



Press Release

Shui On Land to Realise Significant Hidden Value of Chongqing Tiandi Project

[26 May 2017, Shanghai] – Shui On Land Limited (“Shui On Land” or the “Company”, Stock Code: 272) announced today that its wholly-owned subsidiaries, Shui On Development and Grand Hope Limited, have entered into a transaction cooperation agreement with China Vanke Co., Ltd. and its subsidiary 重庆锦澜实业有限公司 to sell 79.2% economic interests in a bundle of assets (“Partnership Portfolio”) of Chongqing Shui On Tiandi Property Development Co. Ltd. (“Project Company”), for a total consideration of RMB4,133 million. Upon Completion, Chongqing Shui On Tiandi Property Development Co. Ltd. will cease to be a subsidiary of the Company.

The Partnership Portfolio consists of all the undeveloped land parcels for residential and commercial & office use of Chongqing Tiandi with a total gross floor area (“GFA”) of 870,821 square metres (“sq.m.”), and a construction project in progress on Lot B11-2/3 (Super High Rise Phase II/III, “SHR”) with GFA of 388,420 sq.m.. The total GFA of the Partnership Portfolio is 1,259,241 sq.m..

The transactions contribute an estimated profit of RMB1,699 million to the Company and bring in total net proceeds of RMB3,923 million, and will reduce corporate gearing by 11%. With the remaining 19.8% interests in Partnership Portfolio and 99% interests in the Remaining Portfolio of the Project Company, the Company will maintain its brand name, participate in upcoming development and operation of the project, and actively seek new business development opportunities in Chongqing at suitable times.

In line with the “Asset Light Strategy” that the Company has been pursuing since 2015, the transactions allow the Company to release the hidden value in our assets at a substantial profit. The transactions also help to improve the Company’s asset turnover rate and to recycle its capital to capture other development and investment opportunities. Moreover, establishing partnerships with major companies like Vanke and other potential partners is also part of our Asset Light Strategy going forward to accelerate the Company’s business expansion.

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About Shui On Land

Headquartered in Shanghai, Shui On Land (Stock Code: 272) is the flagship property development company of the Shui On Group in the Chinese Mainland with a proven track record in developing mixed-use, sustainable development communities. As of 31 December 2016, the Company has eight projects in various stages of development in prime locations of major cities, with a landbank of 10.8 million sq.m. (8.6 million sq.m. of leasable and saleable GFA, and 2.2 million sq.m. of clubhouses, car parking spaces and other facilities). The Company was listed on the Hong Kong Stock Exchange on October 4, 2006, the largest Chinese real estate enterprise listed that year. Shui On Land was included in the Hang Seng Composite Index, HSCI Composite Industry Index - Properties & Construction, Hang Seng Composite Midcap & Small Cap Index and SH-HK Stock Connect list.

For further information please visit website www.shuionland.com

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