
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in GUANGZHOU R&F PROPERTIES CO., LTD. (廣州富力地產股份有限公司), you should at once hand this circular to the purchaser or the transferee or to the bank, the registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



廣州富力地產股份有限公司

GUANGZHOU R&F PROPERTIES CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2777)

**MAJOR TRANSACTION IN RELATION TO
THE ACQUISITION OF ASSETS**

CONTENTS

| | <i>Page</i> |
|--|-------------|
| Definitions | 1 |
| Letter from the Board | 4 |
| Appendix I – Financial Information of the Group | I-1 |
| Appendix II-A – Accountant’s Report of the Tranche 1 Assets | II-A-1 |
| Appendix II-B – Accountant’s Report of the Tranche 2 Assets | II-B-1 |
| Appendix II-C – Accountant’s Report of the Tranche 3 Assets | II-C-1 |
| Appendix III – Unaudited Pro Forma Financial Information of the Enlarged Group | III-1 |
| Appendix IV – Management Discussion and Analysis of the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets | IV-1 |
| Appendix V – Valuation Report | V-1 |
| Appendix VI – Historical Operation Information of the Assets | VI-1 |
| Appendix VII – General Information | VII-1 |

DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

| | |
|--------------------------------|---|
| “Agreement” | the agreement dated 19 July 2017 entered into by the Company and Dalian Wanda, as supplemented by the First Supplemental Agreement and the Second Supplemental Agreement in relation to the Acquisition |
| “Acquisition” | the proposed acquisition by the Company of the entire interest in the Assets |
| “Announcements” | the announcements of the Company dated 19 July 2017, 31 October 2017 and 23 November 2017 in relation to the Acquisition |
| “Assets” | the hotels numbered 1 to 73 in the section headed “INFORMATION ON THE ASSETS” in this circular and Dalian Wanda Commercial Center* (大連萬達中心寫字樓) |
| “Board” | the board of the Company |
| “Company” | Guangzhou R&F Properties Co., Ltd., a joint stock limited company incorporated in the PRC with limited liability, the H-shares of which are listed on the main board of the Stock Exchange |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Dalian Wanda” | 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 with limited liability |
| “Directors” | directors of the Company |
| “Domestic Share(s)” | ordinary share(s) in the capital of the Company, with a nominal value of RMB0.25 each, which are subscribed for and credited as fully paid up in RMB |
| “Enlarged Group” | the Group as enlarged by completion of the Acquisition |
| “First Supplemental Agreement” | the supplemental agreement dated 20 October 2017 entered into by the Company and Dalian Wanda in relation to the Acquisition |
| “Group” | the Company and its subsidiaries |

DEFINITIONS

| | |
|---------------------------------|--|
| “H Share(s)” | ordinary share(s) in the capital of the Company listed on the main board of the Stock Exchange, with a nominal value of RMB0.25 each, which are subscribed for and traded in Hong Kong dollars |
| “Holding Companies” | has the meaning as set out in the section headed “Payment” in this circular |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Hotel Management Agreements” | the agreements to be entered into, or entered into, by the Holding Companies and the respective hotel management companies which have been engaged to manage the operation of the city hotels |
| “Latest Practicable Date” | 13 March 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Management Agreement(s)” | the agreements entered into by Dalian Wanda and the respective hotel management companies which have been engaged to manage the operation of the city hotels |
| “PRC” | the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Second Supplemental Agreement” | the supplemental agreement dated 23 November 2017 entered into between the Company and Dalian Wanda in relation to the Acquisition |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Share(s)” | share(s) of the Company, including Domestic Share(s) and H Share(s) |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “sq.m.” | square metre(s) |

DEFINITIONS

| | |
|--------------------|---|
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Tranche 1 Assets” | the Holding Companies holding the 64 city hotels and Dalian Wanda Commercial Center, which were transferred to the Company by Dalian Wanda on 31 October 2017 |
| “Tranche 2 Assets” | the Holding Companies holding the 5 city hotels, which were transferred to the Company by Dalian Wanda on 23 November 2017 |
| “Tranche 3 Assets” | the Holding Company holding Kunming Wanda Vista Hotel, which was transferred to the Company on 2 January 2018 |
| “US\$” | United States dollar, the lawful currency of the United States of America |
| “%” | percent |

* *for identification purposes only*

LETTER FROM THE BOARD



廣州富力地產股份有限公司

GUANGZHOU R&F PROPERTIES CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2777)

Executive Directors:

Mr. Li Sze Lim (*Chairman*)
Mr. Zhang Li (*Co-Chairman and Chief Executive Officer*)
Mr. Zhou Yaonan
Mr. Lu Jing

Registered Office in the PRC:

45-54/F., R&F Center
No. 10 Huaxia Road
Pearl River New Town
Guangzhou 510623
PRC

Non-executive Directors:

Ms. Zhang Lin
Ms. Li Helen

*Principal Place of Business
in Hong Kong:*

Room 1103
Yue Xiu Building
160-174 Lockhart Road
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Zheng Ercheng
Mr. Ng Yau Wah, Daniel
Mr. Wong Chun Bong

16 March 2018

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF ASSETS

INTRODUCTION

Reference is made to the Announcements in relation to, among other matters, the Acquisition.

The Company announced that the Company as the buyer and Dalian Wanda as the seller entered into the Agreement (that is, the agreement dated 19 July 2017 (after trading hours), the First Supplemental Agreement dated 20 October 2017 (after trading hours) and the Second Supplemental Agreement dated 23 November 2017 (after trading hours)), pursuant to which the Company conditionally agreed to acquire, and Dalian Wanda conditionally agreed to dispose of, the interest in (1) 73 city hotels and (2) Dalian Wanda Commercial Center at the consideration of approximately RMB18,955,280,000.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors, after making all reasonable enquiries, Dalian Wanda and its ultimate beneficial owners are independent of the Company and connected persons of the Company.

The purpose of this circular is to provide you with, amongst other things, (i) further details of the Acquisition and the Assets; (ii) the financial information of the Group; (iii) the accountant's reports of the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets; (iv) the unaudited pro forma financial information of the Enlarged Group; (v) the management discussion and analysis of the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets; (vi) the valuation report on the Assets; (vii) the historical operation information of the Assets; and (viii) other information as required under the Listing Rules. This circular is despatched to the Shareholders for information purposes only.

THE ACQUISITION

The principal terms of the Agreement are as follows:

Subject

The Company conditionally agreed to acquire, and Dalian Wanda conditionally agreed to dispose of, the interest in (1) 73 city hotels (i.e. the hotels numbered 1 to 73 in the section headed "INFORMATION ON THE ASSETS" below) and (2) Dalian Wanda Commercial Center which is held under the property right certificate with (a) Dalian Wanda Conrad Hotel (listed as numbered 20 in the section headed "INFORMATION ON THE ASSETS" below) and (b) Dalian Wanda Hilton Hotel (listed as numbered 21 in the section headed "INFORMATION ON THE ASSETS" below) by the transfer of the interests to the Holding Companies. The Holding Companies will become subsidiaries of the Company upon Completion.

Further information of the 73 city hotels and Dalian Wanda Commercial Center is set out in the section headed "INFORMATION ON THE ASSETS" below.

Consideration

The total consideration for the Acquisition is approximately RMB18,955,280,000 (the "**Consideration**") (subject to downward adjustment). The Consideration is determined after arm's length negotiations between the parties with reference to the net asset value of the Assets (estimated by Dalian Wanda). The Directors consider that the Consideration is fair and reasonable. The Consideration will be satisfied by internal resources of RMB12,642,475,000 and third-party borrowings of RMB6,312,805,000. As at the Latest Practicable Date, RMB18,157,940,000 has been settled.

Other than the purchase price, the Group will not be held liable for any debt liabilities of Dalian Wanda in financing the carrying costs of the Assets or for any debts incurred by Dalian Wanda in connection with the operation of the Assets prior to their transfer to the Holding Companies.

LETTER FROM THE BOARD

The Company obtained the following third-party borrowings for the purpose of funding the Acquisition:

- (a) An offshore loan of USD650 million (equivalent to approximately RMB4,315,805,000) has been drawn down pursuant to the facility agreement dated 10 October 2017. The rate of interest on each loan for each interest period is 8.5% per annum.
- (b) An onshore loan of RMB1.997 billion has been drawn down pursuant to the facility agreement dated 31 October 2017. The rate of interest on the loan is 5.39% per annum.

The Company has accepted the net asset value of the Assets as at 31 December 2017 as estimated by Dalian Wanda as the purchase price because based on its own valuation, the fair value of the Assets would not be less than the estimated net asset value. The Company has extensive experience in hotel business and property investment. In its investment portfolio, there are 14 commercial buildings and 16 hotels.

The management of the Group has been involved in property investment in the PRC for over two decades. The Company has assessed their fair value based on its experience in property investment, the historical operating data and reinstatement cost of the Assets. The Board has not taken into account the historical financial information of the Hotels and Dalian Wanda Commercial Center in performing the valuation.

The valuation was mainly based on the Company's experience in the industry and property market by reference to average cost per square of a hotel or commercial center within the Company's portfolio if the Group had to develop the Assets from scratch. The Company reasonably believes that the fair value of the Assets will not be significantly below the net asset value of the Assets, and the valuation assessment based on the construction cost and reinstatement cost of the Assets was fair and reasonable.

There was no material difference between the valuation estimated by the Company and the valuation performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited disclosed in Appendix V of this circular. The valuation was only 2% below the net asset value of the Assets.

Before entering into of the Agreement, the Company performed the due diligence work as set out below in ascertaining the net asset value of the Assets estimated by Dalian Wanda:

- (a) to obtain the construction acreage of the city hotels and Dalian Wanda Commercial Center; and to review the average net asset value per square of the city hotels and Dalian Wanda Commercial Center estimated by Dalian Wanda; and
- (b) after taking a 40% discount, the average net asset value per square metre of the Assets estimated by Dalian Wanda is much lower than the average construction cost per square metre of a hotel or a commercial centre based on the Company's experience in the real estate development business.

LETTER FROM THE BOARD

After the entering of the Agreement, the Company continued to perform on-going due diligence works on the Assets, which included but not limited to, on a sample basis:

- (a) performing site visits;
- (b) inspecting public documents filed by Dalian Wanda to identify if any inconsistency in the estimated net asset value of the Assets;
- (c) obtaining the industry and commercial registration archives and other legal documents filed by Dalian Wanda from the Industrial and Commercial Bureau, and checking if any material inconsistency regarding to the net asset value estimated by Dalian Wanda; and
- (d) obtaining the immovable property right certificates of the Assets, verifying the owners, location and acreage of the Assets.

Payment

The Consideration will only be adjusted downward when the Company exercises its right under the Agreement to carve out any of the Assets, the Restructuring of which cannot be completed by 31 January 2018. As the reduced adjusted amount would reflect the net asset value attributable to such Asset, the Company considers that the downward adjustment is fair and reasonable.

The Consideration (subject to downward adjustment) shall be payable by the Company to Dalian Wanda in the following manner:

- 1. A refundable deposit of RMB2,000,000,000 (the “**Deposit**”) shall be payable by the Company to Dalian Wanda within two (2) business days after signing of the Agreement;
- 2. After Dalian Wanda having received the Deposit, Dalian Wanda shall complete the transfer of the interest in each of the Assets until the ownership certificates of the Assets that are in operation (including the immovable property right certificates for the 71 city hotels, the immovable property right certificate for Dalian Wanda Commercial Center and the land use certificates or the immovable property right certificates for the two hotels that have not commenced business) have been transferred to the respective holding companies (the “**Holding Companies**”) (the “**Restructuring**”); and
- 3. Dalian Wanda is obliged to procure the Restructuring so as to fulfill the conditions of transfer of interest in the Holding Companies to the Company. The Company and Dalian Wanda have to confirm the list of properties with respect of which the conditions of transfer of interest have been fulfilled and the Company shall settle the consideration attributable to such properties on the first working day after such confirmation.

LETTER FROM THE BOARD

The agreed conditions precedent for the Assets are as follows:

- (a) the Holding Companies shall obtain the new business licenses for the Assets;
- (b) the Holding Companies shall obtain the immovable property right certificates for the Assets; and
- (c) the net asset value of the Assets disclosed in the list of assets and financial statements of the Holding Companies as at the transfer date shall not be less than the net asset value of the Assets disclosed in the Agreement.

As at the date of this circular, the Company and Dalian Wanda have confirmed that the Restructuring with respect to 71 properties comprised in the Assets have been fulfilled and 69 Holding Companies have been transferred to the Group. The Company has settled the consideration attributable to these 71 properties in the amount of RMB18,157,940,000.

The agreed conditions precedent for 65 properties (hotels numbered 1, 3-12, 14-25, 27-48, 51-54, 56-64, 66-71 and Dalian Wanda Commercial Center) comprised in the Assets have been fulfilled and the transfer for these 65 properties have been completed on 31 October 2017. The agreed conditions precedent for 5 properties (hotels numbered comprised 2, 13, 50, 55 and 65) in the Assets have been fulfilled and the transfer for these 5 properties have been completed on 23 November 2017. The agreed conditions precedent for Kunming Wanda Vista Hotel (hotel numbered 49) in the Assets have been fulfilled and the transfer for this hotel has been completed on 2 January 2018.

Adjustment

The parties agree that:

- (1) if Dalian Wanda expects that some of the Assets cannot be restructured and disposed of according to the terms of the Agreement, Dalian Wanda undertakes that such Assets will be directly transferred to the Company; and
- (2) if the Company fails to pay the Consideration for more than ten (10) business days in accordance with the Agreement, the Company will be deemed to waive the acquisition of the unpaid Assets voluntarily and Dalian Wanda has a right to dispose of the unpaid Assets immediately. If the entire interest of the unpaid Assets has been transferred to the Company, the Company shall transfer the entire interest in such Assets and their respective holding companies to Dalian Wanda according to the terms of the Agreement.

Condition

The Acquisition is conditional upon the approval of the Shareholders of the Company in accordance with the requirements of the Listing Rules.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company has obtained written shareholders' approval for the Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules from Mr. Li Sze Lim and Mr. Zhang Li, who are the beneficial owners holding an aggregate of 2,111,818,144 Shares, representing approximately 65.54% of the issued share capital of the Company as at the Latest Practicable Date.

POST-COMPLETION OPERATION AND MANAGEMENT

After completion of the Acquisition, while the Group will retain the same hotel management companies and will not immediately make material changes to the business models for the Assets, the Group will enhance the revenue streams and recalibrate cost-control measures that did not feature in the historical financial results of the Assets as operated by Dalian Wanda. The Group will implement the operation and management plans of the Assets as follows:

1. Retain business model

While there will not be material change to the business model of the Assets immediately after completion of the Acquisition, all the contracts in connection with the Assets entered into by Dalian Wanda prior to the transfer to the Holding Companies, including but not limited to the management agreements, the employment contracts with the Hotels, the tenancy agreements with tenants of Dalian Wanda Commercial Center have been, and would be, re-negotiated by the Group with the counter-parties. New contracts have been, and would be, entered into between the Holding Companies and the counter-parties.

The Directors do not currently expect any material changes of the business model of the city hotels and Dalian Wanda Commercial Center. The Directors will keep monitoring the operation of the Assets, assessing and fine tuning the services to be provided by the hotel management companies after completion of the Acquisition. The Company had no current plan or intention for renovation or refurbishment of the Assets as at the Latest Practicable Date.

Each of the 73 city hotels comprised in the Assets shall continue to be subject to the respective Management Agreement signed until the expiry of the Management Agreements. The Company has no right to early terminate the Management Agreements. Dalian Wanda shall undertake that the management fee standards applicable to the 54 city hotels managed by its hotel management companies will not exceed the management fee standards charging by the management company of Hyatt Regency Jinan (濟南萬達凱悅酒店) and the Management Agreements will not exceed 19 years (the “**Undertaking**”). The Company considers that the Undertaking is in the interest of the Company and the Shareholders as a whole to (i) maintain the continuity, stability and efficiency of the operation; and (ii) follow the industry practice and the Company's experience in controlling the management fee standards.

LETTER FROM THE BOARD

In addition, the Management Agreements allow the existing management to share the current operation experience with the hotel owners, which enable the hotel owners to have a better understanding of the operation in order to maintain and improve the quality of the hotel services in the future. Dalian Wanda shall coordinate with its hotel management companies to confirm the management fees and management agreements period. The Company shall give priority to the hotel management companies of Dalian Wanda for the renewal of their management agreements in the six (6) months before their expiry. Upon the expiry of the Management Agreements, the Company plans to reassess the operation and management of the existing hotel management companies. The Company will renew hotel management agreements with the existing hotel management companies only if it is satisfied with their performance. The Company will take into account the factors including but not limited to the continuity, stability and efficiency of the operation, when determining the renewal of the hotel management agreements upon their expiry. The Company will also consider the industry practice, and compare the terms of other service providers in the market to obtain the best available terms.

The pre-completion business and operation model of the hotels is such that they are managed by the hotel management companies in accordance to the Management Agreements. It is not expected that there are, or will be, material change to the terms of the Hotel Management Agreements post-completion as compared to the terms of the Management Agreements, including the expiry date, fees, scope of the services etc. The Company has no right to early terminate the Hotel Management Agreements. A summary of key terms of the Hotel Management Agreements which will be entered into, or entered into, by the Holding Companies and the respective hotel management companies is set out as follows.

A. Services

The hotel management services provided by the hotel management companies include services for pricing, recruitment and training, properties and facilities maintenance, safety, food and beverages, purchasing, sales and marketing and reservation.

Hotel Operations

Under the Hotel Management Agreements, hotel management companies are required to operate the hotels under standards comparable to those prevailing in other hotels under their respective brands. Save as provided in the Hotel Management Agreements and subject to prior approval of the hotel owners in certain circumstances, management companies shall have discretion in the operation of the hotels. The hotel owners shall have rights to know and to suggest advice to the management companies.

LETTER FROM THE BOARD

The management companies shall have discretion in the operation of the hotels, subject to prior approval from the hotel owners on:

- (i) using the hotel assets as guarantee or pledge;
- (ii) managing other fixed assets of the hotels other than decoration and facilities;
- (iii) entering into of any loan or facility agreements; (iv) leasing or licensing the facilities and services of the city hotels; and
- (iv) settling payment in the amount over RMB1,000,000.

Leases and Concessions

Hotel management companies are required to operate in the hotels all facilities and provide all services and are authorised to lease or grant concessions on behalf of the hotel owners in respect of such services or facilities, subject to prior approval of the hotel owners in certain circumstances.

The rentals or other payments received by hotel management branch companies or the hotel owners under each such lease or concession shall be included in the revenue of the hotels.

B. *Term*

Each hotel management agreement is for a definite term which is generally renewable upon the expiration of the initial term, subject to mutual agreement or according to the terms and conditions of the hotel management agreement.

The Hotel Management Agreements of the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets are for an initial operating term from 10 years to 20 years since the opening day and with an extension term of 10 years subject to certain conditions as set forth in the Hotel Management Agreements.

C. *Employees*

Under the Hotel Management Agreements, each employee of the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets, except for the general manager and the executive staff determined by the hotel management companies, is an employee of the hotel owners. The appointment of the general manager is subject to the approval of the hotel owners.

D. *Fees*

Under the Hotel Management Agreements, the hotel owners are required to pay (i) a basic management fee (which is calculated as a percentage from 1.7% to 2.5% of the hotel's adjusted gross operating revenue) and (ii) an incentive fee (which is

LETTER FROM THE BOARD

calculated as a percentage from 3% to 8% of the hotel's gross operating profit, subject to certain adjustments with reference to the targeted sales) to the hotel management companies.

The adjusted operating revenue equals to gross revenue minus certain categories of income received by the hotel mainly including government tax, insurance payment and interest received from the hotel bank account, as agreed between the hotel owners and the hotel managers. The scope of such categories of income to be deducted from the total revenue when calculating the basic management fee varies between different hotel management agreements.

In addition, the hotel management companies provide global marketing and advertising services for their respective hotel brands, centralised reservations, sales services and other hotel specific services to the relevant hotel. The hotel management companies are entitled to be reimbursed for all costs incurred by them and their affiliates, including salaries of officers or employees, in providing such services. The amounts charged for the ancillary services shall be determined on the same basis as such amounts are determined for substantially all of the other hotels under same brands.

E. Termination

If there is any event of default, a party can terminate the agreement within 30-calendar day after notifying the party in default in writing, otherwise, the agreement will be terminated immediately. The written notice will become invalid if the party in default rectify the defaults immediately. The notice period shall be reasonably extended if the party in defaults will need additional time to rectify the defaults with its best endeavours.

2. Participate in operation

All of the hotels under Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets were managed by the hotel management companies, which are globally renowned hotel operators. The hotel management companies were engaged to manage the day-to-day operations and marketing of the hotels pursuant to the hotel management agreements entered into between the hotel management companies as the service providers and the Holding Companies as the hotel owners. Apart from overseeing and providing the business strategies of the hotels, the hotel owners are responsible for their financial control including approving the budget, deciding on any guarantee or pledging of the hotels, negotiating and obtaining any third-party borrowings, leasing or licensing the facilities and services of the hotels. As a consequence of the Acquisition, no employee will be, or has been, discontinued after the transfer of the Hotels to the Holding Companies. The Company is not obliged to make any compensation to discontinued employees.

The Company, as the hotel owner, would take an active role in the operation of the hotels. New regional general managers (approximately five to six individuals) and new representatives have been, or would be, appointed to closely monitor the hotel

LETTER FROM THE BOARD

operations (including budget, operation strategy and renovation strategy, etc.). The Group has a professional in-house team to maintain close contact with all the hotel management companies, monitor their performance and work with them to maximize returns while preserving or enhancing the asset value. In addition, a subsidiary of the Company in Dalian would oversee the leasing and property management of the Dalian Wanda Commercial Center. The Company would bring in its own management style in formulating the overall operation strategy of the hotels.

3. Create revenue stream

The Company has identified business partners (such as providers of post-natal health care and operators of elderly homes) with a view to enhancing the occupancy rate and average daily rate of the Hotels that had low occupancy rate under Dalian Wanda. A pilot project with the provision of post-natal health care has been implemented at one of the Hotels. The Company will also roll out a programme to promote “mobile hospitality in the golden years” under which guests above a certain age would be offered a favourable rate for an extended stay during the off-peak season across all the hotels owned by the Group (including the Hotels).

4. Implement cost-control measures

The Group will implement the following cost-control measures with respect to the Assets:

- (i) The Group has different financing structure and cost from those of Dalian Wanda. The Group will leverage on its position in minimizing the financing cost for the Assets.
- (ii) The Company would apply a centralised purchase strategy with its vendors to achieve cost-saving across the hotels and commercial buildings owned by the Group including the Assets.
- (iii) The cluster management model will be adopted whereby the hotels under the Dalian Wanda brand in the same geographical area will be managed on an integrated basis instead of a stand-alone basis which was the model in the past. Cost saving would be expected as a result of eliminating the duplication of resources.

5. Implement effective employee rewarding policy

The Company will adopt employee rewarding system, in line with the system of the Group, with effective KPIs and incentives to improve overall employee’s performance.

6. Enhance the internal control

The Company will introduce and install real time data system in the hotels and gradually implement change on hotel management system, book keeping and financial reporting system and other operating systems.

LETTER FROM THE BOARD

INFORMATION ON THE ASSETS

The Assets have total gross floor area of approximately 3.160 million sq.m. with 21,707 rooms in total. Dalian Wanda estimated that the net asset value of the Assets as of 31 December 2017 would be approximately RMB31,592,160,000, taking into account the estimated costs of the two hotels that have not commenced operation. Under the Agreement, Dalian Wanda shall ensure the net asset value of each Asset will not be less than the estimated net asset value as at 31 December 2017 at the time of the transfer.

The parties have agreed on the ownership of the assets (such as furniture) of the city hotels. The costs to be incurred for the construction of the two hotels that have not yet commenced operation will be borne by Dalian Wanda. The Directors do not expect any contingent liabilities to be incurred by the Holding Companies transferred and to be transferred to the Company.

The following table sets out certain information on the Assets:

