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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 AND CONNECTED TRANSACTIONS

**PURCHASE OF THE ENTIRE SHAREHOLDING INTERESTS IN
SHUI ON GRANPEX LIMITED,
PAT DAVIE (CHINA) LIMITED
AND
FAMOUS SCENE HOLDINGS LIMITED**

On 21 August 2014:

- (a) Seller A (a direct wholly-owned subsidiary of SOCAM which currently holds 100% shareholding interests in SO Granpex), SOCAM, Purchaser A (an indirect wholly-owned subsidiary of the Company) and the Company entered into the SO Granpex SP Agreement pursuant to which, amongst other things, Seller A has agreed to sell and Purchaser A has agreed to acquire the SO Granpex Sale Shares (representing 100% shareholding interests in SO Granpex) and the Seller A's Debt, and SOCAM has agreed to sell and Purchaser A has agreed to acquire the SO Granpex SOCAM's Debt at the aggregate consideration of HK\$120,554,095, subject to adjustment;

- (b) Seller B (an indirect non wholly-owned subsidiary of SOCAM which currently holds 100% shareholding interests in PD (China)), SOCAM, Purchaser B (an indirect wholly-owned subsidiary of the Company) and the Company entered into the PD (China) SP Agreement pursuant to which, amongst other things, Seller B has agreed to sell and Purchaser B has agreed to acquire the PD (China) Sale Shares (representing 100% shareholding interests in PD (China)) and the Seller B's Debt at the aggregate consideration of HK\$112,524,044, subject to adjustment; and
- (c) SOCAM, Purchaser C (an indirect wholly-owned subsidiary of the Company) and the Company entered into the Famous Scene SP Agreement pursuant to which, amongst other things, SOCAM has agreed to sell and Purchaser C has agreed to acquire the Famous Scene Sale Share (representing 100% shareholding interests in Famous Scene) and the Seller C's Debt at the aggregate consideration of HK\$106,629,084, subject to adjustment.

Following the Share Completions, SO Granpex, PD (China) and Famous Scene will cease to be SOCAM's subsidiaries and become the Company's subsidiaries.

LISTING RULES IMPLICATIONS

Seller A and Seller B are the subsidiaries of SOCAM. At the date of this announcement, Mr. Lo, who is the executive Director and Chairman of the Company, and his associates are together entitled to control the exercise of more than 30% of the voting power at general meetings of the Company. Accordingly, Mr. Lo is a connected person of the Company. Mr. Lo, who is also the executive Director and Chairman of SOCAM, and his associates are together entitled to control the exercise of more than 30% of the voting power at general meetings of SOCAM. Therefore, Seller A, Seller B and SOCAM are associates of a connected person of the Company and thus connected persons of the Company under Chapter 14A of the Listing Rules. As such, the entering into of the SP Agreements and the Transactions constitute connected transactions for the Company.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Transactions exceed 5% but is/are less than 25%, the entering into of the SP Agreements and the Transactions constitute discloseable and connected transactions for the Company which are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

As (1) Mr. Lo has a material interest in the Transactions given his interest in the Sellers; and (2) Mr. Frankie Y. L. WONG and Mr. Philip K. T. WONG are both directors of both the Company and SOCAM, they have abstained from voting on the board resolutions of the Company to approve the SP Agreements and the Transactions. Mr. Lo and his associates will abstain from voting on the ordinary resolutions to be proposed at the EGM for approving the Transactions.

The Independent Board Committee has been established to give recommendations to the Independent Shareholders on the terms of the SP Agreements. Platinum has been appointed by the Company as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. A circular containing, amongst other things, (i) details of the SP Agreements; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Platinum to the Independent Board Committee and the Independent Shareholders in relation to the Transactions; (iv) the financial information in respect of the Target Companies; and (v) a notice convening the EGM is expected to be despatched to the Shareholders on or before 12 September 2014.

