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大連萬達商業地產股份有限公司
Dalian Wanda Commercial Properties Co., Ltd.

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

(Stock Code: 3699)

ANNOUNCEMENT ON THE PROPOSED A SHARE OFFERING

Proposed A Share Offering

The Board is pleased to announce that at a meeting of the Board held on 3 July 2015, it was resolved that, subject to the Shareholders' approval at the EGM, the Domestic Shareholders' Class Meeting and the H Shareholders' Class Meeting, the Company will apply for the CSRC and other relevant regulatory authorities for the proposed A Share Offering.

Investors are cautioned that the proposed A Share Offering is subject to (i) approvals from the CSRC and other relevant regulatory authorities; (ii) approval from Shareholders in the EGM and the Domestic Shareholders' Class Meeting and the H Shareholders' Class Meeting. Investors and potential investors in Shares of the Company should exercise caution when deal, or contemplate dealing, in the H Shares or other securities of the Company.

A. Proposal on the Proposed A Share Offering

On 3 July 2015, the Board resolved to submit to the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting for the Shareholders' approval of the resolution relating to the proposed applications with CSRC and other relevant regulatory authorities of the PRC for the proposed A Share Offering. The proposed A Share Offering will be made in accordance with the Company Law of the PRC, the Securities Law of the PRC, Measures on the Administration of Initial Public Offering and Listing of Securities (《首次公開發行股票並上市管理辦法》), Measures on the Administration of Securities Issuance and Underwriting (《證券發行與承銷管理辦法》) and other relevant laws and regulations of the PRC. Details of the plan for the A Share Offering are as follows:

(1) Type of the securities to be issued:

A Shares

(2) Par value:

RMB1.00 per share

(3) Issuance size:

Not more than 300,000,000 A Shares, and the final number will be determined by the Board of Directors according to the authorization obtained from the Shareholders and upon consultation with the regulatory authorities, taking into consideration the Company's capital requirements, regulatory authorities' communication results, market demand and after consultation with the sponsor(s) (the lead underwriter(s)). The number of A Shares to be issued will be adjusted accordingly upon the occurrence of ex-rights events, such as stock dividend, transferring of capital reserve into capital, etc.

(4) Target subscribers:

The target subscribers of the A Share are inquiring subscribers which satisfy the specified requirements of CSRC, as well as natural persons, legal persons and other institutional investors who have opened A share securities accounts (excluding those prohibited by relevant PRC laws, regulations and other regulatory requirements).

The Company will procure the connected persons of the Company not to subscribe for the A Shares and will ensure that none of the subscribers of the A Shares is a connected person of the Company. In the event that any connected person of the Company becomes a subscribers of the A Shares, the Company will take every reasonable step to comply with relevant requirements under the Listing Rules.

(5) Method of issuance:

A combination of off-line book-building placement to the inquiring subscribers and on-line applications, conducted in accordance with the Measures on the Administration of Securities Issuance and Underwriting (《證券發行與承銷管理辦法》) or, other offering methods approved by CSRC.

(6) Method of price determination:

The price will be determined through offline inquiry or after consultation with the lead underwriter(s) by the Board in accordance with the Measures on the Administration of Securities Issuance and Underwriting (《證券發行與承銷管理辦法》) and other methods specified or permitted by relevant authorities of the PRC.

When determining the actual offer price, the Company will take into consideration the following factors: (i) requirements of applicable laws and regulations, (ii) Company's profitability and future development, (iii) market demand; (iv) regulatory authorities' instructive rules and policies, and (v) average Price-to-Earnings ratio (P/E ratio) of other A share listed issuer in the same industry.

In accordance with the Measures in relation to the Strengthening the Regulation and Supervision on Issuance of New Shares (《關於加強新股發行監管的措施》) issued by CSRC, if the P/E ratio corresponding to the issuance price of the A Shares is higher than the average P/E ratio of other A share listed issuer in the same industry, the Company is required to make announcement on the investment risks three weeks before the online applications and at least once a week.

(7) Method of underwriting:

The underwriting syndicate lead by the lead underwriter(s) will underwrite the offering by way of standby commitment.

(8) Place of listing:

Shanghai Stock Exchange or Shenzhen Stock Exchange, to be determined by the Board as authorized by the Shareholders according to the regulatory requirements or market conditions

(9) Conversion of the form of the Company:

The Company will apply for conversion into a joint stock company with both domestic and overseas listed Shares.

