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If you are in any doubt as to any aspect of this Circular or as to the action to be taken, you should consult a licensed security dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Wanda Hotel Development Company Limited, you should at once hand this Circular, to the purchaser or the transferee or to the licensed security dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



萬達酒店發展有限公司
WANDA HOTEL DEVELOPMENT COMPANY LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code : 169)

MAJOR TRANSACTION
DISPOSAL OF MADRID PROPERTY PROJECT

Terms used in this cover shall have the same meanings as defined in this Circular.

16 December 2016

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DEFINITIONS

In this Circular, the following terms and expressions shall have the following meanings unless the context requires otherwise:

“Agreement”	the share purchase agreement entered into on 3 November 2016 between Wanda Europe as the seller and the Purchaser as purchaser in relation to the sale and purchase of the Sale Shares
“Board”	the board of Directors
“Business Day(s)”	any day other than Saturday, Sunday or holidays (whether national, regional or local) in Madrid (Spain), Beijing (the PRC) and Hong Kong
“Circular”	this circular issued by the Company dated 16 December 2016
“close associate”	has the meaning ascribed thereto in the Listing Rules
“Company”	Wanda Hotel Development Company Limited, a company incorporated in Bermuda with limited liability, and the issued shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms of the Agreement
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Consideration”	€272,000,000 (subject to the Consideration Adjustment), being the total consideration payable by the Purchaser for the Disposal under the Agreement
“Consideration Adjustment”	the adjustment to be made to the Consideration pursuant to the Agreement by increasing the Consideration taking into account the amount of cash and cash equivalent of the Target Company as at the date of Completion and decreasing the Consideration taking into account the amount of indebtedness of the Target Company as at the date of Completion
“Continental Europe”	the continent of Europe, excluding United Kingdom
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules
“Disposal”	the disposal of the Sale Shares by Wanda Europe to the Purchaser pursuant to the Agreement

DEFINITIONS

“Director(s)”	the director(s) of the Company
“DWCP”	大連萬達商業地產股份有限公司 (Dalian Wanda Commercial Properties Co., Ltd.*), a company established in the PRC
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jones Lang LaSalle” or “JLL”	JLL Valoraciones, S.A., an independent professional property valuer
“Latest Practicable Date”	12 December 2016, being the latest practicable date prior to the publication of this Circular for ascertaining certain information contained therein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long-Stop Date”	31 March 2017
“Madrid Property Project”	the project for the redevelopment of the Property
“MOU”	the memorandum of understanding entered into between Wanda Europe and Purchaser on 12 July 2016 in relation to the negotiation and possible disposal of the Madrid Property Project (as amended from time to time)
“Notarial Public Deed Date”	28 December 2016, or any earlier date as agreed between the Parties
“Parties”	parties to the Agreement, being Wanda Europe and the Purchaser
“PRC”	the People’s Republic of China which, for the purpose of this Circular only, excludes Hong Kong, Macau and Taiwan
“Property”	the property located at Plaza de España, 19, 28008 Madrid, Spain

DEFINITIONS

“Purchaser”	Baraka Global Invest, S.L.U., a company organized under the laws of Spain and the purchaser of the Sale Shares under the Agreement
“Sale Shares”	3,000 shares in the issued share capital of the Target Company, representing the entire issued share capital of the Target Company
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Wanda Madrid Development, S.L.U., a company organised under the laws of Spain and holds the Madrid Property Project
“Wanda Europe”	Wanda Europe Real Estate Investment Co., Limited (萬達歐洲地產投資有限公司), a company with limited liability incorporated under the laws of Hong Kong, in which the Company and Wanda HK respectively hold 60% and 40% interest
“Wanda HK”	Wanda Commercial Properties (Hong Kong) Co. Limited, a company incorporated in Hong Kong with limited liability, a controlling shareholder of the Company
“Wanda Overseas”	Wanda Commercial Properties Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, a controlling shareholder of the Company
“€”	Euros, the lawful currency of the European Union from time to time
“%”	per cent

** English translation is provided for identification purposes only.*

For the purpose of this Circular and for illustration purpose only, the exchange rate between € and HK\$ is 1: 8.2542 and no representation is made that any amount in € or HK\$ could have been or could be converted at such rates or at any other rates.

LETTER FROM THE BOARD



萬達酒店發展有限公司
WANDA HOTEL DEVELOPMENT COMPANY LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code : 169)

Non-Executive Directors:

Mr. Ding Benxi (*Chairman*)
Mr. Qi Jie
Mr. Qu Dejun

Executive Director:

Mr. Liu Chaohui

Independent Non-Executive Directors:

Mr. Liu Jipeng
Dr. Xue Yunkui
Mr. Zhang Huaqiao

*Head office and principal place of
business in Hong Kong:*

Unit 3007, 30th Floor
Two Exchange Square
8 Connaught Place
Central
Hong Kong

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

16 December 2016

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

DISPOSAL OF MADRID PROPERTY PROJECT

A. INTRODUCTION

Reference is made to the announcement issued by the Company on 4 November 2016 in which the Company announced that on 3 November 2016 (Spain time, after Hong Kong trading hours) Wanda Europe, a non-wholly owned subsidiary of the Company owned as to 60% by the Company and 40% by Wanda HK, entered into the Agreement with Purchaser, pursuant to which Wanda Europe has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares (representing the entire issued share capital of the Target Company) subject to the terms contained therein for the Consideration of €272 million (equivalent to approximately HK\$2,245.1 million), subject to the Consideration Adjustment.

