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Future Land Development Holdings Limited

新城發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1030)

DISCLOSEABLE TRANSACTION ACQUISITION OF TARGET ASSET

The Board is pleased to announce that on 18 December 2014, the Commodity Housing Pre-sale Contract was entered into between the Transferor and the Transferee, pursuant to which the Transferee has conditionally agreed to acquire and the Transferor has conditionally agreed to transfer the Target Asset held by it to the Transferee, at the Consideration of RMB623,197,800.

As the highest applicable percentage ratio in respect of the Commodity Housing Pre-sale Contract exceeds 5% but does not exceed 25%, the acquisition of the Target Asset constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

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COMMODITY HOUSING PRE-SALE CONTRACT

The principle terms of the Commodity Housing Pre-sale Contract are as follows:

Date

18 December 2014

Parties

- (1) Future Land Chuangyu as the Transferee; and
- (2) Shanghai Xinhaolong as the Transferor, as the legal owner of the Target Asset. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Transferor and its ultimate beneficial owner are third parties independent of the Company and are not connected persons of the Company.

Asset to be acquired and Consideration

The Transferee has conditionally agreed to acquire and the Transferor has conditionally agreed to transfer the Target Asset held by it.

The Transferee shall pay the Transferor the Consideration of RMB623,197,800. The unit price of the Target Asset is RMB25,000 per square metre (gross floor area). The Consideration shall be paid by the Transferee in the following manner:

- (1) The Transferee shall pay the Transferor 10% of the Consideration upon signing of the Commodity Housing Pre-sale Contract as the first instalment payment;
- (2) The Transferee shall pay the Transferor RMB250,877,975 out of the Consideration before 18 December 2014 as the second instalment payment; and
- (3) The Transferee shall pay the Transferor the balance of the Consideration through banking loans or otherwise no later than 16 March 2015.

Basis of determining the Consideration

The Consideration was determined after arm's length negotiations between the Transferor and the Transferee on normal commercial terms.

Completion

Save for cases of force majeure, the Transferor shall deliver the Target Asset to the Transferee before 1 April 2015. The Commodity Housing Pre-sale Contract contains customary terms of delivery for transactions of similar nature and size. Immediately after Completion, the Target Asset will become an asset of the Company.

Warranties

The Commodity Housing Pre-sale Contract contains customary representations and warranties for transactions of similar nature and size.

INFORMATION ON THE TRANSFEROR

The Transferor is a limited liability company incorporated in Shanghai on 23 March 2006. The Transferor is principally engaged in development, sale and leasing of commercial buildings and office buildings; construction, development, sales and leasing of ancillary facilities such as hotels, shopping malls and cultural facilities; carpark management; real estate consultancy and property management.

INFORMATION ON THE GROUP

The principal activities of the Group are property development, property investment and property management in the PRC.

INFORMATION ON THE TARGET ASSET

The Target Asset is located at Guoco Changfeng City No. 6, Lane 388, Zhongjiang Road, Shanghai, and its planning use, as approved by the government, is office building. As temporarily measured by the Transferor, the gross floor area of the building is 24,927.91 square metres. As at the date of signing of the Commodity Housing Pre-sale Contract, the Target Asset has fulfilled the pre-sale conditions as required by the Measures of Shanghai Municipality for Real Estate Transfer, and it also obtained the pre-sale approval from the Bureau of Real Estate and Land Management of Putuo District (Pre-sale Permit No.: Putuo Fang Guan (2013) Yu Zi No. 0000038).

REASONS FOR AND BENEFITS OF ENTERING INTO THE ACQUISITION

The Transferor is principally engaged in development, sale and leasing of commercial buildings and office buildings and has obtained the approval in respect of pre-sale of the Target Asset from the related competent government departments. The principal activities of the Group are property development, property investment and property management. In view of the development of the Group and the advantage of the Transferor in its assets, the Directors consider that the acquisition of the Target Asset is favourable for the brand display of the Company and reception of customers, and have positive influence on the enhancement of the image and the overall competitiveness of the Company. The Directors consider that the terms of the Commodity Housing Pre-sale Contract are entered into on normal commercial terms and that such terms are fair and reasonable and in the interests of the Company and Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but does not exceed 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements of Chapter 14 of the Listing Rules.

DEFINITIONS

Unless otherwise defined, the following expressions in this announcement have the following meanings:

“Acquisition”	The acquisition of the Target Asset from the Transferor by the Transferee pursuant to the Commodity Housing Pre-sale Contract
“Commodity Housing Pre-sale Contract”	The commodity housing pre-sale contract dated 18 December 2014 in relation to, among other things, the acquisition of the Target Asset between the Transferor and the Transferee
“Board”	the board of Directors of the Company
“Company”	Future Land Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
“Completion”	completion of the Acquisition pursuant to the Commodity Housing Pre-sale Contract
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Consideration”	the sum of RMB623,197,800, being the total consideration for the sale and purchase of the Target Asset
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which shall, for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) of HK\$0.001 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Asset”	Guoco Changfeng City No. 6 Office Tower* (《國浩長風城6號辦公樓》), Lane 388, Zhongjiang Road, Shanghai
“Transferor” or “Shanghai Xinhaolong”	Shanghai Xinhaolong Property Development Co., Ltd.* (上海新浩隆房地產開發有限公司), the holder of the Target Asset
“Transferee” or “Future Land Chuangyu”	Shanghai Future Land Chuangyu Real Estate Co., Ltd.* (上海新城創域房地產有限公司), a subsidiary of the Company
“%”	per cent

By order of the Board
Future Land Development Holdings Limited
WANG Zhenhua
Chairman

PRC, 19 December 2014

As at the date of this announcement, the Directors are Mr. Wang Zhenhua, Mr. Liang Zhicheng, Mr. Liu Yuanman and Madam Huang Maoli as executive Directors, Mr. Lv Xiaoping and Mr. Wang Xiaosong as non-executive Directors and Mr. Chen Huakang, Mr. Zhu Zengjin and Mr. Zhong Wei as independent non-executive Directors.

* *Denotes English translation of the name of a company or entity or real property in Chinese or vice versa and is provided for identification purpose only.*