



Press Release

Shui On Land Signs a RMB 10 Billion Memorandum of Understanding (MoU) with Shanghai Pudong Development Bank (SPD Bank) Shanghai Branch on Real Estate M&A Finance and ESG and Sustainable Finance

(February 25, 2022, Shanghai) - Shui On Land Limited ("Shui On Land" or the "Company", together with its subsidiaries, "the Group", Stock Code: 272) announced today that it has signed a RMB 10 Billion Memorandum of Understanding ("MoU") with the Shanghai Branch of Shanghai Pudong Development Bank Co., Ltd. ("SPD Bank") on Real Estate M&A Finance and ESG and sustainable finance.

Based on the MoU, SPD Bank will leverage its business advantages as an M&A financial advisor to provide M&A financing services for Shui On Land. SPD will also leverage the advantages of its financial services and products in ESG and sustainable development to support Shui On Land in its robust and diversified ESG efforts.

After signing the MoU, the two parties will start building a team for "bank-business partnerships" to have regular exchanges and implement the cooperation plan.

Sustainability has always been an important cornerstone of Shui On Land's business and this is signaled in the Company's corporate vision to be a pioneer of sustainable premium urban communities. Shui On Land issued its inaugural Sustainability-Linked Bonds ("SLBs") in 2021, being the first China based developer to do so, which targets to reduce carbon emissions intensity in the Company's investment property portfolio by 25% between 2020 and 2024. Shui On Land is also the first China-based company in the real estate sector to commit to the Science Based Targets initiative ("SBTi") and will set targets to limit global warming to well-below 2°C. In addition, the Company will use its best endeavours to meet a more stringent target that limit warming to 1.5°C in the next 10 years.

Shui On Land is also well positioned to capture opportunities in the area of real estate M&A. In recent years the Company has maintained a prudent capital management approach with a healthy balance sheet and low gearing ratio. With many developers facing credit and liquidity issues, the Company expects many real estate companies will need to divest their assets thus providing ample of investment opportunities.

Mr. Douglas Sung, Managing Director, Chief Financial Officer and Chief Investment Officer of the Company, said, "SPD has long been one of Shui On Land's main relationship banking. This partnership with SPD Bank marks a new chapter of cooperation and will provide a strong financial backing for Shui On Land, helping us to grasp market opportunities, acquire high-quality assets and accelerate the Group's development. It is an important step on our journey toward green and sustainable finance and will further strengthen Shui On Land's commitment to sustainable development. We look forward to working with SPD Bank to jointly contribute to sustainable urban development."

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About Shui On Land

Headquartered in Shanghai, Shui On Land (Stock Code: 272) is a pioneer of sustainable premium urban communities. As a leading commercial property-focused real estate developer, owner and asset manager in China, it has a proven track record in developing large scale, mixed-use, sustainable communities, and is the flagship property development company of the Shui On Group.

As of 30 June 2021, the Company has 12 projects in various stages of development and two projects under management in prime locations of major cities, with a landbank of 8.4 million sq. m. (6.1 million sq. m. of leasable and saleable GFA, and 2.3 million sq. m. of clubhouses, car parking spaces and other facilities). It is also one of the largest private commercial property owners and managers in Shanghai, with a total portfolio of 1.72 million sq. m. of office and retail premises, including its flagship Shanghai Xintiandi, which is currently under its management.

The Company was listed on the Hong Kong Stock Exchange on October 4, 2006. Shui On Land is a constituent stock of the Hang Seng Composite Index, HSCI Composite Industry Index - Properties & Construction, Hang Seng Composite MidCap Indices as well as the Hang Seng Stock Connect HK Index.

For further information please visit website www.shuionland.com

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