

# CENTRALAND LIMITED

(Incorporated in Bermuda)  
(Company Registration No: 40770)

## ANNOUNCEMENT

### ACQUISITION OF SUBSIDIARY AND MASTER TENANCY FOR JIANCAI GANG

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#### 1. INTRODUCTION

##### 1.1 Background

Pursuant to Rule 704(15) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of CentraLand Limited (the '**Company**') wishes to announce that the Company has, through its wholly owned subsidiary, Zhengzhou Huanghe Great View Royal Garden Co., Ltd. (郑州黄河大观有限公司) ("**Zhengzhou Great View**"), acquired 80% of the registered paid-up capital of Zhengzhou Tiandi Renhe Property Co, Ltd (郑州天地人和物业有限公司) ("**Zhengzhou Tiandi Renhe**").

##### 1.2 The Acquisition of Zhengzhou Tiandi Renhe

The Board wishes to announce that on 30 December 2009, Zhengzhou Great View, our Company's wholly owned subsidiary, has entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") with Henan Wan Ling Property Management Co., Ltd (河南万菱物业管理有限公司) ("**Henan Wan Ling**") to acquire 80% of the registered paid-up capital of Zhengzhou Tiandi Renhe (the "**Acquisition**") from Henan Wan Ling for a consideration of RMB800,000. Henan Wan Ling holds 80% of the registered paid-up capital of Zhengzhou Tiandi Renhe and the remaining 20% is held by Henan Xin Rong Realty Management Co., Ltd (河南欣荣物业管理有限公司) ("**Henan Xin Rong**").

Upon the completion of the Acquisition, Zhengzhou Great View will own 80% of the registered paid-up capital of Zhengzhou Tiandi Renhe, and Henan Xin Rong will hold the remaining 20%. It is the intention of both parties that Zhengzhou Tiandi Renhe shall undertake the management and operations of Jiancai Gang (建材港) ("**Jiancai Gang**"). More details on Jiancai Gang are given below.

## **2. JIANCAI GANG**

### **2.1 Acquisition of the Master Tenancy of Jiancai Gang**

The Board wishes to further announce that on 11 Nov 2009, Zhengzhou Tiandi Renhe had entered into a master tenancy agreement ("**Master Tenancy Agreement**") with Zhengzhou Desheng Investments Co., Ltd (郑州德升投资信息咨询有限公司) ("**Zhengzhou Desheng**"), pursuant to which Zhengzhou Tiandi Renhe will lease Jiancai Gang from Zhengzhou Desheng (the "**Tenancy**") for an annual rent of RMB24,000,000. The rent and the terms of the Master Tenancy Agreement were negotiated between the parties on an arm's length basis, with regard to prevailing market conditions.

The tenure of the Tenancy will be for a duration of twenty years (which is the duration remaining in respect of the land use rights for Jiancai Gang) and will expire on 30 June, 2028. Upon the expiry of the Master Tenancy Agreement, Zhengzhou Tiandi Renhe shall have the right of first refusal to renew the Tenancy. Further, under the terms of the Master Tenancy Agreement, the Tenancy may be terminated before twenty years if both parties give their mutual consent and should there be any breach of the terms of the Master Tenancy Agreement by any party, the other party is at liberty to terminate the Tenancy.

### **2.2 Rationale for Leasing Jiancai Gang**

Jiancai Gang is a wholesale centre for building materials and is located at North Zhenghua Road (郑花路北段) in Zhengzhou City, the People's Republic of China. It has an aggregate gross floor area of 354,568 sq m and a site area of approximately 758,574 sq m. Jiancai Gang was established in 2004, and is within the North Ring Trading Hub, one of Zhengzhou City's six largest trading hubs which focuses mainly on the wholesale of automobile parts and building materials. With some 1,300 tenants, Jiancai Gang has an approximate annual turnover of approximately RMB1 billion.

### **2.3 Potential Revenue from Jiancai Gang**

The Tenancy would generate two streams of income for the Company, namely from sub-leasing the space within Jiancai Gang and from the Company's provision of property management services to Jiancai Gang.

The Company believes that its provision of property management services to Jiancai Gang will reinforce its capabilities in the management of commercial properties, in particular of specialty wholesale trading hubs. Revenue from the Company's property management services will also diversify its revenue streams and generate a stable source of recurring income for the Group.

The Acquisition and/or the Tenancy is not expected to have any material effect on the net tangible assets per share or earnings per share of the Group for the current financial year.

No director, substantial shareholder or controlling shareholder of the Company has any interest, whether direct or indirect, in the Acquisition or the Tenancy.

### **3. DIRECTORS' RESPONSIBILITY STATEMENT**

The directors of the Company (including those who may have delegated supervision for the preparation of this announcement) have taken reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they accept responsibility jointly and severally accordingly.

### **4. DOCUMENTS FOR INSPECTION**

A copy of the Sale and Purchase Agreement and the Master Tenancy Agreement are available for inspection during normal business hours at the office of the Company's share registrar, Boardroom Limited, at 3 Church Street, #08-01 Samsung Hub, Singapore 049483 for a period of three months following the date of this announcement.

**BY ORDER OF THE BOARD**  
**CentraLand Limited**

Yan Tao  
Chief Executive Officer  
4 January 2010