LETTER FROM THE BOARD

B. THE AGREEMENT

Date of Signing

3 November 2016

Parties

Seller : Wanda Europe Real Estate Investment Co., Limited, a subsidiary of the Company owned as to 60% by the Company and 40% by Wanda HK

Purchaser : Baraka Global Invest, S.L.U.

Wanda Europe is a company incorporated in Hong Kong with limited liability. It is a joint venture platform established by the Company and Wanda HK pursuant to a joint venture agreement dated 4 June 2014 to act as a holding vehicle for undertaking acquisition and development of real property projects in Continental Europe. Further details of the joint venture arrangement are set out in, amongst others, the announcement and circular of the Company dated 4 June 2014 and 25 June 2014, respectively.

The Company understands that the Purchaser is a company organised under the laws of Spain. The Purchaser and its subsidiaries engage in real estate business, such as development of commercial and housing properties, including hotels. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

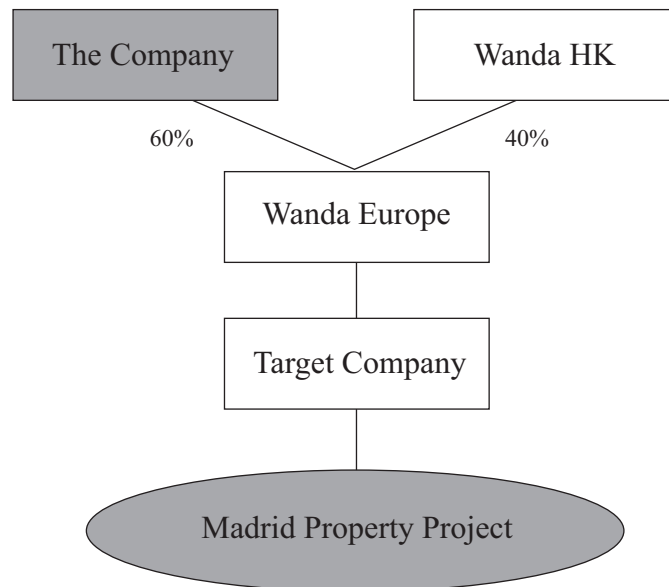
Subject matter

Pursuant to the Agreement, Wanda Europe has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares, which represent the entire issued share capital of the Target Company. The Target Company is a company organized under the laws of Spain and a wholly owned subsidiary of Wanda Europe. The principal asset of the Target Company is the Property, which is located in Madrid, Spain and has a total site area of 4,643 square metres and built area of 71,488 square metres. As disclosed in the announcement and circular of the Company dated 4 June 2014 and 25 June 2014, respectively, the Property was acquired by the Target Company in 2014 for re-development into a high-end, mixed-use complex comprising residential, hotel and retail uses. As at the Latest Practicable Date, the Madrid Property Project is under project planning stage.

LETTER FROM THE BOARD

The Group has arranged for the cancellation of an existing pledge over the Sale Shares in favour of a financial institution in the PRC and undertook to repay the relevant loan (the “**Loan**”) (the outstanding amount of which amounted to approximately HK\$931.2 million as at the Latest Practicable Date) to the financial institution using the proceeds from the Disposal. The Group has undertaken to re-pledge the Sale Shares to the financial institution if the Disposal does not occur by 31 January 2017 (or subject to the final confirmation with the financial institution, 30 April 2017). The Loan, which was granted pursuant to a loan agreement dated 23 July 2014, is of a principal amount of US\$160 million and with interest accruing at the rate of 6-month London Inter-Bank Offered Rate plus 3.5% per annum payable on a semi-annual basis. The Group is required to repay the principal amount of the Loan in stages over the course of five years after the date of the loan agreement.

The following diagram illustrates the shareholding structure of the Target Company as at the Latest Practicable Date:



Condition precedent and Completion

Completion of the Disposal is conditional upon the Company having obtained the approval of its Shareholders of the Agreement and the transactions contemplated thereunder on or before the Long-Stop Date. The Company has obtained a written approval for the Agreement and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Wanda Overseas, a controlling shareholder of the Company and therefore, the above condition precedent of the Agreement has been satisfied.

LETTER FROM THE BOARD

Pursuant to the Agreement, the Parties shall execute a notarial deed incorporating the Agreement in the presence of a notary public and comply with other procedures on the Notarial Public Deed Date. Subject to the formalization of the aforesaid public deed, Completion shall take place on the Long-Stop Date or such earlier date as may be agreed in writing between the Parties. If the Purchaser fails to comply with its obligations on the Notarial Public Deed Date or its substantial obligations (which include primarily the obligation to pay to Wanda Europe the remainder of the Consideration) upon Completion, Wanda Europe is entitled to retain the deposits received. If Wanda Europe fails to comply with its obligations on the Notarial Public Deed Date, the Purchaser is entitled to claim back the deposits paid or request for specific performance (i.e. Wanda Europe to execute a notarial deed and comply with other procedures in the presence of a notary public). If Wanda Europe fails to comply with its substantial obligations (which include primarily the obligation to execute transfer documents for the transfer of the Sale Shares to the Purchaser) upon Completion, the Purchaser is entitled to either claim back the deposits paid, or request for specific performance (i.e. Wanda Europe to transfer the Sale Shares to the Purchaser) and reduce the Consideration by €5 million (equivalent to approximately HK\$41.3 million).

If certain customary conditions (such as the reiteration of representations and warranties given by Wanda Europe as seller in the Agreement) are not fulfilled on the date of the Completion, the Purchaser is not obliged to complete the Disposal.

Consideration

The Consideration for the Disposal is €272 million (equivalent to approximately HK\$2,245.1 million), subject to the Consideration Adjustment.

