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瑞安房地產
SHUI ON LAND

Shui On Land Limited
瑞安房地產有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 272)

DISCLOSEABLE TRANSACTION
ACQUISITION OF LAND IN PUTUO DISTRICT, SHANGHAI, THE PRC

ACQUISITION OF THE LAND

The Board is pleased to announce that, on 1 November 2019, the Purchaser succeeded in its bid for the land use rights of the Land offered for sale by the Vendor, through the Bidding. The Purchase Price is RMB1,860,000,000 (equivalent to approximately HK\$2,066,667,000). The Purchaser has formed the Project Company, and the Project Company is to enter into the Land Use Rights Grant Agreement in relation to the Acquisition within three months from the date of the Auction Confirmation Letter.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated under Chapter 14 of the Listing Rules with reference to the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements but exempt from the circular and shareholders' approval requirements under the Listing Rules.

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The Purchase Price is RMB1,860,000,000 (equivalent to approximately HK\$2,066,667,000) based on the Auction Confirmation Letter issued by Shanghai Land Transaction Centre. The Purchase Price shall be settled by the Group's internal resources. The Purchase Price was arrived at as a result of successful bidding of the Land by the Purchaser at the Bidding, which was conducted in accordance with the relevant PRC laws and regulations, after taking into account the base price of the Bidding, current market conditions, location of the Land and land price in the surrounding area. The Purchaser has formed the Project Company, and the Project Company is to enter into the Land Use Rights Grant Agreement in relation to the Acquisition within three months from the date of the Auction Confirmation Letter. 20% of the Purchase Price shall be paid within five (5) Business Days from the date of the Land Use Rights Grant Agreement and the balance of the Purchase Price shall be paid within thirty (30) Business Days from the date of the Land Use Rights Grant Agreement.

Information on the Land

The Land is situated in Changshou Community, Putuo District, Shanghai, the PRC. It is bounded on the east side by Xikang Road, on the south side by Xinhui Road, on the west side by the Hengda Project and on the north side by Changshou Road. It is designated for commercial and office uses and has a total site area of 15,257.90 sq.m. for a total above ground gross floor area of 63,021.00 sq.m.. The terms of the grant of land use rights of the Land are 40 years for commercial use and 50 years for office use.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Strategic location

The site is located within the inner ring of Shanghai and is the gateway of the most prosperous commercial belt of Putuo District, Shanghai. Additionally, the site is directly connected to metro lines 7 and 13 and is close to the core central business district of Nanjing West Road area.

Strengthening the Company's brand and market leadership in urban regeneration

Urban regeneration will be the major opportunity for city core area development of first-tier cities in the PRC. By successfully developing this typical urban regeneration project, the Company can strengthen its brand and market leadership in the industry.

The Directors consider that the terms of the Acquisition are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE GROUP

The Company, through its subsidiaries and associates, is one of the leading property developers in the PRC. The Group engages principally in the development and redevelopment, sale, leasing, management and ownership of high-quality residential and mixed-use properties in the PRC.

The Purchaser, a wholly-owned subsidiary of the Company, is incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Project Company, a wholly-owned subsidiary of the Purchaser, is incorporated in the PRC with limited liability and is principally engaged in property development and construction, operation and property management within the Land.

INFORMATION ON THE VENDOR

The Vendor, Shanghai Municipal Putuo District Planning and Natural Resources Bureau* (上海市普陀區規劃和自然資源局), is a public body in the PRC responsible for the management of the land planning and the state-owned land resources in Putuo District, Shanghai, the PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

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| “Acquisition” | the acquisition of the land use rights of the Land; |
| “associate(s)”, “connected person(s)”, “subsidiary(ies)”, “percentage ratio(s)” | each has the meaning ascribed to it under the Listing Rules; |
| “Auction Confirmation Letter” | the written confirmation dated 1 November 2019 issued by Shanghai Land Transaction Centre confirming the successful bidding of the land use rights of the Land by the Purchaser at the Bidding; |
| “Bidding” | the tendering and listing-for-sale (招標掛牌複合式) procedure conducted by Shanghai Land Transaction Centre at which the Land was offered for sale by the Vendor; |
| “Board” | the board of Directors of the Company; |
| “Business Day(s)” | a day other than a Saturday or Sunday or public holiday in the PRC or Hong Kong on which banks are generally open in the PRC and Hong Kong for general commercial business; |
| “Company” | Shui On Land Limited, a company incorporated in the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange (stock code: 272); |
| “Director(s)” | 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; |

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| “Land” | the piece of land located at Plot D5-1, Unit W060102, Changshou Community, Putuo District, Shanghai, the PRC, which is bounded on the east by Xikang Road, on the south by Xinhui Road, on the west by the Hengda Project and on the north by Changshou Road; |
| “Land Use Rights Grant Agreement” | the state-owned construction land use rights grant agreement (國有建設用地使用權出讓合同) to be entered into between the Project Company and the Vendor in relation to the Acquisition; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “PRC” | the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan; |
| “Project Company” | Shanghai Jiu Ze Property Company Limited* (上海九澤置業有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Purchaser; |
| “Purchase Price” | the price for Acquisition as stated on the Auction Confirmation Letter; |
| “Purchaser” | Star Harvest Development Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company; |
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “sq.m.” | square metres; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Shanghai Land Transaction Centre” | Shanghai Land Transaction Centre* (上海市土地交易事務中心), a public body in the PRC responsible for, among other things, land grant transactions in Shanghai, the PRC; |

“Vendor”

Shanghai Municipal Putuo District Planning and Natural Resources Bureau* (上海市普陀區規劃和自然資源局), a public body in the PRC responsible for the management of the land planning and the state-owned land resources in Putuo District, Shanghai, the PRC; and

“%”

per cent.

For the purpose of this announcement and for illustration purpose only, conversion of HK\$ to RMB is based on the exchange rate of HK\$1.00 = RMB0.9. No representation is made that any amounts in RMB have been or could be converted at the above rate or at any other rates.

By Order of the Board
Shui On Land Limited
Vincent H. S. LO
Chairman

Hong Kong, 1 November 2019

At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman), Mr. Douglas H. H. SUNG (Chief Financial Officer and Chief Investment Officer) and Ms. Stephanie B. Y. LO; the non-executive director of the Company is Mr. Frankie Y. L. WONG; and the independent non-executive directors of the Company are Sir John R. H. BOND, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY, Mr. David J. SHAW and Mr. Anthony J. L. NIGHTINGALE.

* *For identification purposes only*