(10) Valid period of the resolution:

The valid period of the resolution is 12 months from the date when this proposal is considered and approved by the Shareholders at the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class meeting. The Directors consider that a validity period of 12 months for resolutions regarding the A Share Offering is required since there is uncertainty as to the time required to obtain the approvals from the CSRC and other regulatory authorities of the PRC. To the best knowledge of the Company and subject to the approval process of regulatory authorities, the Company expects to complete the proposed A Share Offering within one year.

The resolution above will be voted item by item and is to be approved as a special resolution. It should be noted that, the A Share Offering is also subject to the approvals from CSRC and other relevant authorities of the PRC. The Proposed A Share Offering will be made pursuant to the specific mandate to be sought at the EGM, the Domestic Shareholder's Class Meeting and the H Shareholders' Class Meeting. The Company will make further announcements when the detailed terms of the proposed A Share Offering, such as issue price and issue size, once such terms are finalized.

Impact of the A Share Offering on the shareholding structure of the Company

For reference and illustration purposes only, assuming that a total of 300,000,000 A Shares are issued under the A Share Offering and there are no changes to the capital of the Company prior to the completion of the A Share Offering, the shareholding structure of the Company immediately before and after the completion of the A Share Offering is set out as follows:

	Immediately before the completion of the A Share Offering		Immediately following the completion of the A Share Offering	
	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital
Domestic Shares	<u>3,874,800,000</u>	<u>85.59%</u>	–	–
A Shares	–	–	<u>4,174,800,000</u>	<u>86.48%</u>
– A Shares held by public	–	–	<u>1,646,900,000</u>	<u>34.12%</u>
H Shares	<u>652,547,600</u>	<u>14.41%</u>	<u>652,547,600</u>	<u>13.52%</u>
– H Shares held by public	<u>636,556,400</u>	<u>14.06%</u>	<u>636,556,400</u>	<u>13.18%</u>
Total	<u><u>4,527,347,600</u></u>	<u><u>100.00%</u></u>	<u><u>4,827,347,600</u></u>	<u><u>100.00%</u></u>

Notes:

1. Immediately following the completion of the Proposed A Share Offering, 2,527,900,000 A Shares, representing approximately 52.36% of the enlarged total issued share capital of the Company, will be held by controlling shareholders and Directors of the Company.
2. Immediately following the completion of the Proposed A Share Offering, 15,991,200 H Shares, representing approximately 0.34% of the enlarged total issued share capital of the Company, will be held by a connected person of the Company.

As a result of the proposed A Share Offering and assuming a maximum of 300,000,000 A Shares are issued, the Company's public float (including H Shares and A Shares) will be approximately 47.30%. The Company would still be able to meet the minimum requirement on public float percentage as imposed by the Hong Kong Stock Exchange at the time of the Company's listing of H Shares. The percentage of H Shares held in public hands will be approximately 13.18% with the number of H Shares held by the public would remain the same. The Company will closely monitor its public float percentage to make sure its compliance, at all time, with relevant requirements on public float as stipulated under the Listing Rules and will promptly notify the Hong Kong Stock Exchange of any changes in the Company's public float.

B. Proposal on the distribution of the accumulated undistributed profits before the A Share Offering

The Board resolved that, subject to any dividend distribution plan that may be declared by the Board and approved by the Shareholders before the completion of the A Share Offering, the accumulated undistributed profits of the Company before the A Share Offering will be shared by the existing and new Shareholders after the A Share Offering in proportion to their respective shareholdings.

This Board also resolved to submit the above resolution to the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting, for consideration and approval of the Shareholders by way of special resolution. This resolution will become effective upon completion of the A Share Offering.

C. Proposal on the use of proceeds to be raised through the A Share Offering and the feasibility analysis

It is estimated that the funds raised from the proposed A Share Offering, after deducting relevant offering expenses, will be not more than RMB12 billion and will be deposited into a special account designated by the Board, and prioritized to be used in developing the following investment projects:

Unit: RMB10,000

Project	Proceeds to be invested
1 Nanjing Xianlin Wandamao (南京仙林萬達茂)	470,000
2 Jinan Gaoxin Wanda Plaza (濟南高新萬達廣場)	190,000
3 Hefei Yaohai Wanda Plaza (合肥瑤海萬達廣場)	180,000
4 Chengdu Shudu Wanda Plaza (成都蜀都萬達廣場)	200,000
5 Xuzhou Tongshan Wanda Plaza (徐州銅山萬達廣場)	160,000
Total	1,200,000

If the actual proceeds are more than the amount required for those projects' investment requirements, the remaining will be used to supplement working capital or be used according to the requirements of regulatory authorities. If the actual proceeds raised from the A Share Offering are less than the amount required for those projects' investment requirements, the shortage will be funded by the Company using internal working capital. If initial investment is needed before the completion of the A Share Offering, the Company will pay for such initial investment first, and subsequently replace such prior investment with the funds raised from the A Share Offering.

