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**Shui On Land Limited**  
**瑞安房地產有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 272)**

**MAJOR TRANSACTION**

**FRAMEWORK AGREEMENT  
IN RELATION TO  
THE DISPOSAL OF PROPERTIES  
IN WUHAN, HUBEI, THE PRC**

**THE FRAMEWORK AGREEMENT**

On 3 May 2016 (after trading hours), SODH (a direct wholly-owned subsidiary of the Company) and WHSO (an indirect wholly-owned subsidiary of SODH) entered into the Framework Agreement with CITIC China pursuant to which, among other things, SODH has agreed to procure WHSO to dispose of, and CITIC China has agreed to establish CITIC A1 Project Company and CITIC A3 Project Company to purchase:

- (a) the A1 Property for an initial total purchase price of RMB3,365,215,400 (approximately HK\$4,044,243,961), subject to adjustments and a cap of RMB3,701,736,940 (equivalent to approximately HK\$4,448,668,357); and
- (b) the A3 Property for an initial total purchase price of RMB1,134,093,860 (approximately HK\$1,362,929,768), subject to adjustments and a cap of RMB1,247,503,246 (equivalent to approximately HK\$1,499,222,745).

CITIC China shall have the right to, through CITIC A1 Project Company or CITIC A3 Project Company, as the case may be, further purchase from WHSO certain underground car parking spaces of the A1 Property and the A3 Property for a total consideration of RMB152,820,000 (equivalent to approximately HK\$183,655,811).

## **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio in respect of the Disposal exceeds 25% but is less than 100%, the Disposal constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Disposal. As such, no Shareholder is required to abstain from voting on the resolution(s) if an extraordinary general meeting is convened to approve the Framework Agreement and the Disposal.

Shui On Properties Limited, Shui On Investment Company Limited, Chester International Cayman Limited, Lanvic Limited, Boswell Limited, Merchant Treasure Limited and Doreturn Limited, which are controlled by Shui On Company Limited and which together constitute a closely allied group of Shareholders, holds 998,103,792 Shares, 1,450,808,826 Shares, 183,503,493 Shares, 573,333,333 Shares, 908,448,322 Shares, 150,000,000 Shares, 293,319,781 Shares respectively, and together representing approximately 56.78% of the issued share capital of the Company at the date of this announcement.

The Company has obtained the written approval of Shui On Properties Limited, Shui On Investment Company Limited, Chester International Cayman Limited, Lanvic Limited, Boswell Limited, Merchant Treasure Limited and Doreturn Limited for the Framework Agreement and the Disposal pursuant to Rule 14.44 of the Listing Rules and as a result, no extraordinary general meeting will be convened to consider the Framework Agreement and the Disposal.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further details relating to the Framework Agreement and the Disposal shall be despatched to the Shareholders within 15 business days after the publication of this announcement, i.e. on or before 24 May 2016. As additional time is required for the Company to prepare and finalise certain information to be included in the circular including, among other things, the statement of indebtedness of the Group and the valuation report of the A1 Property and the A3 Property, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules. Subject to granting of such waiver by the Stock Exchange, the circular is expected to be despatched to the Shareholders on or before 30 June 2016. Further announcement(s) will be made by the Company as and when appropriate.

## **WARNING**

**The Disposal is subject to fulfilment of certain conditions precedent and may be terminated in certain circumstances. Accordingly, there is no assurance that the Disposal will be completed. Shareholders, investors in general and holders of securities of the Company should exercise caution when dealing in the securities of the Company.**

## **THE FRAMEWORK AGREEMENT**

### **Date**

3 May 2016 (after trading hours)

### **Parties**

- (a) SODH, a direct wholly-owned subsidiary of the Company
- (b) WHSO, an indirect wholly-owned subsidiary of SODH
- (c) CITIC China

To the best of the knowledge, information and belief of the Directors having made all reasonably enquiries, CITIC China and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Pursuant to the Framework Agreement:

- (a) SODH and CITIC China shall within 105 days after the execution of the Framework Agreement enter into the Procurement Agreement whereby SODH shall procure WHSO to dispose of and CITIC China shall establish and procure CITIC A1 Project Company to purchase the A1 Property. Details of the Procurement Agreement are set out in the paragraph headed “Procurement Agreement and Disposal of the A1 Property — Procurement Agreement” below;
- (b) WHSO shall and CITIC China shall procure CITIC A1 Project Company to enter into the A1 Pre-sale Contracts in relation to the A1 Disposal within five Business Days from and subject to the satisfaction of the conditions set out in the paragraph headed “Procurement Agreement and Disposal of the A1 Property — Disposal of the A1 Property and A1 Pre-sale Contracts — Conditions Precedent to the signing of A1 Pre-sale Contracts” below;

- (c) WHSO shall and CITIC China shall procure CITIC A3 Project Company to enter into A3 Pre-sale Contracts in relation to the A3 Disposal within five Business Days from and subject to the satisfaction of the conditions set out in the paragraph headed “Disposal of the A3 Property and A3 Pre-sale Contracts — Conditions Precedent to the signing of A3 Pre-sale Contracts” below;
- (d) CITIC China shall have the right to, through CITIC A1 Project Company or CITIC A3 Project Company, further purchase from WHSO 613 and 236 underground car parking spaces of the A1 Property and the A3 Property respectively, and the details of the possible disposal of the underground car parking spaces are set out in the paragraph headed “Possible disposal of underground car parking spaces” below.

The A1 Disposal and the A3 Disposal are not inter-conditional upon each other but if the A3 Disposal is terminated, the non-defaulting party may terminate the A1 Disposal. Where, however, the disposal of the A1 Property is terminated, no party may terminate the A3 Disposal.

The disposal of the underground car parking spaces of the A1 Property and the A3 Property is conditional on the completion of the A1 Disposal and the A3 Disposal respectively. If the A1 Disposal or the A3 Disposal does not proceed for any reasons, the disposal of the underground car parking spaces of the A1 Property or, as the case may be, the A3 Property, will not proceed.

### **Earnest Money**

Within five Business Days after the execution of the Framework Agreement, CITIC China or its associates shall pay to WHSO an earnest money for an amount of RMB10,000,000 (equivalent to approximately HK\$12,017,786) (the “**Earnest Money**”) to secure certain obligations of CITIC China, CITIC A1 Project Company and CITIC A3 Project Company under the Framework Agreement, including the entering into of the Procurement Agreement, payment of the Procurement Fee, entering into of the A3 Pre-sale Contracts and payment of the first instalment of the A3 Pre-sale Price.

WHSO shall return the Earnest Money to CITIC China:

- (i) after CITIC China has fulfilled its obligations under the Framework Agreement;  
or
- (ii) in certain circumstances upon the termination of the A1 Disposal or the A3 Disposal.

Alternatively, WHSO may retain the Earnest Money in certain circumstances if CITIC China, CITIC A1 Project Company or CITIC A3 Project Company fails to fulfil the aforesaid obligations under the Framework Agreement.

## **Procurement Agreement and Disposal of the A1 Property**

### ***Procurement Agreement***

#### *Subject Matter*

Pursuant to the Procurement Agreement to be entered into between SODH, WHSO and CITIC China, SODH shall procure WHSO to dispose of and CITIC China shall establish and procure CITIC A1 Project Company to purchase the A1 Property.

#### *Procurement Fee*

Within five Business Days after the execution of the Procurement Agreement, CITIC China or its designated associates shall pay SODH a Hong Kong dollar equivalent of RMB673,043,080, being 20% of the A1 Initial Price, as the procurement fee (the “**Procurement Fee**”) to facilitate the A1 Disposal under the Framework Agreement.

SODH shall return the Procurement Fee in instalments, the first instalment of which will be re-paid prior to the signing of the A1 Pre-sale Contracts and the final instalment will be re-paid within two Business Days after the full payment of the first instalment of the A1 Pre-sale Price. Further, SODH shall also return the Procurement Fee if the A1 Disposal is terminated.

