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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 FORMATION OF JOINT VENTURE**

### **FORMATION OF JOINT VENTURE**

The Board is pleased to announce that on 19 June 2025, Shanghai Ruixinli (an indirect wholly-owned subsidiary of the Company) entered into the Shareholders Agreement with Shanghai Xinfuli and the JV Company in respect of the joint venture arrangement of the JV Company, for participation in the Proposed Acquisition. The JV Company is owned as to 30% and 70% by Shanghai Ruixinli and Shanghai Xinfuli, respectively, immediately before and after the entering into the Shareholders Agreement.

Shanghai Shui On and Ruixin Property (both being indirect wholly-owned subsidiaries of the Company) will provide the Guarantee in favour of Yong Ye (the seller in the Proposed Acquisition), securing the payment obligations of the JV Company with respect to the consideration (except the first instalment) for the Proposed Acquisition in the event the JV Company succeeds in acquiring the equity interests of the Project Company in the public listing and bidding procedure.

### **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Transactions exceeds 5% but is less than 25%, the entering into of the Transactions constitutes discloseable transactions of the Company and is subject to the reporting and announcement requirements but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## INTRODUCTION

The Board is pleased to announce that on 19 June 2025, Shanghai Ruixinli (an indirect wholly-owned subsidiary of the Company) entered into the Shareholders Agreement with Shanghai Xinfuli and the JV Company in respect of the joint venture arrangement of the JV Company, for participation in the Proposed Acquisition. The JV Company is owned as to 30% and 70% by Shanghai Ruixinli and Shanghai Xinfuli, respectively, immediately before and after the entering into of the Shareholders Agreement.

## SHAREHOLDERS AGREEMENT

<b>Date</b>	:	19 June 2025
<b>Parties</b>	:	1. Shanghai Ruixinli (an indirect wholly-owned subsidiary of the Company) 2. Shanghai Xinfuli 3. JV Company
<b>Purpose and scope of business of the JV Company</b>	:	The purpose of the JV Company is to participate in the Proposed Acquisition and, after completion, engage in the development, sales and operation of the Shanghai Project. The scope of business of the JV Company includes, among others, business management consulting, property management, architectural professional construction engineering design and municipal professional construction engineering design.
<b>Initial capital contribution and shareholding structure</b>	:	As at the date of the Shareholders Agreement, Shanghai Ruixinli and Shanghai Xinfuli have agreed to contribute in cash RMB3,000,000 (equivalent to approximately HK\$3,282,000) and RMB7,000,000 (equivalent to approximately HK\$7,657,000) into the JV Company, representing 30% and 70% of the equity interests in the capital of the JV Company, respectively. The respective initial contribution to the registered capital of the JV Company by the JV Shareholders is determined after arm's length negotiation between the JV Shareholders with reference to the initial funding needs of the JV Company required for its operation.

It is expected that the financial results of the JV Company and the Project Company will not be consolidated into the financial results of the Group.

**Capital commitment** : The capital commitments (“**Capital Commitment**”) of Shanghai Ruixinli and Shanghai Xinfuli shall include the following: (i) the consideration for the Proposed Acquisition; (ii) 50% of the then outstanding shareholders’ loans (including the principals and interests) owed by the Project Company; (iii) the property transaction fee, transaction brokerage company service fee, etc. to be incurred by the Project Company; and (iv) the payment obligation of the Project Company under the relevant laws and regulations, government orders and executed agreements relevant to the construction, development and operation of the Shanghai Project. The JV Shareholders shall inject capital into the JV Company, in proportion to their respective equity interests in the capital of the JV Company and the equity interests of the JV Company in the Project Company to fulfil the above funding needs.

It is expected that the aggregate amount of the Capital Commitment to be borne by Shanghai Ruixinli shall be no more than RMB1,047,000,000 (equivalent to approximately HK\$1,145,301,000), which is in proportion to its equity interests in the JV Company and determined after arm’s length negotiation between the JV Shareholders with reference to (i) the valuation of the Land, which is in the amount of approximately RMB19,443,000,000 (equivalent to approximately HK\$21,268,473,000), (ii) the net assets value of the Project Company, which is in the amount of approximately RMB4,601,000,000 (equivalent to approximately HK\$5,032,981,000), (iii) the base price of the Proposed Acquisition, which is RMB2,893,650,000 (equivalent to approximately HK\$3,165,330,000) and (iv) working capital needs for the development of the Shanghai Project.

