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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 LAND PARCEL**

### **TARGET LAND PARCEL AND CONFIRMATION LETTER**

The Board is pleased to announce that on July 6, 2016, the Group, through the Purchaser, won the bid for the land use rights in respect of the Target Land Parcel at RMB823,353,030, through the listing-for-sale process of the Target Land Parcel as evidenced by the Confirmation Letter. According to listing-for-sale process and relevant documents, after completion of the grant of the Target Land Parcel, the Purchaser shall own at least 60% of commercial GFA.

The Target Land Parcel has a total site area of approximately 161,918 sq.m.. The plot ratio is exceeding 1 but not exceeding 2. As disclosed in this announcement, the Target Land Parcel is located to the east of Jiangdu North Road, north of Ancient Canal, south of Zhuxi Road and west of Sanxing Road of Yangzhou, Jiangsu, the PRC\* (中國江蘇省揚州市江都北路以東，古運河以北，竹西路以南，三星路以西). The Board believes that the Target Land Parcel is strategically located with huge development potential, and the consideration is fair and reasonable.

### **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio in respect of the acquisition of the Target Land Parcel is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

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## **THE LAND USE RIGHTS GRANT CONTRACT**

The Purchaser is expected to enter into the State-owned Construction Land Use Rights Grant Contract (國有建設用地使用權出讓合同) with the Vendor before July 20, 2016 after the signing of the Confirmation Letter.

## **Consideration and Payment Terms of the Target Land Parcel**

The consideration for the Acquisition is RMB823,353,030, which was arrived at after a public listing-for-sale process organized and held by Yangzhou City Public Resources Trading Centre\* (揚州市公共資源交易中心). In determining the bidding price for the Target Land Parcel, the Group has taken into account various factors including the market value of comparable land located in the vicinity of the Target Land Parcel, the current property market environment in Yangzhou, the development potential of the Target Land Parcel and the potential revenue to be generated. The Purchaser will satisfy the consideration by internal resources of the Group.

## **Term of the Land Use Right of the Target Land Parcel**

The term of the land use rights shall be 70 years for commercial and residential use commencing from the delivery of the Target Land Parcel to the Purchaser.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE ACQUISITION**

The principal activities of the Group are property development, property investment and property management. In view of the development needs and future plans of the Group, the Target Land Parcel is strategically located with huge development potential, and the consideration is fair and reasonable. The Directors consider that the Acquisition is in line with the overall development strategy of the Group, and has positive influence on the long-term development of the Company. The Directors consider that the terms of the State-owned Construction Land Use Rights Grant Contract to be entered into are on normal commercial terms and that such terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PURCHASER, THE VENDOR AND THE GROUP**

### **The Purchaser**

The Purchaser is a company incorporated under the PRC laws with limited liability, and a subsidiary of the Company mainly engaged in property development, property investment and property management.

### **The Vendor**

The Vendor is a governmental body in the PRC and is responsible for, among other things, administering the examination and approval of land planning, assignment and transfer of the land use rights of the state-owned land in Yangzhou, the PRC, and issue of different land certificates. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

### **The Group**

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

## **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio for the acquisition of the Target Land Parcel is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement but exempt from the shareholders' approval requirement under 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 land use rights of the Target Land Parcel pursuant to the State-owned Construction Land Use Rights Grant Contract
“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

“Confirmation Letter”	the confirmation letter dated July 6, 2016 issued by Yangzhou City Public Resources Trading Centre* (揚州市公共資源交易中心) in respect of the Target Land Parcel
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“GFA”	gross floor areas
“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 People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Future Land Wanbo Property Co., Ltd.* (新城萬博置業有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) with a par value of HK\$0.001 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares of the Company
“sq.m.”	square metres
“State-owned Construction Land Use Rights Grant Contract”	the state-owned construction land use rights grant contract (國有建設用地使用權出讓合同) to be entered into between the Vendor and the Purchaser in respect of the Target Land Parcel
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Land Parcel”	No. GZ012 Land Parcel, located to the east of Jiangdu North Road, north of Ancient Canal, south of Zhuxi Road and west of Sanxing Road of Yangzhou, Jiangsu, the PRC* (中國江蘇省揚州市江都北路以東，古運河以北，竹西路以南，三星路以西)
“Vendor”	Yangzhou City Bureau of State Land and Resources* (揚州市國土資源局)
“%”	per cent

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

The PRC, July 7, 2016

*As at the date of this announcement, Directors of the Company are Mr. Wang Zhenhua, Mr. Lv Xiaoping, Mr. Lu Zhongming, Mr. Liu Yuanman and Mr. Chan Wai Kin as executive Directors, Mr. Wang Xiaosong as non-executive Director, and Mr. Chen Huakang, Mr. Zhu Zengjin and Mr. Zhong Wei as independent non-executive Directors.*

*\* Denotes English translation of a Chinese company or entity or address or vice versa and is provided for identification purpose only.*