| No. | Name | Opening Date | Gross Floor Area (Ten thousand sq.m.) | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|------------------------------------|--------------|--|-----------------|--|--|
| 1. | Ningbo Wanda Sofitel Hotel | 2008/12/18 | 4.07 | 291 | No. 899 Siming Middle Road, Yinzhou District, Ningbo City, Zhejiang Province The PRC | 2018/12/18 |
| 2. | Beijing Wanda Realm Hotel | 2009/1/1 | 4.35 | 312 | No. Jia 18 Shijingshan Road, Shijingshan District, Beijing The PRC | 2034/1/1 |
| 3. | Qingdao Wanda Le Meridien Hotel | 2009/11/27 | 5.11 | 349 | No. 112 Yanji Road, Shibei District, Qingdao City, Shandong Province The PRC | 2024/11/27 |
| 4. | Chongqing Wanda Le Meridien Hotel | 2009/12/11 | 4.29 | 319 | No. 10 Jiangnan Avenue, Nan'an District, Chongqing The PRC | 2024/12/11 |
| 5. | Wuxi Wanda Sheraton Hotel | 2010/9/17 | 4.67 | 350 | No. 49 Liangxi Road, Binhu District, Wuxi City, Jiangsu Province The PRC | 2025/9/17 |
| 6. | Xiangyang Wanda Crowne Plaza Hotel | 2010/11/26 | 4.33 | 303 | No. 11 Changhong North Road, Xiangyang City, Hubei Province The PRC | 2020/11/26 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area <i>(Ten thousand sq.m.)</i> | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|---|--------------|---|-----------------|--|--|
| 7. | Yichang Wanda Crowne Plaza Hotel | 2010/11/27 | 3.91 | 276 | 169S Yanjiang Avenue, Wujiagang District, Yichang City, Hubei Province The PRC | 2020/11/27 |
| 8. | Fuzhou Wanda Westin Hotel | 2010/12/22 | 4.93 | 305 | No. 366 Jiangbin Middle Avenue, Taijiang District, Fuzhou City, Fujian Province The PRC | 2025/12/22 |
| 9. | Hefei Wanda Westin Hotel | 2010/12/23 | 4.85 | 310 | No. 150 Ma'anshan Road, Baohe District, Hefei City, Anhui Province The PRC | 2025/12/23 |
| 10. | Wuhan Wanda Westin Hotel | 2011/7/30 | 5.04 | 305 | No. 96, Linjiang Avenue, Wuchang District, Wuhan City, Hubei Province The PRC | 2026/7/30 |
| 11. | Zhenjiang Wanda Sheraton Hotel | 2011/8/12 | 4.33 | 289 | No. 88 Beifu Road, Runzhou District, Zhenjiang City, Jiangsu Province The PRC | 2026/8/12 |
| 12. | Xi'an Wanda Hilton Hotel | 2011/8/24 | 4.34 | 311 | No. 199 Dongxin Street, Xincheng District, Xi'an City, Shaanxi Province The PRC | 2026/8/24 |
| 13. | Shijiazhuang Wanda InterContinental Hotel | 2011/9/23 | 4.38 | 293 | No. 119 Huai'an East Road, Yuhua District, Shijiazhuang City, Hebei Province The PRC | 2026/9/23 |
| 14. | Jinan Wanda Hyatt Hotel | 2011/9/28 | 5.30 | 343 | No. 187 Jingsi Road, Shizhong District, Jinan City, Shandong Province The PRC | 2031/9/28 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area <i>(Ten thousand sq.m.)</i> | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|---------------------------------------|--------------|---|-----------------|---|--|
| 15. | Langfang Wanda Realm Hotel | 2011/11/11 | 4.19 | 295 | Tower A, Wanda Plaza, No. 50 Xinhua Road, Guangyang District, Langfang City, Hebei Province The PRC | 2034/3/15 |
| 16. | Daqing Wanda Sheraton Hotel | 2011/11/25 | 4.30 | 290 | No. 2 Jing'er Street, Dongfeng New Village, Sartu District, Daqing City, Heilongjiang Province The PRC | 2026/11/25 |
| 17. | Taizhou Wanda Realm Hotel | 2011/12/9 | 3.87 | 253 | No. 222 Jichuan East Road, Hailing District, Taizhou City, Jiangsu Province The PRC | 2037/5/1 |
| 18. | Changzhou Wanda Sheraton Hotel | 2011/12/10 | 3.33 | 247 | No. 88-1 Tongjiang Middle Road, Xinbei District, Changzhou City, Jiangsu Province The PRC | 2026/12/10 |
| 19. | Tangshan Wanda InterContinental Hotel | 2011/12/23 | 4.75 | 285 | No. 11 Wenhua Road, Lunnan District, Tangshan City, Hebei Province The PRC | 2026/12/23 |
| 20. | Dalian Wanda Conrad Hotel | 2012/2/25 | 3.28 | 210 | No. 1 Gangpu Road, Zhongshan District, Dalian City, Liaoning Province The PRC | 2032/2/25 |
| 21. | Dalian Wanda Hilton Hotel | 2012/2/25 | 6.63 | 370 | No. 1 Gangpu Road, Zhongshan District, Dalian City, Liaoning Province The PRC | 2032/2/25 |
| 22. | Taiyuan Wanda Vista Hotel | 2012/8/3 | 5.24 | 358 | No. 169 Jiefang Road, Taiyuan City, Shanxi Province The PRC | 2032/8/3 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area <i>(Ten thousand sq.m.)</i> | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|--------------------------------|--------------|---|-----------------|--|--|
| 23. | Ningde Wanda Realm Hotel | 2012/8/11 | 4.08 | 289 | No. 1 Tianhu East Road, Jiaocheng District, Ningde City, Fujian Province The PRC | 2032/8/11 |
| 24. | Quanzhou Wanda Vista Hotel | 2012/9/29 | 4.78 | 322 | No. 719, Baozhou Road, Fengze District, Quanzhou City, Fujian Province The PRC | 2032/9/29 |
| 25. | Changsha Wanda Vista Hotel | 2012/10/19 | 6.58 | 424 | No. 308, Xiangjiang Middle Road, Kaifu District, Changsha City, Hunan Province The PRC | 2032/10/19 |
| 26. | Zhangzhou Wanda Realm Hotel | 2012/10/26 | 4.31 | 289 | No. 2 Jianyuan East Road, Longwen District, Zhangzhou City, Fujian Province The PRC | 2032/10/26 |
| 27. | Huai'an Wanda Realm Hotel | 2012/11/29 | 4.46 | 230 | No. 153 Xiangyu Middle Road, Qinghe District, Huai'an City, Jiangsu Province The PRC | 2032/11/29 |
| 28. | Yixing Wanda Le Meridien Hotel | 2013/5/31 | 4.26 | 270 | No. 450 Yangxian East Road, Yixing City, Jiangsu Province The PRC | 2032/5/31 |
| 29. | Wanzhou Wanda Doubletree Hotel | 2013/7/5 | 3.74 | 254 | No. 1001 Beibin Avenue 2nd Section, Wanzhou District, Chongqing The PRC | 2028/7/5 |
| 30. | Shenyang Wanda Vista Hotel | 2013/7/27 | 5.17 | 300 | No. 17-5 Yingpan West Street, Dongling District, Shenyang City, Liaoning Province The PRC | 2033/7/27 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area <i>(Ten thousand sq.m.)</i> | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|----------------------------|--------------|---|-----------------|--|--|
| 31. | Fushun Wanda Realm Hotel | 2013/8/23 | 3.95 | 280 | No. 56-11 Hunhe South Road, Xinfu District, Fushun City, Liaoning Province The PRC | 2033/8/23 |
| 32. | Tianjin Wanda Vista Hotel | 2013/8/30 | 4.83 | 297 | No. 486 Dazhigu Bahao Road, Hedong District, Tianjin The PRC | 2033/8/30 |
| 33. | Wuhan Wanda Realm Hotel | 2013/9/1 | 4.72 | 409 | No. 105 Donghu Road, Wuchang District, Wuhan City, Hubei Province The PRC | 2033/9/1 |
| 34. | Harbin Wanda Realm Hotel | 2013/9/12 | 4.79 | 345 | No. 158 Zhongxing Avenue, Nangang District, Harbin City, Heilongjiang Province The PRC | 2033/9/12 |
| 35. | Nanchang Wanda Realm Hotel | 2013/12/13 | 4.18 | 297 | 1000-Middle Fenghuang Middle Avenue, Honggutan New District, Nanchang City, Jiangxi Province, The PRC | 2033/12/13 |
| 36. | Yinchuan Wanda Realm Hotel | 2013/12/18 | 4.63 | 312 | No. 9 Qinshui North Street, Jinfeng District, Yinchuan City, Ningxia Hui Autonomous Region The PRC | 2033/12/18 |
| 37. | Dandong Wanda Realm Hotel | 2013/12/20 | 4.85 | 302 | No. 300 Jinshan Street, Zhenxing District, Dandong City, Liaoning Province The PRC | 2033/12/20 |
| 38. | Nanjing Wanda Realm Hotel | 2013/12/21 | 4.16 | 302 | No. 55 Zhushan Road, Jiangning District, Nanjing City, Jiangsu Province The PRC | 2033/12/21 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area (Ten thousand sq.m.) | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|---------------------------------------|--------------|--|-----------------|---|--|
| 39. | Guangzhou Zengcheng Wanda Realm Hotel | 2014/5/16 | 3.62 | 285 | Block 10, No. 69 Licheng Zengcheng Avenue, Zengcheng District, Guangzhou City, Guangdong Province The PRC | 2034/5/16 |
| 40. | Weifang Wanda Pullman Hotel | 2014/5/23 | 3.68 | 271 | Building 1, No. 6636 Fushou East Street, Weifang City, Shandong Province The PRC | 2034/5/23 |
| 41. | Chifeng Wanda Realm Hotel | 2014/6/20 | 4.74 | 350 | No. 12 Xilamulun Street, Hongshan District, Chifeng City, Inner Mongolia Autonomous Region The PRC | 2034/6/20 |
| 42. | Jining Wanda Realm Hotel | 2014/7/5 | 3.65 | 280 | No. 59 Taibai East Road, Jining City, Shandong Province The PRC | 2034/7/5 |
| 43. | Jinhua Wanda Realm Hotel | 2014/7/25 | 4.28 | 331 | No. 799 Dongshi South Road, Jindong District, Jinhua City, Zhejiang Province The PRC | 2034/7/25 |
| 44. | Changzhou Wujin Wanda Realm Hotel | 2014/8/8 | 2.94 | 263 | No. 299 Huayuan Street, Wujin District, Changzhou City, Jiangsu Province The PRC | 2034/8/8 |
| 45. | Dongguan Dongcheng Wanda Vista Hotel | 2014/9/12 | 4.41 | 303 | Block 5, No. 208 Dongzong Avenue, Dongcheng District, Dongguan City, Guangdong Province The PRC | 2034/9/12 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area (Ten thousand sq.m.) | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|-----------------------------|--------------|--|-----------------|--|--|
| 46. | Ma'anshan Wanda Realm Hotel | 2014/9/19 | 3.61 | 286 | No. 3200 Taibai Avenue, Yushan District, Ma'anshan City, Anhui Province The PRC | 2034/9/19 |
| 47. | Jingzhou Wanda Realm Hotel | 2014/9/20 | 3.70 | 284 | No. 518 Beijing West Road, Jingzhou District, Jingzhou City, Hubei Province The PRC | 2034/9/20 |
| 48. | Lanzhou Wanda Vista Hotel | 2014/10/24 | 4.10 | 304 | No. 52 Tianshui North Road, Chengguan District, Lanzhou City, Gansu Province The PRC | 2034/10/24 |
| 49. | Kunming Wanda Vista Hotel | 2014/10/31 | 4.47 | 297 | No. 888 Qianxing Road, Xishan District, Kunming, Yunnan Province The PRC | 2034/10/31 |
| 50. | Longyan Wanda Realm Hotel | 2014/11/7 | 3.49 | 306 | Building B2, Wanda Plaza, No. 1 Shuanglong Road, Xinluo District, Longyan City, Fujian Province The PRC | 2034/11/7 |
| 51. | Jiangmen Wanda Realm Hotel | 2014/11/28 | 4.14 | 327 | Block 3, Wanda Plaza, Fazhan Avenue, Pengjiang District, Jiangmen City, Guangdong Province The PRC | 2034/11/28 |
| 52. | Wuhu Wanda Realm Hotel | 2014/12/6 | 3.67 | 281 | No. 69 Beijing Middle Road, Jinghu District, Wuhu City, Anhui Province The PRC | 2034/12/6 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area (Ten thousand sq.m.) | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|-----------------------------|--------------|--|-----------------|--|--|
| 53. | Bengbu Wanda Realm Hotel | 2014/12/12 | 3.21 | 285 | No. 4189 Donghai Avenue, Bengshan District, Bengbu City, Anhui Province The PRC | 2034/12/12 |
| 54. | Nanning Wanda Vista Hotel | 2014/12/18 | 4.93 | 332 | West Block 5 & 8, Qingxiu Wanda Plaza, No. 118 Dongge Road, Nanning City, Guangxi Province The PRC | 2034/12/18 |
| 55. | Guangyuan Wanda Realm Hotel | 2015/6/5 | 3.43 | 279 | No. 108 Wanyuan Road, Wanyuan New District, Lizhou District, Guangyuan City, Sichuan Province The PRC | 2035/6/5 |
| 56. | Neijiang Wanda Realm Hotel | 2015/6/26 | 2.65 | 263 | No. 888 Qixia Road, Dongxing District, Neijiang City, Sichuan Province The PRC | 2035/6/26 |
| 57. | Huangshi Wanda Realm Hotel | 2015/7/3 | 2.65 | 263 | No. 30 Huahu Avenue, Huangshigang District, Huangshi City, Hubei Province The PRC | 2035/7/3 |
| 58. | Anyang Wanda Realm Hotel | 2015/7/25 | 3.38 | 287 | No. 29 Zhonghua Road, Wenfeng District, Anyang City, Henan Province The PRC | 2035/7/25 |
| 59. | Dongying Wanda Realm Hotel | 2015/8/15 | 3.79 | 285 | No. 730 Beiyi Road, Dongying District, Dongying City, Shandong Province The PRC | 2035/8/15 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area (Ten thousand sq.m.) | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-----|-----------------------------|--------------|--|-----------------|--|--|
| 60. | Tai'an Wanda Realm Hotel | 2015/8/21 | 3.49 | 283 | Block 2, Wanda Plaza, No. 566, Taishan Street, Tai'an City, Shandong Province The PRC | 2035/8/21 |
| 61. | Fuyang Wanda Realm Hotel | 2015/8/29 | 3.64 | 286 | No. 299 Yingzhou South Road, Yingzhou District, Fuyang City, Anhui Province The PRC | 2035/8/29 |
| 62. | Liuzhou Wanda Realm Hotel | 2015/11/27 | 3.76 | 285 | No. 256 Donghuan Avenue, Chengzhong District, Liuzhou City, Guangxi Province The PRC | 2035/11/27 |
| 63. | Hohhot Wanda Vista Hotel | 2015/11/29 | 4.29 | 315 | No. 26 Xinhua East Street, Hohhot City, Inner Mongolia Autonomous Region The PRC | 2035/11/29 |
| 64. | Zhengzhou Wanda Vista Hotel | 2016/3/25 | 4.76 | 292 | No. 16 Nongke Road, Jinshui District, Zhengzhou City, Henan Province The PRC | 2036/3/25 |
| 65. | Siping Wanda Realm Hotel | 2016/7/1 | 3.30 | 261 | No. 1515 Ziqi Avenue, Tiedong District, Siping City, Jilin Province The PRC | 2036/7/1 |
| 66. | Xining Wanda Realm Hotel | 2016/7/29 | 4.29 | 310 | Building 1, No. 76 Xichuan South Road, Chengxi District, Xining City, Qinghai Province The PRC | 2036/7/29 |
| 67. | Bozhou Wanda Realm Hotel | 2016/8/12 | 3.23 | 262 | No. 1088 Xiyi Avenue, Qiaocheng District, Bozhou City, Anhui Province The PRC | 2036/8/12 |

LETTER FROM THE BOARD

| No. | Name | Opening Date | Gross Floor Area (Ten thousand sq.m.) | Number of Rooms | Location | Date of expiration of the hotel management agreement |
|-------|--------------------------------|--------------|--|-----------------|--|--|
| 68. | Urumqi Wanda Vista Hotel | 2016/8/12 | 4.75 | 271 | No. 777 Xuanwuhu Road, Economic and Technological Development District, Urumqi City, Xinjiang Uygur Autonomous Region The PRC | 2036/8/12 |
| 69. | Yiwu Wanda Realm Hotel | 2016/9/16 | 3.16 | 288 | No. 1 Xinke Road, Yiwu City, Zhejiang Province The PRC | 2036/9/16 |
| 70. | Shangrao Wanda Realm Hotel | 2016/11/25 | 3.60 | 313 | No. 8 Guangxin Avenue, Xinzhou District, Shangrao City, Jiangxi Province The PRC | 2036/11/25 |
| 71. | Nanning Wanda Realm Resort | 2017/6/17 | 4.52 | 224 | No. 6 Liangdi Road, Wuxiang New District, Nanning City, Guangxi Province The PRC | 2037/6/17 |
| 72. | Qiqihar Wanda Realm Hotel | 2018/6/30 | 3.72 | 312 | Building 1, Xinjiang Road, Jianhua District, Qiqihar City, Heilongjiang Province The PRC | Not applicable |
| 73. | Changchun Wanda Vista Hotel | 2019/12/20 | 4.55 | 257 | Junction of Hongqi Street and No. 4 Planned Road, Chaoyang District, Changchun City, Jilin Province The PRC | Not applicable |
| 74. | Dalian Wanda Commercial Center | - | 9.38 | - | No. 1 Gangpu Road, Zhongshan District, Dalian City, Liaoning Province The PRC | Not applicable |
| Total | | | <u>315.96</u> | <u>21,707</u> | | |

LETTER FROM THE BOARD

Note: The above details may be subject to adjustment due to due diligence and are conditional on the final approval from the relevant PRC government authorities.

As at the date of this circular, Dalian Wanda has transferred a total of 69 Holding Companies which hold 70 city hotels and Dalian Wanda Commercial Center to the Company.

It is expected that Zhangzhou Wanda Realm Hotel (city hotel numbered 26) will be transferred to the Company before the end of March 2018.

Qiqihar Wanda Realm Hotel (city hotel numbered 72) and Changchun Wanda Vista Hotel (city hotel numbered 73) will commence operation on 30 June 2018 and 20 December 2019, respectively. They will be transferred to the Company within 30 days after the date of commencement of operation in accordance with the Agreement. The Company expects that the transfer of these two hotels will be completed by the end of December 2019. There will not be any financial information available on these two hotels, as they have not commenced operations. As at the Latest Practicable Date, the application for business operating licenses for the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets has been made, and the licenses are expected to be obtained by the end of May 2018.

The Company and Dalian Wanda will ascertain the assets and liabilities of each hotel at completion based on the balance sheet and records of assets and liabilities of the relevant Holding Company as at transfer date.

INFORMATION ON THE GROUP AND PARTIES TO THE AGREEMENT

The Group is principally engaged in the development and sale of properties, property investment, hotel operations and other property development related services in the PRC.

Dalian Wanda is a company established in the PRC with limited liability which is principally engaged in property development and sales as well as the investment in and management of commercial services facilities.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Dalian Wanda is a reputable commercial properties company, holding and operating a large number of commercial properties and cultural and tourism projects nationwide, with excellent brand influence. Dalian Wanda has a commercial planning research institute, a hotel design research institute and a nationwide commercial properties construction and management team, forming a whole chain of commercial properties and core competitive advantage.

73 city hotels comprised in the Assets are located in the core of the city of which 53 city hotels are managed by management companies under Dalian Wanda's self-owned hotel brands (including ultra-luxury brand Wanda Vista and luxury brand Wanda Realm) and 20 city hotels are managed under other internationally renowned luxury hotel management brands (including Westin, Hilton, InterContinental, Conrad and Le Meridien) with good operation status, market reputation and influence.

LETTER FROM THE BOARD

The Acquisition is expected to enhance the Group's long-term assets and existing portfolio of assets in the PRC.

The Group aims to expand its property development business and plans to utilize the experience, expertise and resources of the professional hotel management companies in hotel operations to further diversify its investment and strengthen its property development portfolio. The Group currently owns 16 operating hotels and 14 commercial buildings. The newly operating hotels include Marriot Resort & Spa Hainan Xiangshui Bay and Holiday Inn Chongqing University Town. All these hotels are operated by reputable international hotel management companies and are characterized by the highest hospitality industry service standards, maintaining high competitiveness in their respective localities. The Acquisition adds diversity to the Group's existing hotel portfolio, mainly made up of city centre business hotels and comprising 5-star hotels in Beijing, Guangzhou, Chengdu, Chongqing, Huizhou, Taiyuan and Hainan.

The Directors (including the independent non-executive Directors) consider that the Acquisition is conducted on normal commercial terms, fair and reasonable and in the interests of the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more applicable percentage ratios under the Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% and all of the applicable percentage ratios are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company has obtained written shareholders' approval for the Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules from Mr. Li Sze Lim and Mr. Zhang Li, who together, are the beneficial owners holding an aggregate of 2,111,818,144 Shares, representing approximately 65.54% of the issued share capital of the Company as at the Latest Practicable Date.

To the best information, knowledge and belief of the Directors, after making all reasonable enquires, no Shareholder or any of its associate has any material interest in the Agreement and the transactions contemplated thereunder and is required to abstain from voting if the Company were to convene a general meeting for approving the Agreement and the transactions contemplated thereunder. As such, no general meeting will be convened for the purpose of approving the Agreement and the transactions contemplated thereunder as permitted under Rule 14.44 of the Listing Rules.

LETTER FROM THE BOARD

GRANT OF WAIVER FROM STRICT COMPLIANCE WITH RULES 14.67(6)(a)(i) AND 14.67(7) OF THE LISTING RULES

As set out in this Letter from the Board, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules, accordingly, the Company is required to include (i) an accountants' report relate to a financial period ended 6 months or less before the circular is issued on the business, company or companies being acquired in accordance with Chapter 4 of the Listing Rules (the "**Accountants' Report**") pursuant to Rule 14.67(6)(a)(i) of the Listing Rules; and (ii) a discussion and analysis of results of the business, company or companies being acquired covering all those matters set out in paragraph 32 of Appendix 16 of the Listing Rules for the period reported in the accountants' report (the "**MD&A**", together with the Accountants' Report, the "**Historical Financial Information**") pursuant to Rule 14.67(7) of the Listing Rules in this circular.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rules 14.67(6)(a)(i) and 14.67(7) of the Listing Rules in respect of the inclusion in this circular of the Historical Financial Information (the "**Waiver**") on the following grounds:

The Historical Financial Information is irrelevant and misleading

- (a) the objective for the Company to enter into the Acquisition was to acquire a portfolio of assets at a discounted value and not to acquire a business undertaking. Other than the purchase price, the Group will not be held liable for any debt liabilities of Dalian Wanda in financing the carrying costs of the Assets or for any debts incurred by Dalian Wanda in connection with the operation of the Assets prior to their transfer to the Holding Companies.
- (b) while there will not be material change to the business model of the Assets immediately after completion of the Acquisition, all the contracts in connection with the Assets entered into by Dalian Wanda prior to their transfer to the Holding Companies, including but not limited to the management agreements, the employment contracts with the Hotels, the tenancy agreements with tenants of the Dalian Wanda Commercial Center have been, and would be, re-negotiated by the Group with the counter-parties. New contracts have been, and would be, entered into between the Holding Companies and the counter-parties.
- (c) the historical financial information relating to the Assets has no relevance to the determination of the purchase price of the Assets. The Company has set the purchase price on the basis of the fair value of the Assets as assessed by the Group with reference to the costs that it would have incurred had it developed the Assets from scratch. The price offered by Dalian Wanda for its sale of the Assets represented an approximately 40% discount to the fair value as assessed by the Company.
- (d) after completion of the Acquisition, while the Group will retain the same hotel management companies and will not immediately make material changes to the business models for the Assets, the Group will enhance the revenue streams and recalibrate cost-control measures that did not feature in the historical financial results of the Assets as operated by Dalian Wanda.

LETTER FROM THE BOARD

It would be unduly burdensome and impractical to prepare the Historical Financial Information

- (e) Dalian Wanda held the Assets as well as other assets that do not form part of the transaction under the Acquisition (the “**Other Assets**”). Such Other Assets are retained by Dalian Wanda. The Acquisition involves the transfer of interest in each of the Hotels and the Dalian Wanda Commercial Centre by Dalian Wanda to the Holding Companies. As such, there are no standalone financial statements on the Assets and the supporting documents for the Historical Financial Information cannot be segregated from the financial information of the Other Assets. For example, the costs incurred for construction of the Assets cannot be clearly and directly segregated from the construction costs of the Other Assets and certain common costs were not allocated between the Assets and the Other Assets. Therefore, a complete financial statement reflecting the historical financial performance of the Assets is not available.
- (f) While the Agreement has provided that Dalian Wanda is obliged to provide the Company access to all information relating to the Assets for the purpose of conducting the necessary due diligence on the Assets to be acquired, Dalian Wanda has only provided limited access to certain records of the Assets despite numerous requests by the Company.

As an alternative for the inclusion of the Historical Financial Information in this circular, the Company has included the following information in this circular:

- (a) the historical operation information of the Assets as set forth in Appendix VI to this circular;
- (b) a valuation report prepared in accordance with Chapter 5 of the Listing Rules on the property interests in the Assets as set forth in Appendix V to this circular;
- (c) the accountants’ report and the management discussion and analysis on the Holding Companies for the relevant period comprise the period commencing on the incorporation date of the Holding Companies and ending on 31 October 2017, 23 November 2017 and 2 January 2018, each being the date on which the transfer of the relevant Holding Companies to the Group was completed as set forth in Appendix II and Appendix IV to this circular;
- (d) the Company’s due diligence work before and after the signing of the Agreement as set forth in this Letter from the Board; and
- (e) the operation and management plans of the Hotels and the key terms of the Hotel Management Agreements as set forth in this Letter from the Board.

Based on the ground and alternative disclosure mentioned above, the Stock Exchange has granted the Waiver sought by the Company on 5 March 2018 and the Company is not required to include the Historical Financial Information in this circular in strict compliance with Rules 14.67(6)(a)(i) and 14.67(7) of the Listing Rules.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE ACQUISITION

Based on the interim report of the Group for the six months ended 30 June 2017, as at 30 June 2017, the Group had total assets, total liabilities and net assets of approximately RMB243.7 billion, RMB196.7 billion and RMB47.0 billion, respectively. Based on the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular, the Enlarged Group would have an increase in total assets of approximately RMB22.4 billion to approximately RMB266.1 billion, an increase in total liabilities of approximately RMB8.9 billion to approximately RMB205.6 billion, an increase in net assets of approximately RMB13.5 billion to approximately RMB60.5 billion.

Based on the projected trend of the future profit the Assets can generate, the Directors believe that the Acquisition would have positive impact on the earnings of the Group. As part of the Consideration in the amount of RMB18,157,940,000 payable by the Group for the Acquisition was paid to Dalian Wanda as at the Latest Practicable Date, the Directors believe that the Acquisition would have negative impact to the cashflow and have no material impact on the gearing ratio of the Group.

Upon completion of the Acquisition, a gain on bargain purchase due to the difference in the fair value of the net identifiable assets of the Assets over the Consideration amounting to RMB13.4 billion will be recognised. Other than the gain on bargain purchase, no other material impact on the earnings of the Group is expected.

For details of the unaudited pro forma financial information of the Enlarged Group following completion of the Acquisition, please refer to Appendix III to this circular.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the Acquisition is conducted on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. If a general meeting were to be convened for the approval of the Agreement and the transactions contemplated thereunder, the Directors (including the independent non-executive Directors) would recommend the Shareholders to vote in favour of the ordinary resolution to approve the same at the general meeting.

ADDITIONAL INFORMATION

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

From the Company's perspective, the purchase price was determined with referenced to its own valuation of the Assets. The past financial information of the city hotels and Dalian Wanda Commercial Center had no bearing on the Company's determination of the purchase price. As such, the Company considers that the inclusion of such information would be misleading and would not provide any meaningful information to the Shareholders in assessing the Acquisition.

LETTER FROM THE BOARD

The Directors do not consider the exclusion of the historical financial information of the Assets would render this circular materially incomplete, misleading, or deceptive.

The Directors are of the view that the financial information disclosed in the Accountant's Reports in Appendix II to this circular with respect to the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets, and other disclosure provide sufficient and meaningful information to the Shareholders.

By Order of the Board
Guangzhou R&F Properties Co., Ltd.
Li Sze Lim
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for the three years ended 31 December 2014, 2015 and 2016 together with the relevant notes thereto are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.rfchina.com):

- <http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0421/LTN20150421179.pdf> (pages 59 to 151 in the annual report of the Company for the year ended 31 December 2014 published on 21 April 2015);
- <http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0429/LTN20160429415.pdf> (pages 67 to 156 in the annual report of the Company for the year ended 31 December 2015 published on 29 April 2016); and
- <http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0331/LTN20170331655.pdf> (pages 68 to 168 in the annual report of the Company for the year ended 31 December 2016 published on 31 March 2017).

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 January 2018, being the latest practicable date for the purpose of this indebtedness statement, the Enlarged Group had outstanding borrowings and debts of approximately RMB150,874 million, details of which are set out as follows:

(i) Borrowings and debts

| | <i>RMB' million</i> |
|--|---------------------|
| Bank borrowings | |
| – secured and unguaranteed (<i>Note</i>) | 7,738 |
| – secured and guaranteed (<i>Note</i>) | 57,145 |
| – unsecured and guaranteed | 4,756 |
| Domestic bonds, unsecured | 48,575 |
| Medium-term note, unsecured | 1,993 |
| Senior notes, secured (<i>Note</i>) | 13,139 |
| Other borrowings | |
| – secured and unguaranteed (<i>Note</i>) | 1,450 |
| – secured and guaranteed (<i>Note</i>) | 14,614 |
| – unsecured and guaranteed | 990 |
| – unsecured and unguaranteed | 250 |
| Finance lease liabilities, secured | 224 |
| | <hr/> |
| Total | <u>150,874</u> |

Note: Bank borrowings, senior notes and other borrowings were secured by guarantees given by the Group, certain of the properties under development, completed properties held for sale, investment properties, property, plant and equipment, land use rights, restricted cash and equity investments in subsidiaries.

(ii) Charge of assets

As at 31 January 2018, assets with total carrying values of RMB73.4 billion were pledged to secure bank loans, senior notes, finance lease liabilities and other borrowings amounting to RMB94.3 billion.

(iii) Contingent liabilities

The Enlarged Group provided guarantees in respect of bank mortgage loans taken out by purchasers of the Group's sale properties and joint liability counter-guarantees for certain borrowings granted to the Group's joint ventures and associates for project development purpose. For guarantees provided in respect of residential properties, the guarantees are released upon the issuance of real estate ownership certificates for the properties concerned. As at 31 January 2018, such guarantees totalled RMB48.2 billion.

Save as aforesaid and apart from intra-group liabilities, the Enlarged Group did not, as at 31 January 2018, have any outstanding (i) debt securities, whether issued and outstanding, authorized or otherwise created but unissued, and term loans; (ii) other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchases commitments; (iii) mortgage or charges; or (iv) guarantees or other contingent liabilities.

3. MATERIAL ADVERSE CHANGE

The Company is not aware of any material adverse change in the financial or trading position of the Enlarged Group since 30 June 2017, being the date to which the latest published interim financial statements of the Company were made up.

4. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the financial resources available to the Group including internally generated funds and present available credit facilities following the Acquisition, the Enlarged Group has sufficient working capital to satisfy its requirements for at least the next 12 months following the date of this circular.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In 2016, the Group began to diversify its sales and revenue profile beyond first tier cities which saw a significant increase in gross floor area sold and recognised at the expense of flat to lower gross margins. This trend in gross margins represented a first entry into new cities and launch of initial phases of projects at lower prices to capture

initial sales and stimulate momentum. The improvement in gross margin trend signifies the expansion and growth of the Group's scale balances the sustainability of profitability over a long term basis.

In order to be able to synchronise the Group's growth objectives and sales strategy whilst ensuring sustainability, the Group has increased land bank acquisitions in line with the strong sales growth to ensure availability of future saleable resources. From a financing perspective, the Group has undertaken a number of activities to strengthen the liquidity and cost base. The early redemption in January 2017 set out to achieve key objectives of lowering the Group's overall finance costs and terming out the maturity profile of debt.

The Group was raised its full-year contracted sales target to RMB80 billion. To date, there have only been 4 new project launches with a targeted total of 28 new project launches for the full year that will contribute to saleable resources in 2017 and 2018. Whilst the Group expects policies to continue to remain strict and get adjusted to address market trends on a city-by-city basis, the Group believes that the effect will be offset by rigid property demands which remains quite robust.