The Consideration shall be paid by the Purchaser to Wanda Europe in cash in the following manner:

- (a) an amount of €1 million (equivalent to approximately HK\$8.3 million) has been paid by the Purchaser as earnest money to Wanda Europe under the MOU which has been retained by Wanda Europe as deposit and shall be applied as part of the Consideration upon Completion;
- (b) an amount of €5 million (equivalent to approximately HK\$41.3 million) has been paid by the Purchaser as further deposit to Wanda Europe at the signing of the Agreement and shall be applied as part of the Consideration upon Completion;
- (c) an amount of €14 million (equivalent to approximately HK\$115.6 million) shall be paid by the Purchaser as further deposit to Wanda Europe on the Notarial Public Deed Date and shall be applied as part of the Consideration upon Completion; and
- (d) an amount equivalent to the balance of €252 million (equivalent to approximately HK\$2,079.9 million), subject to the Consideration Adjustment as set out below, shall be paid by the Purchaser to Wanda Europe at Completion.

LETTER FROM THE BOARD

Wanda Europe shall deliver to the Purchaser five Business Days before the Completion a preliminary statement setting out Wanda Europe's estimate of the calculations for the Consideration Adjustment (the "**Estimate**"). The Estimate shall not increase the Consideration by more than €50,000 (equivalent to approximately HK\$0.4 million). If the Parties fail to reach an agreement on the Estimate within ten Business Days after the Completion in accordance with the terms of the Agreement, any disputed amounts regarding the Estimate shall be referred to one of the accounting firms designated in the Agreement (the "**Accountants**"), who shall determine the disputed amounts within 15 Business Days after it accepts the engagement and whose decision shall be final and binding on the Parties. The Purchaser shall pay any shortfall in the Consideration or (as the case may be) Wanda Europe shall refund any excess amount over the Consideration within three Business Days after reaching the agreement on the Estimate within the aforementioned period or after the Accountants' report is given to the Parties (as the case may be).

In assessing the Consideration offered by the Purchaser, the Group primarily took into account, among other things, the acquisition price of the Property at €265 million in 2014, and will further adjust the Consideration taking into account the cash and cash equivalents and indebtedness of the Target Company as at the date of Completion through the Consideration Adjustment. The Directors are of the view that the Consideration is reflective of the price which could be realised by the Group from disposal of the Target Company in an open market.

C. INFORMATION ON THE TARGET COMPANY

The Target Company is an investment holding company and its principal asset is the Property.

The following is a summary of the unaudited financial results of the Target Company for the period from 5 February 2014 (date of incorporation of the Target Company) to 31 December 2014 and the year ended 31 December 2015 (prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants):

	For the period from 5 February 2014 to 31 December 2014 €'000	For the year ended 31 December 2015 €'000
Net loss (before taxation and extraordinary items)	857	54,855
Net loss (after taxation and extraordinary items)	857	54,855

As at 30 September 2016, the unaudited net assets value of the Target Company was approximately €274.6 million (equivalent to approximately HK\$2,266.6 million).

LETTER FROM THE BOARD

A property valuation report regarding the Property is set out in Appendix II to this Circular. Jones Lang LaSalle, the Company's independent professional property valuer, confirms that it has conducted internal inspections of the Property on 26 March 2014 when it prepared the property valuation report contained in the Company's circular dated 25 June 2014 regarding the Group's acquisition of the Property in 2014 and has further conducted external inspections of the Property in October 2016. Jones Lang LaSalle confirms that given the Property has been left vacant since the acquisition by the Group in 2014, it considers that the information collected during the internal inspections of the Property in 2014 would not be outdated. Further, Jones Lang LaSalle considers that since the Property is for redevelopment purpose, the internal conditions of the existing building of the Property will not affect its valuation, and the recent external inspections on the Property conducted in October 2016 provide sufficient basic site investigation information for the purpose of issuing the property valuation report included in this Circular. Based on Jones Lang LaSalle's confirmations above, the Directors believe that it is fair and reasonable for the property valuation report contained in this Circular to be prepared based on the information collected by Jones Lang LaSalle during the internal inspections of the Property 20 March 2014 and external inspections in October 2016.

D. REASONS FOR AND BENEFITS OF THE DISPOSAL

The principal activities of the Group are property development, property leasing, property management and investment holding activities. The Company considers that the Disposal represents an opportunity for the Group to realise its investment in the Madrid Property Project given the market and political environment in Spain and the resulting uncertainties on the operation conditions and development potential of the Madrid Property Project. The Disposal would also benefit the Group by strengthening the liquidity and financial position of the Group.

The amount of net proceeds from the Disposal attributable to the Group, after deducting the amount attributable to Wanda HK of approximately €108.8 million (equivalent to approximately HK\$898.1 million), is currently estimated to be approximately €163.2 million (equivalent to approximately HK\$1,347.1 million). Out of such estimated net proceeds attributable to the Group, approximately HK\$931.2 million is expected to be used by the Group to repay the Loan and the remaining amount of approximately HK\$415.9 million is expected to be used to finance the Group's existing property development projects depending on the capital requirements of such projects from time to time and potential new projects that may be identified by the Group. As at the Latest Practicable Date, the Group has not identified any specific potential targets for investment and has not entered into any agreement in relation to any potential new projects.

Taking into account the above, the Directors consider that the terms of the Agreement are normal commercial terms, fair and reasonable and in the interests of the Shareholders of the Company as a whole.