When the A1 Disposal is terminated as a result of WHSO failing to obtain the governmental approval necessary for the Change of Planning of the Hotel Portion, SODH shall further pay an interest of 4% per annum over the Procurement Fee.

### ***Disposal of the A1 Property and A1 Pre-sale Contracts***

#### *Information on the A1 Property*

The A1 Property is a commercial project under construction located at the land parcel of Lot A123 in the Jiang’an District, Wuhan, Hubei, the PRC, which comprises a super high-rise tower for office and hotel uses, together with certain portion of the podium, with a saleable GFA estimated to be 177,116.6 sq.m. as at the date of this announcement and subject to be finally determined in the A1 Initial Property Title Certificates. As at the date of this announcement, the high-rise tower of the A1 Property has not commenced construction and the podium of the A1 Property is under construction.

At 31 December 2015, the book value of the A1 Property was RMB972,000,000. There were no net profits attributable to the A1 Property for the two financial years ended 31 December 2014 and 31 December 2015.

Pursuant to the Framework Agreement, WHSO shall make an application to the government authority for the change of planning of the hotel portion from hotel use to office use (the “**Change of Planning of the Hotel Portion**”) in respect of certain designated floors of the A1 Property, and WHSO shall obtain the relevant government approval for the Change of Planning of the Hotel Portion on or before the expiry of 146 Business Days after the date on which the Earnest Money has been received by WHSO in full (subject to extension in accordance with the Framework Agreement).

### *Consideration*

The purchase price shall be a fixed amount of RMB19,000 per sq.m. of the saleable GFA of the A1 Property estimated as at the date of the announcement as 177,116.6 sq.m., totalling an initial total purchase price in respect of the A1 Property of RMB3,365,215,400 (equivalent to approximately HK\$4,044,243,961) as at the date of this announcement (the “**A1 Initial Price**”).

The A1 Initial Price shall be adjusted in the following manner:

- (a) upon obtaining the pre-sale permit in respect of the A1 Property, adjustment shall be made with reference to the saleable GFA as estimated in the commodity property provisional survey report (the “**A1 Pre-sale Price**”); and
- (b) upon construction completion and determination by all parties of the refurbishment and construction fee on the change in the design of the A1 Property, adjustment shall be made with reference to the (i) final saleable GFA as recorded in the A1 Initial Property Title Certificates; and (ii) certain of such fee payable by CITIC A1 Project Company in respect of the addition or change in the project design (if any) (the “**A1 Final Price**”).

The A1 Final Price is subject to a cap of no more than 110% of the A1 Initial Price, i.e. a cap of RMB3,701,736,940 (equivalent to approximately HK\$4,448,668,357).

Such consideration was determined after arm’s length negotiations between the parties to the Framework Agreement with reference to the prevailing market value of comparable office transactions, office property market dynamics, and the physical specifications of the A1 Property. It represents the book value of the A1 Property plus the development costs to be incurred, including financing costs, in addition to certain reasonable development profit to the Company.

The consideration to be received by WHSO for the A1 Disposal shall be paid by CITIC A1 Project Company in stages:

- (a) 40% of the A1 Pre-sale Price shall be payable within 10 Business Days after the signing of the A1 Pre-sale Contracts (subject to extension in accordance with the Framework Agreement);
- (b) cumulative payment of up to 60% of the A1 Pre-sale Price shall be payable within two months from the date on which the signing and filing of the A1 Pre-sale Contracts has been completed (subject to extension in accordance with the Framework Agreement);
- (c) cumulative payment of up to 80% of the A1 Pre-sale Price shall be payable within five Business Days from the date on which WHSO has received the construction completion and acceptance filing certificate in respect of the A1 Property issued by the relevant governmental authority (subject to extension in accordance with the Framework Agreement);
- (d) cumulative payment of up to 90% of the A1 Pre-sale Price shall be payable within five Business Days from the date on which the delivery of the A1 Property is accepted by CITIC A1 Project Company;
- (e) cumulative payment of up to 95% of the A1 Final Price shall be payable within five Business Days after WHSO has received the A1 Initial Property Title Certificates and performed certain post-delivery obligations specified in the Framework Agreement; and
- (f) the remaining balance of 5% of the A1 Final Price shall be payable on the first anniversary of the date on which the delivery of the A1 Property is accepted by CITIC A1 Project Company.