After the Acquisition, the Group will have significantly increased its land bank scale of saleable resources and long-term investment and hotel portfolio to become globally the largest owner of deluxe assets. Management will continue to seek to enlarge the overall scale of the Group and rationalise the new hotel portfolio with its existing portfolio assets to increase the proportion of recurring income and profits. Similarly, the Group will continue to seek land bank to replenish and expand the scale of the Group. Given recent policies that have suppressed growth in average selling prices, the Group expects price growth of land bank to also be more moderate to create opportunities for the Group to secure land bank with attractive returns.

The following is the text of a report set out on pages II-A-1 to II-A-2, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF GUANGZHOU R&F PROPERTIES CO., LTD.**Introduction**

We report on the historical financial information of the 63 holding companies of 64 city hotels and Dalian Wanda Commercial Center (together, the "63 Holding Companies", details of which are set out in Note 13 of Section II of this accountant's report) set out on pages II-A-3 to II-A-15, which comprises combined balance sheet of the 63 Holding Companies as at 31 October 2017, the combined income statement and statement of comprehensive income, the combined statement of changes in equity and the combined statement of cash flow of the Holding Companies for the period from the earliest incorporation date of the 63 Holding Companies (being 18 August 2017) to 31 October 2017 and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages II-A-3 to II-A-15 forms an integral part of this report, which has been prepared for inclusion in the circular of Guangzhou R&F Properties Co., Ltd. (the "Company") dated 16 March 2018 (the "Circular") in connection with the proposed acquisition of the 73 city hotels and Dalian Wanda Commercial Center (the "Acquisition") by the Company.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of

Certified Public Accountants (“HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant’s judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity’s preparation of Historical Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information, for the purposes of the accountant’s report, has been properly prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*Adjustments*

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page II-A-3 have been made.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong

16 March 2018

I HISTORICAL FINANCIAL INFORMATION OF THE TRANCHE 1 ASSETS

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The combined balance sheet of the Holding Companies as at 31 October 2017, the combined income statement and statement of comprehensive income, the combined statement of changes in equity and combined statement of cash flow of the 63 Holding Companies for the period from the earliest incorporation date of the 63 Holding Companies (being 18 August 2017) to 31 October 2017 (the "Underlying Financial Statements"), on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The Historical Financial Information is presented in Renminbi and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

The 63 Holding Companies were newly set up during the period from 18 August 2017 to 20 September 2017. The 63 Holding Companies have not been engaged in other business or activity other than the Restructuring set out in Note 1.2 prior to the transfer of the 63 Holding Companies to the Company. From the incorporation dates of the 63 Holding Companies to 31 October 2017, the income and expenses incurred from the hotel operations were not attributable to the 63 Holding Companies.

COMBINED BALANCE SHEET
AS AT 31 OCTOBER 2017

| | <i>Note</i> | As at 31 October 2017 RMB'000 |
|---|-------------|--|
| Non-current assets | | |
| Property, plant and equipment | 3 | 24,056,147 |
| Intangible assets | 4 | 69,534 |
| Investment property | 5 | 1,433,000 |
| Land use right | 6 | <u>3,625,053</u> |
| | | ----- 29,183,734 |
| Current assets | | |
| Inventories | 7 | 29,831 |
| Trade and other receivables and prepayments | 8 | 551,573 |
| Cash and cash equivalents | 9 | <u>554,377</u> |
| | | ----- 1,135,781 |
| Total assets | | <u><u>30,319,515</u></u> |
| Equity | | |
| Combined share capital | 11 | 26,545,874 |
| Other reserves | 12 | <u>2,501,310</u> |
| Total equity | | ----- 29,047,184 |
| Current liabilities | | |
| Trade and other payables | 10 | ----- 1,272,331 |
| Total equity and liabilities | | <u><u>30,319,515</u></u> |

COMBINED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE
INCOME

| | <i>Note</i> | From the earliest incorporation date of the 63 Holding Companies (being 18 August 2017) to 31 October 2017 RMB'000 |
|--|-------------|---|
| Revenue | | — |
| Cost of sales | | — |
| Gross profit | | — |
| Other income | | — |
| Other gains – net | | — |
| Selling and marketing costs | | — |
| General and administrative expenses | | — |
| Operating profit | | — |
| Finance income | | — |
| Finance costs | | — |
| Profit before income tax | | — |
| Income tax expense | | — |
| Profit for the period and total comprehensive income | | — |
| Attributable to: | | |
| Shareholders of the 63 Holding Companies | | — |

COMBINED STATEMENT OF CASH FLOWS

| | From the earliest incorporation date of the 63 Holding Companies (being 18 August 2017) to 31 October 2017 RMB'000 |
|--|---|
| Cash flows from investing activities | |
| Capital contribution pursuant to the Restructuring | 554,377 |
| Net cash generated from investing activities | <u>554,377</u> |
| Net increase in cash and cash equivalents | 554,377 |
| Cash and cash equivalents at beginning of the period | <u>–</u> |
| Cash and cash equivalents at end of the period | <u>554,377</u> |
| Analysis of cash and cash equivalents | |
| Bank balances and cash | <u>554,377</u> |

COMBINED STATEMENT OF CHANGES IN EQUITY

| | Attributable to shareholders of the 63 Holding Companies | | Total RMB'000 |
|---|---|--|-------------------|
| | Combined share capital RMB'000 (Note 11) | Other reserves RMB'000 (Note 12) | |
| Balance at the earliest incorporation date of the 63 Holding Companies (being 18 August 2017) | – | – | – |
| Restructuring (Note 1.2) | 26,545,874 | 2,501,310 | 29,047,184 |
| Profit for the period and total comprehensive income | – | – | – |
| Balance at 31 October 2017 | <u>26,545,874</u> | <u>2,501,310</u> | <u>29,047,184</u> |

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION**1 General information, restructuring by Dalian Wanda Commercial Properties Co., Ltd. ("Dalian Wanda") and basis of presentation****1.1 General information**

The group of 63 holding companies which hold 64 city hotels and an investment property namely Dalian Wanda Commercial Center (collectively, the "65 Assets") are principally engaged in hotel operation in the People's Republic of China (the "PRC"). The group of the 63 holding companies are collectively referred as to the 63 Holding Companies.

Each of the 63 Holding Companies is holding assets in their respective locations of operations after the completion of the 63 Holding Companies restructuring (the "Restructuring") as set out in Note 1.2 below.

Pursuant to a sales and purchase agreement dated 19 July 2017 and supplemental agreements dated 20 October 2017 and 23 November 2017, entered into by Guangzhou R&F Properties Co., Ltd. (the "Company") and Dalian Wanda (the "S&P Agreements"), the Company agreed to acquire, and Dalian Wanda agreed to dispose of, the entire interests in 73 hotels in the PRC, and an investment property namely Dalian Wanda Commercial Center (collectively, the "Assets") at a total consideration of RMB18,955,280,000 (the "Acquisition").

As at 31 October 2017 (the "First Completion Date"), the equity interests in the 63 Holding Companies set up by Dalian Wanda, which held the 65 Assets, were transferred to the Company.

Details of the 65 Assets and the 63 Holding Companies are set out in Note 13.

1.2 Restructuring by Dalian Wanda

Before 30 June 2017, the 65 Assets were directly held by various property project companies (the "Property Project Companies"), which were controlled by Dalian Wanda. The Property Project Companies have set up 64 hotel management branch companies (the "Wanda Hotel Branches") to operate 64 city hotels.

In preparing for the Acquisition, Dalian Wanda has undergone a series of restructuring exercise under which the ownership certificates and related assets of the 65 Assets were transferred from relevant Property Project Companies to the 63 Holding Companies which were newly set up by Dalian Wanda in August and September 2017. The assets and liabilities relating to operation of the 65 Assets (excluding Dalian Wanda Commercial Center), together with the related hotel operation (including the employee relationship), were transferred from the relevant Wanda Hotel Branches to the 63 Holding Companies.

1.3 Basis of presentation

The Historical Financial Information has been prepared to reflect the aggregation of the balance sheet of the 63 Holding Companies as at the First Completion Date and the aggregation of the income statement and the statement of comprehensive income, the statement of changes in equity and the statement of cash flow of the 63 Holding Companies for the period from the earliest incorporation date of the 63 Holding Companies (being 18 August 2017) to the First Completion Date.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the combined assets and liabilities, capital and reserves are set out below.

2.1 Basis of preparation

The Historical Financial Information has been compiled based on the S&P Agreements and documents entered into between Dalian Wanda and the Company in relation to the delivery of interests in the 63 Holding Companies including but not limited to the balance sheets, the register of property, plant and equipment, intangible assets and investment properties, and the records of the assets and liabilities of the 63 Holding Companies as at the First Completion Date (the "Transaction Documents"). The aggregated value of these assets and liabilities of the 63 Holding Companies delivered as of the First Completion Date was agreed by Dalian Wanda and the Company according to the Transaction Documents.

3 Property, plant and equipment

| | Hotel buildings <i>RMB'000</i> | Machinery <i>RMB'000</i> | Transportation equipment <i>RMB'000</i> | Furniture, fixtures and equipment <i>RMB'000</i> | Assets under construction <i>RMB'000</i> | Total <i>RMB'000</i> |
|---------------------------|--------------------------------------|-----------------------------|---|--|---|-------------------------|
| At 31 October 2017 | | | | | | |
| Cost | 26,846,722 | 68,977 | 156,501 | 532,590 | 522 | 27,605,312 |
| Accumulated depreciation | <u>(3,055,288)</u> | <u>(23,138)</u> | <u>(118,793)</u> | <u>(351,946)</u> | <u>–</u> | <u>(3,549,165)</u> |
| Net book amount | <u>23,791,434</u> | <u>45,839</u> | <u>37,708</u> | <u>180,644</u> | <u>522</u> | <u>24,056,147</u> |

4 Intangible assets

| | Software <i>RMB'000</i> |
|---------------------------|----------------------------|
| At 31 October 2017 | |
| Cost | 123,526 |
| Accumulated amortisation | <u>(53,992)</u> |
| Net book amount | <u>69,534</u> |

5 Investment property

As at 31 October 2017, the investment property comprised land use right and building of Dalian Wanda Commercial Center, which are held for long-term rental yields and measured at fair value.

6 Land use right

The 63 Holding Companies' interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

| | Land use right <i>RMB'000</i> |
|---------------------------|-------------------------------------|
| At 31 October 2017 | |
| Cost | 4,117,696 |
| Accumulated amortisation | <u>(492,643)</u> |
| Net book amount | <u>3,625,053</u> |

7 Inventories

| | As at 31 October 2017 RMB'000 |
|-----------------------|--|
| Low-value consumables | 29,831 |

8 Trade and other receivables and prepayments

| | As at 31 October 2017 RMB'000 |
|--|--|
| Trade receivables | 130,157 |
| Less: allowance for impairment of trade receivables | <u>(1,398)</u> |
| Trade receivables – net | 128,759 |
| Prepayments | 66,718 |
| Amounts due from entities controlled by Dalian Wanda | 155,255 |
| Other receivables | <u>200,841</u> |
| | <u>551,573</u> |

As at 31 October 2017, all the trade receivables are due within 1 year.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables mentioned above. The 63 Holding Companies do not hold any collateral over these balances.

9 Cash and cash equivalents

| | As at 31 October 2017 RMB'000 |
|---------------|--|
| Cash at banks | 548,710 |
| Cash on hand | <u>5,667</u> |
| | <u>554,377</u> |

Notes:

- (a) Cash at banks earns interest at floating daily bank deposit rates.
- (b) The conversion of RMB denominated balances into foreign currencies and the remittance of cash out of PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

10 Trade and other payables

| | As at 31 October 2017 <i>RMB'000</i> |
|--|--|
| Trade payables | 435,244 |
| Advances from customers | 148,130 |
| Amounts due to entities controlled by Dalian Wanda | 189,510 |
| Accrual for staff costs and allowances | 229,103 |
| Other tax payables | 820 |
| Other payables and accruals | <u>269,524</u> |
| | <u><u>1,272,331</u></u> |

The carrying amounts approximate their fair values. Trade payables are due for settlement within one year.

11 Combined share capital

The balance of combined share capital as at 31 October 2017 represents the combined share capital of the 63 Holding Companies.

12 Other reserves

The balance of other reserve as at 31 October 2017 represents the combined capital reserve of the 63 Holding Companies.

13 Information of 65 Assets and respective Holding Companies

| No. | Name of Assets | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company <i>(RMB'000)</i> |
|-----|-----------------------------------|--------------------------------------|----------|--|---|--|
| 1 | Dalian Wanda Conrad Hotel | 25 February 2012 | China | Dalian Wansheng Hotel Management Co., Ltd. | 18 August 2017 | 20,000 |
| 2 | Dalian Wanda Hilton Hotel | 25 February 2012 | China | Dalian Wansheng Hotel Management Co., Ltd. | 18 August 2017 | 20,000 |
| 3 | Dalian Wanda Commercial Center | Not applicable | China | Dalian Wansheng Hotel Management Co., Ltd. | 18 August 2017 | 20,000 |
| 4 | Shenyang Wanda Vista Hotel | 27 July 2013 | China | Shenyang Wanda Vista Hotel Management Co., Ltd. | 08 September 2017 | 603,705 |
| 5 | Neijiang Wanda Realm Hotel | 26 June 2015 | China | Neijiang Wanfu Hotel Management Co., Ltd. | 08 September 2017 | 298,928 |
| 6 | Changzhou Wujin Wanda Realm Hotel | 08 August 2014 | China | Changzhou Wanda Realm Hotel Management Co., Ltd. | 11 September 2017 | 356,232 |
| 7 | Ma'anshan Wanda Realm Hotel | 19 September 2014 | China | Ma'anshan Wanda Realm Hotel Management Co., Ltd. | 11 September 2017 | 335,857 |

| No. | Name of Assets | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company (RMB'000) |
|-----|------------------------------------|--------------------------------|----------|---|--|---|
| 8 | Jingzhou Wanda Realm Hotel | 20 September 2014 | China | Jingzhou Wanli Hotel Management Co., Ltd. | 11 September 2017 | 401,786 |
| 9 | Wuhu Wanda Realm Hotel | 06 December 2014 | China | Wuhu Wanda Realm Hotel Management Co., Ltd. | 11 September 2017 | 393,296 |
| 10 | Huangshi Wanda Realm Hotel | 03 July 2015 | China | Huangshi Wanfu Hotel Management Co., Ltd. | 11 September 2017 | 297,463 |
| 11 | Xiangyang Wanda Crowne Plaza Hotel | 26 November 2010 | China | Xiangyang Wanfu Hotel Management Co., Ltd. | 12 September 2017 | 297,333 |
| 12 | Wuhan Wanda Westin Hotel | 30 July 2011 | China | Wuhan Westin Hotel Management Co., Ltd. | 12 September 2017 | 702,157 |
| 13 | Wuhan Wanda Realm Hotel | 01 September 2013 | China | Wuhan Wanfu Hotel Management Co., Ltd. | 12 September 2017 | 554,908 |
| 14 | Liuzhou Wanda Realm Hotel | 27 November 2015 | China | Liuzhou Wanfu Hotel Management Co., Ltd. | 12 September 2017 | 410,887 |
| 15 | Urumqi Wanda Vista Hotel | 12 August 2016 | China | Urumqi Wanda Vista Hotel Management Co., Ltd. | 12 September 2017 | 420,499 |
| 16 | Hefei Wanda Westin Hotel | 23 December 2010 | China | Hefei Wanli Hotel Management Co., Ltd. | 13 September 2017 | 404,910 |
| 17 | Zhenjiang Wanda Sheraton Hotel | 12 August 2011 | China | Zhenjiang Wanli Hotel Management Co., Ltd. | 13 September 2017 | 383,309 |
| 18 | Jiangmen Wanda Realm Hotel | 28 November 2014 | China | Jiangmen Wanfu Hotel Management Co., Ltd. | 13 September 2017 | 405,910 |
| 19 | Shangrao Wanda Realm Hotel | 25 November 2016 | China | Shangrao Wanda Realm Hotel Management Co., Ltd. | 13 September 2017 | 362,471 |
| 20 | Yichang Wanda Crowne Plaza Hotel | 27 November 2010 | China | Yichang Wanli Hotel Management Co., Ltd. | 14 September 2017 | 282,307 |
| 21 | Xi'an Wanda Hilton Hotel | 24 August 2011 | China | Xi'an Hilton Hotel Management Co., Ltd. | 14 September 2017 | 487,091 |
| 22 | Jinan Wanda Hyatt Hotel | 28 September 2011 | China | Jinan Wanfu Hotel Management Co., Ltd. | 14 September 2017 | 553,346 |
| 23 | Quanzhou Wanda Vista Hotel | 29 September 2012 | China | Quanzhou Wanli Hotel Management Co., Ltd. | 14 September 2017 | 512,050 |
| 24 | Harbin Wanda Realm Hotel | 12 September 2013 | China | Harbin Wanfu Hotel Management Co., Ltd. | 14 September 2017 | 462,047 |
| 25 | Yinchuan Wanda Realm Hotel | 18 December 2013 | China | Yinchuan Wanfu Realm Hotel Management Co., Ltd. | 14 September 2017 | 336,323 |
| 26 | Nanjing Wanda Realm Hotel | 21 December 2013 | China | Nanjing Wanda Realm Hotel Management Co., Ltd. | 14 September 2017 | 574,572 |

APPENDIX II-A

ACCOUNTANT'S REPORT OF
THE TRANCHE 1 ASSETS

| No. | Name of Assets | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company (RMB'000) |
|-----|---------------------------------------|--------------------------------|----------|---|--|---|
| 27 | Dongguan Dongcheng Wanda Vista Hotel | 12 September 2014 | China | Dongguan Wanfu Hotel Management Co., Ltd. | 14 September 2017 | 527,232 |
| 28 | Nanning Wanda Vista Hotel | 18 December 2014 | China | Nanning Wanda Vista Hotel Management Co., Ltd. | 14 September 2017 | 582,316 |
| 29 | Anyang Wanda Realm Hotel | 25 July 2015 | China | Anyang Wanda Realm Hotel Management Co., Ltd. | 14 September 2017 | 303,940 |
| 30 | Nanning Wanda Realm Resort | 17 June 2017 | China | Nanning Wanfu Hotel Management Co., Ltd. | 14 September 2017 | 472,007 |
| 31 | Wuxi Wanda Sheraton Hotel | 17 September 2010 | China | Wuxi Wanfu Hotel Management Co., Ltd. | 15 September 2017 | 302,987 |
| 32 | Fuzhou Wanda Westin Hotel | 22 December 2010 | China | Fuzhou Wanli Hotel Management Co., Ltd. | 15 September 2017 | 378,426 |
| 33 | Daqing Wanda Sheraton Hotel | 25 November 2011 | China | Daqing Wanfu Hotel Management Co., Ltd. | 15 September 2017 | 314,837 |
| 34 | Changzhou Wanda Sheraton Hotel | 10 December 2011 | China | Changzhou Wanli Hotel Management Co., Ltd. | 15 September 2017 | 319,633 |
| 35 | Tangshan Wanda InterContinental Hotel | 23 December 2011 | China | Tangshan Wanfu Hotel Management Co., Ltd. | 15 September 2017 | 510,156 |
| 36 | Huai'an Wanda Realm Hotel | 29 November 2012 | China | Huai'an Wanda Wentai Realm Hotel Management Co., Ltd. | 15 September 2017 | 441,197 |
| 37 | Yixing Wanda Le Meridien Hotel | 31 May 2013 | China | Yixing Wanli Hotel Management Co., Ltd. | 15 September 2017 | 441,872 |
| 38 | Wanzhou Wanda Doubletree Hotel | 05 July 2013 | China | Chongqing Wanzhou Wanda Hotel Management Co., Ltd. | 15 September 2017 | 437,009 |
| 39 | Fushun Wanda Realm Hotel | 23 August 2013 | China | Fushun Wanda Realm Hotel Management Co., Ltd. | 15 September 2017 | 367,129 |
| 40 | Tianjin Wanda Vista Hotel | 30 August 2013 | China | Tianjin Vista Hotel Management Co., Ltd. | 15 September 2017 | 916,974 |
| 41 | Lanzhou Wanda Vista Hotel | 24 October 2014 | China | Lanzhou Wanhong Hotel Management Co., Ltd. | 15 September 2017 | 465,406 |
| 42 | Tai'an Wanda Realm Hotel | 21 August 2015 | China | Tai'an Wanda Realm Hotel Management Co., Ltd. | 15 September 2017 | 404,709 |
| 43 | Fuyang Wanda Realm Hotel | 29 August 2015 | China | Fuyang Wanda Realm Hotel Management Co., Ltd. | 15 September 2017 | 459,652 |
| 44 | Bozhou Wanda Realm Hotel | 12 August 2016 | China | Bozhou Wanda Realm Hotel Management Co., Ltd. | 15 September 2017 | 275,804 |

| No. | Name of Assets | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company (RMB'000) |
|-----|---------------------------------------|--------------------------------|----------|--|--|---|
| 45 | Bengbu Wanda Realm Hotel | 12 December 2014 | China | Bengbu Wanda Realm Hotel Management Co., Ltd. | 17 September 2017 | 280,615 |
| 46 | Ningbo Wanda Sofitel Hotel | 18 December 2008 | China | Ningbo Wanfu Hotel Management Co., Ltd. | 18 September 2017 | 161,455 |
| 47 | Taizhou Wanda Realm Hotel | 09 December 2011 | China | Taizhou Hailing Wanda Realm Hotel Management Co., Ltd. | 18 September 2017 | 295,830 |
| 48 | Taiyuan Wanda Vista Hotel | 03 August 2012 | China | Taiyuan Wanda Vista Hotel Management Co., Ltd. | 18 September 2017 | 639,654 |
| 49 | Ningde Wanda Realm Hotel | 11 August 2012 | China | Ningde Wanfu Hotel Management Co., Ltd. | 18 September 2017 | 330,358 |
| 50 | Changsha Wanda Vista Hotel | 19 October 2012 | China | Changsha Kaifu Wanfu Hotel Management Co., Ltd. | 18 September 2017 | 978,089 |
| 51 | Dandong Wanda Realm Hotel | 20 December 2013 | China | Dandong Wanli Hotel Management Co., Ltd. | 18 September 2017 | 408,242 |
| 52 | Guangzhou Zengcheng Wanda Realm Hotel | 16 May 2014 | China | Guangzhou Zengcheng Wanfu Realm Hotel Management Co., Ltd. | 18 September 2017 | 297,855 |
| 53 | Weifang Wanda Pullman Hotel | 23 May 2014 | China | Weifang Wanli Hotel Management Co., Ltd. | 18 September 2017 | 379,194 |
| 54 | Chifeng Wanda Realm Hotel | 20 June 2014 | China | Chifeng Wanfu Hotel Management Co., Ltd. | 18 September 2017 | 422,702 |
| 55 | Jining Wanda Realm Hotel | 05 July 2014 | China | Jining Wanda Realm Hotel Management Co., Ltd. | 18 September 2017 | 348,233 |
| 56 | Dongying Wanda Realm Hotel | 15 August 2015 | China | Dongying Wanda Realm Hotel Management Co., Ltd. | 18 September 2017 | 426,653 |
| 57 | Chongqing Wanda Le Meridien Hotel | 11 December 2009 | China | Chongqing Wanchi Hotel Management Co., Ltd. | 19 September 2017 | 308,655 |
| 58 | Langfang Wanda Realm Hotel | 11 November 2011 | China | Langfang Wanda Realm Hotel Management Co., Ltd. | 19 September 2017 | 372,929 |
| 59 | Jinhua Wanda Realm Hotel | 25 July 2014 | China | Jinhua Wanda Realm Hotel Management Co., Ltd. | 19 September 2017 | 370,177 |
| 60 | Hohhot Wanda Vista Hotel | 29 November 2015 | China | Hohhot Wanda Vista Hotel Management Co., Ltd. | 19 September 2017 | 467,400 |
| 61 | Yiwu Wanda Realm Hotel | 16 September 2016 | China | Yiwu Wanda Realm Hotel Management Co., Ltd. | 19 September 2017 | 451,653 |

| No. | Name of Assets | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company (RMB'000) |
|-----|------------------------------------|--------------------------------------|----------|---|---|---|
| 62 | Qingdao Wanda Le Meridien Hotel | 27 November 2009 | China | Qingdao Wansheng Hotel Management Co., Ltd. | 20 September 2017 | 354,376 |
| 63 | Nanchang Wanda Realm Hotel | 13 December 2013 | China | Nanchang Honggutan Wanda Realm Hotel Management Co., Ltd. | 20 September 2017 | 369,790 |
| 64 | Zhengzhou Wanda Vista Hotel | 25 March 2016 | China | Zhengzhou Wanda Vista Hotel Management Co., Ltd. | 20 September 2017 | 650,704 |
| 65 | Xining Wanda Realm Hotel | 29 July 2016 | China | Xining Wanfu Hotel Management Co., Ltd. | 20 September 2017 | 452,637 |

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the 63 Holding Companies in respect of any period subsequent to 31 October 2017 and up to the date of this report. No dividend or distribution has been declared or made by the 63 Holding Companies in respect of any period subsequent to 31 October 2017.

The following is the text of a report set out on pages II-B-1 to II-B-2, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

**ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE
DIRECTORS OF GUANGZHOU R&F PROPERTIES CO., LTD.**

Introduction

We report on the historical financial information of the 5 holding companies of 5 city hotels (together, the "5 Holding Companies", details of which are set out in Note 12 of Section II of this accountant's report) set out on pages II-B-3 to II-B-12, which comprises combined balance sheet of the 5 Holding Companies as at 23 November 2017, the combined income statement and statement of comprehensive income, the combined statement of changes in equity and the combined statement of cash flow of the 5 Holding Companies for the period from the earliest incorporation date of the 5 Holding Companies (being 11 September 2017) to 23 November 2017, and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages II-B-3 to II-B-12 forms an integral part of this report, which has been prepared for inclusion in the circular of Guangzhou R&F Properties Co., Ltd. (the "Company") dated 16 March 2018 (the "Circular") in connection with the proposed acquisition of the 73 city hotels and Dalian Wanda Commercial Center (the "Acquisition") by the Company.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of

Certified Public Accountants (“HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant’s judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity’s preparation of Historical Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information, for the purposes of the accountant’s report, has been properly prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*Adjustments*

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page II-B-3 have been made.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong

16 March 2018

I HISTORICAL FINANCIAL INFORMATION OF TRANCHE 2 ASSETS

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The combined balance sheet of the 5 Holding Companies as at 23 November 2017, the combined income statement and statement of comprehensive income, the combined statement of change in equity and combined statement of cash flow of the 5 Holding Companies for the period from the earliest incorporation date of the 5 Holding Companies (being 11 September 2017) to 23 November 2017 (the "Underlying Financial Statements"), on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The Historical Financial Information is presented in Renminbi and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

The 5 Holding Companies were newly set up during the period from 11 September 2017 to 21 September 2017. The 5 Holding Companies have not been engaged in other business or activity other than the Restructuring set out in Note 1.2 prior to the transfer of the 5 Holding Companies to the Company. From the incorporation dates of the 5 Holding Companies to 23 November 2017, the income and expenses incurred from the hotel operations were not attributable to the 5 Holding Companies.