The JV Shareholders shall inject capital, by way of, including without limitation, making capital contributions or providing shareholders’ loan, into the JV Company in cash simultaneously and in proportion to their respective equity interests in the capital of the JV Company and the JV Company’s equity interests in the Project Company, to secure the JV Company’s compliance of the capital contribution requirements under the shareholders’ agreement of the Project Company. Such payment shall be settled in two (2) days before the deadline as stipulated in the property exchange documents and the shareholders’ agreement of the Project Company.

It is expected that Shanghai Ruixinli will satisfy the payment of the Capital Commitment by its internal resources.

**Future  
commitment  
and funding**

: Other future potential commitments (“**Potential Commitments**”) of Shanghai Ruixinli and Shanghai Xinfuli, which shall be subject to the fulfillment of requirements under the Listing Rules, are set out as follows:

- (i) the JV Company and/or its affiliates recognised by the Project Loan Lenders shall, upon the request of the Project Loan Lenders, provide corresponding liquidity support or guarantees in proportion to the equity interests of the JV Company in the Project Company after the completion of the registration of the Proposed Acquisition by the SAMR; and
- (ii) where the existing project loans of the Project Company are insufficient to fulfil the funding needs for the development and construction of the Shanghai Project, the JV Shareholders agree to provide financial support and guarantees to the JV Company and/or the Project Company, directly or indirectly, in proportion to their respective equity interests in the capital of the JV Company and the equity interests of the JV Company in the Project Company in order for the Project Company to obtain new financing support.

In the event that the Capital Commitment to be contributed by Shanghai Ruixinli increases as a result of any of the Potential Commitments above being materialised, the Company will comply with the relevant announcement and other requirements under the Listing Rules as and when appropriate.

**Management  
of the JV  
Company**

: The board of directors of the JV Company will comprise three (3) directors, among which, Shanghai Ruixinli will nominate one (1) director and Shanghai Xinfuli will nominate two (2) directors. The chairman of such board of directors will be nominated by Shanghai Ruixinli. The quorum for the JV Company’s board of directors shall be two directors, comprising one director nominated by Shanghai Ruixinli and one director nominated by Shanghai Xinfuli.

The JV Company may not, without unanimous consent of all directors of the JV Company, decide and conduct various major decisions and actions typical of its kind, which shall include: (a) decisions as to profit and loss sharing arrangements; (b) decisions as to the provision and/or amendment of the bank signatories; (c) changing the registered capital of the JV Company and issuance of JV Company's bonds; (d) merger, division, dissolution or change of its legal form; (e) decisions as to employment or dismissal of its senior officers and their remuneration; (f) entering into any agreement or arrangement with its shareholder(s) and/or their connected party(ies) for a consideration exceeding RMB10,000,000; (g) entering into any transaction which is not in its ordinary course of business or on an arm's length basis; (h) application of the JV Company's fund on any matters other than for the development and operation of the Shanghai Project; and (i) approving the general management and operation policies of the JV Company.

- Restrictions on transfer of equity interests** : No JV Shareholders shall be entitled to sell, transfer and dispose of all or any part of their direct or indirect equity interests in the capital of the JV Company and the Project Company without the prior written consent of the other JV Shareholder unless (i) as otherwise permitted under the Shareholders Agreement; (ii) the transfer is between the JV Shareholders after completion of sales of all residential and sellable commercial portions (if any) of the Shanghai Project; or (iii) the purpose is for corporate restructuring, division or asset replacement for reasonable business purposes by a JV Shareholder, provided however that the transfer shall not violate the provisions of the existing development loan and other applicable documents regarding equity changes and shareholding ratios (if any) or the restrictions on shareholding ratio changes by the competent government departments (if any). A JV Shareholder shall have a right of first refusal and tag-along right in a proposed transfer of equity interests by the other JV Shareholder.
- Distribution of profit** : The profits of the JV Company shall be distributed to the JV Shareholders pro rata to their respective actual contribution to the registered capital of the JV Company, unless otherwise agreed.