*Conditions Precedent to the signing of A1 Pre-sale Contracts*

The signing of the A1 Pre-sale Contracts is subject to the satisfaction of the following conditions:

- (i) WHSO having obtained the pre-sale permit in respect of the A1 Property on or before 14 December 2017 (subject to extension in accordance with the Framework Agreement);
- (ii) WHSO having completed the Change of Planning of the Hotel Portion;

- (iii) SODH having returned to CITIC China part of the Procurement Fee before the signing of the A1 Pre-sale Contracts; and
- (iv) there being no mortgage, charges or any other encumbrances in respect of the A1 Property.

#### *Signing of the A1 Pre-sale Contracts*

Signing of the A1 Pre-sale Contracts shall occur within five Business Days after the fulfilment of the above conditions precedent.

#### *Delivery of the A1 Property*

WHSO expects to deliver the A1 Property to CITIC A1 Project Company for its inspection and acceptance (subject to extension in accordance with the Framework Agreement) on or before 16 January 2020.

### **Disposal of the A3 Property and A3 Pre-sale Contracts**

#### *Information on the A3 Property*

The A3 Property is a commercial project located at the land parcel of Lot A123 in the Jiang'an District, Wuhan, Hubei, the PRC, which comprises a tower for office use, together with certain portion of the podium, with a saleable GFA estimated to be 55,053.10 sq.m. as at the date of this announcement and subject to be finally determined in the A3 Initial Property Title Certificates. As at the date of this announcement, the construction of the tower of the A3 Property has been completed and the podium of the A3 Property is under construction.

At 31 December 2015, the book value of the A3 Property was RMB590,000,000. There were no net profits attributable to the A3 Property for the two financial years ended 31 December 2014 and 31 December 2015.

#### *Consideration*

The purchase price shall be a fixed amount of RMB20,600 per sq.m. of the saleable GFA of the A3 Property estimated as at the date of the announcement to be 55,053.10 sq.m. and subject to be finally determined in the A3 Initial Property Title Certificates, totalling an initial total purchase price in respect of the A3 Property of RMB1,134,093,860 (equivalent to approximately HK\$1,362,929,768) as at the date of this announcement (the “**A3 Initial Price**”).



The A3 Initial Price shall be adjusted in the following manner:

- (a) upon obtaining the pre-sale permit in respect of A3 Property, adjustment shall be made with reference to the saleable GFA as estimated in the commodity property provisional survey report (the “**A3 Pre-sale Price**”); and
- (b) upon construction completion, adjustment shall be made with reference to the final saleable GFA as recorded in the A3 Initial Property Title Certificates (the “**A3 Final Price**”)

The A3 Final Price is subject to a cap of no more than 110% of the A3 Initial Price, i.e. a cap of RMB1,247,503,246 (equivalent to approximately HK\$1,499,222,745).

Such consideration was determined after arm’s length negotiations between the parties to the Framework Agreement with reference to the prevailing market value of comparable office transactions, office property market dynamics, and the physical specifications of the A3 Property. It represents the book value of the A3 Property plus the development costs to be incurred, including financing costs, in addition to certain reasonable development profit to the Company.

