



## Press Release

# Releasing Significant Financial Resources from Dalian Project Shui On Land Cycles Capital for New Opportunities

**[14 November 2017, Shanghai]** – Shui On Land Limited (“Shui On Land” or the “Company”, Stock Code: 272) announced today that its wholly-owned subsidiaries, Innovate Zone and Shui On Development, have entered into a Sale and Purchase Agreement with Yida Group and its subsidiary to sell the Company’s interests in the Dalian Tiandi Project (the “Project”) for a total consideration of RMB3,160 million (equivalent to approximately HK\$3,716 million).

Prior to the transaction, the Company owned 61.54% of Richcoast Group Limited, a joint venture company which holds 78% interest in the Dalian Tiandi Project. Yida Group owns the remaining 22% interest in the Project. After the Company divests its interest in Richcoast to Yida, Richcoast will cease to be its subsidiary.

Dalian Tiandi is a large-scale integrated development in Dalian, China, with an estimated developable gross floor area of approximately 3,000,000 square metres comprising industrial offices, residential, commercial and retail properties, hotels and educational facilities.

The transaction brings in total net proceeds of approximately RMB3,102 million (equivalent to approximately HK\$3,648 million), after deducting transaction costs and expenses. The Company will use the proceeds to further reduce bank borrowings and as general working capital.

In line with the Company’s “Asset Light Strategy” adopted since 2015, the transaction helps to accelerate asset turnover, makes positive contribution to the cashflow of the Company, and releases significant financial resources otherwise locked up in the Project, hence allowing the Company to cycle the capital to other higher return, new investment and development opportunities.

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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 30 June 2017, the Company has nine projects in various stages of development in prime locations of major cities, with a landbank of 11.7 million sq.m. (9.8 million sq.m. of leasable and saleable GFA, and 1.9 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 LargeCap & MidCap Index and Hang Seng Stock Connect Hong Kong Index.

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