COMBINED BALANCE SHEET
AS AT 23 NOVEMBER 2017

| | <i>Note</i> | As at 23 November 2017 RMB'000 |
|---|-------------|---|
| Non-current assets | | |
| Property, plant and equipment | 3 | 1,551,655 |
| Intangible assets | 4 | 6,474 |
| Land use right | 5 | <u>205,779</u> |
| | | ----- 1,763,908 |
| Current assets | | |
| Inventories | 6 | 3,490 |
| Trade and other receivables and prepayments | 7 | 41,028 |
| Cash and cash equivalents | 8 | <u>30,392</u> |
| | | ----- ----- 74,910 |
| Total assets | | <u><u>1,838,818</u></u> |
| Equity | | |
| Combined share capital | 10 | 1,747,204 |
| Other reserves | 11 | <u>(3,410)</u> |
| Total equity | | ----- 1,743,794 |
| Current liabilities | | |
| Trade and other payables | 9 | <u>95,024</u> |
| Total equity and liabilities | | <u><u>1,838,818</u></u> |

COMBINED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE
INCOME

| | <i>Note</i> | From the earliest incorporation date of the 5 Holding Companies (being 11 September 2017) to 23 November 2017 RMB'000 |
|--|-------------|--|
| Revenue | | — |
| Cost of sales | | — |
| Gross profit | | — |
| Other income | | — |
| Other gains – net | | — |
| Selling and marketing costs | | — |
| General and administrative expenses | | — |
| Operating profit | | — |
| Finance income | | — |
| Finance costs | | — |
| Profit before income tax | | — |
| Income tax expense | | — |
| Profit for the period and total comprehensive income | | — |
| Attributable to: | | |
| Shareholders of the 5 Holding Companies | | — |

COMBINED STATEMENT OF CASH FLOWS

| | From the earliest incorporation date of the 5 Holding Companies (being 11 September 2017) to 23 November 2017 RMB'000 |
|--|--|
| Cash flows from investing activities | |
| Capital contribution pursuant to the Restructuring | 30,392 |
| Net cash generated from investing activities | <u>30,392</u> |
| Net increase in cash and cash equivalents | 30,392 |
| Cash and cash equivalents at beginning of the period | <u>–</u> |
| Cash and cash equivalents at end of period | <u>30,392</u> |
| Analysis of cash and cash equivalents | |
| Bank balances and cash | <u>30,392</u> |

COMBINED STATEMENT OF CHANGES IN EQUITY

| | Attributable to shareholders of the 5 Holding Companies | | Total |
|---|--|------------------|------------------|
| | Combined share capital | Other reserves | |
| | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| | <i>(Note 10)</i> | <i>(Note 11)</i> | |
| Balance at the earliest incorporation date of the 5 Holding Companies (being 11 September 2017) | – | – | – |
| Restructuring <i>(Note 1.2)</i> | 1,747,204 | (3,410) | 1,743,794 |
| Profit for the period and total comprehensive income | – | – | – |
| Balance at 23 November 2017 | <u>1,747,204</u> | <u>(3,410)</u> | <u>1,743,794</u> |

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION**1 General information, restructuring by Dalian Wanda Commercial Properties Co., Ltd. (“Dalian Wanda”) and basis of presentation****1.1 General information**

The group of 5 holding companies which hold 5 city hotels (collectively the “5 City Hotels”) are principally engaged in hotel operation in the People’s Republic of China (the “PRC”). The group of the 5 holding companies are collectively referred as to the 5 Holding Companies.

Each of the 5 Holding Companies is holding assets in their respective locations of operations after the completion of the 5 Holding Companies restructuring (the “Restructuring”) as set out in Note 1.2 below.

Pursuant to a sales and purchase agreement dated 19 July 2017 and supplemental agreements dated 20 October 2017 and 23 November 2017, entered into by Guangzhou R&F Properties Co., Ltd. (the “Company”) and Dalian Wanda (the “S&P Agreements”), the Company agreed to acquire, and Dalian Wanda agreed to dispose of, the entire interests in 73 hotels in the PRC, and an investment property namely Dalian Wanda Commercial Center (collectively, the “Assets”) at a total consideration of RMB18,955,280,000 (the “Acquisition”).

As at 23 November 2017 (the “Second Completion Date”), the equity interests in the 5 Holding Companies set up by Dalian Wanda, which held the 5 City Hotels, were transferred to the Company.

Details of the 5 City Hotels and the 5 Holding Companies are set out in Note 12.

1.2 Restructuring by Dalian Wanda

Before 30 June 2017, the 5 City Hotels were directly held by various property project companies (the “Property Project Companies”), which were controlled by Dalian Wanda. The Property Project Companies have set up 5 hotel management branch companies (the “Wanda Hotel Branches”) to operate 5 city hotels.

In preparing for the Acquisition, Dalian Wanda has undergone a series of restructuring exercise under which the ownership certificates and related assets of the 5 City Hotels were transferred from relevant Property Project Companies to the 5 Holding Companies which were newly set up by Dalian Wanda in September 2017. The assets and liabilities relating to operation of the 5 City Hotels, together with the related hotel operation (including the employee relationship), were transferred from the relevant Wanda Hotel Branches to the 5 Holding Companies.

1.3 Basis of presentation

The Historical Financial Information has been prepared to reflect the aggregation of the balance sheet of the 5 Holding Companies as at the Second Completion Date and the aggregation of the income statement and the statement of comprehensive income, the statement of changes in equity and the statement of cash flow of the 5 Holding Companies for the period from the earliest incorporation date of the 5 Holding Companies (being 11 September 2017) to the Second Completion Date.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the combined assets and liabilities, capital and reserves are set out below.

2.1 Basis of preparation

The Historical Financial Information has been compiled based on the S&P Agreements and documents entered into between Dalian Wanda and the Company in relation to the delivery of interests in the 5 Holding Companies including but not limited to the balance sheets, the register of property, plant and equipment and intangible assets, and the records of the assets and liabilities of the 5 Holding Companies as at the Second Completion Date (the "Transaction Documents"). The aggregated value of these assets and liabilities of the 5 Holding Companies delivered as of the Second Completion Date was agreed by Dalian Wanda and the Company according to the Transaction Documents.

3 Property, plant and equipment

| | Hotel buildings <i>RMB'000</i> | Machinery <i>RMB'000</i> | Transportation equipment <i>RMB'000</i> | Furniture, fixtures and equipment <i>RMB'000</i> | Assets under construction <i>RMB'000</i> | Total <i>RMB'000</i> |
|----------------------------|--------------------------------------|-----------------------------|---|--|---|-------------------------|
| At 23 November 2017 | | | | | | |
| Cost | 1,848,576 | 3,062 | 8,687 | 28,815 | 239 | 1,889,379 |
| Accumulated depreciation | <u>(313,622)</u> | <u>(1,333)</u> | <u>(5,904)</u> | <u>(16,865)</u> | <u>–</u> | <u>(337,724)</u> |
| Net book amount | <u><u>1,534,954</u></u> | <u><u>1,729</u></u> | <u><u>2,783</u></u> | <u><u>11,950</u></u> | <u><u>239</u></u> | <u><u>1,551,655</u></u> |

4 Intangible assets

| | Software <i>RMB'000</i> |
|----------------------------|----------------------------|
| At 23 November 2017 | |
| Cost | 9,155 |
| Accumulated amortisation | <u>(2,681)</u> |
| Net book amount | <u><u>6,474</u></u> |

5 Land use right

The 5 Holding Companies' interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

| | Land use right <i>RMB'000</i> |
|----------------------------|-------------------------------------|
| At 23 November 2017 | |
| Cost | 246,273 |
| Accumulated amortisation | <u>(40,494)</u> |
| Net book amount | <u><u>205,779</u></u> |

6 Inventories

| | As at 23 November 2017 RMB'000 |
|-----------------------|---|
| Low-value consumables | 3,490 |

7 Trade and other receivables and prepayments

| | As at 23 November 2017 RMB'000 |
|--|---|
| Trade receivables | 10,950 |
| Less: allowance for impairment of trade receivables | <u>(111)</u> |
| Trade receivables – net | 10,839 |
| Prepayments | 5,318 |
| Amounts due from entities controlled by Dalian Wanda | 10,506 |
| Other receivables | <u>14,365</u> |
| | <u>41,028</u> |

As at 23 November 2017, all the trade receivables are due within 1 year.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables mentioned above. The 5 Holding Companies do not hold any collateral over these balances.

8 Cash and cash equivalents

| | As at 23 November 2017 RMB'000 |
|---------------|---|
| Cash at banks | 29,971 |
| Cash on hand | <u>421</u> |
| | <u>30,392</u> |

Notes:

- (a) Cash at banks earns interest at floating daily bank deposit rates.
- (b) The conversion of RMB denominated balances into foreign currencies and the remittance of cash out of PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

9 Trade and other payables

| | As at 23 November 2017 RMB'000 |
|--|---|
| Trade payables | 35,234 |
| Advances from customers | 14,668 |
| Amounts due to entities controlled by Dalian Wanda | 7,900 |
| Accrual for staff costs and allowances | 19,064 |
| Other tax payables | 760 |
| Other payables and accruals | 17,398 |
| | <u>95,024</u> |

The carrying amounts approximate their fair values. Trade payables are due for settlement within one year.

10 Combined share capital

The balance of combined share capital as at 23 November 2017 represents the combined share capital of the 5 Holding Companies.

11 Other reserves

The balance of other reserve as at 23 November 2017 represents the combined capital reserve of the 5 Holding Companies.

12 Information of the 5 City Hotels and respective Holding Companies

| No. | Name of City Hotel | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company (RMB'000) |
|-----|---|--------------------------------|----------|--|--|---|
| 1 | Longyan Wanda Realm Hotel | 07 November 2014 | China | Longyan Wanli Hotel Management Co., Ltd. | 11 September 2017 | 372,259 |
| 2 | Guangyuan Wanda Realm Hotel | 05 June 2015 | China | Guangyuan Wanda Realm Hotel Management Co., Ltd. | 11 September 2017 | 332,426 |
| 3 | Siping Wanda Realm Hotel | 01 July 2016 | China | Siping Wanli Hotel Management Co., Ltd. | 14 September 2017 | 326,880 |
| 4 | Beijing Wanda Realm Hotel | 01 January 2009 | China | Beijing Wanda Realm Hotel Management Co., Ltd. | 15 September 2017 | 290,267 |
| 5 | Shijiazhuang Wanda InterContinental Hotel | 23 September 2011 | China | Shijiazhuang Wanchi Hotel Management Co., Ltd. | 21 September 2017 | 425,372 |

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the 5 Holding Companies in respect of any period subsequent to 23 November 2017 and up to the date of this report. No dividend or distribution has been declared or made by the 5 Holding Companies in respect of any period subsequent to 23 November 2017.

The following is the text of a report set out on pages II-C-1 to II-C-2, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF GUANGZHOU R&F PROPERTIES CO., LTD.

Introduction

We report on the historical financial information of the holding company of Kunming Wanda Vista Hotel (the "Holding Company") set out on pages II-C-3 to II-C-9, which comprises balance sheet of the Holding Company as at 2 January 2018, the income statement and statement of comprehensive income, the statement of changes in equity and the statement of cash flow of the Holding Company for the period from the incorporation date of the Holding Company (being 11 September 2017) to 2 January 2018 and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages II-C-3 to II-C-9 forms an integral part of this report, which has been prepared for inclusion in the circular of Guangzhou R&F Properties Co., Ltd. (the "Company") dated 16 March 2018 (the "Circular") in connection with the proposed acquisition of the 73 city hotels and Dalian Wanda Commercial Center (the "Acquisition") by the Company.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant's judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity's preparation of Historical Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information, for the purposes of the accountant's report, has been properly prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited***Adjustments***

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page II-C-3 have been made.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong

16 March 2018

I HISTORICAL FINANCIAL INFORMATION OF THE TRANCHE 3 ASSET**Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The balance sheet of the Holding Company as at 2 January 2018, the income statement and statement of comprehensive income, the statement of changes in equity and statement of cash flow of the Holding Company for the period from the incorporation date of the Holding Companies (being 11 September 2017) to 2 January 2018 (the "Underlying Financial Statements"), on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The Historical Financial Information is presented in Renminbi and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

The Holding Company was newly set up on 11 September 2017. The Holding Company has not been engaged in other business or activity other than the Restructuring set out in Note 1.2 prior to the transfer of the Holding Company to the Company. From the incorporation date of the Holding Company to 2 January 2018, the income and expenses incurred from the hotel operation were not attributable to the Holding Company.

BALANCE SHEET
AS AT 2 JANUARY 2018

| | As at 2 January 2018 <i>RMB'000</i> |
|---|---|
| Non-current assets | |
| Property, plant and equipment | 528,418 |
| Intangible assets | 2,217 |
| Land use right | <u>133,560</u> |
| | ----- 664,195 |
| Current assets | |
| Inventories | 185 |
| Trade and other receivables and prepayments | 15,075 |
| Cash and cash equivalents | <u>10,846</u> |
| | ----- 26,106 |
| Total assets | <u><u>690,301</u></u> |
| Equity | |
| Share capital | 665,999 |
| Other reserves | <u>468</u> |
| Total equity | ----- 666,467 |
| Current liabilities | |
| Trade and other payables | ----- 23,834 |
| Total equity and liabilities | <u><u>690,301</u></u> |

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

For the period from the incorporation date of the Holding Company (being 11 September 2017) to 2 January 2018

From the incorporation date of
the Holding Company
(being 11 September 2017)
to 2 January 2018
RMB'000

| | |
|--|---|
| Revenue | — |
| Cost of sales | — |
| Gross profit | — |
| Other income | — |
| Other gains – net | — |
| Selling and marketing costs | — |
| General and administrative expenses | — |
| Operating profit | — |
| Finance income | — |
| Finance costs | — |
| Profit before income tax | — |
| Income tax expense | — |
| Profit for the period and total comprehensive income | — |
| Attributable to: | |
| Shareholders of the Holding Company | — |

STATEMENT OF CASH FLOWS

For the period from the incorporation date of the Holding Company (being 11 September 2017) to 2 January 2018

From the incorporation date of
the Holding Company
(being 11 September 2017)
to 2 January 2018
RMB'000

Cash flows from investment activities

Capital contribution pursuant to the Restructuring 10,846

Net cash generated from investing activities 10,846

Net increase in cash and cash equivalents 10,846

Cash and cash equivalents at beginning of the period -

Cash and cash equivalents at end of the period 10,846

Analysis of cash and cash equivalents

Bank balances and cash 10,846

STATEMENT OF CHANGES IN EQUITY

For the period from the incorporation date of the Holding Company (being 11 September 2017) to 2 January 2018

| | Attributable to shareholder of the Holding Company | | Total |
|--|--|-------------------|----------------|
| | Share capital | Other reserves | |
| | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| Balance at the incorporation date of the Holding Company (being 11 September 2017) | – | – | – |
| Restructuring (Note 1.2) | 665,999 | 468 | 666,467 |
| Profit for the period and total comprehensive income | – | – | – |
| Balance at 2 January 2018 | <u>665,999</u> | <u>468</u> | <u>666,467</u> |

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION**1 General information, restructuring by Dalian Wanda Commercial Properties Co., Ltd. (“Dalian Wanda”) and basis of presentation****1.1 General information**

The holding company which hold Kunming Wanda Vista Hotel (the “Kunming Hotel”) is principally engaged in hotel operation in the People’s Republic of China (the “PRC”). The holding company is referred as to the Holding Company.

The Holding Company is holding assets in its location of operation after the completion of the Holding Company restructuring (the “Restructuring”) as set out in Note 1.2 below.

Pursuant to a sales and purchase agreement dated 19 July 2017 and supplemental agreements dated 20 October 2017 and 23 November 2017, entered into by Guangzhou R&F Properties Co., Ltd. (the “Company”) and Dalian Wanda (the “S&P Agreements”), the Company agreed to acquire, and Dalian Wanda agreed to dispose of, the entire interests in 73 hotels in the PRC, and an investment property namely Dalian Wanda Commercial Center (collectively, the “Assets”) at a total consideration of RMB18,955,280,000 (the “Acquisition”).

As at 2 January 2018 (the “Third Completion Date”), the equity interest of the Holding Company set up by Dalian Wanda, which held the Kunming Hotel, was transferred to the Company.

Details of Kunming Hotel and the Holding Company are set out in Note 3.

1.2 Restructuring by Dalian Wanda

Before 30 June 2017, Kunming Hotel was directly held by a property project company (the “Property Project Company”), which was controlled by Dalian Wanda. The Property Project Company has set up a hotel management branch company (the “Wanda Hotel Branch”) to operate Kunming Hotel.

In preparing for the Acquisition, Dalian Wanda has undergone a series of restructuring exercise under which the ownership certificates and related assets of Kunming Hotel were transferred from the Property Project Company to the Holding Company which was newly set up by Dalian Wanda in September 2017. The assets and liabilities relating to operation of Kunming Hotel, together with the related hotel operation (including the employee relationship), were transferred from the relevant Wanda Hotel Branch to the Holding Company.

1.3 Basis of presentation

The Historical Financial Information has been prepared to reflect the balance sheet of the Holding Company as at the Third Completion Date and the income statement and the statement of comprehensive income, the statement of changes in equity and the statement of cash flow of the Holding Company for the period from the incorporation date of the Holding Company (being 11 September 2017) to the Third Completion Date.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the assets and liabilities, capital and reserves are set out below.

2.1 Basis of preparation

The Historical Financial Information has been compiled based on the S&P Agreements and documents entered into between Dalian Wanda and the Company in relation to the delivery of interest in the Holding Company including but not limited to the balance sheet, the register of property, plant and equipment, intangible assets and investment properties, and the records of the assets and liabilities of the Holding Company as at the Third Completion Date (the "Transaction Documents"). The value of these assets and liabilities of the Holding Company delivered as of the Third Completion Date was agreed by Dalian Wanda and the Company according to the Transaction Documents.

3 Information of Kunming Hotel and the Holding Company

| No. | Name of Assets | Opening Date of the City Hotel | Location | Name of Holding Company | Date of Incorporation of Holding Company | Registered Capital of Holding Company (RMB'000) |
|-----|------------------------------|--------------------------------------|----------|--|---|---|
| 1 | Kunming Wanda Vista Hotel | 31 October 2014 | China | Kunming Wanfu Hotel Management Co., Ltd. | 11 September 2017 | 665,999 |

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Holding Company in respect of any period subsequent to 2 January 2018 and up to the date of this report. No dividend or distribution has been declared or made by the Holding Company in respect of any period subsequent to 2 January 2018.

A UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is an illustrative unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group (the “Unaudited Pro Forma Financial Information”) which has been prepared in accordance with paragraph 4.29 of the Listing Rules and on the basis of the notes set out below, for the purpose of illustrating the effect of the Acquisition as if it had taken place on 30 June 2017 for the unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group. The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Enlarged Group had the Acquisition been completed as at 30 June 2017 or at any future date.

The Unaudited Pro Forma Financial Information should be read in conjunction with other financial information included elsewhere in this circular.

**B UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND
LIABILITIES OF THE ENLARGED GROUP**

| | Unaudited consolidated statement of assets and liabilities of the Group as at 30 June 2017 | Pro forma adjustments | | | | Unaudited pro forma adjusted consolidated statement of assets and liabilities of the Enlarged Group |
|--|---|-----------------------|-------------------|-------------------|-------------------|---|
| | | RMB'000 Note 1 | RMB'000 Note 2 | RMB'000 Note 3 | RMB'000 Note 4 | |
| Non-current assets | | | | | | |
| Land use rights | 2,164,766 | 3,964,392 | | 3,288,708 | | 9,417,866 |
| Property, plant and equipment | 11,458,691 | 27,613,055 | | (3,831,155) | | 35,240,591 |
| Investment properties | 22,995,277 | 1,433,000 | | | | 24,428,277 |
| Intangible assets | 1,037,045 | 78,225 | | | | 1,115,270 |
| Interests in joint ventures | 6,962,734 | | | | | 6,962,734 |
| Interests in associates | 181,990 | | | | | 181,990 |
| Deferred income tax assets | 5,107,848 | | | 1,219,236 | | 6,327,084 |
| Available-for-sale financial assets | 532,500 | | | | | 532,500 |
| Trade and other receivables and prepayments | 297,820 | | | | | 297,820 |
| | 50,738,671 | | | | | 84,504,132 |
| Current assets | | | | | | |
| Properties under development | 102,988,154 | | | | | 102,988,154 |
| Completed properties held for sale | 27,138,655 | | | | | 27,138,655 |
| Inventories | 267,022 | 33,888 | | | | 300,910 |
| Trade and other receivables and prepayments | 26,750,862 | 620,227 | | | | 27,371,089 |
| Tax prepayments | 3,387,622 | | | | | 3,387,622 |
| Restricted cash | 16,737,481 | | | | | 16,737,481 |
| Cash and cash equivalents | 15,683,689 | 608,350 | (12,642,475) | | | 3,649,564 |
| | 192,953,485 | | | | | 181,573,475 |
| Total assets | 243,692,156 | | | | | 266,077,607 |

APPENDIX III

**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE ENLARGED GROUP**

| | Unaudited consolidated statement of assets and liabilities of the Group as at 30 June 2017 | Pro forma adjustments | | | | Unaudited pro forma adjusted consolidated statement of assets and liabilities of the Enlarged Group |
|---|--|-----------------------|-----------|---------|--------------------|---|
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | |
| | | Note 1 | Note 2 | Note 3 | Note 4 | |
| Non-current liabilities | | | | | | |
| Long-term borrowings | 97,803,332 | | 6,312,805 | | 104,116,137 | |
| Deferred income tax liabilities | 5,360,676 | | 1,201,971 | | 6,562,647 | |
| | <u>103,164,008</u> | | | | <u>110,678,784</u> | |
| Current liabilities | | | | | | |
| Accruals and other payables | 25,199,175 | 1,422,117 | | 10,000 | 26,631,292 | |
| Deposits received on sale of properties | 30,535,114 | | | | 30,535,114 | |
| Current income tax liabilities | 12,429,166 | | | | 12,429,166 | |
| Short-term borrowings | 9,448,199 | | | | 9,448,199 | |
| Current portion of long-term borrowings | 15,890,661 | | | | 15,890,661 | |
| | <u>93,502,315</u> | | | | <u>94,934,432</u> | |
| Total liabilities | <u>196,666,323</u> | | | | <u>205,613,216</u> | |
| Net assets | <u>47,025,833</u> | | | | <u>60,464,391</u> | |

C NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED STATEMENT
OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

- (1) The unaudited consolidated statement of assets and liabilities of the Group as at 30 June 2017 is extracted from the published 2017 interim report of the Company.
- (2) This adjustment represents the inclusion of Assets which comprises of the following:

| | Tranche 1 | Tranche 2 | Tranche 3 | Zhangzhou Wanda Realm Hotel | Qiqihar Wanda Realm Hotel and Changchun Wanda Vista Hotel | Total |
|---|------------|-----------|-----------|--------------------------------------|---|------------|
| | Assets | Assets | Assets | Assets | Assets | Assets |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | Note i | Note ii | Note iii | Note iv | Note v | |
| Non-current assets | | | | | | |
| Land use rights | 3,625,053 | 205,779 | 133,560 | | | 3,964,392 |
| Property, plant and equipment | 24,056,147 | 1,551,655 | 528,418 | 335,475 | 1,141,360 | 27,613,055 |
| Investment properties | 1,433,000 | | | | | 1,433,000 |
| Intangible assets | 69,534 | 6,474 | 2,217 | | | 78,225 |
| Current assets | | | | | | |
| Inventories | 29,831 | 3,490 | 185 | 382 | | 33,888 |
| Trade and other receivables and prepayments | 551,573 | 41,028 | 15,075 | 12,551 | | 620,227 |
| Cash and cash equivalents | 554,377 | 30,392 | 10,846 | 12,735 | | 608,350 |
| Current liabilities | | | | | | |
| Accruals and other payables | 1,272,331 | 95,024 | 23,834 | 30,928 | | 1,422,117 |

Notes:

- (i) aggregated assets and liabilities of the Tranche 1 Assets at their carrying amounts on completion date, which are extracted from the balance sheets of the Tranche 1 Assets as set out in the accountant's report set out in Appendix II-A to this circular.
- (ii) aggregated assets and liabilities of the Tranche 2 Assets at their carrying amounts on the completion date, which are extracted from the balance sheet of the Tranche 2 Assets as set out in the accountant's report set out in Appendix II-B to this circular.
- (iii) aggregated assets and liabilities of the Tranche 3 Assets at their carrying amounts on the completion date, which are extracted from the balance sheet of the Tranche 3 Asset as set out in the accountant's report set out in Appendix II-C to this circular.

- (iv) aggregated assets and liabilities of Zhangzhou Wanda Realm Hotel at their carrying amounts as at 30 June 2017, which has been compiled based on the financial information provided by Dalian Wanda. For the purpose of Unaudited Pro Forma Financial Information and for illustrative purpose only, the “property, plant and equipment” of the hotel is measured at the net asset value estimated by Dalian Wanda and disclosed in the Agreement. Also, for illustrative purpose, the “land use right” of the hotel was presented as zero because its value are already included in “property, plant and equipment”.
- (v) estimated cost upon completion of construction of Qiqihar Wanda Realm Hotel and Changchun Wanda Vista Hotel as disclosed in the Agreement. For the purpose of Unaudited Pro Forma Financial Information and for illustrative purpose only, the directors assume all such costs, including acquisition cost of land use rights, are included in “property, plant and equipment”.

(3) The Acquisition

The Acquisition involves the acquisition of the Assets by the Company pursuant to the terms of the Agreement and Supplemental Agreements at a total consideration of RMB18,955,280,000. For the purpose of Unaudited Pro Forma Financial Information, the directors assume that the consideration will be satisfied by internal resources (e.g. cash and cash equivalents) of RMB12,642,475,000 and bank borrowings of RMB6,312,805,000, respectively. As at the Latest Practicable Date, the consideration amounting to RMB18,157,940,000 has been settled.

The adjustments represent the recognition of gain from bargain purchase arising from the acquisition of the Assets. Upon completion of the Acquisition, the identifiable assets and liabilities of the Assets were accounted for in the consolidated balance sheet of the Enlarged Group at fair value under the acquisition method in accordance with Hong Kong Financial Reporting Standard 3, “Business Combination” (“HKFRS 3”). For the purpose of the Unaudited Pro Forma Financial Information and for illustrative purpose only, the Group has carried out an illustrative consideration allocation exercise in accordance with HKFRS 3. The identifiable assets and liabilities of the Assets are recorded in the unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group at their fair values estimated by the Directors with reference to the valuation performed by an independent professional qualified valuer which issued a valuation report dated 16 March 2018 (the “Valuation Report”) on the Assets as at 31 December 2017 for the purpose of purchase price allocation.

The difference in the fair value of the net identifiable assets of the Assets over the consideration is recognised as a gain on bargain purchase. Assuming the acquisition is completed on 30 June 2017, the gain on bargain purchase arising from the acquisition of the Assets is calculated as follows:

| | <i>Note</i> | <i>RMB'000</i> |
|---|-------------|---------------------|
| Consideration transferred | | 18,955,280 |
| Less: | | |
| Net assets of the Assets | | 32,929,020 |
| Fair value deficit of property, plant and equipment | <i>a</i> | (3,831,155) |
| Fair value surplus of land use rights | <i>a</i> | 3,288,708 |
| Net effect on deferred tax liabilities and assets arising from fair value surplus/deficit of property, plant and equipment and land use right | <i>b</i> | <u>17,265</u> |
| Total fair value of identifiable assets acquired and liabilities assumed | | <u>32,403,838</u> |
| Gain on bargain purchase | | <u>(13,448,558)</u> |

Notes:

- (a) For the purpose of the Unaudited Pro Forma Financial Information, the fair values of the investment properties, land use rights and property, plant and equipment of the Assets were based on a valuation report prepared by the independent valuer, amounting to approximately RMB32,468 million. The fair value (deficit)/surplus of property, plant and equipment and land use rights amounting to RMB(3,831,155,000) and RMB3,288,708,000, respectively, was calculated on the difference of the fair values and the amounts set out in Note 2.
 - (b) This represents the identified deferred income tax liabilities and assets of RMB1,201,971,000 and RMB1,219,236,000, respectively, arising from the differences between the tax base and the carrying amount of the land use rights and property, plant and equipment of different taxable entities in connection with the Acquisition.
 - (c) Since the fair values of the identifiable assets and liabilities of the Assets at the acquisition dates may substantially differ from the fair values used in the preparation of this Unaudited Pro Forma Financial Information of the Enlarged Group, the final amounts of the identified net assets (including intangible assets) and gain on bargain purchase may be different from the amounts presented above.
- (4) The adjustment represents the estimated professional fee and transaction costs of approximately RMB10,000,000 by the Enlarged Group in connection with the Acquisition.

- (5) Apart from the Acquisition, no other adjustment has been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions entered into by the Group and the Assets subsequent to 30 June 2017 and the respective transfer dates of the Assets. In particular, the Unaudited Pro Forma Financial Information has not taken into account the issuance of senior notes with US\$500 million principal amount of 5.875% and US\$100 million principal amount of 5.875% as disclosed in the announcement of the Company dated 14 November 2017 and 5 January 2018, respectively, and the issuance of senior notes amounting to US\$600 million principal amount of 5.25% and US\$200 million principal amount of 5.25% on 9 October and 24 October 2017.