The consideration to be received by WHSO for the A3 Disposal shall be paid by CITIC A3 Project Company in stages:

- (a) 50% of the A3 Pre-sale Price shall be payable within 10 Business Days after the signing of the A3 Pre-sale Contracts (subject to extension in accordance with the Framework Agreement);
- (b) cumulative payment of up to 90% of the A3 Pre-sale Price shall be payable within five Business Days from the later of: (i) the expiry of two months after the signing and filing of the A3 Pre-sale Contracts; (ii) WHSO having received the construction completion and acceptance filing certificate in respect of the A3 Property issued by the relevant governmental authority; and (iii) the A3 Property having been delivered to and accepted by CITIC A3 Project Company in accordance with the Framework Agreement;
- (c) cumulative payment of up to 95% of the A3 Pre-sale Price shall be payable on the first anniversary from the date on which the delivery of the A3 Property is accepted by CITIC A3 Project Company; and
- (d) the remaining balance of the A3 Final Price shall be payable within five Business Days after WHSO has obtained the A3 Initial Property Title Certificates.

### *Conditions Precedent to the signing of A3 Pre-sale Contracts*

The signing of the A3 Pre-sale Contracts is subject to the satisfaction of the following conditions:

- (i) WHSO having obtained the pre-sale permit in respect of the A3 Property on or before the 60th day after the execution of the Framework Agreement; and
- (ii) there being no mortgage, charges or any other encumbrances in respect of the A3 Property.

### *Signing of the A3 Pre-sale Contracts*

Signing of the A3 Pre-sale Contracts shall occur within five Business Days after the fulfilment of the above conditions precedent.

### *Delivery of the A3 Property*

WHSO shall deliver the A3 Property to CITIC A3 Project Company for its inspection and acceptance (subject to extension in accordance with the Framework Agreement) within 10 Business Days after the signing and filing of the A3 Pre-sale Contracts, which is expected to be on or before 5 December 2016.

### **Possible disposal of underground car parking spaces**

Within three months from the signing of the A3 Pre-sale Contracts, CITIC China may through CITIC A1 Project Company or CITIC A3 Project Company further request for the purchase of 613 and 236 underground car parking spaces of the A1 Property and the A3 Property, respectively. The parties agreed to enter into separate agreements for the specific arrangement of purchasing such underground car parking spaces. WHSO will be entitled to sell such underground car parking spaces to third parties in the event CITIC China does not make such request within the specified timeline.

On the condition that CITIC China raises the purchase request within three months from the signing of the A3 Pre-sale Contracts, the purchase price for each underground car parking space is RMB180,000, totalling RMB152,820,000 (equivalent to approximately HK\$183,655,811). Such consideration was determined after arm's length negotiations between the parties to the Framework Agreement after taking into account the market value of the comparable transactions.

## **Termination of the Disposal**

### ***Termination of the A1 Disposal***

CITIC China or CITIC A1 Project Company on one hand and SODH or WHSO on the other hand (as the case may be) may terminate the A1 Disposal on each of the following grounds (as applicable):

- (a) Failure to obtain the Change of Planning of the Hotel Portion;
- (b) Failure to sign the Procurement Agreement;
- (c) Delay in obtaining the pre-sale permit in respect of the A1 Property;
- (d) Delay in issuing the delivery notice or delivering the A1 Property;
- (e) Delay in obtaining the A1 Initial Property Title Certificates;
- (f) Delay in providing relevant information for the application of the A1 Individual Property Title Certificates;
- (g) Delay in returning the Procurement Fee;
- (h) Delay in setting up CITIC A1 Project Company;
- (i) Delay in entering into the A1 Pre-sale Contracts;
- (j) Delay in making the required payments; and
- (k) Termination of the A3 Disposal.

Where the A1 Disposal is terminated as a result of any of the events described in paragraphs (c) to (j) above, the non-defaulting party shall have the right to request the defaulting party to pay the A1 Termination Fee.

### ***Termination of the A3 Disposal***

CITIC China or CITIC A3 Project Company on one hand and SODH or WHSO on the other hand (as the case may be) may terminate the A3 Disposal on each of the following grounds (as applicable):

- (a) Delay in obtaining the pre-sale permit in respect of the A3 Property;
- (b) Delay in issuing the delivery notice or delivering the A3 Property;
- (c) Delay in obtaining the A3 Initial Property Title Certificates;

- (d) Delay in providing relevant information for the application of the A3 Individual Property Title Certificates;
- (e) Delaying in setting up CITIC A3 Project Company;
- (f) Delay in entering into the A3 Pre-sale Contracts; and
- (g) Delay in making the required payments.

