant to the Wuhan Capital Increase Agreement

“Wuhan Capital Injection Reference Date”	the date on which the Wuhan Capital Increase Agreement takes effect and also the reference date according to which the allocation of rights and obligations of OCT Holding, OCT Properties and Bantix in OCT Wuhan is determined
“Wuhan Joint Venture Agreement”	the conditional joint venture agreement entered into between OCT Holding, OCT Properties and Bantix pursuant to the Wuhan Capital Increase Agreement on 7 December 2009
“Xi’an Capital Increase Agreement”	the conditional capital increase agreement entered into between OCT Properties and Bantix on 7 December 2009 in relation to the capital injection into Xi’an OCT Investment
“Xi’an Capital Injection”	the capital injection of RMB100,000,000 into Xi’an OCT Investment to be made by OCT Properties and Bantix pursuant to the Xi’an Capital Increase Agreement
“Xi’an Capital Injection Reference Date”	30 November 2009, the reference date according to which the allocation of rights and obligations of OCT Properties and Bantix in Xi’an OCT Investment is determined
“Xi’an Joint Venture Agreement”	the conditional joint venture agreement entered into between OCT Properties and Bantix pursuant to the Xi’an Capital Increase Agreement on 7 December 2009
“Xi’an OCT Investment”	西安華僑城投資有限公司 (Xi’an OCT Investment Ltd.), a company incorporated in the PRC with limited liability and wholly owned by OCT Properties as at the date of this announcement
“%”	per cent.

By order of the Board
Overseas Chinese Town (Asia) Holdings Limited
Hou Songrong
Chairman

Hong Kong, 7 December 2009

As at the date of this announcement, the Board comprises eight Directors, namely: Mr. Hou Songrong, Mr. Ni Zheng, Ms. Xie Mei and Mr. Zhou Guangneng as executive Directors; Mr. Zheng Fan as non-executive Director; Ms. Wong Wai Ling, Mr. Xu Jian and Mr. Lam Sing Kwong Simon as independent non-executive Directors.