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

To the Directors of Guangzhou R&F Properties Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Guangzhou R&F Properties Co., Ltd. (the "Company") and its subsidiaries (collectively the "Group") and 73 city hotels and Dalian Wanda Commercial Center (the "Assets") (collectively the "Enlarged Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of assets and liabilities as at 30 June 2017, and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages III-1 to III-7 of the Company's circular dated 16 March 2018, in connection with the proposed acquisition of the Assets (the "Acquisition") by the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages III-1 to III-7.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the Acquisition on the Group's financial position as at 30 June 2017 as if the Acquisition had taken place at 30 June 2017. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial statements for the six months ended 30 June 2017, on which no review report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Acquisition at 30 June 2017 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 16 March 2018

**APPENDIX IV MANAGEMENT DISCUSSION AND ANALYSIS OF
THE TRANCHE 1 ASSETS, THE TRANCHE 2 ASSETS
AND THE TRANCHE 3 ASSETS**

The following is the management discussion and analysis on the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets

(A) THE TRANCHE 1 ASSETS

**FOR THE PERIOD BETWEEN THE DATE OF INCORPORATION AND 31
OCTOBER 2017**

(i) Business Review and Financial Position

The Tranche 1 Assets were newly set up during the period from 18 August 2017 to 20 September 2017. The Tranche 1 Assets have not been engaged in other business or activity other than the Restructuring prior to the transfer of the Tranche 1 Assets to the Company on 31 October 2017. From the incorporation dates of the Tranche 1 Assets to 31 October 2017 (the “Reporting Period 1”), the income and expenses incurred from the hotel operations were not attributable to the Tranche 1 Assets. The Tranche 1 Assets were primarily engaged in holding the assets and operations of the 64 city hotels and Dalian Wanda Commercial Center in the core of the cities in the PRC. The total combined assets of the Tranche 1 Assets as at 31 October 2017 were approximately RMB30,319.5 million, which were primarily made up of property, plant and equipment, investment properties, land use rights, trade and other receivables and prepayments and cash and cash equivalents.

The Tranche 1 Assets did not have any future plans for material investments/divestments in the coming financial period.

(ii) Financial Resources, Liquidity, Capital Structure, Gearing Ratio and Charges On Assets

As at 31 October 2017, the Tranche 1 Assets had a cash reserve of RMB554.4 million. The combined current ratio (current assets/current liabilities) was about 0.9 times. The combined gearing ratio (total debt to total assets) was about 4.2%. There is no bank borrowings of the Tranche 1 Assets as at 31 October 2017.

(iii) Foreign Exchange Exposure and Contingent Liabilities

The operations of the Tranche 1 Assets were denominated in RMB. As RMB is the functional and presentation currency, there is no foreign exchange exposure of the Tranche 1 Assets.

During the Reporting Period 1, the Tranche 1 Assets did not have any contingent liabilities.

**APPENDIX IV MANAGEMENT DISCUSSION AND ANALYSIS OF
THE TRANCHE 1 ASSETS, THE TRANCHE 2 ASSETS
AND THE TRANCHE 3 ASSETS**

(B) THE TRANCHE 2 ASSETS

**FOR THE PERIOD BETWEEN THE DATE OF INCORPORATION AND 23
NOVEMBER 2017**

(i) Business Review and Financial Position

The Tranche 2 Assets were newly set up during the period from 11 September 2017 to 21 September 2017. The Tranche 2 Assets have not been engaged in other business or activity other than the Restructuring prior to the transfer of the Tranche 2 Assets to the Company on 23 November 2017. From the incorporation dates of the Tranche 2 Assets to 23 November 2017 (the “Reporting Period 2”), the income and expenses incurred from the hotel operations were not attributable to the Tranche 2 Assets. The Tranche 2 Assets were primarily engaged in holding the assets and operations of the 5 city hotels in the core of the cities in the PRC. The total combined assets of the Tranche 2 Assets as at 23 November 2017 were approximately RMB1,838.8 million, which were primarily made up of property, plant and equipment, land use rights, trade and other receivables and prepayments and cash and cash equivalents.

The Tranche 2 Assets did not have any future plan for material investments/divestments in the coming financial period.

(ii) Financial Resources, Liquidity, Capital Structure, Gearing Ratio and Charges On Assets

As at 23 November 2017, the Tranche 2 Assets had a cash reserve of RMB30.4 million. The combined current ratio (current assets/current liabilities) was about 0.8 times. The combined gearing ratio (total debt to total assets) was about 5.2%. There is no bank borrowings of the Tranche 2 Assets as at 23 November 2017.

(iii) Foreign Exchange Exposure and Contingent Liabilities

The operations of the Tranche 2 Assets were denominated in RMB. As RMB is the functional and presentation currency, there is no foreign exchange exposure of the Tranche 2 Assets.

During the Reporting Period 2, the Tranche 2 Assets did not have any contingent liabilities.

**APPENDIX IV MANAGEMENT DISCUSSION AND ANALYSIS OF
THE TRANCHE 1 ASSETS, THE TRANCHE 2 ASSETS
AND THE TRANCHE 3 ASSETS**

(C) THE TRANCHE 3 ASSETS

**FOR THE PERIOD BETWEEN THE DATE OF INCORPORATION AND 2
JANUARY 2018**

(i) Business Review and Financial Position

The Tranche 3 Assets were newly set up from 11 September 2017 to 2 January 2018. The Tranche 3 Assets have not been engaged in other business or activity other than the Restructuring prior to the transfer of the Tranche 3 Assets to the Company on 2 January 2018. From the incorporation date of the Tranche 3 Assets to 2 January 2018 (the “Reporting Period 3”), the income and expenses incurred from the hotel operations were not attributable to the Tranche 3 Assets. The Tranche 3 Assets were primarily engaged in holding the assets and operations of the 1 city hotel in Kunming in the PRC. The total assets of the Tranche 3 Assets as at 2 January 2018 were approximately RMB690.3 million, which were primarily made up of property, plant and equipment, land use rights, trade and other receivables and prepayments and cash and cash equivalents. The Tranche 3 Assets did not have any future plan for material investments/divestments in the coming financial period.

(ii) Financial Resources, Liquidity, Capital Structure, Gearing Ratio and Charges On Assets

As at 2 January 2018, the Tranche 3 Assets had a cash reserve of RMB10.8 million. The current ratio (current assets/current liabilities) was about 1.1 times. The gearing ratio (total debt to total assets) was about 3.5%. There is no bank borrowings of the Tranche 3 Assets as at 2 January 2018.

(iii) Foreign Exchange Exposure and Contingent Liabilities

The operations of the Tranche 3 Assets were denominated in RMB. As RMB is the functional and presentation currency, there is no foreign exchange exposure of the Tranche 3 Assets.

During the Reporting Period 3, the Tranche 3 Assets did not have any contingent liabilities.

**APPENDIX IV MANAGEMENT DISCUSSION AND ANALYSIS OF
THE TRANCHE 1 ASSETS, THE TRANCHE 2 ASSETS
AND THE TRANCHE 3 ASSETS**

(D) HOTEL MANAGEMENT AGREEMENTS

All of the city hotels under Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets were managed by the hotel management companies, which are globally renowned hotel operators. The hotel management companies were engaged to manage the day-to-day operations and marketing of the city hotels pursuant to respective hotel management agreement of each city hotel (**the “Original Hotel Management Agreements”**). After the Restructuring, supplemental hotel management agreements were entered into between each of the city hotels and the original hotel management companies to change the hotel owners (**the “Supplemental Hotel Management Agreements”**). The Original Hotel Management Agreements and the Supplemental Hotel Management Agreements were collectively referred as to the **“Hotel Management Agreements”**. The employer of the staff of the hotel will be the Holding Companies post-completion.

The following is the text of a letter and valuation certificates, prepared for the purpose of incorporation in this circular received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer and consultant, in connection with its valuations as at 31 December 2017 of the property interests held by the Group.



仲量聯行

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
6/F Three Pacific Place 1 Queen's Road East Hong Kong
tel +852 2846 5000 fax +852 2169 6001
Company Licence No.: C-030171

16 March 2018

The Board of Directors
Guangzhou R&F Properties Co., Ltd.
45-54/F., R&F Center,
No. 10 Huaxia Road
Pearl River New Town, Guangzhou
The PRC

Dear Sirs,

In accordance with the instructions of **Guangzhou R&F Properties Company Limited** (the "**Company**") to value all those property interests of 73 city hotels and an office building (including all Tranche 1 Assets, Tranche 2 Assets and Tranche 3 Asset) which are held/to be held by various hotel management companies (the subsidiaries of the Company, hereinafter together referred to as the "**Group**") in the People's Republic of China (the "**PRC**"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the property interests as at 31 December 2017 (the "**valuation date**").

Basis of Valuation

Our valuation is carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation dates 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".

Valuation Method

In valuing the property interests in Group I which are completed and operated as hotels, as the properties have income-producing ability, but transactions involving the similar assets are not recent enough in the market, we have adopted Discounted Cash Flow ("**DCF**") Approach, which derives the market value by discounting the future net cash flow of each property to its present value by using an appropriate discount rate that reflects the rate of return required by a third party investor for similar type of properties. We have prepared a 10-year cash flow forecast with reference to the current and anticipated market condition. The discount rate reflects the inherent risk associated with investment in the hotels and is

consistent with the projected cash flow. It is a rate of return that is expected by investors for similar properties' investments and is consistent with the level of discount rate used in the valuation of similar type of properties. We have considered three discount rates for the valuation of 73 city hotels, that is 7.5%, 8% and 8.5% in accordance with the risk consideration of similar type of properties in different cities.

| City Type | Discount rate used |
|--|---------------------------|
| Tier 1 city and some gateway cities, such as Beijing and Tianjin | 7.5% |
| Most Tier 2 cities and above | 8.0% |
| Cities with rare investment activities such as Dandong, Daqing, Fushun and Neijiang | 8.5% |

In the course of our valuation, we have made reference to the historical operating data of the hotels and taken into account of main factors of comparable hotels such as daily room rate and occupancy rate for the 1st year's data. We also referenced to the projected cash flow prepared by the Group on daily room rates growth, departmental revenues/expenses, other operating expenses, etc. and examined the key data with our understanding, experience and market analysis of city and hotel development in China. The potential benefits that will influence the cash flow forecast are showed as follows:

- Continuing strong economic growth in China especially for most cities the hotels situated, such as Tianjin, Chongqing and Changsha
- Improvement of city infrastructure including transportation network and city connection
- Increase of disposable income of citizens and the change of lifestyle in China which will stimulate the increase of leisure travel and enhance the expenditures during the travel
- Rapid increase of business travel in China and increase of per capita business travel expenditures

We have valued the property in Group II held for investment by the income approach by taking into account the net rental income of the property derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the fair value at an appropriate capitalization rate. Considering plenty of existing leases and income-producing ability, income approach is appropriate for this type of asset. And also, reference has been made to the comparable sales transactions as available in the relevant market.

We have attributed no commercial value to the property interests of the 2 city hotels in Group III, which were under construction and have not been assigned to the Group as at the valuation date, thus the titles of the properties are not vested in the Group.

The Hotel Assets

The Hotel Assets comprises 73 hotels of which 71 hotels in Group I were opened in various stages from year 2008 to mid of 2017. According to the information provided by the Group, 45 hotels operated less than 5 years of which 23 no more than 3 years. Therefore, most of these hotels are in the different stages to be mature. The remaining 2 hotels in Group III are under construction to be completed in 2018 and 2019 and will be vested to the Group upon completion.

These hotels are scattered in 69 cities of 27 provinces in the PRC and except for Nanning Wanda Realm Hotel which is designed as a 5-star resort and leisure hotel, other hotels are designed as 5-star business hotels. In addition, most of the hotels are part of high grade mixed use commercial complex situated at core area or core developing areas of the respective cities. The business growth of the hotels will be benefited from interaction with other business operations within the same commercial complex and faster economic growth of the core developing areas. The categorization of the hotels in accordance with the city tier and their Average Daily Room Rate (“ADR”) and Occupancy Rate in first half of 2017 are listed as below:

| City Tier | Hotel numbers | Cities | ADR* | Average Occupancy Rate* |
|------------------|---------------|---|------|-------------------------|
| Tier 1 | 1 | Beijing | 580 | 63% |
| Tier 2 | 19 | Tianjin, Wuhan, Xi’an, Zhengzhou, Chongqing, Shenyang, etc. | 619 | 64% |
| Tier 3 and above | 53 | Hefei, Shijiazhuang, Harbin, Nanchang, Nanning, Yinchuan, Zhangzhou, etc. | 484 | 55% |

Note: *exclude the two uncompleted hotels

52 hotels are run under Wanda’s self-owned luxury hotel brands of Wanda Vista or Wanda Realm and the remaining 21 hotels are run under internationally renowned luxury hotel brands including Hilton, InterContinental, Le Meridien, etc. They are all operated under various hotel management agreements with initial terms of 10 years, 15 year or 20 years with remaining 1-19 years to run. In general, the remuneration of the management agreement includes basic management fees based on operating revenue and incentive fees based on gross operating profits for operating the hotels.

China Market Hotel Overview

Hotel operations were considerably affected by the general economic environment. Tier 1 cities such as Beijing, Shanghai, Guangzhou, Shenzhen, Sanya, and gateway cities such as Tianjin, Wuhan and Nanjing typically have better economic environment, consequently, high-end hotel market at those cities shown a more positive result. Cities with notable tourism destinations to boost tourism arrivals and with strong MICE demand could also

perform well in hotel market. The strong appetite for leisure activities among China's growing middle classes, combined with the expansion of business travel, have continued to buoy demand in the hospitality sector.

In 2016, China's Hotel Market remained relatively stable. Data from 2015 and 2016 shows a slow recovery of China's hotel market, though the general economic environment is slowdown. According to 2017 China Hotel Industry Study, occupancy rate has increased a little in 5-star hotels, reaching 59.8% in 2016, close to its 2011 level, which mainly driven by increasing domestic leisure demand. However, the overall average daily rate (ADR) slightly decreased by partial impact of "replacing business tax with value-added tax" (RBT VAT) and the shift in customer profile. Regardless of the VAT reform, four tier 1 cities experienced moderated ADR increase, averaged at RMB934 in 2016 (RMB865 in Beijing) and the ADRs of five-star hotels in tiers 2 and 3 cities were about RMB626 and RMB487 respectively.

In general, the overall China's Hotel Market is under recovery. Tier 1 cities and some tier 2 cities as mature markets would be able to keep a stable performance with limited supplies in the future. The increasing competition in tier 3 cities pushes hotel operators to reduce ADRs at present to attract more business, as result, the hotel markets in those cities will need a long time to recover. However, the cities' development will certainly bring the growth of hotel markets especially for the business/leisure hotels in growing areas.

Assumptions

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

For the completed city hotels in Group I, we assumed that the hotels are continued to be run by same grade of current branded hotel operators. For the 2 hotels under construction in Group III, we assumed the hotels have been designed and will be completed and run as luxury hotels similar with other hotels in this hotel portfolio.

Valuation Standards

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation – Global Standards 2017 published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors; and the International Valuation Standards published by the International Valuation Standards Council.

Source of Information and Title Investigation

We have relied to a very considerable extent on the information given by the Group, and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

We have also taken into account the historical operating data of the hotels and made interviews with the hotel management teams. We have also made reference to the operating performance of similar hotels nearby and hotel performance research for consideration.

We have been shown copies of Real Estate Title Certificates and official plans relating to the property interests and have made relevant enquires. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal adviser – Guangdong Huashang Law Offices, concerning the validity of the property interests in the PRC. For Group I and Group II, we have been provided with a legal opinion regarding the property interests, which contains, inter alia, the following:

- a. the Group has obtained the Real Estate Title Certificates and owned the ownership rights to the properties, and the Group has the rights to occupy, use, lease, transfer, mortgage and other dispose of the properties;
- b. there is no restriction of sequestration, mortgage and other rights on the properties and we do not find any lawsuits involving the properties; and
- c. the Group has not obtained the title certificates for certain underground spaces of some properties; the absence of title certificates for the underground areas would not affect the Group's ownership of the hotels and the Group may not be subject to contingent liabilities.

Area Measurement and Inspection

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made,

but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the properties was carried out in August 2017 by about 30 technical staffs. They have extensive experience in the valuation of properties in the PRC.

Currency

All monetary figures stated in this report are in Renminbi (RMB).

Our valuation is summarized below and the valuation certificates are attached.

Yours faithfully,
for and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Gilbert C.H. Chan
MRICS MHKIS RPS (GP)
Director

Note:

Gilbert C.H. Chan is a Chartered Surveyor who has 25 years' experience in the valuation of properties in the PRC.

SUMMARY OF VALUES

Group I – Property interests held for hotel operation by the Group in the PRC

| No. | Property | Market value in existing state as at the valuation date RMB |
|-----|---|---|
| 1. | Ningbo Wanda Sofitel Hotel | 402,000,000 |
| 2. | Beijing Wanda Realm Hotel | 566,000,000 |
| 3. | Qingdao Wanda Le Meridien Hotel | 596,000,000 |
| 4. | Chongqing Wanda Le Meridien Hotel | 456,000,000 |
| 5. | Wuxi Wanda Sheraton Hotel | 592,000,000 |
| 6. | Xiangyang Wanda Crowne Plaza Hotel | 353,000,000 |
| 7. | Yichang Wanda Crowne Plaza Hotel | 403,000,000 |
| 8. | Fuzhou Wanda Westin Hotel | 680,000,000 |
| 9. | Hefei Wanda Westin Hotel | 672,000,000 |
| 10. | Wuhan Wanda Westin Hotel | 1,120,000,000 |
| 11. | Zhenjiang Wanda Sheraton Hotel | 399,000,000 |
| 12. | Xi'an Wanda Hilton Hotel | 739,000,000 |
| 13. | Shijiazhuang Wanda InterContinental Hotel | 545,000,000 |
| 14. | Jinan Wanda Hyatt Hotel | 598,000,000 |
| 15. | Langfang Wanda Realm Hotel | 302,000,000 |
| 16. | Daqing Wanda Sheraton Hotel | 267,000,000 |
| 17. | Taizhou Wanda Realm Hotel | 266,000,000 |
| 18. | Changzhou Wanda Sheraton Hotel | 537,000,000 |
| 19. | Tangshan Wanda InterContinental Hotel | 288,000,000 |
| 20. | Dalian Wanda Conrad Hotel | 434,000,000 |
| 21. | Dalian Wanda Hilton Hotel | 734,000,000 |
| 22. | Taiyuan Wanda Vista Hotel | 485,000,000 |
| 23. | Ningde Wanda Realm Hotel | 394,000,000 |
| 24. | Quanzhou Wanda Vista Hotel | 655,000,000 |
| 25. | Changsha Wanda Vista Hotel | 1,179,000,000 |
| 26. | Zhangzhou Wanda Realm Hotel | 306,000,000 |
| 27. | Huai'an Wanda Realm Hotel | 264,000,000 |
| 28. | Yixing Wanda Le Meridien Hotel | 341,000,000 |
| 29. | Wanzhou Wanda Doubletree Hotel | 320,000,000 |
| 30. | Shenyang Wanda Vista Hotel | 452,000,000 |
| 31. | Fushun Wanda Realm Hotel | 182,000,000 |
| 32. | Tianjin Wanda Vista Hotel | 438,000,000 |
| 33. | Wuhan Wanda Realm Hotel | 1,063,000,000 |
| 34. | Harbin Wanda Realm Hotel | 614,000,000 |
| 35. | Nanchang Wanda Realm Hotel | 385,000,000 |
| 36. | Yinchuan Wanda Realm Hotel | 378,000,000 |
| 37. | Dandong Wanda Realm Hotel | 208,000,000 |
| 38. | Nanjing Wanda Realm Hotel | 469,000,000 |

| No. | Property | Market value in existing state as at the valuation date RMB |
|-----|---------------------------------------|---|
| 39. | Guangzhou Zengcheng Wanda Realm Hotel | 223,000,000 |
| 40. | Weifang Wanda Pullman Hotel | 390,000,000 |
| 41. | Chifeng Wanda Realm Hotel | 341,000,000 |
| 42. | Jining Wanda Realm Hotel | 276,000,000 |
| 43. | Jinhua Wanda Realm Hotel | 406,000,000 |
| 44. | Changzhou Wujin Wanda Realm Hotel | 273,000,000 |
| 45. | Dongguan Dongcheng Wanda Vista Hotel | 663,000,000 |
| 46. | Ma'anshan Wanda Realm Hotel | 228,000,000 |
| 47. | Jingzhou Wanda Realm Hotel | 259,000,000 |
| 48. | Lanzhou Wanda Vista Hotel | 777,000,000 |
| 49. | Kunming Wanda Vista Hotel | 687,000,000 |
| 50. | Longyan Wanda Realm Hotel | 213,000,000 |
| 51. | Jiangmen Wanda Realm Hotel | 431,000,000 |
| 52. | Wuhu Wanda Realm Hotel | 197,000,000 |
| 53. | Bengbu Wanda Realm Hotel | 271,000,000 |
| 54. | Nanning Wanda Vista Hotel | 691,000,000 |
| 55. | Guangyuan Wanda Realm Hotel | 171,000,000 |
| 56. | Neijiang Wanda Realm Hotel | 229,000,000 |
| 57. | Huangshi Wanda Realm Hotel | 181,000,000 |
| 58. | Anyang Wanda Realm Hotel | 247,000,000 |
| 59. | Dongying Wanda Realm Hotel | 239,000,000 |
| 60. | Tai'an Wanda Realm Hotel | 282,000,000 |
| 61. | Fuyang Wanda Realm Hotel | 286,000,000 |
| 62. | Liuzhou Wanda Realm Hotel | 368,000,000 |
| 63. | Hohhot Wanda Vista Hotel | 458,000,000 |
| 64. | Zhengzhou Wanda Vista Hotel | 596,000,000 |
| 65. | Siping Wanda Realm Hotel | 179,000,000 |
| 66. | Xining Wanda Realm Hotel | 360,000,000 |
| 67. | Bozhou Wanda Realm Hotel | 193,000,000 |
| 68. | Urumqi Wanda Vista Hotel | 340,000,000 |
| 69. | Yiwu Wanda Realm Hotel | 320,000,000 |
| 70. | Shangrao Wanda Realm Hotel | 264,000,000 |
| 71. | Nanning Wanda Realm Resort | 228,000,000 |
| | Sub-total: | <u>30,349,000,000</u> |

Group II – Property interest held for investment by the Group in the PRC

| No. | Property | Market value in existing state as at the valuation date RMB |
|------------|--------------------------------|--|
| 72. | Dalian Wanda Commercial Center | <u>1,433,000,000</u> |
| | Sub-total: | <u><u>1,433,000,000</u></u> |

Group III– Property interests contracted to be acquired by the Group in the PRC

| | | |
|-----|-----------------------------|---|
| 73. | Qiqihar Wanda Realm Hotel | No commercial value <i>(Refer to note)</i> |
| 74. | Changchun Wanda Vista Hotel | No commercial value <i>(Refer to note)</i> |
| | Sub-total: | <u>Nil</u> |
| | Grand-total: | <u><u>31,782,000,000</u></u> |

Note:

- As at the valuation date, the properties have not been assigned to the Group and thus the titles of the properties have not been vested in the Group. Therefore we have attributed no commercial value to the properties. However, for reference purpose, we are of the opinion that the market value of the properties as at the date of valuation would be RMB686,000,000 on condition that the properties are completed, the relevant title certificates have been obtained by the Group and the Group is entitled to freely transfer, lease, mortgage or otherwise dispose of the properties.

VALUATION CERTIFICATE

Group I – Property interests held for hotel operation by the Group in the PRC

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 1. | Ningbo Wanda Sofitel Hotel No. 899 Siming Middle Road, Yinzhou District, Ningbo City Zhejiang Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 291 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2008 and has a total gross floor area of approximately 40,735.30 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 11 January 2045 for commercial service use.</p> | The property is currently operated for hotel usage. | 402,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Zhe (2017) Ning Bo Shi Yin Zhou Bu Dong Chan Quan Di No. 0611905, a building with a gross floor area of approximately 40,735.30 sq.m. is owned by Ningbo Wanfu Hotel Management Co., Ltd. (寧波萬富酒店管理有限公司, “Ningbo Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 11,826.9 sq.m. have been granted to Ningbo Wanfu for a term expiring on 11 January 2045 for commercial service use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 522 | 68% | 72% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 2. | Beijing Wanda Realm Hotel No. Jia 18 Shijingshan Road, Shijingshan District, Beijing The PRC | <p>The property is a 19-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 312 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2009 and has a total gross floor area of approximately 43,460.12 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 20 June 2047 for hotel use.</p> | The property is currently operated for hotel usage. | 566,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Jing (2017) Shi Bu Dong Chan Quan Di Nos. 0023115 and 0023114, a building with a total gross floor area of approximately 43,460.12 sq.m. is owned by Beijing Wanda Realm Hotel Management Co., Ltd. (北京萬達嘉華酒店管理有限公司, “Beijing Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Beijing Wanda Realm for a term expiring on 20 June 2047 for hotel use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 580 | 65% | 70% | 7.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 3. | Qingdao Wanda Le Meridien Hotel No. 112 Yanji Road, Shibei District, Qingdao City Shandong Province The PRC | <p>The property is a 26-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 349 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2010 and has a total gross floor area of approximately 51,077.53 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 24 November 2047 for commercial service use.</p> | The property is currently operated for hotel usage. | 596,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Lu (2017) Qing Dao Shi Bu Dong Chan Quan Di No. 0084784, a building with a gross floor area of approximately 51,077.53 sq.m. is owned by Qingdao Wansheng Hotel Management Co., Ltd. (青島萬升酒店管理有限公司, “Qingdao Wansheng”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Qingdao Wansheng for a term expiring on 24 November 2047 for commercial service use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 591 | 62% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 4. | Chongqing Wanda Le Meridien Hotel No. 10 Jiangnan Avenue, Nan'an District, Chongqing The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 319 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2009 and has a total gross floor area of approximately 42,924.21 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 9 June 2046 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 456,000,000 |

Notes:

- Pursuant to 4 Real Estate Title Certificates – Yu (2017) Nan An Qu Bu Dong Chan Quan Di Nos. 000970483, 000970473, 000970299 and 000970407, a building with a total gross floor area of approximately 42,924.21 sq.m. is owned by Chongqing Wanchi Hotel Management Co., Ltd. (重慶萬馳酒店管理有限公司, “Chongqing Wanchi”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the appointed land parcel have been granted to Chongqing Wanchi for a term expiring on 9 June 2046 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 479 | 71% | 75% | 7.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 5. | Wuxi Wanda Sheraton Hotel No. 49 Liangxi Road, Binhu District, Wuxi City Jiangsu Province The PRC | <p>The property is a 23-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 350 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2010 and has a total gross floor area of approximately 46,650.72 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 30 October 2047 for retail and wholesale uses.</p> | The property is currently operated for hotel usage. | 592,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Su (2017) Wu Xi Shi Bu Dong Chan Quan Di No. 0183844, a building with a gross floor area of approximately 40,150.72 sq.m. is owned by Wuxi Wanfu Hotel Management Co., Ltd. (無錫萬富酒店管理有限公司, “Wuxi Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 1,672.9 sq.m. have been granted to Wuxi Wanfu for a term expiring on 30 October 2047 for retail and wholesale uses.
- As advised by Wuxi Wanfu, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,500 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 524 | 73% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 6. | Xiangyang Wanda Crowne Plaza Hotel No. 11 Changhong North Road, Xiangyang City Hubei Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 303 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2010 and has a total gross floor area of approximately 43,319.20 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 20 July 2049 for commercial service use.</p> | The property is currently operated for hotel usage. | 353,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – E (2017) Xiang Yang Shi Bu Dong Chan Quan Di No. 0046638, a building with a gross floor area of approximately 35,172.20 sq.m. is owned by Xiangyang Wanfu Hotel Management Co., Ltd. (襄陽萬富酒店管理有限公司, “Xiangyang Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 8,875.03 sq.m. have been granted to Xiangyang Wanfu for a term expiring on 20 July 2049 for commercial service use.
- As advised by Xiangyang Wanfu, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 8,147 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 287 | 58% | 66% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 7. | Yichang Wanda Crowne Plaza Hotel 169S Yanjiang Avenue, Wujiagang District, Yichang City Hubei Province The PRC | <p>The property is a 21-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 276 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2010 and has a total gross floor area of approximately 39,120.70 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 30 May 2049 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 403,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – E (2017) Yi Chang Shi Bu Dong Chan Quan Di No. 0058315, a building with a gross floor area of approximately 39,120.70 sq.m. is owned by Yichang Wanli Hotel Management Co., Ltd. (宜昌萬力酒店管理有限公司, “Yichang Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 3,388.32 sq.m. have been granted to Yichang Wanli for a term expiring on 30 May 2049 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 563 | 63% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 8. | Fuzhou Wanda Westin Hotel No. 366 Jiangbin Middle Avenue, Taijiang District, Fuzhou City Fujian Province The PRC | <p>The property is a 22-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 305 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2010 and has a total gross floor area of approximately 49,293.09 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 22 July 2049 for business and financial uses.</p> | The property is currently operated for hotel usage. | 680,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Min (2017) Fu Zhou Shi Bu Dong Chan Quan Di No. 9061607, a building with a gross floor area of approximately 40,893.09 sq.m. is owned by Fuzhou Wanli Hotel Management Co., Ltd. (福州萬力酒店管理有限公司, “Fuzhou Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Fuzhou Wanli for a term expiring on 22 July 2049 for business and financial uses.
- As advised by Fuzhou Wanli, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 8,400 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 601 | 82% | 78% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 9. | Hefei Wanda Westin Hotel No. 150 Ma'anshan Road, Baohu District, Hefei City Anhui Province The PRC | <p>The property is a 21-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 310 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2010 and has a total gross floor area of approximately 48,526.82 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 30 June 2049 for commercial service and parking uses.</p> | The property is currently operated for hotel usage. | 672,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Wan (2017) He Bu Dong Chan Quan Di No. 0233192, a building with a gross floor area of approximately 48,526.82 sq.m. is owned by Hefei Wanli Hotel Management Co., Ltd. (合肥萬力酒店管理有限公司, “Hefei Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 5,954.60 sq.m. have been granted to Hefei Wanli for a term expiring on 30 June 2049 for commercial service and parking uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 690 | 67% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 10. | Wuhan Wanda Westin Hotel No. 96, Linjiang Avenue, Wuchang District, Wuhan City Hubei Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 305 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 50,368.06 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 16 December 2049 for commercial service use.</p> | The property is currently operated for hotel usage. | 1,120,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – E (2017) Wu Han Shi Wu Chang Bu Dong Chan Quan Di No. 0051548, a building with a gross floor area of approximately 41,917.25 sq.m. is owned by Wuhan Westin Hotel Management Co., Ltd. (武汉威斯汀酒店管理有限公司, “Wuhan Westin”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 17,959.11 sq.m. have been granted to Wuhan Westin for a term expiring on 16 December 2049 for commercial service use.
- As advised by Wuhan Westin, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 8,450.81 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 774 | 77% | 80% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 11. | Zhenjiang Wanda Sheraton Hotel No. 88 Beifu Road, Runzhou District, Zhenjiang City Jiangsu Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 289 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 43,289.65 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 20 December 2049 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 399,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Su (2017) Zhen Jiang Shi Bu Dong Chan Quan Di No. 0075257, a building with a gross floor area of approximately 43,289.65 sq.m. is owned by Zhenjiang Wanli Hotel Management Co., Ltd. (鎮江萬力酒店管理有限公司, “Zhenjiang Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 4,249.4 sq.m., have been granted to Zhenjiang Wanli for a term expiring on 20 December 2049 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 508 | 70% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 12. | Xi'an Wanda Hilton Hotel No. 199 Dongxin Street, Xincheng District, Xi'an City Shaanxi Province The PRC | <p>The property is a 8-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 311 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 43,411.86 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 30 March 2049 for other use.</p> | The property is currently operated for hotel usage. | 739,000,000 |

Notes:

- Pursuant to two Real Estate Title Certificates – Shan (2017) Xi An Shi Bu Dong Chan Quan Di Nos. 1327310 and 1327311, a building with a total gross floor area of approximately 43,411.86 sq.m. is owned by Xi'an Hilton Hotel Management Co., Ltd. (西安希爾頓酒店管理有限公司, "Xi'an Hilton", the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Xi'an Hilton for a term expiring on 30 March 2049 for other use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 714 | 70% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 13. | Shijiazhuang Wanda InterContinental Hotel No. 119 Huai'an East Road, Yuhua District, Shijiazhuang City Hebei Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 293 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 43,800.00 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 December 2048 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 545,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Ji (2017) Shi Jia Zhuang Shi Bu Dong Chan Quan Di No. 0071159, a building with a gross floor area of approximately 37,261.68 sq.m. is owned by Shijiazhuang Wanchi Hotel Management Co., Ltd. (石家莊萬馳酒店管理有限公司, “Shijiazhuang Wanchi”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Shijiazhuang Wanchi for a term expiring on 29 December 2048 for lodging and catering uses.
- As advised by Shijiazhuang Wanchi, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,538.32 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 570 | 76% | 78% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 14. | Jinan Wanda Hyatt Hotel No. 187 Jingsi Road, Shizhong District, Jinan City Shandong Province The PRC | <p>The property is a 24-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 343 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 52,984.70 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 9 August 2049 for commercial use.</p> | The property is currently operated for hotel usage. | 598,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Lu (2017) Ji Nan Shi Bu Dong Chan Quan Di No. 0198815, a building with a gross floor area of approximately 52,984.70 sq.m. is owned by Jinan Wanfu Hotel Management Co., Ltd. (濟南萬富酒店管理有限公司, “Jinan Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Jinan Wanfu for a term expiring on 9 August 2049 for commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 590 | 66% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 15. | Langfang Wanda Realm Hotel Tower A, Wanda Plaza No. 50 Xinhua Road, Guangyang District, Langfang City Hebei Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 295 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 41,864.57 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 19 June 2050 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 302,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Ji (2017) Lang Fang Shi Bu Dong Chan Quan Di No. 0050695, a building with a gross floor area of approximately 37,302.11 sq.m. is owned by Langfang Wanda Realm Hotel Management Co., Ltd. (廊坊市萬達嘉華酒店管理有限公司, “Langfang Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 7,836.02 sq.m. have been granted to Langfang Wanda Realm for a term expiring on 19 June 2050 for lodging and catering uses.
- As advised by Langfang Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 4,562.46 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 464 | 54% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 16. | Daqing Wanda Sheraton Hotel No. 2 Jing'er Street, Dongfeng New Village, Sartu District, Daqing City Heilongjiang Province The PRC | <p>The property is a 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 290 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 42,960.26 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 21 December 2049 for commercial service use.</p> | The property is currently operated for hotel usage. | 267,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Hei (2017) Da Qing Shi Bu Dong Chan Quan Di No. 0072668, a building with a gross floor area of approximately 42,960.26 sq.m. is owned by Daqing Wanfu Hotel Management Co., Ltd. (大慶萬富酒店管理有限公司, “Daqing Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Daqing Wanfu for a term expiring on 21 December 2049 for commercial service use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 511 | 48% | 68% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 17. | Taizhou Wanda Realm Hotel No. 222 Jichuan East Road, Hailing District, Taizhou City Jiangsu Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 253 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 38,711.84 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 31 March 2050 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 266,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Su (2017) Tai Zhou Bu Dong Chan Quan Di No. 0060085, a building with a gross floor area of approximately 38,711.84 sq.m. is owned by Taizhou Hailing Wanda Realm Hotel Management Co., Ltd. (泰州海陵萬達嘉華酒店管理有限公司, “Taizhou Hailing Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 4,004.70 sq.m. have been granted to Taizhou Hailing Wanda Realm for a term expiring on 31 March 2050 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 462 | 50% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 18. | Changzhou Wanda Sheraton Hotel No. 88-1 Tongjiang Middle Road, Xinbei District, Changzhou City Jiangsu Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 247 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2011 and has a total gross floor area of approximately 33,349.71 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 June 2050 for commercial use.</p> | The property is currently operated for hotel usage. | 537,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Su (2017) Chang Zhou Shi Bu Dong Chan Quan Di Nos. 0085778 and 0086028, a building with a total gross floor area of approximately 33,349.71 sq.m. is owned by Changzhou Wanli Hotel Management Co., Ltd. (常州萬力酒店管理有限公司, “Changzhou Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 16,489.1 sq.m. have been granted to Changzhou Wanli for a term expiring on 29 June 2050 for commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 584 | 78% | 80% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 19. | Tangshan Wanda InterContinental Hotel No. 11 Wenhua Road, Lunan District, Tangshan City Hebei Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 285 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 47,467.25 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 January 2049 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 288,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Tang (2017) Lu Nan Qu Bu Dong Chan Quan Di No. 501003467, a building with a gross floor area of approximately 47,467.25 sq.m. is owned by Tangshan Wanfu Hotel Management Co., Ltd. (唐山萬富酒店管理有限公司, “Tangshan Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 8,631.49 sq.m. have been granted to Tangshan Wanfu for a term expiring on 29 January 2049 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 503 | 51% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 20. | Dalian Wanda Conrad Hotel No. 1 Gangpu Road, Zhongshan District, Dalian City Liaoning Province The PRC | <p>The property comprises portions of Level 1 and Level 2, and whole Levels 23 to 35 of a hotel building, which is designed as a five-star hotel including 210 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 32,787.46 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 22 September 2048 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 434,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Liao (2017) Da Lian Shi Nei Si Qu Bu Dong Chan Quan Di No. 00209024, 2 buildings with a total gross floor area of approximately 192,930.93 sq.m. (comprising the property, property no. 21 and property no. 72) are owned by Dalian Wansheng Hotel Management Co., Ltd. (大連萬升酒店管理有限公司, “Dalian Wansheng”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Dalian Wansheng for a term expiring on 22 September 2048 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 1,087 | 32% | 45% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 21. | Dalian Wanda Hilton Hotel No. 1 Gangpu Road, Zhongshan District, Dalian City Liaoning Province The PRC | <p>The property comprises Levels 1 to 22 of 35-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 370 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 66,293.91 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 22 September 2048 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 734,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Liao (2017) Da Lian Shi Nei Si Qu Bu Dong Chan Quan Di No. 00209024, 2 buildings with a total gross floor area of approximately 192,930.93 sq.m. (comprising the property, property no. 20 and property no. 72) are owned by Dalian Wansheng Hotel Management Co., Ltd. (大連萬升酒店管理有限公司, “Dalian Wansheng”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Dalian Wansheng for a term expiring on 22 September 2048 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 665 | 56% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 22. | Taiyuan Wanda Vista Hotel No. 169 Jiefang Road, Taiyuan City Shanxi Province The PRC | <p>The property is a 21-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 358 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 52,425.45 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 14 September 2047 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 485,000,000 |

Notes:

- Pursuant to 24 Real Estate Title Certificates – Jin (2017) Tai Yuan Shi Bu Dong Chan Quan Di Nos. 0061176 to 0061199, a building with a total gross floor area of approximately 52,425.45 sq.m. is owned by Taiyuan Wanda Vista Hotel Management Co., Ltd. (太原萬達文華酒店管理有限公司, “Taiyuan Wanda Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 3,625.47 sq.m. have been granted to Taiyuan Wanda Vista for a term expiring on 14 September 2047 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 576 | 54% | 72% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 23. | Ningde Wanda Realm Hotel No. 1 Tianhu East Road, Jiaocheng District, Ningde City Fujian Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 289 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 40,836.45 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 3 January 2051 for commercial service use.</p> | The property is currently operated for hotel usage. | 394,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Min (2017) Ning De Shi Bu Dong Chan Quan Di No. 0021412, a building with a gross floor area of approximately 33,936.45 sq.m. is owned by Ningde Wanfu Hotel Management Co., Ltd. (寧德萬富酒店管理有限公司, “Ningde Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 10,305.48 sq.m. have been granted to Ningde Wanfu for a term expiring on 3 January 2051 for commercial service use.
- As advised by Ningde Wanfu, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,900 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 525 | 60% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 24. | Quanzhou Wanda Vista Hotel No. 719 Baozhou Road, Fengze District, Quanzhou City Fujian Province The PRC | <p>The property is a 22-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 322 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 47,767.47 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 2 August 2050 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 655,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Min (2017) Quan Zhou Shi Bu Dong Chan Quan Di No. 0034972, a building with a gross floor area of approximately 47,767.47 sq.m. is owned by Quanzhou Wanli Hotel Management Co., Ltd. (泉州萬力酒店管理有限公司, “Quanzhou Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Quanzhou Wanli for a term expiring on 2 August 2050 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 686 | 66% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 25. | Changsha Wanda Vista Hotel No. 308 Xiangjiang Middle Road, Kaifu District, Changsha City Hunan Province The PRC | <p>The property is a 28-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 424 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 65,772.28 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 July 2080 for commercial use.</p> | The property is currently operated for hotel usage. | 1,179,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Xiang (2017) Chang Sha Shi Bu Dong Chan Quan Di No. 0265464, a building with a total gross floor area of approximately 65,772.28 sq.m. is owned by Changsha Kaifu Wanfu Hotel Management Co., Ltd. (長沙開福萬富酒店管理有限公司, “Changsha Kaifu Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Changsha Kaifu Wanfu for a term expiring on 29 July 2080 for commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 810 | 71% | 75% | 8% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 26. | Zhangzhou Wanda Realm Hotel No. 2 Jianyuan East Road, Longwen District, Zhangzhou City Fujian Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 289 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 43,104.75 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 24 December 2050 for other commercial use.</p> | The property is currently operated for hotel usage. | 306,000,000 |

Notes:

- Pursuant to a State-owned Land Use Rights Certificate – Zhang Guo Yong (2015) Di No. 166776, the land use rights of a parcel of land with a site area of approximately 6,073.78 sq.m. have been granted to Zhangzhou Wanda Plaza Co., Ltd. (漳州萬達廣場有限公司, “Zhangzhou Wanda Plaza”, the wholly-owned subsidiary of Dalian Wanda Commercial Properties Co., Ltd.) for a term expiring on 24 December 2050 for other commercial use.
- Pursuant to a Building Ownership Certificate – Zhang Fang Quan Zheng Long Zi Di No.02018443, the building of the property with a gross floor area of approximately 36,304.75 sq.m. is owned by Zhangzhou Wanda Plaza.
- As advised by Zhangzhou Wanda Plaza, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,800 sq.m., which is for ancillary purpose.
- As advised by the Company, transfer of the property interest to the Company has not been completed.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 412 | 60% | 72% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 27. | Huai'an Wanda Realm Hotel No. 153 Xiangyu Middle Road, Qinghe District, Huai'an City Jiangsu Province The PRC | <p>The property is a 16-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 230 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2012 and has a total gross floor area of approximately 44,644.76 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 16 October 2048 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 264,000,000 |

Notes:

- Pursuant to 3 Real Estate Title Certificates – Su (2017) Huai An Shi Bu Dong Chan Quan Di Nos. 0083909, 0083913, and 0083910, a building with a total gross floor area of approximately 44,644.76 sq.m. is owned by Huai'an Wanda Wentai Realm Hotel Management Co., Ltd. (淮安萬達穩泰嘉華酒店管理有限公司, "Huai'an Wanda", the wholly-owned subsidiary of the Company), and the relevant land use rights of the appointed land parcel have been granted to Huai'an Wanda for a term expiring on 16 October 2048 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 446 | 69% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 28. | Yixing Wanda Le Meridien Hotel No. 450 Yangxian East Road, Yixing City Jiangsu Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 270 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 42,608.97 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 16 March 2051 for commercial service use.</p> | The property is currently operated for hotel usage. | 341,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Su (2017) Yi Xing Bu Dong Chan Quan Di No. 0053509, a building with a gross floor area of approximately 35,568.24 sq.m. is owned by Yixing Wanli Hotel Management Co., Ltd. (宜興萬力酒店管理有限公司, “Yixing Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 2,020.3 sq.m. have been granted to Yixing Wanli for a term expiring on 16 March 2051 for commercial service use.
- As advised by Yixing Wanli, they have not obtained the title certificate for the underground spaces of the property with a total gross floor area of approximately 7,040.73 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 472 | 50% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 29. | Wanzhou Wanda Doubletree Hotel No. 1001 Beibin Avenue 2nd Section, Wanzhou District, Chongqing The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 254 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 37,401.21 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 13 July 2050 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 320,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – 301 Fang Di Zheng 2013 Zi Di No. 63597, a building with a gross floor area of approximately 29,780.21 sq.m. is owned by Chongqing Wanzhou Wanda Hotel Management Co., Ltd. (重慶萬州萬達酒店管理有限公司, “Chongqing Wanzhou Wanda”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Chongqing Wanzhou Wanda for a term expiring on 13 July 2050 for lodging and catering uses.
- As advised by Chongqing Wanzhou Wanda, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 7,621 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 521 | 51% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 30. | Shenyang Wanda Vista Hotel No. 17-5 Yingpan West Street, Dongling District, Shenyang City Liaoning Province The PRC | <p>The property is a 22-storey hotel building plus a 3-storey basement and it is designed as a five-star hotel which including 300 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 51,739.38 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 19 September 2051 for other commercial use.</p> | The property is currently operated for hotel usage. | 452,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Liao (2017) Shen Yang Shi Bu Dong Chan Quan Di No. 0331984, a building with a gross floor area of approximately 51,739.38 sq.m. is owned by Shenyang Wanda Vista Hotel Management Co., Ltd. (瀋陽萬達文華酒店管理有限公司, “Shenyang Wanda Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Shenyang Wanda Vista for a term expiring on 19 September 2051 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 600 | 72% | 77% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 31. | Fushun Wanda Realm Hotel No. 56-11 Hunhe South Road, Xinfu District, Fushun City Liaoning Province The PRC | <p>The property is a 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 280 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 39,540.32 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 30 May 2051 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 182,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Liao (2017) Fu Shun Shi Bu Dong Chan Quan Di No. 0039789, a building with a gross floor area of approximately 39,540.32 sq.m. is owned by Fushun Wanda Realm Hotel Management Co., Ltd. (撫順萬達嘉華酒店管理有限公司, “Fushun Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 6,273.76 sq.m. have been granted to Fushun Wanda Realm for a term expiring on 30 May 2051 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 381 | 49% | 68% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 32. | Tianjin Wanda Vista Hotel No. 486 Dazhigu Bahao Road, Hedong District, Tianjin The PRC | <p>The property is a 22-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 297 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 48,300.78 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 23 June 2051 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 438,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Jin (2017) He Dong Qu Bu Dong Chan Quan Di No. 1021605, a building with a gross floor area of approximately 41,100.78 sq.m. is owned by Tianjin Vista Hotel Management Co., Ltd. (天津文華酒店管理有限公司, “Tianjin Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Tianjin Vista for a term expiring on 23 June 2051 for lodging and catering uses.
- As advised by Tianjin Vista, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 7,200 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 520 | 60% | 75% | 7.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 33. | Wuhan Wanda Realm Hotel No. 105 Donghu Road, Wuchang District, Wuhan City Hubei Province The PRC | <p>The property is a 21-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 409 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 47,166.41 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 18 October 2052 for business and financial uses.</p> | The property is currently operated for hotel usage. | 1,063,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – E (2017) Wu Han Shi Wu Chang Bu Dong Chan Quan Di No. 0051547, a building with a gross floor area of approximately 40,666.41 sq.m. is owned by Wuhan Wanfu Hotel Management Co., Ltd. (武漢萬富酒店管理有限公司, “Wuhan Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 13,006.99 sq.m. have been granted to Wuhan Wanfu for a term expiring on 18 October 2052 for business and financial uses.
- As advised by Wuhan Wanfu, they have not obtained the title certificate for the underground spaces of the property with a total gross floor area of approximately 6,500 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 690 | 76% | 78% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 34. | Harbin Wanda Realm Hotel No. 158 Zhongxing Avenue, Nangang District, Harbin City Heilongjiang Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 345 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 47,918.45 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 20 March 2051 for other commercial use.</p> | The property is currently operated for hotel usage. | 614,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Hei (2017) Ha Er Bin Shi Bu Dong Chan Quan Di No. 0210078, a building with a gross floor area of approximately 47,918.45 sq.m. is owned by Harbin Wanfu Hotel Management Co., Ltd. (哈爾濱萬富酒店管理有限公司, “Harbin Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 11,354.90 sq.m. have been to Harbin Wanfu for a term expiring on 20 March 2051 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 696 | 62% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 35. | Nanchang Wanda Realm Hotel 1000-Middle Fenghuang Middle Avenue, Honggutan New District, Nanchang City Jiangxi Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basements and it is designed as a five-star hotel which including 297 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 41,801.40 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 October 2050 for other commercial use.</p> | The property is currently operated for hotel usage. | 385,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Gan (2017) Nan Chang Shi Bu Dong Chan Quan Di No. 0200293, a building with a total gross floor area of approximately 35,031.4 sq.m. is owned by Nanchang Honggutan Wanda Realm Hotel Management Co., Ltd. (南昌紅谷灘萬達嘉華酒店管理有限公司, “Nanchang Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 3,268.43 sq.m. have been granted to Nanchang Wanda Realm for a term expiring on 29 October 2050 for other commercial use.
- As advised by Nanchang Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,770.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 510 | 72% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 36. | Yinchuan Wanda Realm Hotel No. 9 Qinshui North Street, Jinfeng District, Yinchuan City Ningxia Hui Autonomous Region The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 312 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 46,346.15 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 5 July 2052 for other commercial use.</p> | The property is currently operated for hotel usage. | 378,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificates – Ning (2017) Jin Feng Qu Bu Dong Chan Quan Di No. 0038158, a building with a total gross floor area of approximately 32,509.75 sq.m. is owned by Yinchuan Wanfu Realm Hotel Management Co., Ltd. (銀川萬富嘉華酒店管理有限公司, “Yinchuan Wanfu Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 1,711.04 sq.m. have been granted to Yinchuan Wanfu Realm for a term expiring on 5 July 2052 for other commercial use.
- Pursuant to a Real Estate Title Certificate – Ning (2017) Jin Feng Qu Dong Chan Quan Di No. 0040482, the underground car parking spaces with a gross floor area of approximately 13,836.4 sq.m. is owned by Yinchuan Wanfu Realm, and the relevant land use rights of a parcel of land with a site area of approximately 13,836.4 sq.m. have been allocated to Yinchuan Wanfu Realm.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 560 | 42% | 65% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 37. | Dandong Wanda Realm Hotel No. 300 Jinshan Street, Zhenxing District, Dandong City Liaoning Province The PRC | <p>The property is a 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 302 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 48,499.06 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 15 June 2052 for other commercial use.</p> | The property is currently operated for hotel usage. | 208,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Liao (2017) Dan Dong Shi Bu Dong Chan Quan Di No. 0027655, a building with a total gross floor area of approximately 48,499.06 sq.m. is owned by Dandong Wanli Hotel Management Co., Ltd. (丹東萬力酒店管理有限公司, “Dandong Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 12,618.34 sq.m. have been granted to Dandong Wanli for a term expiring on 15 June 2052 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 464 | 39% | 65% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 38. | Nanjing Wanda Realm Hotel No. 55 Zhushan Road, Jiangning District, Nanjing City Jiangsu Province The PRC | <p>The property is a 16-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 302 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2013 and has a total gross floor area of approximately 41,595.13 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 15 February 2052 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 469,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Su (2017) Ning Jiang Bu Dong Chan Quan Di No. 0205675, a building with a total gross floor area of approximately 41,595.13 sq.m. is owned by Nanjing Wanda Realm Hotel Management Co., Ltd. (南京萬達嘉華酒店管理有限公司, “Nanjing Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Nanjing Wanda Realm for a term expiring on 15 February 2052 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 510 | 66% | 78% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 39. | Guangzhou Zengcheng Wanda Realm Hotel Block 10, No. 69 Licheng Zengcheng Avenue, Zengcheng District, Guangzhou City Guangdong Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 285 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 36,183.00 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 10 April 2052 for hotel use.</p> | The property is currently operated for hotel usage. | 223,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Yue (2017) Guang Zhou Shi Bu Dong Chan Quan Di No. 10068083, a building with a total gross floor area of approximately 30,490.04 sq.m. is owned by Guangzhou Zengcheng Wanfu Realm Hotel Management Co., Ltd. (廣州增城萬富嘉華酒店管理有限公司, “Guangzhou Zengcheng Wanfu Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Guangzhou Zengcheng Wanfu Realm for a term expiring on 10 April 2052 for hotel use.
- As advised by Guangzhou Zengcheng Wanfu Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 5,692.96 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 410 | 45% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 40. | Weifang Wanda Pullman Hotel Building 1, No. 6636 Fushou East Street, Weifang City Shandong Province The PRC | <p>The property is an 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 271 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 36,783.61 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 4 April 2052 for business and financial uses.</p> | The property is currently operated for hotel usage. | 390,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Lu (2017) Wei Fang Shi Kui Wen Qu Bu Dong Chan Quan Di No. 0060497, a building with a total gross floor area of approximately 30,742.61 sq.m. is owned by Weifang Wanli Hotel Management Co., Ltd. (潍坊萬力酒店管理有限公司, “Weifang Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Weifang Wanli for a term expiring on 4 April 2052 for business and financial uses.
- As advised by Weifang Wanli, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,041.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 560 | 59% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 41. | Chifeng Wanda Realm Hotel No. 12 Xilamulun Street, Hongshan District, Chifeng City Inner Mongolia Autonomous Region The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 350 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 47,419.56 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 31 December 2051 for other commercial use.</p> | The property is currently operated for hotel usage. | 341,000,000 |

Notes:

- Pursuant to 3 Real Estate Title Certificates – Meng (2017) Chi Feng Shi Bu Dong Chan Quan Di Nos. 0035935, 0037487 and 0037488, a building with a total gross floor area of approximately 47,419.56 sq.m. is owned by Chifeng Wanfu Hotel Management Co., Ltd. (赤峰萬富酒店管理有限公司, “Chifeng Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Chifeng Wanfu for a term expiring on 31 December 2051 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 470 | 33% | 65% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 42. | Jining Wanda Realm Hotel No. 59 Taibai East Road, Jining City Shandong Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 280 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 36,500.38 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 31 October 2052 for commercial service use.</p> | The property is currently operated for hotel usage. | 276,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Lu (2017) Ji Ning Shi Bu Dong Chan Quan Di No. 0020060, a building with a total gross floor area of approximately 30,500.38 sq.m. is owned by Jining Wanda Realm Hotel Management Co., Ltd. (濟寧萬達嘉華酒店管理有限公司, “Jining Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Jining Wanda Realm for a term expiring on 31 October 2052 for commercial service use.
- As advised by Jining Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,000.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 467 | 60% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 43. | Jinhua Wanda Realm Hotel No. 799 Dongshi South Road, Jindong District, Jinhua City Zhejiang Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 331 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 42,784.81 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 31 August 2052 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 406,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Zhe (2017) Jin Hua Shi Bu Dong Chan Quan Di Nos. 0051177 and 0051178, a building with a total gross floor area of approximately 36,165.02 sq.m. is owned by Jinhua Wanda Realm Hotel Management Co., Ltd. (金華萬達嘉華酒店管理有限公司, “Jinhua Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 3,521.70 sq.m. have been granted to Jinhua Wanda Realm for a term expiring on 31 August 2052 for lodging and catering uses.
- As advised by Jinhua Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,619.79 sq.m., which is for ancillary purpose/civil defense area.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 440 | 58% | 72% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 44. | Changzhou Wujin Wanda Realm Hotel No. 299 Huayuan Street, Wujin District, Changzhou City Jiangsu Province The PRC | <p>The property is a 16-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 263 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 29,396.89 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 8 October 2052 for other commercial use.</p> | The property is currently operated for hotel usage. | 273,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Su (2017) Chang Zhou Shi Bu Dong Chan Quan Di No. 2037876, a building with a total gross floor area of approximately 29,396.89 sq.m. is owned by Changzhou Wanda Realm Hotel Management Co., Ltd. (常州萬達嘉華酒店管理有限公司, “Changzhou Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Changzhou Wanda Realm for a term expiring on 8 October 2052 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 414 | 54% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 45. | Dongguan Dongcheng Wanda Vista Hotel Block 5, No. 208 Dongzong Avenue, Dongcheng District, Dongguan City Guangdong Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 303 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 44,106.81 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 1 June 2052 for commercial service use.</p> | The property is currently operated for hotel usage. | 663,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Yue (2017) Dong Guan Bu Dong Chan Quan Di No. 0234763, a building with a total gross floor area of approximately 37,354.81 sq.m. is owned by Dongguan Wanfu Hotel Management Co., Ltd. (東莞萬富酒店管理有限公司, “Dongguan Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Dongguan Wanfu for a term expiring on 1 June 2052 for commercial service use.
- As advised by Dongguan Wanfu, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,752.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 620 | 70% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 46. | Ma'anshan Wanda Realm Hotel No. 3200 Taibai Avenue, Yushan District, Ma'anshan City Anhui Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 286 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 36,104.89 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 21 September 2052 for commercial service use.</p> | The property is currently operated for hotel usage. | 228,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Wan (2017) Ma An Shan Shi Bu Dong Chan Quan Di No. 0090086, a building with a total gross floor area of approximately 30,107.80 sq.m. is owned by Ma'anshan Wanda Realm Hotel Management Co., Ltd. (馬鞍山萬達嘉華酒店管理有限公司, “Ma'anshan Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Ma'anshan Wanda Realm for a term expiring on 21 September 2052 for commercial service use.
- As advised by Ma'anshan Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 5,997.09 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 398 | 52% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 47. | Jingzhou Wanda Realm Hotel No. 518 Beijing West Road, Jingzhou District, Jingzhou City Hubei Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 284 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 36,959.26 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 January 2053 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 259,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – E (2017) Jing Zhou Shi Bu Dong Chan Quan Di 0032235, a building with a total gross floor area of approximately 30,697.03 sq.m. is owned by Jingzhou Wanli Hotel Management Co., Ltd. (荆州萬力酒店管理有限公司, “Jingzhou Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 9,507.53 sq.m. have been granted to Jingzhou Wanli expiring on 29 January 2053 for lodging and catering uses.
- As advised by Jingzhou Wanli, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,262.23 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 473 | 52% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 48. | Lanzhou Wanda Vista Hotel No. 52 Tianshui North Road, Chengguan District, Lanzhou City Gansu Province The PRC | <p>The property is a 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 304 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 41,018.41 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 26 April 2052 for office use.</p> | The property is currently operated for hotel usage. | 777,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Gan (2017) Lan Zhou Shi Bu Dong Chan Quan Di No. 0043773, a building with a total gross floor area of approximately 41,018.41 sq.m. is owned by Lanzhou Wanhong Hotel Management Co., Ltd. (蘭州萬鴻酒店管理有限公司, “Lanzhou Wanhong”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Lanzhou Wanhong for a term expiring on 26 April 2052 for office use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 734 | 70% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 49. | Kunming Wanda Vista Hotel No. 888 Qianxing Road, Xishan District, Kunming City Yunnan Province The PRC | <p>The property is a 20-storey hotel building plus a 3-storey basement and it is designed as a five-star hotel which including 297 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 44,711.33 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 4 June 2052 for business and financial uses.</p> | The property is currently operated for hotel usage. | 687,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Yun (2017) Xi Shan Qu Bu Dong Chan Quan Di Nos. 0128916 and 0128917, a building with a total gross floor area of approximately 44,711.33 sq.m. is owned by Kunming Wanfu Hotel Management Co., Ltd. (昆明萬富酒店管理有限公司, “Kunming Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Kunming Wanfu for a term expiring on 4 June 2052 for business and financial uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 730 | 70% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 50. | Longyan Wanda Realm Hotel Building B2, Wanda Plaza, No. 1 Shuanglong Road, Xinluo District, Longyan City Fujian Province The PRC | <p>The property is a 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 306 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 34,857.19 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 13 December 2052 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 213,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Min (2017) Long Yan Shi Bu Dong Chan Quan Di 0049495, a building with a total gross floor area of approximately 34,857.19 sq.m. is owned by Longyan Wanli Hotel Management Co., Ltd. (龍岩萬力酒店管理有限公司, “Longyan Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 7,459.02 sq.m. have been granted to Longyan Wanli expiring on 13 December 2052 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 349 | 60% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 51. | Jiangmen Wanda Realm Hotel Block 3, Wanda Plaza, Fazhan Avenue, Pengjiang District, Jiangmen City Guangdong Province The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 327 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 41,400.86 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 7 February 2053 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 431,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Yue (2017) Jiang Men Shi Bu Dong Chan Quan Di No. 0054921, a building with a total gross floor area of approximately 41,400.86 sq.m. is owned by Jiangmen Wanfu Hotel Management Co., Ltd. (江門萬富酒店管理有限公司, “Jiangmen Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Jiangmen Wanfu for a term expiring on 7 February 2053 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 451 | 66% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 52. | Wuhu Wanda Realm Hotel No. 69 Beijing Middle Road, Jinghu District, Wuhu City Anhui Province The PRC | <p>The property is a 18-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 281 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 36,698.07 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 29 June 2052 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 197,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Wan (2017) Wu Hu Shi Bu Dong Chan Quan Di No. 0306215, a building with a total gross floor area of approximately 30,719.07 sq.m. is owned by Wuhu Wanda Realm Hotel Management Co., Ltd. (蕪湖萬達嘉華酒店管理有限公司, “Wuhu Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Wuhu Wanda Realm for a term expiring on 29 June 2052 for lodging and catering uses.
- As advised by Wuhu Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 5,979.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 391 | 49% | 65% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 53. | Bengbu Wanda Realm Hotel No. 4189 Donghai Avenue, Bengshan District, Bengbu City Anhui Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 285 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 32,095.53 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 6 March 2053 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 271,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Wan (2017) Beng Bu Shi Bu Dong Chan Quan Di No. 0027443, a building with a total gross floor area of approximately 32,095.53 sq.m. is owned by Bengbu Wanda Realm Hotel Management Co., Ltd. (蚌埠萬達嘉華酒店管理有限公司, “Bengbu Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 3,007.75 sq.m. have been granted to Bengbu Wanda Realm for a term expiring on 6 March 2053 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 440 | 60% | 65% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 54. | Nanning Wanda Vista Hotel West Block 5 & 8, Qingxiu Wanda Plaza, No. 118 Dongge Road, Nanning City Guangxi Province The PRC | <p>The property is a 24-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 332 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2014 and has a total gross floor area of approximately 49,273.13 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 25 September 2052 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 691,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Gui (2017) Nan Ning Shi Bu Dong Chan Quan Di No. 0097309, a building with a total gross floor area of approximately 49,273.13 sq.m. is owned by Nanning Wanda Vista Hotel Management Co., Ltd. (南寧萬達文華酒店管理有限公司, “Nanning Wanda Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Nanning Wanda Vista for a term expiring on 25 September 2052 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 693 | 59% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 55. | Guangyuan Wanda Realm Hotel No. 108 Wanyuan Road, Wanyuan New District, Lizhou District, Guangyuan City Sichuan Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 279 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 34,262.50 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 7 May 2053 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 171,000,000 |

Notes:

- Pursuant to 20 Real Estate Title Certificates – Chuan (2017) Guang Yuan Shi Bu Dong Chan Quan Di Nos. 0016828 to 0016847, a building with a total gross floor area of approximately 34,262.50 sq.m. is owned by Guangyuan Wanda Realm Hotel Management Co., Ltd. (廣元萬達嘉華酒店管理有限公司, “Guangyuan Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Guangyuan Wanda Realm for a term expiring on 7 May 2053 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 360 | 50% | 65% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 56. | Neijiang Wanda Realm Hotel No. 888 Qixia Road, Dongxing District, Neijiang City Sichuan Province The PRC | <p>The property is a 16-storey hotel building. It is designed as a five-star hotel which including 263 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 26,498.37 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 11 July 2053 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 229,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Chuan (2017) Nei Jiang Shi Bu Dong Chan Quan Di No. 0037811, a building with a total gross floor area of approximately 26,498.37 sq.m. is owned by Neijiang Wanfu Hotel Management Co., Ltd. (内江萬富酒店管理有限公司, “Neijiang Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 4,386.82 sq.m. have been granted to Neijiang Wanfu for a term expiring on 11 July 2053 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 378 | 43% | 65% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 57. | Huangshi Wanda Realm Hotel No. 30 Huahu Avenue, Huangshigang District, Huangshi City Hubei Province The PRC | <p>The property is a 15-storey hotel building. It is designed as a five-star hotel which including 263 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 26,535.57 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 9 August 2053 for business and financial uses.</p> | The property is currently operated for hotel usage. | 181,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – E (2017) Huang Shi Shi Bu Dong Chan Quan Di No. 0030338, a building with a total gross floor area of approximately 26,535.57 sq.m. is owned by Huangshi Wanfu Hotel Management Co., Ltd. (黄石萬富酒店管理有限公司, “Huangshi Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Huangshi Wanfu for a term expiring on 9 August 2053 for business and financial uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 371 | 48% | 72% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 58. | Anyang Wanda Realm Hotel No. 29 Zhonghua Road, Wenfeng District, Anyang City Henan Province The PRC | <p>The property is a 16-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 287 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 33,751.59 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 3 March 2053 for commercial and service equipment uses.</p> | The property is currently operated for hotel usage. | 247,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Yu (2017) Wen Feng Qu Bu Dong Chan Quan Di No. 00046015, a building with a total gross floor area of approximately 27,801.59 sq.m. is owned by Anyang Wanda Realm Hotel Management Co., Ltd. (安陽萬達嘉華酒店管理有限公司, “Anyang Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 3,069.37 sq.m. have been granted to Anyang Wanda Realm for a term expiring on 3 March 2053 for commercial and service equipment uses.
- As advised by Anyang Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 5,950.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 359 | 53% | 68% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 59. | Dongying Wanda Realm Hotel No. 730 Beiyi Road, Dongying District, Dongying City Shandong Province The PRC | <p>The property is a 17-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 285 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 37,861.77 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 23 June 2053 for commercial use.</p> | The property is currently operated for hotel usage. | 239,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Lu (2017) Dong Ying Shi Bu Dong Chan Quan Di No. 0025468, a building with a total gross floor area of approximately 37,861.77 sq.m. is owned by Dongying Wanda Realm Hotel Management Co., Ltd. (東營萬達嘉華酒店管理有限公司, “Dongying Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Dongying Wanda Realm for a term expiring 23 June 2053 for commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 424 | 45% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|---|--|
| 60. | Tai'an Wanda Realm Hotel Block 2, Wanda Plaza, No. 566 Taishan Street, Tai'an City Shandong Province The PRC | <p>The property comprises Levels 1 to 4 and Levels 24 to 35 of Wanda Plaza which is a 35-storey commercial building with 2-storey basement. The property is designed as a five-star hotel which including 283 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 34,925.46 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 28 June 2053 for other commercial use.</p> | The property is currently operated for hotel usage. | 282,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Lu (2017) Tai An Shi Bu Dong Chan Quan Di Nos. 0019107 and 0019108, Levels 1 to 4 and Levels 24 to 35 of Wanda Plaza with a total gross floor area of approximately 34,925.46 sq.m. are owned by Tai'an Wanda Realm Hotel Management Co., Ltd. (泰安萬達嘉華酒店管理有限公司, "Tai'an Wanda Realm", the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Tai'an Wanda Realm for a term expiring 28 June 2053 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 413 | 62% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 61. | Fuyang Wanda Realm Hotel No. 299 Yingzhou South Road, Yingzhou District, Fuyang City Anhui Province The PRC | <p>The property is a 20-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 286 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 36,420.63 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 2 October 2053 for other commercial use.</p> | The property is currently operated for hotel usage. | 286,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Wan (2017) Fu Yang Shi Bu Dong Chan Quan Di No. 0124526, a building with a total gross floor area of approximately 29,968.70 sq.m. is owned by Fuyang Wanda Realm Hotel Management Co., Ltd. (阜陽萬達嘉華酒店管理有限公司, “Fuyang Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Fuyang Wanda Realm for a term expiring on 2 October 2053 for other commercial use.
- As advised by Fuyang Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,451.93 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 339 | 62% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 62. | Liuzhou Wanda Realm Hotel No. 256 Donghuan Avenue, Chengzhong District, Liuzhou City Guangxi Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 285 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 37,576.41 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 16 December 2053 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 368,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Gui (2017) Liu Zhou Shi Bu Dong Chan Quan Di No. 0077276, a building with a total gross floor area of approximately 37,576.41 sq.m. is owned by Liuzhou Wanfu Hotel Management Co., Ltd. (柳州萬富酒店管理有限公司, “Liuzhou Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 3,340.23 sq.m. have been granted to Liuzhou Wanfu for a term expiring on 16 December 2053 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 525 | 46% | 70% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 63. | Hohhot Wanda Vista Hotel No. 26 Xinhua East Street, Saihan District, Hohhot City Inner Mongolia Autonomous Region The PRC | <p>The property is a 19-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 315 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 42,912.85 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 26 April 2049 for composite use.</p> | The property is currently operated for hotel usage. | 458,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Meng (2017) Hu He Hao Te Shi Bu Dong Chan Quan Di No. 0047794, a building with a total gross floor area of approximately 42,912.85 sq.m. is owned by Hohhot Wanda Vista Hotel Management Co., Ltd. (呼和浩特萬達文華酒店管理有限公司, “Hohhot Wanda Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a site area of approximately 22,235.89 sq.m. have been granted to Hohhot Wanda Vista for a term expiring on 26 April 2049 for composite use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 503 | 78% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 64. | Zhengzhou Wanda Vista Hotel No. 16 Nongke Road, Jinshui District, Zhengzhou City Henan Province The PRC | <p>The property comprises Levels 1 to 4, 31 to 43, 45 and 46 of a 46-storey commercial building plus a 2-storey basement and it is designed as a five-star hotel which including 292 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2015 and has a total gross floor area of approximately 47,625.21 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 27 August 2053 for commercial service use.</p> | The property is currently operated for hotel usage. | 596,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Yu (2017) Zheng Zhou Shi Bu Dong Chan Quan Di No. 0150643, Levels 1 to 4, 31 to 43, 45 and 46 of a 46-storey building with a total gross floor area of approximately 41,125.21 sq.m. is owned by Zhengzhou Wanda Vista Hotel Management Co., Ltd. (鄭州萬達文華酒店管理有限公司, “Zhengzhou Wanda Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 3,642.91 sq.m. have been granted to Zhengzhou Wanda Vista for a term expiring on 27 August 2053 for commercial service use.
- As advised by Zhengzhou Wanda Vista, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,500.00 sq.m., which is for ancillary purpose/civil defense area.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 562 | 61% | 75% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 65. | Siping Wanda Realm Hotel No. 1515 Ziqi Avenue, Tiedong District, Siping City Jilin Province The PRC | <p>The property is a 16-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 261 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2016 and has a total gross floor area of approximately 33,050.77 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 16 August 2053 for car parking and hotel uses.</p> | The property is currently operated for hotel usage. | 179,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Ji (2017) Si Ping Shi Bu Dong Chan Quan Zheng Di Nos. 296512 and 296508, a building with a total gross floor area of approximately 33,050.77 sq.m. is owned by Siping Wanli Hotel Management Co., Ltd. (四平萬力酒店管理有限公司, “Siping Wanli”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Siping Wanli for a term expiring on 16 August 2053 for car parking and hotel uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 380 | 45% | 65% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 66. | Xining Wanda Realm Hotel Building 1, No. 76 Xichuan South Road, Chengxi District, Xining City Qinghai Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 310 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2016 and has a total gross floor area of approximately 42,871.35 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 30 July 2053 for business and financial uses.</p> | The property is currently operated for hotel usage. | 360,000,000 |

Notes:

- Pursuant to 2 Real Estate Title Certificates – Qing (2017) Xi Ning Shi Bu Dong Chan Quan Di Nos. 0035624 and 0035625, a building with a total gross floor area of approximately 36,871.35 sq.m. is owned by Xining Wanfu Hotel Management Co., Ltd. (西寧萬富酒店管理有限公司, “Xining Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 2,432.69 sq.m. have been granted to Xining Wanfu for a term expiring on 30 July 2053 for business and financial use.
- As advised by Xining Wanfu, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,000.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 511 | 40% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|--|---|--|
| 67. | Bozhou Wanda Realm Hotel No. 1088 Xiyi Avenue, Qiaocheng District, Bozhou City Anhui Province The PRC | <p>The property is a 15-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 262 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2016 and has a total gross floor area of approximately 32,313.42 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 12 January 2054 for commercial use.</p> | The property is currently operated for hotel usage. | 193,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Wan (2017) Bo Zhou Shi Bu Dong Chan Quan Di No. 0037832, a building with a total gross floor area of approximately 26,313.42 sq.m is owned by Bozhou Wanda Realm Hotel Management Co., Ltd. (亳州萬達嘉華酒店管理有限公司, Bozhou Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Bozhou Wanda Realm for a term expiring on 12 January 2054 for commercial use.
- As advised by Bozhou Wanda Realm Hotel , they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,000.00 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 392 | 43% | 68% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 68. | Urumqi Wanda Vista Hotel No. 777 Xuanwuhu Road, Economic and Technological Development District, Urumqi City Xinjiang Uygur Autonomous Region The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 271 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2016 and has a total gross floor area of approximately 47,484.39 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 27 December 2053 for other commercial use.</p> | The property is currently operated for hotel usage. | 340,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Xin (2017) Wu Lu Mu Qi Shi Bu Dong Chan Quan Di No. 0061158, a building with a total gross floor area of approximately 47,484.39 sq.m. is owned by Urumqi Wanda Vista Hotel Management Co., Ltd. (烏魯木齊萬達文華酒店管理有限公司, “Urumqi Wanda Vista”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 5,958.15 sq.m. have been granted to Urumqi Wanda Vista expiring on 27 December 2053 for other commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 550 | 45% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 69. | Yiwu Wanda Realm Hotel No. 1 Xinke Road, Yiwu City Zhejiang Province The PRC | <p>The property is a 16-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 288 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2016 and has a total gross floor area of approximately 31,576.73 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 18 February 2054 for commercial use.</p> | The property is currently operated for hotel usage. | 320,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Zhe (2017) Yi Wu Shi Bu Dong Chan Quan Di No. 0037978, a building with a total gross floor area of approximately 31,576.73 sq.m is owned by Yiwu Wanda Realm Hotel Management Co., Ltd. (義務萬達嘉華酒店管理有限公司, “Yiwu Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 5,494.10 sq.m have been granted to Yiwu Wanda Realm expiring on 18 February 2054 for commercial use.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 431 | 48% | 70% | 8.0% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|---|--|
| 70. | Shangrao Wanda Realm Hotel No. 8 Guangxin Avenue, Xinzhou District, Shangrao City Jiangxi Province The PRC | <p>The property is a 17-storey hotel building plus a 2-storey basement and it is designed as a five-star hotel which including 313 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2016 and has a total gross floor area of approximately 36,011.20 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 9 April 2054 for commercial service use.</p> | The property is currently operated for hotel usage. | 264,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Gan (2017) Shang Rao Shi Bu Dong Chan Quan Di No. 0023592, a building with a total gross floor area of approximately 29,811.68 sq.m. is owned by Shangrao Wanda Realm Hotel Management Co., Ltd. (上饒萬達嘉華酒店管理有限公司, “Shangrao Wanda Realm”, the wholly-owned subsidiary of the Company), and the relevant land use rights of a parcel of land with a total site area of approximately 3,041.10 sq.m. have been granted to Shangrao Wanda Realm expiring on 9 April 2054 for commercial service use.
- As advised by Shangrao Wanda Realm, they have not obtained the title certificates for the underground spaces of the property with a total gross floor area of approximately 6,199.52 sq.m., which is for ancillary purpose.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 415 | 45% | 68% | 8.5% |

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|--|---|---|--|
| 71. | Nanning Wanda Realm Resort No. 6 Liangdi Road, Yongning District, Nanning City Guangxi Province The PRC | <p>The property is a 7-storey hotel building plus a 1-storey basement and it is designed as a five-star hotel which including 224 guest rooms, restaurants, bars, fitness center and meeting rooms.</p> <p>The property was completed in 2017 and has a total gross floor area of approximately 45,191.89 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 10 July 2054 for lodging and catering uses.</p> | The property is currently operated for hotel usage. | 228,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificates – Gui (2017) Nan Ning Shi Bu Dong Chan Quan Di No. 0099511, a building with a total gross floor area of approximately 45,191.89 sq.m. is owned by Nanning Wanfu Hotel Management Co., Ltd. (南寧萬富酒店管理有限公司, “Nanning Wanfu”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Nanning Wanfu for a term expiring on 10 July 2054 for lodging and catering uses.
- The main parameters and assumptions of the valuation are considered as below:

| ADR in the 1st year | Occupancy rate in the 1st year | Stabilized occupancy rate | Discount rate |
|---------------------|--------------------------------|---------------------------|---------------|
| 489 | 39% | 62% | 8.0% |

VALUATION CERTIFICATE

Group II – Property interest held for Investment by the Group in the PRC

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date <i>RMB</i> |
|-----|--|--|--|---|
| 72. | Dalian Wanda Commercial Center No. 1 Gangpu Road, Zhongshan District, Dalian City Liaoning Province The PRC | <p>The property is a 44-storey office building plus a 3-storey basement together having a total gross floor area of approximately 93,849.56 sq.m.</p> <p>The property was completed in 2012 and has 664 underground car parking spaces. As advised, the lettable area of property is approximately 57,500 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 22 September 2048 for lodging and catering uses.</p> | The property is currently rented to various tenants for office and car parking spaces. | 1,433,000,000 |

Notes:

- Pursuant to a Real Estate Title Certificate – Liao (2017) Da Lian Shi Nei Si Qu Bu Dong Chan Quan Di No. 00209024. 2 buildings with a total gross floor area of approximately 192,930.93 sq.m. (comprising the property, property no. 20 and property no. 21) are owned by Dalian Wansheng Hotel Management Co., Ltd. (大連萬升酒店管理有限公司, “Dalian Wansheng”, the wholly-owned subsidiary of the Company), and the relevant land use rights of the apportioned land parcel have been granted to Dalian Wansheng for a term expiring on 22 September 2048 for lodging and catering uses.
- According to the information provided by Dalian Wansheng, as at the valuation date, about 77% of the office units were leased out with a total lettable area of approximately 44,253.85 sq.m. The total current rental was about RMB68.4 million exclusive of management fee.
- We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. the Group have obtained the Real Estate Title Certificates and owned the ownership rights to the property, and the Group has the rights to occupy, use, lease, transfer, mortgage and other dispose of the property; and
 - b. there is no restriction of sequestration, mortgage and other rights on the property and we do not find any lawsuits involving the property.

VALUATION CERTIFICATE

Group III – Property interests contracted to be acquired by the Company in the PRC

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|--|--|--|
| 73. | Qiqihar Wanda Realm Hotel Building 1, Xinjiang Road, Jianhua District, Qiqihar City Heilongjiang Province The PRC | <p>The property comprises a 17-storey hotel building plus a 2-storey basement which was under construction as at the valuation date.</p> <p>As advised by the Company, the property is scheduled to be completed in the middle of 2018 and will have a gross floor area of approximately 37,200 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 17 December 2052 for other commercial use.</p> | As at the valuation date, the property was under construction. | No commercial value |

Notes:

- Pursuant to a Transfer Agreement and 3 supplemental agreements entered into between the Company and Dalian Wanda Commercial Properties Co., Ltd. (“Dalian Wanda”), the property will be handed to the Group when completed.
- Pursuant to a State-owned Land Use Rights Certificate – Qi Tu Ji Guo Yong (2015) Di No. 0100083, the land use rights of a parcel of land with a site area of approximately 55,139 sq.m. have been granted to Qiqihar Wanda Plaza Investment Co., Ltd. (齊齊哈爾萬達廣場投資有限公司, “Qiqihar Wanda”, the wholly-owned subsidiary of Dalian Wanda) for a term expiring on 17 December 2052 for other commercial use.
- Pursuant to a Construction Work Planning Permit – Qi Gui Jian Zi Di No. 230203201300013 in favour of Qiqihar Wanda, Qiqihar Wanda Plaza with a total gross floor area of approximately 270,000.00 sq.m. (including the property, a shopping mall, office buildings, street shops and etc.) has been approved for construction.
- Pursuant to a Construction Work Commencement Permit – No. 230202201304160101 in favour of Qiqihar Wanda, permission by the relevant local authority was given to commence the construction of Qiqihar Wanda Plaza with a gross floor area of approximately 270,000.00 sq.m (including the property).
- As at the date of valuation, the property has not been assigned to the Group and thus the title of the property has not been vested in the Group. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the date of valuation would be RMB299,000,000, on condition that the property is completed, the relevant title certificates have been obtained by the Group and the Group is entitled to freely transfer, lease, mortgage or otherwise dispose of the property.

VALUATION CERTIFICATE

- We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Qiqihar Wanda has obtained the Land Use Rights Certificate and owned the legal use rights to land parcel of the property, and Qiqihar Wanda has the rights to use, construct, transfer, mortgage and other dispose of the property in accordance with relevant PRC laws and issued land usage;
 - b. the property is currently under development; it has not completed or obtained the Building Ownership Title Certificate; and
 - c. there is no restriction of sequestration, mortgage and other rights on the land parcel of property and we do not find any lawsuits involving the property.

VALUATION CERTIFICATE

| No. | Property | Description and tenure | Particulars of occupancy | Market value in existing state as at the valuation date RMB |
|-----|---|---|--|--|
| 74. | Changchun Wanda Vista Hotel Junction of Hongqi Street and No. 4 Planned Road, Chaoyang District, Changchun City Jilin Province The PRC | <p>The property comprises a 17 storey hotel building plus a 2-storey basement which was under construction as at the valuation date.</p> <p>As advised by the Company, the property is scheduled to be completed in the middle of 2019 and will have a gross floor area of approximately 45,481.40 sq.m.</p> <p>The land use rights of the property have been granted for a term expiring on 15 January 2055 for lodging and catering uses.</p> | As at the valuation date, the property was under construction. | No commercial value |

Notes:

- Pursuant to a Transfer Agreement and 3 supplemental agreements entered into between the Company and Dalian Wanda Commercial Properties Co., Ltd. (“Dalian Wanda”) the property will be handed to the Group when completed.
- Pursuant to a State-owned Land Use Rights Certificate – Chang Guo Yong (2015) Di No. 040002769, the land use rights of a parcel of land with a site area of approximately 12,918.00 sq.m. have been granted to Changchun Wanda Plaza Investment Co., Ltd. (長春萬達中心投資有限公司 “Changchun Wanda”, the wholly-owned subsidiary of Dalian Wanda) for a term expiring on 15 January 2055 for lodging and catering uses.
- Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 220000201700223 in favour of Changchun Wanda, the property with a total gross floor area of approximately 45,481.40 sq.m. has been approved for construction.
- Pursuant to a Construction Work Commencement Permit – No. 220104201708280101 in favour of Changchun Wanda, permission by the relevant local authority was given to commence the construction of the property with a gross floor area of approximately 45,481.40 sq.m.
- As at the date of valuation, the property has not been assigned to the Group and thus the title of the property has not been vested in the Group. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the date of valuation would be RMB387,000,000, on condition that the property is completed, the relevant title certificates have been obtained by the Group and the Group is entitled to freely transfer, lease, mortgage or otherwise dispose of the property.
- We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Changchun Wanda has obtained the Land Use Rights Certificate and owned the legal use rights to land parcel of the property, and Changchun Wanda has the rights to use, construct, transfer, mortgage and other dispose of the property in accordance with relevant PRC laws and issued land usage;

VALUATION CERTIFICATE

- b. the property is currently under development; It has not completed or obtained the Building Ownership Title Certificate; and
- c. there is no restriction of sequestration, mortgage and other rights on the land parcel of property and we do not find any lawsuits involving the property.