Where the A3 Disposal is terminated as a result of any of the events described in paragraphs (a) to (g) above, the non-defaulting party shall have the right to request the defaulting party to pay the A3 Termination Fee.

### **REASONS FOR THE DISPOSAL AND EXPECTED BENEFITS TO THE COMPANY**

In order to accelerate overall asset turnover and realize the value of assets owned, the Company's strategy is to divest commercial properties at the right price and time. The Company considers that the Disposal is in line with its strategic monetization plan for its commercial portfolio in the prevailing market conditions. It will also help to reduce debt of the Group.

The payment terms for the Disposal echo those for a normal deferred sale of property transaction which provide sufficient funding to complete construction of the relevant properties.

The Directors, including the independent non-executive Directors, are of the view that the Framework Agreement and the Disposal has been entered into on normal commercial terms that are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

### **FINANCIAL EFFECTS AND USE OF PROCEEDS FROM THE DISPOSAL**

For the A3 Property, after deducting estimated tax, development costs and other expenses of approximately RMB961,000,000, the Group anticipates that it will realise a gain of approximately RMB173,000,000 (equivalent to approximately HK\$208,000,000) in 2016 as a result of the A3 Disposal.

For the A1 Property, after deducting estimated tax, development costs and other expenses of approximately RMB3,165,000,000, the Group anticipates that it will realise a gain of approximately RMB200,000,000 (equivalent to approximately HK\$240,000,000) in 2020, subject to actual development cost to be incurred and actual development progress of the A1 Property in the coming years. The estimation is based on prevailing business tax rules and the potential value added tax exposure needs to be further assessed.

The Group intends to apply the proceeds from the Disposal to repay bank loans and for working capital purposes.

### **IMPLICATION OF THE LISTING RULES**

As the highest applicable percentage ratio in respect of the Disposal exceeds 25% but is less than 100%, the Disposal constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Disposal. As such, no Shareholder is required to abstain from voting on the resolution(s) if an extraordinary general meeting is convened to approve the Framework Agreement and the Disposal.

Shui On Properties Limited, Shui On Investment Company Limited, Chester International Cayman Limited, Lanvic Limited, Boswell Limited, Merchant Treasure Limited and Doretturn Limited, which are controlled by Shui On Company Limited and which together constitute a closely allied group of Shareholders, holds 998,103,792 Shares, 1,450,808,826 Shares, 183,503,493 Shares, 573,333,333 Shares, 908,448,322 Shares, 150,000,000 Shares, 293,319,781 Shares respectively, and together representing approximately 56.78% of the issued share capital of the Company at the date of this announcement.

The Company has obtained the written approval of Shui On Properties Limited, Shui On Investment Company Limited, Chester International Cayman Limited, Lanvic Limited, Boswell Limited, Merchant Treasure Limited and Doretturn Limited for the Framework Agreement and the Disposal pursuant to Rule 14.44 of the Listing Rules and as a result, no extraordinary general meeting will be convened to consider the Framework Agreement and the Disposal.

## DESPATCH OF CIRCULAR

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further details relating to the Framework Agreement and the Disposal shall be despatched to the Shareholders within 15 business days after the publication of this announcement, i.e. on or before 24 May 2016. As additional time is required for the Company to prepare and finalise certain information to be included in the circular including, among other things, the statement of indebtedness of the Group and the valuation report of the A1 Property and the A3 Property, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules. Subject to granting of such waiver by the Stock Exchange, the circular is expected to be despatched to the Shareholders on or before 30 June 2016. Further announcement(s) will be made by the Company as and when appropriate.

## GENERAL INFORMATION

The Company, through its subsidiaries and associates, is one of the leading property developers in the PRC. The Group engages principally in the development, sale, leasing, management and ownership of high-quality residential, office, retail, entertainment and cultural properties in the PRC.