LETTER FROM THE BOARD

E. POSSIBLE FINANCIAL EFFECTS OF THE DISPOSAL

The Disposal is expected to give rise to a gain of approximately HK\$211.5 million, calculated with reference to the difference between the Consideration and the unaudited carrying amount of the Target Company as at 30 September 2016 after distribution of reserves of approximately HK\$366.7 million to Wanda Europe before the Completion, and the transaction costs and expenses for the Disposal of approximately €1.7 million (equivalent to approximately HK\$14.0 million). Such gain will be offset by accumulative foreign exchange losses of approximately HK\$403.3 million previously recorded in the exchange reserve and will result in net losses of approximately HK\$191.8 million on the Disposal.

As the Company holds 60% of the issued share capital of Wanda Europe, following Completion, the Target Company will cease to be a subsidiary of the Company and its assets, liabilities and financial results will no longer be consolidated into the results of the Group. Following the Completion of the Disposal and without taking other factors into account, it is expected that the Group will record in net losses of approximately HK\$191.8 million attributable to the Disposal for the financial year during which the Disposal is completed and a corresponding decrease in the net assets of the Group.

It should be noted that the aforementioned analyses are for illustrative purpose only and does not purport to represent how the financial position of the Group will be upon the Disposal. The actual gain or loss as a result of the Disposal to be recorded by the Company is subject to the Consideration Adjustment and any changes to the carrying amount of the Target Company after 30 September 2016, as well as audit and will be assessed after Completion.

F. LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules for the Disposal exceed 25% but are less than 75%, the Disposal contemplated under the Agreement constitutes a major transaction for the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons. So far as the Company is aware, none of the Shareholders is materially interested in the Agreement and the transactions contemplated thereunder. Therefore, under Rule 14.44 of the Listing Rules, as no Shareholder of the Company is required to abstain from voting if the Company were to convene a general meeting for approving the Agreement and the transactions contemplated thereunder, written approval has been obtained from Wanda Overseas, our controlling shareholder holding 3,055,043,100 Shares, representing approximately 65.04% of the issued share capital of the Company as at the date of the announcement issued by the Company on 4 November 2016 and the Latest Practicable Date, in lieu of holding a general meeting.

LETTER FROM THE BOARD

G. INFORMATION ABOUT THE COMPANY

The Company is incorporated in Bermuda with limited liability and is listed on the Stock Exchange. It is an investment holding company whose subsidiaries are principally engaged in property development, property leasing, property management and investment holding activities.

H. INFORMATION ABOUT THE PURCHASER

To the best of knowledge of the Company, the Purchaser, a company organised under the laws of Spain, together with its subsidiaries engage in real estate business, such as development of commercial and housing properties, including hotels.

I. RECOMMENDATION

Although no general meeting will be convened for approving the Agreement, the Directors (including the independent non-executive Directors) believe that the transactions contemplated under the Agreement are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole. Accordingly, if a general meeting were to be convened by the Company, the Directors would have recommended the Shareholders to vote in favour of the Agreement and the transactions contemplated thereunder.

J. FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Circular.

Yours faithfully,
For and on behalf of the Board
Wanda Hotel Development Company Limited
Ding Benxi
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three years ended 31 December 2013, 2014 and 2015 was disclosed in the annual reports of the Company for the years ended 31 December 2013 (pages 43 to 128), 2014 (pages 43 to 146) and 2015 (pages 60 to 181), respectively, all of which can be found on the websites of the Stock Exchange (<http://www.hkex.com.hk>) and the Company (<http://www.wanda-hotel.com.hk/>).

2. INDEBTEDNESS STATEMENT

Borrowings

At the close of business on 31 October 2016, being the latest practicable date for the purpose of this indebtedness statement prior to printing of this Circular, the Group had (i) secured and guaranteed interest-bearing borrowings from financial institutions of approximately HK\$2,314.6 million; and (ii) unsecured and guaranteed interest-bearing borrowings from financial institutions of approximately HK\$940.3 million. These borrowings are denominated in RMB, GBP and USD.

As at 31 October 2016, the Group had outstanding interest-bearing borrowings from certain entities controlled by Mr. Chen Chang Wei, who is a Shareholder of the Company, of approximately HK\$407.1 million. These borrowings are unsecured and unguaranteed.

As at 31 October 2016, the Group had outstanding borrowings from an intermediate holding company of approximately HK\$4,697.3 million, among which HK\$3,943 million are unsecured and unguaranteed borrowings. The remaining balance of HK\$754.3 million is a secured and unguaranteed borrowing which is secured by the share charge over all the shares held by the Company in Wanda International Real Estate Investments Co., Limited. Among such borrowings from the intermediate holding company, approximately HK\$2,344.5 million are interest-free borrowings and approximately HK\$2,352.8 million are interest-bearing borrowings.

As at 31 October 2016, the Group had outstanding interest-free advances from an intermediate holding company of HK\$10,336.7 million. These amounts are unsecured and unguaranteed.

Contingent liabilities

As at 31 October 2016, the Group had provided guarantees in aggregate amount of approximately HK\$523.9 million to certain banks in favour of its customers in respect of mortgaged loans provided by the banks to these customers for their purchase of the Group's properties. Each of these guarantees would be released upon the execution of individual purchasers' collateral agreements.

Save as disclosed above and apart from intra-group liabilities, the Group did not have any outstanding mortgages, charges, debt securities, term loans and overdrafts, hire purchase commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits, other borrowings or indebtedness in the nature of borrowings or any guarantees or other material contingent liabilities as at the close of business on 31 October 2016.

3. WORKING CAPITAL

As at 31 October 2016, the Group had cash and bank balance of approximately HK\$2,310 million.