Shareholders, potential investors and holders of securities of the Company should note that completion of the Transactions are subject to various conditions being satisfied, which may or may not materialise. Shareholders, potential investors and holders of securities of the Company should exercise caution when dealing in the Company's securities.

THE SP AGREEMENTS

Date

21 August 2014

Parties and subject matters of the SP Agreements

I. *SO Granpex SP Agreement*

Parties:

- (1) Seller A, a direct wholly-owned subsidiary of SOCAM, as seller of the SO Granpex Sale Shares and the Seller A's Debt;
- (2) SOCAM, as seller of the SO Granpex SOCAM's Debt and as guarantor of Seller A;
- (3) Purchaser A, an indirect wholly-owned subsidiary of the Company, as purchaser; and
- (4) the Company, as guarantor of Purchaser A.

Subject matters:

- (1) SO Granpex Sale Shares;
- (2) the Seller A's Debt; and
- (3) the SO Granpex SOCAM's Debt.

II. *PD (China) SP Agreement*

Parties:

- (1) Seller B, a non wholly-owned subsidiary of SOCAM, as seller of the PD (China) Sale Shares and the Seller B's Debt;
- (2) Purchaser B, an indirect wholly-owned subsidiary of the Company, as purchaser;

- (3) SOCAM, as guarantor of Seller B; and
- (4) the Company, as guarantor of Purchaser B.

Subject matters:

- (1) the PD (China) Sale Shares; and
- (2) the Seller B's Debt.

III. *Famous Scene SP Agreement*

Parties:

- (1) SOCAM, as seller of the Famous Scene Sale Share and the Seller C's Debt;
- (2) Purchaser C, an indirect wholly-owned subsidiary of the Company, as purchaser; and
- (3) the Company, as guarantor of Purchaser C.

Subject matters:

- (1) the Famous Scene Sale Share; and
- (2) the Seller C's Debt.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Mr. Lo, who is the Chairman of the Company, and his associates are together entitled to control the exercise of more than 30% of the voting power at general meetings of SOCAM. Accordingly, the Sellers are associates of Mr. Lo and connected persons of the Company.

Consideration and adjustment to the SP Agreements

I. *SO Granpex SP Agreement*

The SO Granpex Consideration is the sum of HK\$120,554,095, which comprises (1) the Seller A's Consideration in the amount of HK\$78,129,830 for the Seller A's Debt and HK\$17,708,330 for the SO Granpex Sale Shares; and (2) the SO Granpex SOCAM's Consideration in the amount of HK\$24,715,935 for the SO

Granpex SOCAM's Debt. The SO Granpex Consideration is subject to the following adjustments:

- (a) there shall be added to the Seller A's Consideration the amount (if any) by which the total Seller A's Debt upon SO Granpex Share Completion is more than HK\$78,129,830;
- (b) there shall be deducted from the Seller A's Consideration the amount (if any) by which the total Seller A's Debt upon SO Granpex Share Completion is less than HK\$78,129,830;
- (c) there shall be added to the SO Granpex SOCAM's Consideration the amount (if any) by which the total SO Granpex SOCAM's Debt upon SO Granpex Share Completion is more than HK\$24,715,935;
- (d) there shall be deducted from the SO Granpex SOCAM's Consideration the amount (if any) by which the total SO Granpex SOCAM's Debt upon SO Granpex Share Completion is less than HK\$24,715,935;
- (e) there shall be added to the Seller A's Consideration the amount (if any) by which the SO Granpex Adjusted NAV is more than HK\$17,708,330; and
- (f) there shall be deducted from the Seller A's Consideration the amount (if any) by which the SO Granpex Adjusted NAV is less than HK\$17,708,330,

provided that the final adjusted SO Granpex Consideration shall not exceed HK\$133,000,000 or fall below HK\$108,000,000.