CITIC China is an indirect wholly-owned subsidiary of CITIC Limited (HK stock code: 267). It is the investment management platform company of CITIC Limited for its real estate business in mainland China. Examples of projects currently managed by CITIC China include Lujiazui Harbour City Shanghai, CITIC Square Shanghai and The Centre Shanghai.

## WARNING

**The Disposal is subject to fulfilment of certain conditions precedents and may be terminated in certain circumstances. Accordingly, there is no assurance that the Disposal will be completed. Shareholders, investors in general and holders of securities of the Company should exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

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

- “A1 Delivery Date”** has the meaning ascribed to it under the paragraph headed “Procurement Agreement and disposal of the A1 Property — Disposal of the A1 Property and A1 Pre-sale Contracts — Delivery of the A1 Property” in this announcement;
- “A1 Disposal”** the proposed disposal of the A1 Property by WHSO pursuant to the Framework Agreement and the A1 Pre-sale Contracts;
- “A1 Final Price”** has the meaning ascribed to it under the paragraph headed “Procurement Agreement and Disposal of the A1 Property — Disposal of the A1 Property and A1 Pre-sale Contracts — Consideration” in this announcement;
- “A1 Individual Property Title Certificates”** the property ownership certificates (房屋所有權證) issued to the property owner(s) by the relevant government authority in respect of the A1 Property;
- “A1 Initial Price”** has the meaning ascribed to it under the paragraph headed “Procurement Agreement and Disposal of the A1 Property — Disposal of the A1 Property and A1 Pre-sale Contracts — Consideration” in this announcement;
- “A1 Initial Property Title Certificates”** the building initial registration certificates (房屋初始登記證明) issued to a property developer by the relevant government authority in respect of the A1 Property;
- “A1 Pre-sale Contracts”** the pre-sale contracts (預售合同) in respect of the pre-sale of the A1 Property;
- “A1 Pre-sale Price”** has the meaning ascribed to it under the paragraph headed “Procurement Agreement and Disposal of the A1 Property — Disposal of the A1 Property and A1 Pre-sale Contracts — Consideration” in this announcement;

<b>“A1 Property”</b>	a commercial project under construction located at the land parcel of Lot A123 in the Jiang’an District, Wuhan, Hubei, the PRC, which comprises a super high-rise tower for office and hotel uses (subject to the Change of Planning of the Hotel Portion), together with a corresponding podium;
<b>“A1 Termination Fee”</b>	a termination fee which is 5% of the A1 Pre-sale Price;
<b>“A3 Disposal”</b>	the proposed disposal of the A3 Property by WHSO pursuant to the Framework Agreement and the A3 Pre-sale Contracts;
<b>“A3 Final Price”</b>	has the meaning ascribed to it under the paragraph headed “Disposal of the A3 Property and A3 Pre-sale Contracts — Consideration” in this announcement;
<b>“A3 Individual Property Title Certificates”</b>	the property ownership certificates (房屋所有權證) issued to the property owner(s) by the relevant government authority in respect of the A3 Property;
<b>“A3 Initial Price”</b>	has the meaning ascribed to it under the paragraph headed “Disposal of the A3 Property and A3 Pre-sale Contracts — Consideration” in this announcement;
<b>“A3 Initial Property Title Certificates”</b>	the building initial registration certificates (房屋初始登記證明) issued to a property developer by the relevant government authority in respect of the A3 Property;
<b>“A3 Pre-sale Contracts”</b>	the pre-sale contracts (預售合同) in respect of the pre-sale of the A3 Property;
<b>“A3 Pre-sale Price”</b>	has the meaning ascribed to it under the paragraph headed “Disposal of the A3 Property and A3 Pre-sale Contracts — Consideration” in this announcement;
<b>“A3 Property”</b>	a commercial project under construction located at the land parcel of Lot A123 in the Jiang’an District, Wuhan, Hubei, the PRC, which comprises a tower for office use, together with a corresponding podium;
<b>“A3 Termination Fee”</b>	a termination fee which is 5% of the A3 Pre-sale Price;