This proposal has been approved by the Board of Directors. The Board resolved to submit the above resolution to the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting for Shareholders' consideration and approval by way of special resolution. This resolution will become effective upon the completion of the A Share Offering.

As of the date of this announcement, certain part of the proceeds from the Company's issuance of H Shares has not been used. The Company currently does not have any plan to change the use of such proceeds.

D. Proposal on the authorization by the Shareholders to the Board to deal with all matters relating to the A Share Offering

The Board of Directors resolved to submit to the Shareholders to authorize the Board of Directors to handle all matters relating to the A Share Offering, including but not limited to:

- (a) to formulate and implement the specified plan for the A Share Offering in accordance with the particular circumstances, including but not limited to, determining the specific offering date, target subscribers, the number of shares to be offered, pricing methods, offering methods, listing place and other matters relating to the offering and listing.
- (b) to handle the application matters relating to the offering and listing, including but not limited to, applying for vetting, registration, filing and approval by relevant government agencies, regulatory authorities, stock exchanges and securities registration and settlement institutions.
- (c) to prepare, sign, execute, modify, supplement and deliver any agreements, contracts or the necessary documents, including but not limited to preliminary prospectus, prospectus, sponsor's agreement, underwriting agreement, various announcements and shareholder notifications, various explanation letters or letter of undertaking which are required by regulatory authorities and relating to the offering and listing.
- (d) to adjust the plan for the investment projects and the use of proceeds, in accordance with the comments from relevant regulatory authorities during the application and approval of the offering and listing, including but not limited to the investment progress, the adjustment of investment ratio, and the signing of significant agreements or contracts during the construction progress of the investment projects.
- (e) to decide and appoint relevant intermediaries, and sign relevant agreements or contracts, such as sponsor's agreement, underwriting agreement, etc.
- (f) to determine the special deposit account for the proceeds before the offering according to the requirement.
- (g) to revise the relevant provisions of the Articles of Association relating to the offering in accordance with the particular circumstances, and to handle the registration of the relevant changes with the industry and commerce authorities.
- (h) to handle matters relating to the listing of the issued shares on the Shanghai Stock Exchange or Shenzhen Stock Exchange upon completion of the offering, including but not limited to the registration of according to the commitments of shareholders, and the information disclosure in accordance with the relating laws, regulations and applicable listing rules of the stock exchange.
- (i) if the securities regulatory authorities issue new policies, the Board is authorized to adjust the offering plan in accordance with the new policies.
- (j) to handle other matters which the Board considers as necessary, proper or appropriate matters for the offering, including to authorize a certain director and the director in turn to authorize specific working staff member(s) to handle specific matters, and
- (k) other necessary matters relating to the offering not mentioned above.

The valid period of the above authorization is 12 months from the date when this proposal is considered and approved by the Shareholders at the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting, respectively, by way of special resolution.

E. Proposal on the proposed amendments to the Articles of Association

In accordance with relevant laws and regulations of the PRC, the Board proposed to amend the Articles of Association to be used after the listing of A Shares. The amended Articles of Association will become effective from the date of the completion of the A Share Offering.

The main amendments to the Articles of Association includes (i) provisions relating to the additional number of new A Shares to be issued; and (ii) add provisions mandatory for A Share listed issue. As at the date of this announcement, the information relating to the number of A Shares to be finally issued is still outstanding. The Company will fill in relevant information once such information is finalized.

This proposal has been approved by the Board of Directors, and is submitted to the Shareholders at the EGM for consideration and approval by way of special resolution. See the circular to be dispatched for the proposed amendments to the Articles of Association.

The Articles of Association are prepared in Chinese without an official English version. Any English translation is for reference only. In case of any inconsistency, the Chinese version shall prevail.

F. Proposal on the amendments of relevant rules in corporate governance

In connection with the proposed A Share Offering, the Company proposed to amend the following corporate governance rules: (i) the General Meeting's Rules of Procedure of the Company, (ii) the Rules for the Management of Proceeds of the Company and (iii) the Decision Making System of Connected Transaction of the Company. See the circular to be dispatched for details of the proposed amendments.

The proposals have been approved by the Board of Directors, among which, the proposal to amend the General Meeting's Rules of Procedure of the Company will be considered and approved by way of special resolution, while the remaining proposals will be considered and approved by way of ordinary resolution. The above mentioned amended rules will become effective from the date of the completion of the A Share Offering.