II. *PD (China) SP Agreement*

The PD (China) Consideration is the sum of HK\$112,524,044, which comprises (1) HK\$6,459,471 for the PD (China) Sale Shares; and (2) HK\$106,064,573 for the Seller B's Debt. The PD (China) Consideration is subject to the following adjustments:

- (a) there shall be added to the PD (China) Consideration the amount (if any) by which the total Seller B's Debt upon PD (China) Share Completion is more than HK\$106,064,573;

- (b) there shall be deducted from the PD (China) Consideration the amount (if any) by which the total Seller B's Debt upon PD (China) Share Completion is less than HK\$106,064,573;
- (c) there shall be added to the PD (China) Consideration the amount (if any) by which the PD (China) Adjusted NAV is more than HK\$6,459,471; and
- (d) there shall be deducted from the PD (China) Consideration the amount (if any) by which the PD (China) Adjusted NAV is less than HK\$6,459,471,

provided that the final adjusted PD (China) Consideration shall not exceed HK\$124,000,000 or fall below HK\$101,000,000.

III. *Famous Scene SP Agreement*

The Famous Scene Consideration is the sum of HK\$106,629,084, which comprises (1) HK\$28,770,915 for the Famous Scene Sale Share; and (2) HK\$77,858,169 for the Seller C's Debt. The Famous Scene Consideration is subject to the following adjustments:

- (a) there shall be added to the Famous Scene Consideration the amount (if any) by which the total Seller C's Debt upon Famous Scene Share Completion is more than HK\$77,858,169;
- (b) there shall be deducted from the Famous Scene Consideration the amount (if any) by which the total Seller C's Debt upon Famous Scene Share Completion is less than HK\$77,858,169;
- (c) there shall be added to the Famous Scene Consideration the amount (if any) by which the Famous Scene Adjusted NAV is more than HK\$28,770,915; and
- (d) there shall be deducted from the Famous Scene Consideration the amount (if any) by which the Famous Scene Adjusted NAV is less than HK\$28,770,915,

provided that the final adjusted Famous Scene Consideration shall not exceed HK\$117,000,000 or fall below HK\$96,000,000.

Each of the Target Companies Consideration was determined after arm's length negotiations between SOCAM and the Group with reference to the dollar amount of the corresponding Sellers' Debt and, in respect of SO Granpex SP Agreement, the SO Granpex SOCAM's Debt, as well as the net asset value of the corresponding Target Group at the relevant Share Completions.

Manner of payment

I. *SO Granpex SP Agreement*

The SO Granpex Consideration shall be satisfied in cash in the following manner:

- (a) a deposit in the amount of HK\$19,167,632, representing 20% of the Seller A's Consideration prior to adjustment, shall be payable to Seller A upon the signing of the SO Granpex SP Agreement;
- (b) a deposit in the amount of HK\$4,943,187, representing 20% of the SO Granpex SOCAM's Consideration prior to adjustment, shall be payable to SOCAM upon the signing of the SO Granpex SP Agreement;
- (c) the remaining balance of the Seller A's Consideration prior to adjustment in the amount of HK\$76,670,528 shall be payable to Seller A at SO Granpex Share Completion; and
- (d) the remaining balance of the SO Granpex SOCAM's Consideration prior to adjustment in the amount of HK\$19,772,748 shall be payable to SOCAM at SO Granpex Share Completion.

If the SO Granpex Consideration is increased or reduced following the adjustment to the SO Granpex Consideration in the manner as set out in section headed "Consideration and adjustment to the SP Agreements" above, (a) Purchaser A shall pay to Seller A and/or SOCAM (as the case may be) the amount of such increase; or (b) Seller A and/or SOCAM (as the case may be) shall repay to Purchaser A the amount of such reduction, on the fifth (5th) Business Day after agreement or determination of the completion accounts of the SO Granpex Group and simultaneously with the SO Granpex Debt Completion.