<b>“associates”, “connected person(s), “subsidiary(ies)”</b>	each has the meaning ascribed to it in the Listing Rules;
<b>“Board”</b>	the board of Directors;
<b>“Business Days”</b>	a day other than Saturday, Sunday and statutory public holidays in the PRC and Hong Kong;
<b>“Change of Planning of the Hotel Portion”</b>	has the meaning ascribed to it under the paragraph headed “Procurement Agreement and disposal of the A1 Property — Disposal of the A1 Property and A1 Pre-sale Contracts — Information on the A1 Property” in this announcement;
<b>“CITIC A1 Project Company”</b>	a Sino-foreign joint venture owned enterprise to be established by CITIC China for the purpose of acquiring the A1 Property in accordance with the Framework Agreement;
<b>“CITIC A3 Project Company”</b>	a Sino-foreign joint venture owned enterprise to be established by CITIC China for the purpose of acquiring the A3 Property in accordance with the Framework Agreement;
<b>“CITIC China”</b>	中信泰富(中國)投資有限公司 (CITIC Pacific China Holdings Limited*), a company established under the laws of the PRC with limited liability;
<b>“Company”</b>	Shui On Land Limited, a company incorporated in the Cayman Islands, whose shares are listed on the Stock Exchange (stock code: 272);
<b>“Director(s)”</b>	the director(s) of the Company;
<b>“Disposal”</b>	collectively, the A1 Disposal, the A3 Disposal and the possible disposal of respective underground car parking spaces in accordance with the Framework Agreement;

<b>“Earnest Money”</b>	has the meaning ascribed to it under the paragraph headed “Earnest Money” in this announcement;
<b>“Framework Agreement”</b>	the framework agreement dated 3 May 2016 entered into between the SODH, WHSO and CITIC China relating to the Disposal;
<b>“GFA”</b>	gross floor area;
<b>“Group”</b>	the Company and its subsidiaries;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	Hong Kong Special Administrative Region of the PRC;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“PRC”</b>	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macao Special Administrative Region of the PRC and Taiwan area;
<b>“Procurement Agreement”</b>	the procurement agreement to be entered into between SODH, WHSO and CITIC China;
<b>“Procurement Fee”</b>	has the meaning ascribed to it under the paragraph headed “Procurement Agreement and Disposal of the A1 Property — Procurement Agreement — Procurement Fee” in this announcement;
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC;
<b>“Shares”</b>	the ordinary shares of the Company with nominal value of US\$0.0025 each;
<b>“Shareholders”</b>	holders of the Shares;
<b>“SODH”</b>	Shui On Development (Holding) Limited, a company incorporated under the laws of the Cayman Islands with limited liability, a direct wholly-owned subsidiary of the Company;

“ <b>Stock Exchange</b> ”	The Stock Exchange of Hong Kong Limited;
“ <b>WHSO</b> ”	武漢瑞安天地房地產發展有限公司 (Wuhan Shui On Tiandi Property Development Co., Ltd.*), a company established under the laws of the PRC, an indirect wholly-owned subsidiary of SODH; and
“ <b>%</b> ”	per cent.

*Unless otherwise specified in this announcement and for the purpose of illustration only, RMB is translated into HK\$ at the rate of HK\$1.00 = RMB0.83210. No representation is made that any amounts in RMB have been or could be converted at the above rate or at any other rates or at all.*

By Order of the Board  
**Shui On Land Limited**  
**Vincent H. S. LO**  
*Chairman*

Hong Kong, 3 May 2016

*At the date of this announcement, the executive Directors are Mr. Vincent H. S. LO (Chairman), Mr. Frankie Y. L. WONG and Mr. Douglas H. H. SUNG (Chief Financial Officer) and the independent non-executive Directors are Sir John R. H. BOND, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY, Mr. David J. SHAW and Mr. Anthony J. L. NIGHTINGALE.*

\* *For identification purposes only*