The Directors, after due and careful consideration, are of the opinion that, after taking into account the financial resources available to the Group, including its internally generated funds, the available credit loan facilities and the available shareholder's loans, the Group has sufficient working capital for its present requirements for at least twelve months from the date of this Circular in the absence of unforeseeable circumstances.

4. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is an investment holding company whose subsidiaries are principally engaged in property development, property leasing, property management and investment holding activities.

The Directors believe the Disposal represents an opportunity for the Group to realise its investment in the Madrid Property Project given the market and potential environment in Spain and the resulting uncertainties on the operation conditions and development potential of the Madrid Property Project. It is currently expected that the net proceeds, after deducting the amount attributable to Wanda HK, will also be used by the Group to repay the Loan and to finance its existing property development projects depending on the capital requirements of such projects from time to time and potential new projects that may be identified by the Group in the future.

With support from the Group's parent, DWCP, the Group will continue to actively participate in the investment, development and operation of mixed-use property projects with a focus on hotels in international gateway cities since the cities attract a significant number of tourists and business travellers, and to hold the hotel component to be operated under Wanda's brands (the existing brands include but not limited to Wanda Vista, Wanda Reign and Wanda Realm).

The Group will continue to prudently seek investment opportunities, including doing so jointly with DWCP, with a view to further expanding the Group's sources of revenue, enhancing the Group's profit and maximizing the return for the Shareholders. Should appropriate opportunity arises, the Group may also consider monetising its property interests.

The following is the text of a letter and a valuation certificate, prepared for the purpose of incorporation in this circular received from Jones Lang LaSalle, an independent valuer, in connection with its valuation as at 31 October 2016 of the Property.



JLL Valoraciones, S.A.
Pº de la Castellana, 130 - 1º Planta, 28046 Madrid
tel +34 91 789 11 00 fax +34 91 789 12 03
CIF: A-28806222 / VAT: ES A28806222

16 December 2016

The Board of Directors
Wanda Hotel Development Company Limited
Unit 3007, 30th Floor
Two Exchange Square
8 Connaught Place
Central, Hong Kong

Dear Sirs

RE: VALUATION OF EDIFICIO ESPAÑA, PLAZA DE ESPAÑA, 19, 28008 MADRID SPAIN

In accordance with the instruction received from Wanda Hotel Development Company Limited (together with its subsidiaries, collectively the Group) for us to carry out a valuation of Edificio España, Plaza de España, 19, 28008 Madrid, Spain (the Property), we confirm that we have carried out an inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing our opinion of the market value of the Property as at 31st October 2016 (the date of valuation) for the purpose of incorporation in the circular of the Group (the Circular).

Our valuation was prepared in accordance with International Valuation Standards published by International Valuation Standards Council (IVSC) and in compliance with the requirements set out in Chapter 5 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The valuation for the Property was made on the basis of the Market Value defined by IVSC as: *“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”*

The valuation presented herein represents 100% interest of the Property and not the shareholdings of the company holding the Property interest thereof.

Our valuation has been made on the assumption that the owner sells the Property on the market without any special arrangement such as deferred terms contracts, leasebacks, joint venture, management agreements which could serve to affect the value of the Property. The market value of a property is also estimated without regard to costs of sale and purchase and without offset for any associated taxes.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interest nor for any expenses or taxation that may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.

We have valued the Property on the basis of market value by residual land value approach while we have adopted the following methodologies for the calculation of the estimated value of the proposed development after completion.

Residential. The proposed residential prices have been calculated through the comparison approach comparing the proposed residential units with other comparable properties currently in the market.

Retail. The proposed retail prices have been calculated through the capitalization approach. We have considered the current level of rent paid for similar retail outlets in Madrid city-centre and capitalized it by a cap rate currently used in this real estate sector.

Hotel. The proposed hotel prices have been calculated through the Discounted Cash Flows approach. We have projected the Profit & Loss statements for the proposed hotel for the first five years of operation, assuming a stabilized period from year six to year ten and assumed a potential sales at end of tenth year applying a cap rate in accordance to the industry standards and the proposed type of operator/contract proposed for this property.

We have then applied a Discounted Cash Flows approach to convert the future cashflows of each component of the proposed development to the Date of Valuation.

The residual value for the Property has been calculated through the Residual Land Value approach taking into account the values of each of the components highlighted above and the development costs estimated to be necessary. The estimated development costs and relevant construction information have been estimated by JLL.

The Group has instructed a local team of legal experts to conduct the necessary Land Registry searches for the property interests. We have not examined the original documents to verify ownership or to ascertain the existence of any amendments that may not appear on the copies obtained by us. No responsibility is assumed for any matters concerning the legal title of the Property.

In the course of our valuation, we have relied to a very considerable extent on the information provided to us by the Group. We have relied upon the accuracy, sufficiency and consistency of the information supplied to us.

We have no reason to doubt the truth and accuracy of the information provided to us and are advised that no material facts have been omitted from the information supplied and withheld.

We have conducted internal inspections of the Property on 26 March 2014 and external inspections in October 2016 by the undersigned and selected members of our Madrid Office listed below:

Name	Title	Experience
Ms. Rocio Valverde, MRICS	Associate Director	Over 5 Years
Mr. Ricardo Palacio, MRICS	Consultant	Over 5 Years

We have not conducted formal structural surveys and, as such we cannot report that the Property is free from rot, infestation or any other structural defects. We have not carried out building surveys, nor have we inspected those parts of the Property which are covered, unexposed or inaccessible and such parts have been assumed to be in good repair and condition. We cannot express an opinion about or advise upon the condition of uninspected parts and this report should not be taken as making any implied representation or statement about such parts. No tests have been carried out to any of the services.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious, hazardous or substandard material has been used in the construction of the Property, or has since been incorporated, and we are therefore unable to report that the Property is free from risk in this respect. For the purpose of this valuation, we have assumed that such investigations would not disclose the presence of any such material to any significant extent.