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

The following is the historical operation information of 71 city hotels and Dalian Wanda Commercial Centre for the three years ended 31 December 2016 and six months ended 30 June 2017:

(a) City hotels

(1) The average occupancy rate

| No. | Name | Average Room Occupancy | | | Six months ended 30 June 2017 |
|-----|---|------------------------|--------------------------------|--------|-------------------------------------|
| | | 2014 | Year ended 31 December 2015 | 2016 | |
| 1 | Ningbo Wanda Sofitel Hotel | 69.28% | 61.55% | 70.95% | 67.58% |
| 2 | Beijing Wanda Realm Hotel | 63.39% | 62.88% | 69.62% | 64.01% |
| 3 | Qingdao Wanda Le Meridien Hotel | 57.73% | 55.69% | 58.67% | 65.97% |
| 4 | Chongqing Wanda Le Meridien Hotel | 62.30% | 58.34% | 68.87% | 72.07% |
| 5 | Wuxi Wanda Sheraton Hotel | 64.04% | 67.98% | 69.57% | 73.05% |
| 6 | Xiangyang Wanda Crowne Plaza Hotel | 53.26% | 54.21% | 58.44% | 58.08% |
| 7 | Yichang Wanda Crowne Plaza Hotel | 59.72% | 55.03% | 58.05% | 68.56% |
| 8 | Fuzhou Wanda Westin Hotel | 62.71% | 65.51% | 67.48% | 83.04% |
| 9 | Hefei Wanda Westin Hotel | 65.56% | 56.74% | 60.01% | 66.63% |
| 10 | Wuhan Wanda Westin Hotel | 70.20% | 72.76% | 75.31% | 81.33% |
| 11 | Zhenjiang Wanda Sheraton Hotel | 53.58% | 57.22% | 59.39% | 69.98% |
| 12 | Xi'an Wanda Hilton Hotel | 68.71% | 70.80% | 71.53% | 68.68% |
| 13 | Shijiazhuang Wanda InterContinental Hotel | 76.64% | 76.68% | 77.40% | 75.44% |
| 14 | Jinan Wanda Hyatt Hotel | 57.90% | 55.86% | 66.11% | 65.74% |
| 15 | Langfang Wanda Realm Hotel | 58.63% | 65.24% | 58.28% | 49.33% |
| 16 | Daqing Wanda Sheraton Hotel | 43.18% | 44.58% | 51.09% | 44.66% |
| 17 | Taizhou Wanda Realm Hotel | 51.49% | 56.27% | 55.97% | 44.68% |
| 18 | Changzhou Wanda Sheraton Hotel | 72.15% | 78.28% | 77.89% | 78.36% |

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

| No. | Name | Average Room Occupancy | | | Six months ended 30 June 2017 |
|-----|--|------------------------|--------|--------|-------------------------------------|
| | | Year ended 31 December | | | |
| | | 2014 | 2015 | 2016 | |
| 19 | Tangshan Wanda InterContinental Hotel | 43.78% | 46.50% | 50.98% | 49.31% |
| 20 | Dalian Wanda Conrad Hotel | 36.13% | 31.32% | 34.18% | 30.16% |
| 21 | Dalian Wanda Hilton Hotel | 53.00% | 53.21% | 59.20% | 54.83% |
| 22 | Taiyuan Wanda Vista Hotel | 50.61% | 46.82% | 50.69% | 53.70% |
| 23 | Ningde Wanda Realm Hotel | 57.99% | 62.94% | 60.70% | 56.33% |
| 24 | Quanzhou Wanda Vista Hotel | 71.58% | 63.32% | 64.73% | 67.20% |
| 25 | Changsha Wanda Vista Hotel | 71.56% | 71.60% | 70.76% | 71.07% |
| 26 | Zhangzhou Wanda Realm Hotel | 48.36% | 43.47% | 50.30% | 60.61% |
| 27 | Huai'an Wanda Realm Hotel | 60.18% | 62.33% | 65.70% | 68.96% |
| 28 | Yixing Wanda Le Meridien Hotel | 39.70% | 40.90% | 45.20% | 46.90% |
| 29 | Wanzhou Wanda Doubletree Hotel | 51.42% | 53.82% | 52.07% | 50.79% |
| 30 | Shenyang Wanda Vista Hotel | 42.22% | 64.22% | 70.01% | 74.16% |
| 31 | Fushun Wanda Realm Hotel | 30.39% | 42.69% | 46.82% | 50.39% |
| 32 | Tianjin Wanda Vista Hotel | 37.98% | 48.22% | 52.76% | 62.64% |
| 33 | Wuhan Wanda Realm Hotel | 65.63% | 74.55% | 74.30% | 75.80% |
| 34 | Harbin Wanda Realm Hotel | 57.06% | 54.49% | 60.45% | 62.90% |
| 35 | Nanchang Wanda Realm Hotel | 52.89% | 70.23% | 71.59% | 73.00% |
| 36 | Yinchuan Wanda Realm Hotel | 34.98% | 40.84% | 43.77% | 41.08% |
| 37 | Dandong Wanda Realm Hotel | 43.32% | 44.20% | 41.94% | 35.78% |
| 38 | Nanjing Wanda Realm Hotel | 42.41% | 52.37% | 62.27% | 63.53% |
| 39 | Guangzhou Zengcheng Wanda Realm Hotel | 36.31% | 40.33% | 43.21% | 45.59% |

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

| No. | Name | Average Room Occupancy | | | Six months ended 30 June 2017 |
|-----|--------------------------------------|------------------------|--------|--------|-------------------------------------|
| | | Year ended 31 December | | | |
| | | 2014 | 2015 | 2016 | |
| 40 | Weifang Wanda Pullman Hotel | 46.10% | 54.68% | 59.20% | 59.36% |
| 41 | Chifeng Wanda Realm Hotel | 35.71% | 30.82% | 34.31% | 31.06% |
| 42 | Jining Wanda Realm Hotel | 37.37% | 44.58% | 54.17% | 59.32% |
| 43 | Jinhua Wanda Realm Hotel | 28.91% | 42.68% | 50.95% | 57.95% |
| 44 | Changzhou Wujin Wanda Realm Hotel | 28.12% | 42.26% | 48.44% | 53.89% |
| 45 | Dongguan Dongcheng Wanda Vista Hotel | 35.08% | 50.56% | 61.94% | 70.01% |
| 46 | Ma'anshan Wanda Realm Hotel | 20.60% | 38.15% | 48.95% | 51.66% |
| 47 | Jingzhou Wanda Realm Hotel | 38.45% | 46.06% | 52.30% | 52.59% |
| 48 | Lanzhou Wanda Vista Hotel | 39.47% | 55.69% | 71.16% | 68.54% |
| 49 | Kunming Wanda Vista Hotel | 30.75% | 59.86% | 71.03% | 69.51% |
| 50 | Longyan Wanda Realm Hotel | 20.45% | 45.15% | 57.85% | 59.48% |
| 51 | Jiangmen Wanda Realm Hotel | Not applicable* | 50.56% | 64.15% | 66.42% |
| 52 | Wuhu Wanda Realm Hotel | 8.64% | 23.25% | 45.46% | 49.28% |
| 53 | Bengbu Wanda Realm Hotel | 15.19% | 41.11% | 53.57% | 60.28% |
| 54 | Nanning Wanda Vista Hotel | 38.72% | 50.90% | 59.92% | 59.03% |
| 55 | Guangyuan Wanda Realm Hotel | Not applicable* | 29.31% | 48.79% | 48.94% |
| 56 | Neijiang Wanda Realm Hotel | Not applicable* | 31.98% | 42.08% | 44.32% |
| 57 | Huangshi Wanda Realm Hotel | Not applicable* | 22.04% | 41.68% | 48.27% |
| 58 | Anyang Wanda Realm Hotel | Not applicable* | 43.56% | 52.98% | 49.89% |
| 59 | Dongying Wanda Realm Hotel | Not applicable* | 27.53% | 41.55% | 48.29% |
| 60 | Tai'an Wanda Realm Hotel | Not applicable* | 47.19% | 61.10% | 63.42% |

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

| No. | Name | | Average Room Occupancy | | | |
|-----|-----------------------------|-----------------|------------------------|--------------------------------|--------|-------------------------------------|
| | | | 2014 | Year ended 31 December 2015 | 2016 | Six months ended 30 June 2017 |
| 61 | Fuyang Wanda Realm Hotel | Not applicable* | | 54.35% | 52.57% | 63.30% |
| 62 | Liuzhou Wanda Realm Hotel | Not applicable* | | 34.21% | 45.83% | 45.75% |
| 63 | Hohhot Wanda Vista Hotel | Not applicable* | | 25.19% | 62.69% | 78.00% |
| 64 | Zhengzhou Wanda Vista Hotel | Not applicable* | Not applicable* | | 39.92% | 60.61% |
| 65 | Siping Wanda Realm Hotel | Not applicable* | Not applicable* | | 31.11% | 34.04% |
| 66 | Xining Wanda Realm Hotel | Not applicable* | Not applicable* | | 44.53% | 35.76% |
| 67 | Bozhou Wanda Realm Hotel | Not applicable* | Not applicable* | | 35.40% | 42.92% |
| 68 | Urumqi Wanda Vista Hotel | Not applicable* | Not applicable* | | 39.66% | 45.39% |
| 69 | Yiwu Wanda Realm Hotel | Not applicable* | Not applicable* | | 31.83% | 37.52% |
| 70 | Shangrao Wanda Realm Hotel | Not applicable* | Not applicable* | | 46.64% | 44.89% |
| 71 | Nanning Wanda Realm Resort | Not applicable* | Not applicable* | Not applicable* | | 10.65% |

* The city hotels has not started operation for the particular year or period.

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

(2) *The average room rate*

| No. | Name | Average Room Rate (RMB) | | | Six months ended 30 June 2017 |
|-----|--|-------------------------|--------------------------------|----------|-------------------------------------|
| | | 2014 | Year ended 31 December 2015 | 2016 | |
| 1 | Ningbo Wanda Sofitel Hotel | 542.13 | 563.56 | 523.81 | 519.45 |
| 2 | Beijing Wanda Realm Hotel | 555.48 | 559.08 | 515.32 | 580.28 |
| 3 | Qingdao Wanda Le Meridien Hotel | 733.19 | 686.96 | 614.66 | 568.04 |
| 4 | Chongqing Wanda Le Meridien Hotel | 582.13 | 545.44 | 479.74 | 477.60 |
| 5 | Wuxi Wanda Sheraton Hotel | 571.59 | 557.18 | 528.06 | 519.95 |
| 6 | Xiangyang Wanda Crowne Plaza Hotel | 467.81 | 453.75 | 440.91 | 451.17 |
| 7 | Yichang Wanda Crowne Plaza Hotel | 547.34 | 607.55 | 581.68 | 513.71 |
| 8 | Fuzhou Wanda Westin Hotel | 794.67 | 735.94 | 671.28 | 601.22 |
| 9 | Hefei Wanda Westin Hotel | 864.39 | 810.27 | 705.60 | 685.73 |
| 10 | Wuhan Wanda Westin Hotel | 877.52 | 850.63 | 775.41 | 772.49 |
| 11 | Zhenjiang Wanda Sheraton Hotel | 570.37 | 551.53 | 521.41 | 494.67 |
| 12 | Xi'an Wanda Hilton Hotel | 736.04 | 739.41 | 733.24 | 714.20 |
| 13 | Shijiazhuang Wanda InterContinental Hotel | 563.07 | 582.48 | 562.91 | 569.71 |
| 14 | Jinan Wanda Hyatt Hotel | 661.45 | 650.93 | 597.83 | 581.31 |
| 15 | Langfang Wanda Realm Hotel | 442.05 | 427.14 | 435.32 | 491.82 |
| 16 | Daqing Wanda Sheraton Hotel | 607.28 | 594.06 | 531.37 | 490.98 |
| 17 | Taizhou Wanda Realm Hotel | 442.31 | 440.80 | 463.50 | 460.77 |
| 18 | Changzhou Wanda Sheraton Hotel | 642.54 | 616.64 | 578.68 | 557.67 |
| 19 | Tangshan Wanda InterContinental Hotel | 594.92 | 557.73 | 489.03 | 462.67 |
| 20 | Dalian Wanda Conrad Hotel | 1,195.01 | 1,178.80 | 1,057.38 | 1,116.61 |
| 21 | Dalian Wanda Hilton Hotel | 754.90 | 724.14 | 666.61 | 662.75 |

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

| No. | Name | Average Room Rate (RMB) | | | Six months ended 30 June 2017 |
|-----|---------------------------------------|-------------------------|--------|--------|-------------------------------------|
| | | Year ended 31 December | | | |
| | | 2014 | 2015 | 2016 | |
| 22 | Taiyuan Wanda Vista Hotel | 639.50 | 623.81 | 564.09 | 570.17 |
| 23 | Ningde Wanda Realm Hotel | 506.48 | 518.52 | 511.78 | 538.16 |
| 24 | Quanzhou Wanda Vista Hotel | 683.47 | 708.07 | 676.34 | 674.27 |
| 25 | Changsha Wanda Vista Hotel | 827.77 | 829.73 | 794.16 | 826.77 |
| 26 | Zhangzhou Wanda Realm Hotel | 506.22 | 483.87 | 417.80 | 406.98 |
| 27 | Huai'an Wanda Realm Hotel | 450.31 | 444.84 | 426.51 | 445.57 |
| 28 | Yixing Wanda Le Meridien Hotel | 496.12 | 539.21 | 490.14 | 454.73 |
| 29 | Wanzhou Wanda Doubletree Hotel | 515.10 | 527.88 | 514.96 | 527.32 |
| 30 | Shenyang Wanda Vista Hotel | 620.17 | 575.65 | 591.97 | 607.85 |
| 31 | Fushun Wanda Realm Hotel | 442.88 | 410.21 | 401.35 | 360.97 |
| 32 | Tianjin Wanda Vista Hotel | 563.02 | 547.89 | 533.96 | 478.73 |
| 33 | Wuhan Wanda Realm Hotel | 666.26 | 708.03 | 688.74 | 691.58 |
| 34 | Harbin Wanda Realm Hotel | 644.55 | 783.08 | 715.14 | 677.31 |
| 35 | Nanchang Wanda Realm Hotel | 534.78 | 547.15 | 513.17 | 507.33 |
| 36 | Yinchuan Wanda Realm Hotel | 664.05 | 627.95 | 579.07 | 541.12 |
| 37 | Dandong Wanda Realm Hotel | 461.09 | 491.68 | 479.97 | 447.65 |
| 38 | Nanjing Wanda Realm Hotel | 547.92 | 541.24 | 514.60 | 506.39 |
| 39 | Guangzhou Zengcheng Wanda Realm Hotel | 433.79 | 426.26 | 400.84 | 409.88 |
| 40 | Weifang Wanda Pullman Hotel | 528.19 | 561.23 | 553.51 | 567.13 |
| 41 | Chifeng Wanda Realm Hotel | 425.48 | 451.25 | 475.48 | 465.09 |
| 42 | Jining Wanda Realm Hotel | 478.16 | 483.76 | 455.04 | 479.22 |

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

| No. | Name | Average Room Rate (RMB) | | | Six months ended 30 June 2017 |
|-----|--------------------------------------|-------------------------|--------------------------------|--------|-------------------------------------|
| | | 2014 | Year ended 31 December 2015 | 2016 | |
| 43 | Jinhua Wanda Realm Hotel | 486.69 | 425.97 | 429.42 | 450.77 |
| 44 | Changzhou Wujin Wanda Realm Hotel | 413.53 | 417.74 | 400.30 | 394.15 |
| 45 | Dongguan Dongcheng Wanda Vista Hotel | 551.18 | 579.49 | 581.23 | 619.66 |
| 46 | Ma'anshan Wanda Realm Hotel | 446.78 | 384.29 | 368.22 | 380.21 |
| 47 | Jingzhou Wanda Realm Hotel | 537.96 | 506.46 | 467.03 | 445.02 |
| 48 | Lanzhou Wanda Vista Hotel | 786.76 | 774.35 | 752.09 | 715.53 |
| 49 | Kunming Wanda Vista Hotel | 748.34 | 747.73 | 703.34 | 738.03 |
| 50 | Longyan Wanda Realm Hotel | 441.07 | 343.78 | 331.54 | 349.13 |
| 51 | Jiangmen Wanda Realm Hotel | Not applicable* | 421.12 | 434.99 | 467.64 |
| 52 | Wuhu Wanda Realm Hotel | 384.93 | 362.23 | 321.72 | 359.36 |
| 53 | Bengbu Wanda Realm Hotel | 459.64 | 448.08 | 425.81 | 426.95 |
| 54 | Nanning Wanda Vista Hotel | 776.04 | 749.26 | 706.85 | 679.66 |
| 55 | Guangyuan Wanda Realm Hotel | Not applicable* | 384.54 | 344.23 | 351.28 |
| 56 | Neijiang Wanda Realm Hotel | Not applicable* | 399.29 | 379.19 | 376.90 |
| 57 | Huangshi Wanda Realm Hotel | Not applicable* | 445.77 | 336.91 | 379.62 |
| 58 | Anyang Wanda Realm Hotel | Not applicable* | 295.34 | 306.46 | 358.70 |
| 59 | Dongying Wanda Realm Hotel | Not applicable* | 450.40 | 391.61 | 418.10 |
| 60 | Tai'an Wanda Realm Hotel | Not applicable* | 450.75 | 406.84 | 410.82 |
| 61 | Fuyang Wanda Realm Hotel | Not applicable* | 274.93 | 329.21 | 338.89 |
| 62 | Liuzhou Wanda Realm Hotel | Not applicable* | 500.38 | 478.36 | 549.42 |
| 63 | Hohhot Wanda Vista Hotel | Not applicable* | 601.35 | 478.61 | 503.03 |

APPENDIX VI HISTORICAL OPERATION INFORMATION OF THE ASSETS

| No. | Name | Average Room Rate (RMB) | | | Six months ended 30 June 2017 |
|-----|-----------------------------|-------------------------|-----------------|-----------------|-------------------------------------|
| | | Year ended 31 December | | | |
| | | 2014 | 2015 | 2016 | |
| 64 | Zhengzhou Wanda Vista Hotel | Not applicable* | Not applicable* | 552.14 | 571.55 |
| 65 | Siping Wanda Realm Hotel | Not applicable* | Not applicable* | 383.42 | 376.66 |
| 66 | Xining Wanda Realm Hotel | Not applicable* | Not applicable* | 500.17 | 522.30 |
| 67 | Bozhou Wanda Realm Hotel | Not applicable* | Not applicable* | 359.01 | 392.47 |
| 68 | Urumqi Wanda Vista Hotel | Not applicable* | Not applicable* | 572.50 | 526.71 |
| 69 | Yiwu Wanda Realm Hotel | Not applicable* | Not applicable* | 421.05 | 441.06 |
| 70 | Shangrao Wanda Realm Hotel | Not applicable* | Not applicable* | 410.06 | 420.01 |
| 71 | Nanning Wanda Realm Resort | Not applicable* | Not applicable* | Not applicable* | 413.64 |

* The city hotels has not started operation for the particular year.

(3) The range of average occupancy rate and range of average room rate:

| | Average Occupancy Rate | Average Room Rate (RMB) |
|-------------------------------|---------------------------|----------------------------|
| Year ended 31 December 2014 | 8.64% ~ 76.64% | 384.93 ~ 1,195.01 |
| Year ended 31 December 2015 | 22.04% ~ 78.28% | 274.93 ~ 1,178.80 |
| Year ended 31 December 2016 | 31.11% ~ 77.89% | 306.46 ~ 1,057.38 |
| Six months ended 30 June 2017 | 10.65% ~ 83.04% | 338.89 ~ 1,116.61 |

(B) Commercial Property Investment

Dalian Wanda Commercial Centre mainly provides commercial leases. As at the Latest Practicable Date, the number of effective lease contract, occupancy rate and average unit rate are 100, 76.9% and RMB124.62 sq.m/month respectively. In respect of the rental area in the next three years and beyond, ratios of lease expiry of Dalian Wanda Commercial Centre in each year will be 45%, 37% and 18% respectively.

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. DISCLOSURE OF INTERESTS

(a) Long positions in the Shares, underlying Shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, save as disclosed below, none of the Directors, chief executive or supervisors of the Company or their respective associates had or was deemed to have any interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be 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 they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (the “**Model Code**”), to be notified to the Company and the Stock Exchange:

(i) Long positions in the Shares, underlying Shares and debentures of the Company

| Director/ Supervisor | Class of Shares | Personal | Spouse or child under 18 | Corporate interests | Total number of Shares held as at the Latest Practicable Date | Approximate percentage of interests in the total share capital <i>(Note)</i> |
|-------------------------|---------------------------|-----------------------------|--------------------------------|------------------------|--|---|
| Li Sze Lim | Domestic Share H Share | 1,045,092,672 14,000,000 | 5,000,000 | 16,000,000 | 1,080,092,672 | 33.52% |
| Zhang Li | Domestic Share H Share | 1,005,092,672 6,632,800 | 20,000,000 | | 1,031,725,472 | 32.02% |
| Zhou Yaonan | Domestic Share | 22,922,624 | | | 22,922,624 | 0.71% |
| Lu Jing | Domestic Share | 35,078,352 | | | 35,078,352 | 1.09% |
| Li Helen | H Share | 1,003,600 | | | 1,003,600 | 0.03% |
| Zheng Ercheng | H Share | 260,280 | | | 260,280 | 0.01% |
| Ng Yau Wah, Daniel | H Share | 588,000 | | | 588,000 | 0.02% |
| Chen Liangnuan | Domestic Share | 20,000,000 | | | 20,000,000 | 0.62% |

Note: The Company's total number of issued Shares as at the Latest Practicable Date was 3,222,367,344 of which 2,207,108,944 Shares are Domestic Shares held by domestic Shareholders, accounting for 68.49% of the total share capital of the Company and 1,015,258,400 Shares were held by the holders of H Shares, accounting for 31.51% of the total share capital of the Company.

(ii) *Long positions in the Shares, underlying Shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO)*

| Director | Name of associated corporation | Type | No. of Shares | Approximate percentage of total issued capital |
|------------|--|-----------|---------------|--|
| Li Sze Lim | Guangzhou Tianfu Property Development Co., Ltd. ("Tianfu") <i>(Note 1)</i> | Corporate | N/A | 7.50% |
| | Beijing Fushengli Investment Consulting Co., Ltd. ("Fushengli") <i>(Note 2)</i> | Corporate | N/A | 34.64% |
| | Trillion Chance Limited ("Trillion Chance") <i>(Note 3)</i> | Corporate | N/A | N/A |
| Zhang Li | Tianfu <i>(Note 1)</i> | Corporate | N/A | 7.50% |
| | Fushengli <i>(Note 2)</i> | Corporate | N/A | 34.64% |
| Li Helen | Trillion Chance <i>(Note 4)</i> | Corporate | N/A | N/A |

Notes:

- (1) Tianfu is 15% and 85% owned by Century Land Properties Limited and the Company respectively. Century Land Properties Limited is beneficially owned by Mr. Li Sze Lim and Mr. Zhang Li at 50% each.
- (2) Fushengli is 70% and 30% owned by Well Bright International Limited and Guangzhou Tianli Construction Co., Ltd. respectively. Guangzhou Tianli Construction Co., Ltd. is a subsidiary of the Company. Well Bright International Limited is 51% and 49% owned by Guangdong South China Environmental Protection Investment Co., Ltd. and Sparks Real Estate Holdings Limited respectively. Each of Mr. Li Sze Lim and Mr. Zhang Li owns 49% of Guangdong South China Environmental Protection Investment Co., Ltd. Sparks Real Estate Holdings Limited is beneficially owned by Mr. Li Sze Lim and Mr. Zhang Li at 50% each.
- (3) Mr. Li Sze Lim is deemed to be interested in US\$7,000,000 of the US\$800 million 5.25% senior notes due 2018 held by his spouse issued by Trillion Chance, a wholly-owned subsidiary of the Company.

- (4) Ms. Li Helen, through Pleasant View Limited which is 100% owned by her, has an interest in US\$1,050,000 of the US\$800 million 5.25% senior notes due 2018 issued by Trillion Chance, a wholly-owned subsidiary of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executive or supervisors of the Company or their associates had, or was deemed to have, an interest or a short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Substantial shareholders' and other person's interests in the Shares and underlying Shares of the Company

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director, chief executive or supervisor of the Company) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register kept by the Company pursuant to section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, 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 other member of the Group.

| Name of Shareholder | Type of Share | Number of Shares ^(Note 1) | Approximate percentage of interests in H Shares ^(Note 2) |
|--------------------------------|---------------|--------------------------------------|---|
| BlackRock, Inc. | H Share | 64,293,508(L) | 6.33% |
| | | 4,000(S) | 0.0004% |
| Commonwealth Bank of Australia | H Share | 53,233,212(L) | 5.24% |
| | | 5,067,768(S) | 0.49% |
| Lehman Brothers Holdings Inc. | H Share | 51,049,240(L) | 5.03% |
| | | 67,663,183(S) | 6.66% |

Notes:

- (1) The letters "L", "S" and "P" respectively denote a long position, short position and lending pool in the Shares.
- (2) 1,015,258,400 Shares were held by the holders of H Shares, accounting for 31.51% of the total share capital of the Company.

Save as disclosed above, as at the Latest Practicable Date, no other person (other than the Directors, chief executives or supervisors of the Company) had an interest or short position in the Shares or underlying Shares of the Company which were recorded in the register kept by the Company pursuant to section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of

the SFO, or, who was 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 other member of the Group.

3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors and their respective associates is and was interested in any business apart from the Group's businesses which competes, or may compete, either directly or indirectly, with the businesses of the Group (other than those businesses where the Directors were appointed as director of the businesses concerned to represent the interests of the Company/Group) pursuant to Rule 8.10 of the Listing Rules.

| Name of Director | Name of entity | Description of business | Nature of the interest of the Director in the entity |
|------------------|----------------|---|--|
| Li Sze Lim | Fushengli | Owens partial parking spaces in Beijing | Shareholder |
| Zhang Li | Fushengli | Owens partial parking spaces in Beijing | Shareholder |

4. DIRECTORS' AND SUPERVISORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors or the supervisors had any interest, either directly or indirectly, in any assets which has since 30 June 2017 (being the date to which the latest published interim financial statements of the Group were made up), up to the Latest Practicable Date, been 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.

5. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each of the Directors and supervisors of the Company has entered into a service contract with the Company for a term of three years. As at the Latest Practicable Date, none of the Directors or supervisors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

6. DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, none of the Directors or supervisors was materially interested, directly or indirectly, in any transaction, arrangement or contract of significance entered into by any member of the Group subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.

7. MATERIAL CONTRACTS

The following contracts (being contracts entered into outside the ordinary course of business carried on by the Group) have been 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:

- (a) (i) the commitment letter dated 28 March 2017 entered into between the Company and Bohai Bank Co., Limited (Beijing Branch) (渤海銀行股份有限公司(北京分行)) (the “**Bank**”) in relation to the provision of corporate guarantee by the Company in favour of the Bank for 25% of the repayment obligations of Tianjin Jinnan Xincheng Real Estate Development Co., Ltd.* (天津津南新城房地產開發有限公司) (the “**Borrower**”) under the loan facilities in the aggregate principal amount of RMB3.0 billion and (ii) the commitment letter dated 23 November 2016 entered into between the Company and the Bank in relation to the provision of corporate guarantee by the Company in favour of the Bank for 25% of the repayment obligations of the Borrower under the non-revolving loan facilities in the aggregate principal amount of RMB4.5 billion, details of which are set out in the Company’s announcement dated 28 March 2017;
- (b) the Agreement;
- (c) the First Supplemental Agreement; and
- (d) the Second Supplemental Agreement.

8. EXPERT’S QUALIFICATION AND CONSENT

The following is the qualification of the experts whose names/advice and/or reports are contained in this circular:

| Name | Qualification |
|---|------------------------------|
| PricewaterhouseCoopers | Certified Public Accountants |
| Jones Lang LaSalle Corporate Appraisal and Advisory Limited | Property valuer |

As at the Latest Practicable Date, each of the above experts (i) had no shareholding in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group; (ii) had no direct or indirect interest in any assets which had been, since 30 June 2017 (being the date to which the latest published interim financial statements of the Group were made up), acquired, disposed of by, or leased to any member of the Group, or were proposed to be acquired, disposed of by, or leased to any member of

the Group; and (iii) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the reference to its name included herein in the form and context in which it appears.

9. LITIGATION

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

10. GENERAL

- (a) The registered office of the Company is 45-54/F., R&F Center, No. 10 Huaxia Road, Pearl River New Town, Guangzhou 510623, the PRC.
- (b) The principal place of business of the Company in Hong Kong is Room 1103, Yue Xiu Building, 160-174 Lockhart Road, Wanchai, Hong Kong.
- (c) Mr. Lee Michael and Mr. Cheung Sze Yin are the joint company secretaries of the Company. Mr. Lee Michael holds a Double Degree Bachelor of Commerce (Finance & Accounting) and Bachelor of Engineering (Honours) from the University of Sydney. Mr. Cheung Sze Yin holds a Bachelor of Business Administration degree with major in Accountancy from the Chinese University of Hong Kong. He is also a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants of the United Kingdom.
- (d) The Hong Kong H Share registrar of the Company is Computershare Hong Kong Investor Services Limited, at 17M/F., Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong.
- (e) This circular is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail over its Chinese text unless otherwise specified.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours from 9:30 a.m. to 5:30 p.m. on any weekday (except public holidays) at the principal place of business of the Company in Hong Kong at Room 1103, Yue Xiu Building, 160-174 Lockhart Road, Wanchai, Hong Kong up to and including the date falling on 14 days from the date of this circular:

- (a) the articles of association of the Company;
- (b) the annual reports of the Company for the three years ended 31 December 2016;

- (c) the accountant's report of the Tranche 1 Assets, the Tranche 2 Assets and the Tranche 3 Assets prepared by PricewaterhouseCoopers as set out in Appendix II-A, Appendix II-B and Appendix II-C to this circular;
- (d) the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular;
- (e) the valuation report, as set out in Appendix V to this circular;
- (f) the letters of consent referred to in the paragraph headed "Expert's Qualification and Consent" in this Appendix;
- (g) the service contracts referred to in the paragraph headed "Directors' and Supervisors' Service Contracts" in this Appendix;
- (h) the material contracts referred to in the paragraph headed "Material Contracts" in this Appendix; and
- (i) this circular.

** for identification purposes only*