Each of the above mentioned internal corporate governance rules are prepared in Chinese without an official English version. Any English translation is for reference only. In case of any inconsistency, the Chinese version shall prevail.

The above mentioned corporate governance rules are formulated in accordance with relevant laws, regulations or listing rules of the PRC, some provisions of which may be different from the requirements of the Listing Rules. In the event that the requirements of the Listing Rules and the above-mentioned rules are different, the Company will comply with all relevant listing rules on which the Shares of the Company are listed, whichever is stricter or impose more obligation.

G. Proposal on the stabilization of the share price for the three years following the A Share Offering

In order to protect the legitimate rights and interests of investors, the Company, in accordance with relevant laws and regulations of the PRC, prepared the proposal on the stabilization of the Company's share price within 3 years after the A Share Offering.

This proposal has been approved by the Board of Directors, and is submitted to the Shareholders at the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting, respectively for consideration and approval by way of ordinary resolution. See the circular to be dispatched for the full text of the *Proposal on the Stabilization of Share Price for the Three Years Following the A Share Offering*. The *Proposal on the Stabilization of Share Price for the Three Years Following the A Share Offering* will become effective upon the completion of the A Share Offering.

H. Proposal on the dilution of immediate return and its recovery after the A Share Offering

In accordance with relevant laws and regulations, an issuer should provide an analysis on the impact on immediate return resulted from an initial public offering, follow-on offering or merger and acquisitions, and formulate a recovery plan. Accordingly, the Company has analyzed the impacts of the A Share Offering on the dilution of immediate return and formulated the relevant principle-based measures on the recovery of return as follows:

After the proceeds from the A Share Offering are obtained, the Company will timely and effectively implement the investment projects and generate profits, through efficient allocation of capital, so that the future profitability of the Company will be further improved. However, the construction of the investment projects require a certain period of time, the returns of shareholders during such period will mainly be realized through operating those projects in operation and the completed portion of the investment projects. While the capital and net assets of the Company have been increasing, the diluted current EPS and ROE may face the risk of decline.

In light of the possible decline of immediate return of existing shareholders after the A Share Offering, the Company will take following principle-based measures:

- (a) meet the development goals of the investment projects so as to realize the project profits as soon as possible;
- (b) Strictly follow the Rules for the Management of Proceeds of the Company;
- (c) Retain stable policy on shareholders' return.

This proposal has been approved by the Board of Directors, and is submitted to the Shareholders at the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting, respectively, for consideration and approval by way of ordinary resolution. The proposal on the dilution of immediate return and its recovery after the A Share Offering will become effectively upon the completion of the A Share Offering.

I. Proposal on the plan for the dividend return in the future;

In order to improve the dividend policies and communication mechanism, the Company has prepared the *Proposal of Future Dividend Return Plan for the Three Years Following the A Share Offering*, according to the requirements of relevant laws and regulations as well as the development strategies of the Company.

This proposal has been approved by the Board of Directors, and is submitted to the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting, respectively, for consideration and approval by way of ordinary resolution. See the circular to be dispatched for the full text of the *Proposal of Future Dividends Return Plan for the Following 3 Years*. The *Proposal of Future Dividends Return Plan for the Three Years Following the A Share Offering* will become effective upon the completion of the A Share Offering.

J. Proposal on the undertakings to be disclosed in the prospectus of A Share Offering

In accordance with relevant laws and regulations of the PRC, the Company and its controlling shareholder will make the following undertakings in the prospectus for the A Share Offering:

The Company and its controlling shareholder undertake that if the prospectus of the A Share Offering contains false content, misleading statements or material omissions, which is material for the determination of whether the Company meets the statutory qualification for an offering, the Company will prepare a repurchasing plan and submit it to the general meeting for approval, and repurchase all A Shares offered in the A Share Offering in accordance with the laws. In addition, the controlling shareholder of the Company will repurchase restricted Shares transferred and sold by it. Details of the repurchase plan will be subject to the requirements of relevant laws and regulations.

The Company, the controlling shareholder, actual controllers, directors, supervisors and senior managements undertake that if the prospectus of the A Share Offering contains false content, misleading statements or material omissions, which lead to losses of the investors when dealing in the A Shares, such loss will be compensated by them in accordance with the applicable laws.

This proposal has been approved by the Board of Directors, and is submitted to the Shareholders at the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting, respectively, for consideration and approval by way of ordinary resolution. To the extent certain undertakings relating matters that only become applicable after the listing of A Shares, such as share repurchase plan, such undertakings will become effective upon the completion of the A Share Offering. The remaining undertakings will become effective upon the approval by the Shareholders at the EGM, the Domestic Shareholders' Class Meeting, the H Shareholders' Class Meeting.