We have not carried out on-site measurements to verify the correctness of the site area of the Property and have assumed that the site area shown on the documentation provided are correct. We were not instructed to carry out any investigation on site in order to determine the suitability of ground conditions and services, nor did we undertake archaeological, ecological or environmental survey. A specialized team of local experts has been put in place by the Group to cope with these issues. Our valuation is on the basis that these aspects are satisfactory and that where developments are contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these matters. In the course of our assessment, we have assumed that no contamination affecting the Property or the neighbouring land.

All currency stated herein this report is in Euro (EUR).

The valuation of the Property was prepared by Ms. Rocio Valverde, Mr. Carlos Ortega Miranda, and Mr. Ricardo Palacio, under the supervision of Mr. Evan Lester. All of them are Members of The Royal Institution of Chartered Surveyors (“**RICS**”) with more than 5 years’ experience in real estate valuations in Spain.

We enclose herewith the valuation certificate.

Yours faithfully
For and on behalf of
JLL Valoraciones, S.A.

Evan Lester, MRICS
National Director
Corporates & Investors
For and on behalf of
JLL Valoraciones, S.A.

Rocio Valverde, MRICS
Associate Director
Valuation Corporates
For and on behalf of
JLL Valoraciones, S.A.

Carlos Ortega Miranda, MRICS
Vice President
Hotels & Hospitality Group
For and on behalf of
JLL España, S.A.

Ricardo Palacio, MRICS
Consultant
Valuation Corporates
For and on behalf of
JLL Valoraciones, S.A.

Property Interest held by the Group for Future Redevelopment in Spain

VALUATION CERTIFICATE

Property	Description	Particulars of occupancy	Market value as at 31st October 2016																												
<p><i>Edificio España,</i> Plaza de España, 19, 28008 Madrid Spain</p>	<p>The Property, completed in 1953, comprises a standing alone building of neo-baroque style. As advised by the Company, the total floor area in the Real Estate Cadastre is 71,488 m² while the floor area breakdown under Feasibility Report by Lamela and Foster architects provided by the Group is as follows:</p> <table border="0" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Existing Use</th> <th style="text-align: right;">Area (m²)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td style="text-align: right;">42,660</td> </tr> <tr> <td>Hotel</td> <td style="text-align: right;">19,440</td> </tr> <tr> <td>Retail & Others</td> <td style="text-align: right;"><u>5,426</u></td> </tr> <tr> <td>Above-Ground</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Sub-total</td> <td style="text-align: right;">67,526</td> </tr> <tr> <td>Below Ground</td> <td style="text-align: right;"><u>13,013</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>80,539</u></td> </tr> </tbody> </table> <p>The Property is one of the most emblematic buildings in the Spanish capital.</p> <p>As advised by the Group, the Property will be redeveloped into a 28-storey composite building with total floor area of approximately 71,845 m² (the Proposed Development) with area breakdown as follows:</p> <table border="0" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Proposed Use</th> <th style="text-align: right;">Area (m²)</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td style="text-align: right;">26,137</td> </tr> <tr> <td>Hotel</td> <td style="text-align: right;">26,627</td> </tr> <tr> <td>Retail</td> <td style="text-align: right;">12,554</td> </tr> <tr> <td>Parking & Others</td> <td style="text-align: right;"><u>6,527</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>71,845</u></td> </tr> </tbody> </table> <p><i>(See notes (3) to (6))</i></p> <p>The estimated completion date of the Proposed Development is in the year of 2020.</p> <p>We have been advised that the Property is held freehold.</p>	Existing Use	Area (m ²)	Residential	42,660	Hotel	19,440	Retail & Others	<u>5,426</u>	Above-Ground		Sub-total	67,526	Below Ground	<u>13,013</u>	Total	<u>80,539</u>	Proposed Use	Area (m ²)	Residential	26,137	Hotel	26,627	Retail	12,554	Parking & Others	<u>6,527</u>	Total	<u>71,845</u>	<p>At the time of our site inspection, the Property was vacant.</p>	<p>EURO 265,000,000</p> <p>(TWO HUNDRED AND SIXTY FIVE MILLION EUROS)</p>
Existing Use	Area (m ²)																														
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Notes:

- (1) The general description and market information of the Property is summarised as below:

Location: The subject property-“Edificio España”— is located on the northern side of “Plaza España”, which is one of the most renowned open plazas of Madrid, being located close to the historical city centre and at the end of Gran Via, one of the most important retail and entertainment streets of the Spanish capital.

Transportation: Access is quick and easy by foot from any point. The street network also provides good access to the property by car, existing a direct connection to the ring road M-30 (>1 km) through Calle San Vicente. Car traffic is also supported by the presence of a public parking located just under Plaza España. The building is located in close proximity to the major cultural attractions of the city.

Nature of Surrounding Area: The area surrounding the property is currently characterized by average-class residential in the north-side, mid-class residential and retail on the east-side, the renown Plaza de España on the south, and high-class residential with mid-class retail on the west. Currently major refurbishments are taking place in the area around the square including several hotel developments. The Municipality has ambitious plans to gentrify the area and the square in particular.

Distance from the major attractions points: From a minimum of 200 m up to 1.4 km. The building feature an excellent connection to major cultural attractions of Madrid.