**Termination** : The Shareholders Agreement may be terminated upon the occurrence of certain circumstances, including but not limited to:

- (i) a JV Shareholder delivering a written termination notice to the other JV Shareholder if the JV Shareholders fail to effect the adjustment in response to the promulgation of new applicable laws and the failure of which would have a material adverse impact on the expected return of such JV Shareholder;
- (ii) if the public listing and bidding procedure for the Proposed Acquisition has ended and the JV Company fails to acquire the equity interests of the Project Company;
- (iii) if the JV Company does not participate in the Proposed Acquisition due to the failure to satisfy the relevant preconditions; or
- (iv) early termination or cancellation of the property exchange agreement in respect of the Proposed Acquisition.

Upon termination of the Shareholders Agreement, the JV Company shall be wound up and its assets shall be realised and distributed to the JV Shareholders in accordance with the applicable laws.

## **GUARANTEE**

In the event the JV Company succeeds in acquiring the equity interests of the Project Company in the public listing and bidding procedure, Shanghai Shui On and Ruixin Property (both being indirect wholly-owned subsidiaries of the Company) will provide the Guarantee in favour of Yong Ye (the seller in the Proposed Acquisition), securing the payment obligations of the JV Company with respect to the consideration (except the first instalment) for the Proposed Acquisition. The aggregate amount of the liability under the Guarantee to be borne by Shanghai Shui On and Ruixin Property, which is expected to be no more than RMB593,000,000 (equivalent to approximately HK\$648,676,000), has been taken into account in the Capital Commitment to be borne by the Group and will not increase the overall commitment of the Group in the Transactions. In the event that the overall commitment of the Group in the Transactions increases, the Company will comply with the relevant announcement and other requirements under the Listing Rules as and when appropriate.

The guarantee period under the Guarantee shall expire on the six months from the due date for the payment of the remaining balance of the consideration (except the first instalment) for the Proposed Acquisition.

## **FINANCIAL EFFECTS OF THE TRANSACTIONS**

The formation of the JV Company, the provision of Guarantee and the transactions contemplated thereunder will not have any material impact on the Group's consolidated profit or loss, and assets and liabilities.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The formation of the JV Company, the provision of the Guarantee and the transactions contemplated thereunder are in line with the Company's business development strategy to increase its focus as a premier commercial real estate owner and operator. Through the joint venture cooperation with Shanghai Xinfuli, the Group will have the opportunity to participate in the development of the Shanghai Project which is located in a premier location in Shanghai, the metropolitan city of the PRC. The Directors consider that the formation of the JV Company and the subsequent project development will provide the Group with attractive business opportunities to help the Group diversifying its revenue resources and hence further improve the Group's project development portfolio as a whole.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Shareholders Agreement and the Guarantee, which have been or will be entered into after arm's length negotiation between the parties with reference to the capital requirement of the Shanghai Project, are on normal commercial terms, in the ordinary and usual course of business of the Company, and the terms thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION OF THE PARTIES**

### ***Shanghai Ruixinli, Shanghai Shui On, Ruixin Property and 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.

Shanghai Ruixinli was established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in business management, management consulting and investment holding.



Shanghai Shui On was established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment holding.

Ruixin Property was established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in clubhouse ownership and management.

### ***JV Company***

The JV Company was established in the PRC with limited liability. As at the date of this announcement, the JV Company is owned as to 30% by Shanghai Ruixinli and 70% by Shanghai Xinfuli, and has not engaged in any business activity. Given that the JV Company was newly established in May 2025, the JV Company had no material assets and liabilities on its accounts as at the date of this announcement. Please refer to the section headed “SHAREHOLDERS AGREEMENT — Purpose and scope of business of the JV Company” above for the details.

### ***Shanghai Xinfuli***

Shanghai Xinfuli was established in the PRC with limited liability, and is indirectly and wholly owned by Tian An. The principal business activity of Shanghai Xinfuli is investment holding. Tian An, together with its subsidiaries, is engaged principally in: (i) the development and investment of residential, office and commercial properties; (ii) property management; (iii) investment and operation of hospital, eldercare and health related businesses in the PRC, as well as property investment and property management in Hong Kong.

### ***Yong Ye***

Yong Ye was established in the PRC with limited liability, and is wholly owned by the State-owned Assets Supervision and Administration Commission of Huangpu District, Shanghai. It is principally engaged in property development and management.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, at the date of this announcement, Shanghai Xinfuli, Yong Ye and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.