K. Proposal on the appointment of domestic auditors of the Company

The Board of Directors proposed to appoint Da Hua Accounting Firm (special general partnership) as the auditors of the Company for the Year 2015 and to act as the auditor for the A Share Offering, and to authorize the Board of Directors to determine its remuneration.

This proposal has been approved by the Board of Directors, and is submitted to the Shareholders at the EGM for consideration and approval by way of ordinary resolution. This resolution will become effective upon approval by the Shareholders at the EGM.

L. Benefits and reasons for the proposed A Share Offering

The Directors consider that the issue of the A Shares will enhance the corporate image of the Company, further broaden the Company's funding channels and increase the Company's working capital and recognitions of capital market by attracting large institutional and medium and small investors. The Directors also believe that the issue of A Shares will be beneficial to the Company's business growth, financing flexibility and business development, and be beneficial to obtain more financial resources and improve the competitiveness of the Company, and be beneficial to the long term development of the Company.

The Directors consider that the issue of A Shares is in the interests of the Company and the Shareholders as a whole.

Each of the above resolutions is a requisite part of the proposed A Share Offering. In the event that any of the resolutions is not approved by the Shareholders at the EGM, the Domestic Shareholders' Class Meeting or the H Shareholders' Class Meeting, the Company will not proceed with the proposed A Share Offering and may consider to revise terms of the A Share Offering and re-submit to the Shareholders for approval.

M. Fund raising activities

As of the date of this announcement, the Company has not raised any funds from the issuance of equity securities in the 12 months immediately preceding the date of this announcement, except for the issuance of the H Shares pursuant to the Global Offering, details of which was set out in the prospectus of the Company dated 10 December 2014. Except for the issue of domestic corporate bonds and domestic debt financing instruments, details of which was disclosed in the announcement of the Company dated 30 March 2015, as of the date of this announcement, the Company does not have any concrete plan to conduct any fund raising activity (apart from the proposed A Share Offering) in the next 12 months from the date of this announcement.

N. The EGM, the Domestic Shareholders' Class Meeting and the H Shareholders' Class Meeting

The proposed A Share Offering is to be made pursuant to the specific mandate to be obtained from the Shareholders at the EGM, the Domestic Shareholders' Class Meeting and the H Shareholders' Class Meeting. A circular containing details of the proposed A Share Offering will be dispatched to the Shareholders in due course.

O. Definitions

“A Share(s)”	ordinary shares of the Company with nominal value of RMB1 per Share that are proposed to be issued under the A Share Offering, which will be listed on the Shanghai Stock Exchange or Shenzhen Stock Exchange (to be finally determined by the Board) and traded in RMB
“A Share Offering”	the Company’s proposed initial public offering of not more than 300,000,000 A Shares in the PRC
“Articles of Association”	the Articles of Association of the Company
“Board” or “Board of Directors”	the board of directors of the Company
“Company” or “the Company”	Dalian Wanda Commercial Properties Co., Ltd., a joint stock company incorporated in the People’s Republic of China with limited liability on 10 December 2009
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Shareholders’ Class Meeting”	the class meeting of domestic Shareholders or any adjourned meeting to be held for purpose of approving the proposed A Share Offering, or immediately after the conclusion of the EGM or any adjournment thereof (whichever is the later)
“EGM”	the extraordinary general meeting to be held for purpose of approving the proposed A Share Offering
“Group”	the Company and its subsidiaries
“H Shareholders’ Class Meeting”	the class meeting of H Shareholders or any adjourned meeting to be held for purpose of approving the proposed A Share Offering, or immediately after the conclusion of the Domestic Shareholders’ Class Meeting or any adjournment thereof (whichever is the later)
“H Shares”	overseas listed foreign shares with par value of RMB1.00 per Share of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC” or “China”	the People’s Republic of China, excluding, for the purposes of this announcement only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of the Company
“Shareholder(s)”	the shareholder(s) of the Company

By order of the Board of Directors
Dalian Wanda Commercial Properties Co., Ltd.
Chairman
Ding Benxi

Beijing, PRC
3 July 2015

As at the date of this announcement, our executive Directors are Mr. DING Benxi, Mr. QI Jie and Mr. QU Dejun; our non-executive Directors are Mr. ZHANG Lin, Mr. WANG Guiya and Mr. YIN Hai; and our independent non-executive Directors are Mr. LIU Jipeng, Dr. XUE Yunkui and Dr. HU, Fred Zulu.