- (2) According to the Registry Information of Property Registrar of Madrid 27 of Registradores de España the registered owner of the Property is Wanda Madrid Development, S.L.U..
- (3) The municipality allows for hotel, office and residential uses that were in place originally in the existing building.
- (4) The Property is currently listed with Level 3a / Partial (Parcial): Partial Protection in the index of listed buildings defined by the current Master Plan of Urban Planning of the city of Madrid, which was amended from previous Level 2a.

This amendment allows the fully refurbishment of the building with the preservation of the main façade (Plaza de España) and the lateral façades to Calle de los Reyes and Calle San Leonardo.

The environmentalist association “Ecologistas en Acción” appealed against this amendment to the Madrid Court (“Tribunal Superior de Justicia de Madrid”). There is no a court decision yet but, for valuation purposes, we have assumed that the court overrules this appeal. A court ruling in favor of the association would revoke the Plan General de Ordenación Urbana amendment and, therefore, some internal elements of the building must be preserved and the project we are basing the valuation on should be modified.

- (5) The estimated value of the Property assuming completion of the Proposed Development is EURO 532,500,000 (FIVE HUNDRED THIRTY TWO MILLION FIVE HUNDRED THOUSAND EUROS).
- (6) According to the registry information of Note (2) above, there are no encumbrances registered against the Property.

1. RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV to the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of SFO); or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO; or have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) were as follows:

Interests in shares of DWCP (*Note 1*)

Name of Director	Long position/ short position	Capacity/Nature of interest	Interest in shares and underlying shares of DWCP	Approximate percentage of the issued share capital of DWCP
Mr. Ding Benxi	Long	Beneficial owner	50,000,000	1.10%
Mr. Qi Jie	Long	Beneficial owner	10,000,000	0.22%
Mr. Qu Dejun	Long	Beneficial owner	6,000,000	0.13%
Mr. Liu Chaohui	Long	Beneficial owner	6,000,000	0.13%

Note:

- (1) DWCP, being an indirect holding company of the Company, is an associated company of the Company under Part XV of the SFO. The calculation is based on the total number of 4,527,347,600 shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO); or which have been entered in the register maintained by the Company pursuant to Section 352 of the SFO; or which have been notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Company, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the shares and underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

Name	Long position/ short position	Capacity/ Nature of interest	Interest in shares and underlying shares of the Company	Approximate percentage of the issued share capital of the Company
Wanda Overseas	Long	Beneficial owner	3,055,043,100	65.04%
Wanda Real Estate Investments Limited* (萬達地產投資有限公司)	Long	Interest in controlled corporation (<i>Note 1</i>)	3,055,043,100	65.04%
Wanda HK	Long	Interest in controlled corporation (<i>Note 2</i>)	3,055,043,100	65.04%
DWCP	Long	Interest in controlled corporation (<i>Note 3</i>)	3,055,043,100	65.04%
Dalian Wanda Group Co., Ltd.* (大連萬達集團股份有限公司) ("Dalian Wanda Group")	Long	Interest in controlled corporation (<i>Note 4</i>)	3,055,043,100	65.04%

Name	Long position/ short position	Capacity/ Nature of interest	Interest in shares and underlying shares of the Company	Approximate percentage of the issued share capital of the Company
Dalian Hexing Investment Co., Ltd. ("Dalian Hexing")	Long	Interest in controlled corporation (Note 5)	3,055,043,100	65.04%
Mr. Wang Jianlin	Long	Interest in controlled corporation (Note 6)	3,055,043,100	65.04%
Mr. Chen Chang Wei ("Mr. Chen")	Long	Beneficial owner and held by controlled corporation (Note 7)	297,460,230	6.33%
	Long	Interest of spouse (Note 7 and 8)	27,683,423	0.59%
Ms. Chan Sheung Ni	Long	Beneficial owner	27,683,423	0.59%
	Long	Interest of spouse (Note 9)	297,460,230	6.33%
Ever Good Luck Limited (Note 10) ("Ever Good")	Long	Beneficial owner	73,860,230	1.57%
	Long	Trustee	204,237,800	4.35%

Notes:

- (1) Wanda Real Estate Investments Limited* (萬達地產投資有限公司) holds more than one-third of the issued shares of Wanda Overseas and is therefore deemed to have an interest in the shares and underlying shares of the Company in which Wanda Overseas is interested.
- (2) Wanda HK holds more than one-third of the issued shares of Wanda Real Estate Investments Limited* (萬達地產投資有限公司) and is therefore deemed to have an interest in the shares and underlying shares of the Company in which Wanda Real Estate Investments Limited* (萬達地產投資有限公司) is deemed to be interested. Mr. Ding Benxi, being a non-executive Director and the Chairman of the Board, is a director of Wanda HK.

