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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)

**DISCLOSURE OF CONTINUING CONNECTED TRANSACTION
PURSUANT TO RULE 14A.41 OF THE LISTING RULES**

CONTINUING CONNECTED TRANSACTION

Reference is made to the announcement and the circular (the “Circular”) of the Company dated 13 January 2012 and 23 March 2012, respectively, in relation to, among others, the Capital Investment Agreement dated 5 January 2012 entered into between Great Tec, an indirect wholly-owned subsidiary of the Company and OCT Properties, pursuant to which Great Tec conditionally agreed to make capital contribution to OCT Shanghai Land. Unless otherwise stated, capitalised terms used herein shall have the same meanings as ascribed thereto in the Circular.

The Capital Investment Agreement becomes binding and unconditional on 20 June 2012. The Capital Injection was approved by the Independent Shareholders at the EGM of the Company held on 12 April 2012 and the Group has obtained all the necessary approvals from the PRC government authorities for the Capital Injection.

Following the Capital Investment Agreement becoming binding and unconditional on 20 June 2012, OCT Shanghai Land has become an indirect non-wholly owned subsidiary of the Company. As a result, an ongoing arrangement between OCT Shanghai Land (now being an indirect non-wholly owned subsidiary of the Company) and a connected person of the Company entered into prior to the completion of the Capital Investment Agreement has become a continuing connected transaction of the Company. Details of such arrangement are announced in this announcement pursuant to Rule 14A.41 of the Listing Rules. The Company will comply with the applicable reporting, annual review, disclosure and, if applicable, independent shareholders’ approval requirements under Chapter 14A of the Listing Rules upon any variation or renewal of such arrangement.

CONTINUING CONNECTED TRANSACTION

Reference is made to the announcement dated 13 January 2012 and the Circular of the Company, in relation to, among others, the Capital Investment Agreement dated 5 January 2012 entered into between Great Tec and OCT Properties, pursuant to which Great Tec conditionally agreed to make capital contribution to OCT Shanghai Land.

The Board is pleased to announce that all conditions precedent have been fulfilled and the Capital Investment Agreement becomes binding and unconditional on 20 June 2012. The Capital Injection was approved by the Independent Shareholders at the EGM of the Company held on 12 April 2012 and the Group has obtained all the necessary approvals from the PRC government authorities for the Capital Injection. Upon the Capital Investment Agreement becoming binding and unconditional, the registered capital of OCT Shanghai Land is RMB3,030,000,000 and the equity interest of OCT Shanghai Land is owned as to 50.5% by Great Tec and as to 49.5% by OCT Properties, respectively.

Summary of the Principal Terms of the Continuing Connected Transaction

Long-term property management framework agreement between OCT Shanghai Land and OCT Property Service Shanghai Branch

On 10 February 2012, OCT Shanghai Land entered into a long-term property management framework agreement (the “Property Management Framework Agreement”) with the Shanghai branch office (“OCT Property Service Shanghai Branch”) of 深圳市華僑城物業服務有限公司 (Shenzhen Overseas Chinese Town Property Service Company Limited (formerly known as 深圳市華僑城物業管理有限公司 (Shenzhen Overseas Chinese Town Property Management Company Limited)) (“OCT Property Service”).

OCT Property Service is an indirect wholly-owned subsidiary of OCT Ltd., which in turn indirectly owned 100% interest in Pacific Climax, the controlling shareholder of the Company. Hence, OCT Property Service is a connected person of the Company. OCT Property Service is principally engaged in the provision of property management services.

Listing Rules Implications

Following the Capital Investment Agreement becoming binding and unconditional on 20 June 2012, OCT Shanghai Land has become an indirect non-wholly owned subsidiary of the Company. As a result, the Property Management Framework Agreement between OCT Shanghai Land and OCT Property Service Shanghai Branch entered into prior to the completion of the Capital Investment Agreement constitutes a continuing connected transaction of the Company. Details of the Property Management Framework Agreement are announced in this announcement pursuant to Rule 14A.41 of the Listing Rules. The Company will comply with the applicable reporting, annual review, disclosure and, if applicable, independent shareholders’ approval requirements under Chapter 14A of the Listing Rules upon any variation or renewal of the Property Management Framework Agreement.

The principal terms of the Property Management Framework Agreement are set out as follows:

Parties:	OCT Shanghai Land OCT Property Service Shanghai Branch
Term:	From 1 March 2012 to 31 December 2014.
Scope of services:	OCT Shanghai Land agrees to engage OCT Property Service Shanghai Branch to provide property management services in relation to the Suhewan Project.
Management fees:	The property management fees payable by OCT Shanghai Land under the Property Management Framework Agreement will be calculated based on the actual areas to be managed and the labour costs to be incurred by OCT Property Service Shanghai Branch and will not be higher than the management fees charged by any independent property management companies in the market. Taking account of the increase of labour costs, there will be annual increment in the standard of labour costs based on that for the year 2012.

The parties will enter into separate property management contracts to specify the properties to be managed by OCT Property Service Shanghai Branch and the payment terms for the management fees, as well as to stipulate other rights and obligations of the parties.

Pursuant to the Property Management Framework Agreement, the annual caps will be RMB6,000,000, RMB8,000,000 and RMB16,000,000 for the ten months ending 31 December 2012 and for year ending 31 December 2013 and ending 31 December 2014, respectively.

As OCT Property Service has been engaged in the provision of property management services for many years and thus have the necessary expertise, the Board considers that it is in the interest of OCT Shanghai Land to engage OCT Property Service to provide property management services under the Property Management Framework Agreement.

The Board is of the view that the terms of the Property Management Framework Agreement are fair and reasonable so far as the Shareholders are concerned and that the Property Management Framework Agreement is on normal commercial terms and is in the interest of the Company and the Shareholders as a whole. The Directors confirm that no Director has a material interest in the transactions contemplated under the Property Management Framework Agreement.

GENERAL

The Group is principally engaged in the comprehensive development business and the manufacture and sale of cartons and paper products.

By order of the Board of
Overseas Chinese Town (Asia) Holdings Limited
Wang Xiaowen
Chairman

Hong Kong, 20 June 2012

As at the date of this announcement, the Board comprises seven Directors, namely: Ms. Wang Xiaowen, Ms. Xie Mei and Mr. Yang Jie as executive Directors; Mr. He Haibin as non-executive Director; Ms. Wong Wai Ling, Mr. Xu Jian and Mr. Lam Sing Kwong Simon as independent non-executive Directors.