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萬達酒店發展有限公司
WANDA HOTEL DEVELOPMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 169)

**CLARIFICATION ANNOUNCEMENT
IN RELATION TO
CERTAIN MEDIA REPORTS**

The board (the “**Board**”) of directors (each a “**Director**”) of Wanda Hotel Development Company Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) notes certain media articles appearing on 21 July 2016 stating, amongst others, that the Group has agreed with Baraka to sell the Group’s property project in Madrid.

Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board would like to clarify as follows.

On 12 July 2016, Wanda Europe Real Estate Investment Co., Limited (a company indirectly owned as to 60% by the Company and indirectly owned as to 40% by the Company’s controlling shareholder, 大連萬達商業地產股份有限公司 (Dalian Wanda Commercial Properties Co., Ltd.*) signed a memorandum of understanding (“**MOU**”) with Baraka Global Invest, S.L.U. (“**Baraka**”), a company organised under the laws of Spain, in relation to the negotiation and possible sale of all the issued shares in Wanda Madrid Development, S.L.U. (the “**Target**”) by the Group to Baraka at a consideration of EUR272 million (the “**Possible Disposal**”). The Target holds the Group’s property project at Plaza de España, 19, 28008, Madrid, Spain (the “**Property**”). The MOU is non-legally binding save for certain provisions set out therein.

Pursuant to the MOU, Baraka has paid the Group EUR1 million as earnest money, which is refundable if the final agreement for the Possible Disposal is not executed by 15 October 2016, or applied as part of the purchase price if the final agreement is executed by that date. The Group has granted to the Buyer exclusivity to conduct due diligence and negotiation of the Possible Disposal up to 15 October 2016.

The Possible Disposal is still under discussion and negotiation and subject to final agreement. Investors should note that the Possible Disposal may or may not proceed. To the best knowledge, information and belief of the Board, after having made all reasonable enquiries, Baraka and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The Group had acquired the Property in 2014, further details of which are set out in, amongst others, the circular of the Company dated 25 June 2014.

The Board wishes to emphasize that the MOU may or may not lead to any formal agreement. If the Possible Disposal materializes, it may constitute a major transaction of the Company under Chapter 14 of the Listing Rules. The Company will make further announcement in relation to the Possible Disposal as and when appropriate in accordance with the requirements of the Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Wanda Hotel Development Company Limited
Hui Wai Man, Shirley
Company Secretary

Hong Kong, 22 July 2016

As at the date of this announcement, Mr. Ding Benxi (Chairman), Mr. Qi Jie and Mr. Qu Dejun are the non-executive Directors; Mr. Liu Chaohui is the executive Director; and Mr. Liu Jipeng, Dr. Xue Yunkui and Mr. Zhang Huaqiao are the independent non-executive Directors.

** for information purposes only*