- (3) DWCP holds more than one-third of the issued shares of Wanda HK and is therefore deemed to have an interest in the shares and underlying shares of the Company in which Wanda HK is deemed to be interested. Mr. Ding Benxi, being a non-executive Director and the Chairman of the Board, is an executive director and the chairman of the board of directors of DWCP. Mr. Qi Jie, being a non-executive Director, is an executive director of DWCP. Mr. Qu Dejun, being a non-executive Director, is a non-executive director of DWCP. Mr. Liu Chaohui, being an executive Director, is a non-executive director of DWCP.
- (4) Dalian Wanda Group holds more than one-third of the issued shares of DWCP and is therefore deemed to have an interest in the shares and underlying shares of the Company in which DWCP is deemed to be interested. Mr. Ding Benxi, being a non-executive Director and the Chairman of the Board, is a director and president of Dalian Wanda Group. Mr. Qi Jie, being a non-executive Director, is a director of Dalian Wanda Group. Mr. Liu Chaohui, being an executive Director, is the vice president of Dalian Wanda Group.
- (5) Dalian Hexing holds more than one-third of the issued shares of Dalian Wanda Group and is therefore deemed to have an interest in the shares and underlying shares of the Company in which Dalian Wanda Group is deemed to be interested.
- (6) Mr. Wang Jianlin holds more than one-third of the issued shares of Dalian Hexing and is therefore deemed to have an interest in the shares and underlying shares of the Company in which Dalian Hexing is deemed to be interested.
- (7) Mr. Chen was deemed to have a long position of 325,143,653 Shares, of which (i) 19,362,200 Shares were beneficially and legally owned by him, (ii) 204,237,800 Shares were held on trust for him by Ever Good, (iii) 73,860,230 Shares were beneficially owned by Ever Good, and (iv) 27,683,423 shares were held by his spouse, Ms. Chan Sheung Ni, as beneficial owner.
- (8) Ms. Chan Sheung Ni is the spouse of Mr. Chen.
- (9) Ms. Chan Sheung Ni is the spouse of Mr. Chen. Ms. Chan Sheung Ni is therefore deemed to have an interest in the Shares in which Mr. Chen is interested.
- (10) The entire issued share capital of Ever Good is ultimately owned by Mr. Chen and Mr. Chen is the sole director of Ever Good.

As at the Latest Practicable Date, save as disclosed above, none of the other Directors was a director or employee of the above substantial Shareholders which has an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

** For identification purposes only.*

4. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors, directly or indirectly, had any interest in any assets which had since 31 December 2015 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. DIRECTORS' INTERESTS IN CONTRACTS

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested, directly or indirectly, and which was significant in relation to the business of the Group.

6. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business of the Group, were entered into by members of the Group within the two years immediately preceding the date of this Circular and up to the Latest Practicable Date and are or may be material:

- (a) On 23 January 2015, pursuant to an agreement dated 11 August 2014 entered into between the Company and Wanda HK for the formation for joint venture for real property projects in Australia, the Company and Wanda HK entered into a joint venture agreement in relation to the acquisition and re-development of properties in Sydney (the “**One JV Agreement**”). The total commitment of the Company under the One JV Agreement shall not exceed A\$360 million. The principal terms of the One JV Agreement are set out in the circular issued by the Company on 13 May 2015.
- (b) On 3 November 2016, the Company and the Purchaser entered into the Agreement in relation to the Disposal, the principal terms of which are set out in pages 5 to 8 of this Circular.

7. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice contained in this Circular:

Name	Qualification
Jones Lang LaSalle	Independent property valuer

Jones Lang LaSalle has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its report or letter (as the case may be) and references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Jones Lang LaSalle was not interested in any shares in the Company or any member of the Group, nor did it have any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any shares in the Company or any member of the Group.

As at the Last Practicable Date, Jones Lang LaSalle had no interest, direct or indirect, in any assets which have been, since 31 December 2015 (being the date to which the latest published audited accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

9. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or proposed to enter into, a service contract with the Company or any member of the Group which does not expire or is not determinable by the Company or such member of the Group within one year without payment of compensation (other than statutory compensation).

10. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the interests of Directors and their respective close associates in businesses which compete or are likely to compete, either directly or indirectly, with business of the Group which interests would be required to be disclosed under Rule 8.10 of the Listing Rules if the relevant Director were a controlling shareholder of the Company were as follows:

Name of Director/ close associate	Name of company	Nature of interest in the company	Business of the company
Mr. Ding Benxi	DWCP	Being a director and shareholder with 1.10% interest	Engaging in property development, property lease, property management and investment holding
Mr. Qi Jie	DWCP	Being a director and shareholder with 0.22% interest	Engaging in property development, property lease, property management and investment holding
Mr. Qu Dejun	DWCP	Being a director and shareholder with 0.13% interest	Engaging in property development, property lease, property management and investment holding
Mr. Liu Chaohui	DWCP	Being a director and shareholder with 0.13% interest	Engaging in property development, property lease, property management and investment holding

As at the Latest Practicable Date, save as disclosed above, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with business of the Group which interest would be required to be disclosed under Rule 8.10 of the Listing Rules as if the relevant Director were a controlling shareholder of the Company.

11. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Hui Wai Man, Shirley. She is a fellow member of The Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. She is also a member of Hong Kong Securities Institute and the Society of Chinese Accountants and Auditors.
- (b) The principal share registrar and transfer office of the Company is MUFG Fund Services (Bermuda) Limited located at The Belvedere Building, 69 Pitts Bay Road, Pembroke HM08, Bermuda.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Standard Limited located at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The English text of this Circular prevails over the Chinese text.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:30 a.m. to 5:30 p.m. (except Saturdays, Sundays and gazetted public holidays in Hong Kong), at Unit 3007, 30/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong for a period of 14 days from the date of this Circular:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company containing audited consolidated financial statements of the company for two years ended 31 December 2014 and 2015;
- (c) the letter from the Board, the text of which is set out on pages 4 to 11 of this Circular;
- (d) the property valuation report prepared by Jones Lang LaSalle, the text of which is set out in Appendix II to this Circular;
- (e) the contracts referred to in the paragraph headed "Material contracts" in this Appendix III;
- (f) the written consent from Jones Lang LaSalle referred to in the paragraph headed "Expert and consent" in this Appendix III; and
- (g) this Circular.