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**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 AND CONNECTED TRANSACTION  
AND  
POSSIBLE CONTINUING CONNECTED TRANSACTIONS**

**(1) Supplemental Agreement**  
**(2) Delay in despatch of Circular**

Reference is made to the Announcement in relation to the Sale and Purchase Agreement entered into between SHL, a non wholly-owned subsidiary of the Company, and WCL for the disposal of 25% equity interest in Rightchina, a wholly-owned subsidiary of SHL, and an option for (i) the acquisition by WCL or its Affiliate of an additional 25% equity interest in Rightchina; and (ii) the assignment to WCL or its Affiliate of the Additional Shareholders' Loans. On 29 August 2008, SHL entered into the Supplemental Agreement with WCL to revise (i) the respective amount of the instalments of the consideration for the Disposal payable under the Sale and Purchase Agreement; and (ii) the interest in Rightchina to be charged by WCL in favour of SHL upon Closing to secure the payment of the Second Instalment and the Third Instalment (including the corresponding interest thereon).

The Company has also applied to the Stock Exchange for a waiver from strict compliance with Rules 14.38 and 14A.49 of the Listing Rules by extending the despatch date of the Circular to on or before 11 October 2008.

Reference is made to the announcement of the Company dated 21 August 2008 (the “**Announcement**”). The terms defined in the Announcement shall have the same meanings when used herein, unless the context otherwise requires.

# **1. The Supplemental Agreement**

As set out in the Announcement, on 21 August 2008, SHL, a non wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with WCL, pursuant to which WCL will acquire from SHL a 25% equity interest in Rightchina, a wholly-owned subsidiary of SHL, for a total consideration of RMB1,021 million (approximately HK\$1,160.2 million).

Pursuant to the Sale and Purchase Agreement, the total consideration of RMB1,021 million for the Disposal will be paid by WCL in three instalments. The first instalment of RMB 817 million (approximately HK\$928.4 million) (the “**First Instalment**”) will become payable by WCL to SHL on or before the earlier of the Closing Date and 29 August 2008. The second instalment of RMB102 million (approximately HK\$115.9 million) (the “**Second Instalment**”) and third instalment of RMB 102 million (approximately HK\$115.9 million) (the “**Third Instalment**”), each together with the interest accrued thereon, will be paid by WCL to SHL on or before 31 October 2008 and 31 March 2009, respectively. WCL will charge its 5% equity interest in Rightchina (the “**Charged Interest**”) in favour of SHL upon Closing to secure the payment of the Second Instalment and the Third Instalment (including the corresponding interest thereon).

Based on commercial decision, SHL and WCL have agreed to revise the respective amounts of the above instalments, and in view of the said revision, also to increase the Charged Interest, therefore, they entered into a supplemental agreement (the “**Supplemental Agreement**”) on 29 August 2008 in relation thereto. Pursuant to the Supplemental Agreement, it was agreed that:

- (i) the amount of each of the said instalments shall be revised as follows:

<b>Instalment</b>	<b>Revised Instalment Amount</b>
First Instalment	RMB612.6 million (approximately HK\$696.1 million)
Second Instalment	RMB204.2 million (approximately HK\$232 million)
Third Instalment	RMB204.2 million (approximately HK\$232 million)

- (ii) in view of the increase in the amount of the Second Instalment and the Third Instalment, the Charged Interest shall increase from 5% to 10%.

The Supplemental Agreement becomes effective and binding on the parties on the date of the Supplemental Agreement and save as expressly amended, the Sale and Purchase Agreement shall remain in full force and effect. Other terms and conditions of the Transaction remain unchanged.

## **2. Delay in despatch of the Circular**

The Transaction constitutes a discloseable and connected transaction and the provision of Guarantees and the provision of Shareholders' Loans constitute possible continuing connected transactions for the Company under the Listing Rules. Pursuant to Rules 14.38 and 14A.49 of the Listing Rules, the Company is required to despatch a circular in relation to the Transaction, the provision of Guarantees and the provision of Shareholders' Loans (the "**Circular**") to its shareholders within 21 days after publication of the Announcement, i.e. on or before 11 September 2008.

As additional time is required for the preparation of (i) the valuation report in relation to the Super High Rise Project; and (ii) the letter of advice from the independent financial adviser for inclusion in the Circular, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rules 14.38 and 14A.49 of the Listing Rules by extending the despatch date of the Circular to on or before 11 October 2008.

*Unless otherwise specified in this announcement and for the purpose of illustration only, RMB is translated to HK\$ at the rate of HK\$1.00 = RMB0.88. No representation is made that any amount in RMB has been or could be converted at the above rate or at any other rates or at all.*

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

Hong Kong, 29 August 2008

*At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman and Chief Executive Officer) and Mr. William T. ADDISON; the non-executive director of the Company is The Honourable LEUNG Chun Ying; and the independent non-executive directors of the Company are Sir John R. H. BOND, Dr. Edgar W. K. CHENG, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW.*

*\* For identification purposes only*