## LISTING RULES IMPLICATIONS

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## DEFINITIONS

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

“associate(s)”, “connected person(s)”, “subsidiary(ies)”, “percentage ratio(s)”	each has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“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);
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Guarantee”	a letter of joint and several guarantee to be provided by Shanghai Shui On and Ruixin Property in favour of Yong Ye in the event the JV Company succeeds in acquiring the equity interests of the Project Company in the public listing and bidding procedure;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“JV Company”	Shanghai Ruitianli Enterprise Management Co., Ltd.* (上海瑞天里企業管理有限公司), a company established in the PRC with limited liability;

“JV Shareholders”	Shanghai Ruixinli and Shanghai Xinfuli, and a “JV Shareholder” shall mean any of them;
“Land”	land parcels known as Plots 501, 504 and 505, located at Yuyuan Street, Huangpu District, Shanghai, the PRC, which reaches South Xizang Road to the West, Fangbang Zhong Road to the South, Renmin Road to the East and Taoyuan Road to the North, with an aggregate site area of 49,175 square metres, expected mainly for a mixed-use development comprising residential, commercial, and ancillary facilities;
“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 PRC and Taiwan;
“Project Company”	Shanghai Yongye Urban Renewal Construction Development Co., Ltd.* (上海永業城市更新建設發展有限公司), a company established in the PRC with limited liability which develops, constructs and operates the Shanghai Project, and a direct wholly-owned subsidiary of Yong Ye as at the date of this announcement and upon the completion of Proposed Acquisition, the JV Company will hold 50% equity interests of the Project Company, being the sole owner of the land use rights of the Land ;
“Project Loan Lenders”	the financial institutions which have provided project loans to the Project Company for the purpose of developing the Shanghai Project;
“Proposed Acquisition”	the proposed acquisition of 50% equity interests of the Project Company by the JV Company through public listing and bidding procedure, the base price of which is RMB2,893,650,000;
“RMB”	Renminbi, the lawful currency of the PRC;
“Ruixin Property”	Shanghai Ruixin Property Operation Co., Ltd.* (上海瑞新房產經營有限公司), a company established in the PRC with limited liability;

“SAMR”	State Administration for Market Regulation of the PRC or its local branches;
“Shanghai Project”	the real estate project on the Land;
“Shanghai Shui On”	Shanghai Shui On Investment Group Company Limited* (上海瑞安投資集團有限公司), a company established in the PRC with limited liability;
“Shanghai Ruixinli”	Shanghai Ruixinli Enterprise Management Co., Ltd.* (上海瑞新里企業管理有限公司), a company established in the PRC with limited liability;
“Shanghai Xinfuli”	Shanghai Xinfuli Commercial Management Co., Ltd.* (上海莘賦里商業管理有限公司), a company established in the PRC with limited liability;
“Shareholders Agreement”	the Shareholders Agreement entered into between Shanghai Ruixinli, Shanghai Xinfuli and the JV Company dated 19 June 2025 in respect of the joint venture arrangement of the JV Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tian An”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 28);
“Transactions”	the transactions contemplated under the Shareholders Agreement and the Guarantee;
“Yong Ye”	Shanghai Yong Ye Enterprise (Group) Company Limited (上海永業企業(集團)有限公司), a company established in the PRC with limited liability; and
“%”	per cent.

*For this announcement only and unless otherwise specified, the conversion of HK\$ into RMB is based on the exchange rate of HK\$1.00 to RMB0.91417. No representation is made that any amounts in RMB and HK\$ have been or could be converted at the relevant dates at the above rate or other rates or at all.*

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

Hong Kong, 19 June 2025

*At the date of this announcement, the executive Directors are Mr. Vincent H. S. LO (Chairman), Ms. Stephanie B. Y. LO (Vice Chairman), Ms. Jessica Y. WANG (Chief Executive Officer), and Mr. Douglas H. H. SUNG (Chief Financial Officer and Chief Investment Officer); and the independent non-executive Directors are Mr. Anthony J. L. NIGHTINGALE, Mr. Shane S. TEDJARATI, Ms. Ya Ting WU, Mr. Albert K. P. NG, Mr. Gregory K. L. SO, and Ms. Randy W. S. LAI.*

*\* For identification purposes only*