II. *PD (China) SP Agreement*

The PD (China) Consideration shall be satisfied in cash in the following manner:

- (a) a deposit in the amount of HK\$22,504,809, representing 20% of the PD (China) Consideration prior to adjustment, shall be payable to Seller B upon the signing of the PD (China) SP Agreement; and
- (b) the remaining balance of the PD (China) Consideration prior to adjustment in the amount of HK\$90,019,235 shall be payable to Seller B at PD (China) Share Completion.

If the PD (China) Consideration is increased or reduced following the adjustment to the PD (China) Consideration in the manner as set out in section headed “Consideration and adjustment to the SP Agreements” above, (a) Purchaser B shall pay to Seller B the amount of such increase; or (b) Seller B shall repay to Purchaser B the amount of such reduction, on the fifth (5th) Business Day after agreement or determination of the completion accounts of the PD (China) Group and simultaneously with the PD (China) Debt Completion.

III. *Famous Scene SP Agreement*

The Famous Scene Consideration shall be satisfied in cash in the following manner:

- (a) a deposit in the amount of HK\$21,325,817, representing 20% of the Famous Scene Consideration prior to adjustment, shall be payable to Seller C upon the signing of the Famous Scene SP Agreement; and
- (b) the remaining balance of the Famous Scene Consideration prior to adjustment in the amount of HK\$85,303,267 shall be payable to Seller C at Famous Scene Share Completion.

If the Famous Scene Consideration is increased or reduced following the adjustment to the Famous Scene Consideration in the manner as set out in section headed “Consideration and adjustment to the SP Agreements” above, (a) Purchaser C shall pay to Seller C the amount of such increase; or (b) Seller C

shall repay to Purchaser C the amount of such reduction, on the fifth (5th) Business Day after agreement or determination of the completion accounts of the Famous Scene Group and simultaneously with the Famous Scene Debt Completion.

Conditions Precedent of the SP Agreements

Completion of the SP Agreements is conditional upon the satisfaction of the following conditions precedent on or before the Longstop Date:

- (a) the passing of resolutions by SOCAM's shareholders (other than such shareholders who are required to abstain from voting pursuant to the requirements under the Listing Rules) at a general meeting of SOCAM to approve the terms of the SP Agreements and the Transactions;
- (b) the passing of resolutions by the Shareholders (other than such Shareholders who are required to abstain from voting pursuant to the requirements under the Listing Rules) at the EGM for approving the Transactions;
- (c) each of the SP Agreements having become unconditional; and
- (d) the Purchasers being reasonably satisfied that there is no breach of the warranties that is material to the Transactions under the corresponding SP Agreements.

Each of the Purchasers will use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the conditions precedent set out in paragraphs (b), (c) and (d) above as soon as reasonably practicable and in any event before the Longstop Date. Each of the Purchasers may, as it thinks fit and is legally entitled to do so, at any time waive in writing the condition precedent set out in paragraph (d) above.

Each of the Sellers will use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the conditions precedent set out in paragraphs (a) and (c) above as soon as reasonably practicable and in any event before the Longstop Date.

Completion of the SP Agreements

Share Completions

The Share Completions shall take place on the tenth (10th) Business Day after the date on which all the conditions precedent of the corresponding SP Agreement are satisfied (or, in respect of the condition precedent in paragraph (d) above, waived by the relevant Purchaser), or such other date as the corresponding Seller, Purchaser and SOCAM (where applicable) may agree in writing.

Following the Share Completions, SOCAM will no longer hold any interest in the Target Companies, which will cease to be accounted for as subsidiaries in SOCAM's consolidated financial statements. Following the Share Completions, the Target Companies will become indirect wholly-owned subsidiaries of the Company and be accounted for as subsidiaries in the Company's consolidated financial statements.

Debt Completions

Each of the Debt Completions shall take place on the fifth (5th) Business Day after agreement or determination of the corresponding Target Group's completion accounts, or such other date as the corresponding Seller, Purchaser and SOCAM (where applicable) may agree in writing.

Purchasers' undertakings under the SP Agreements and the Company's guarantees

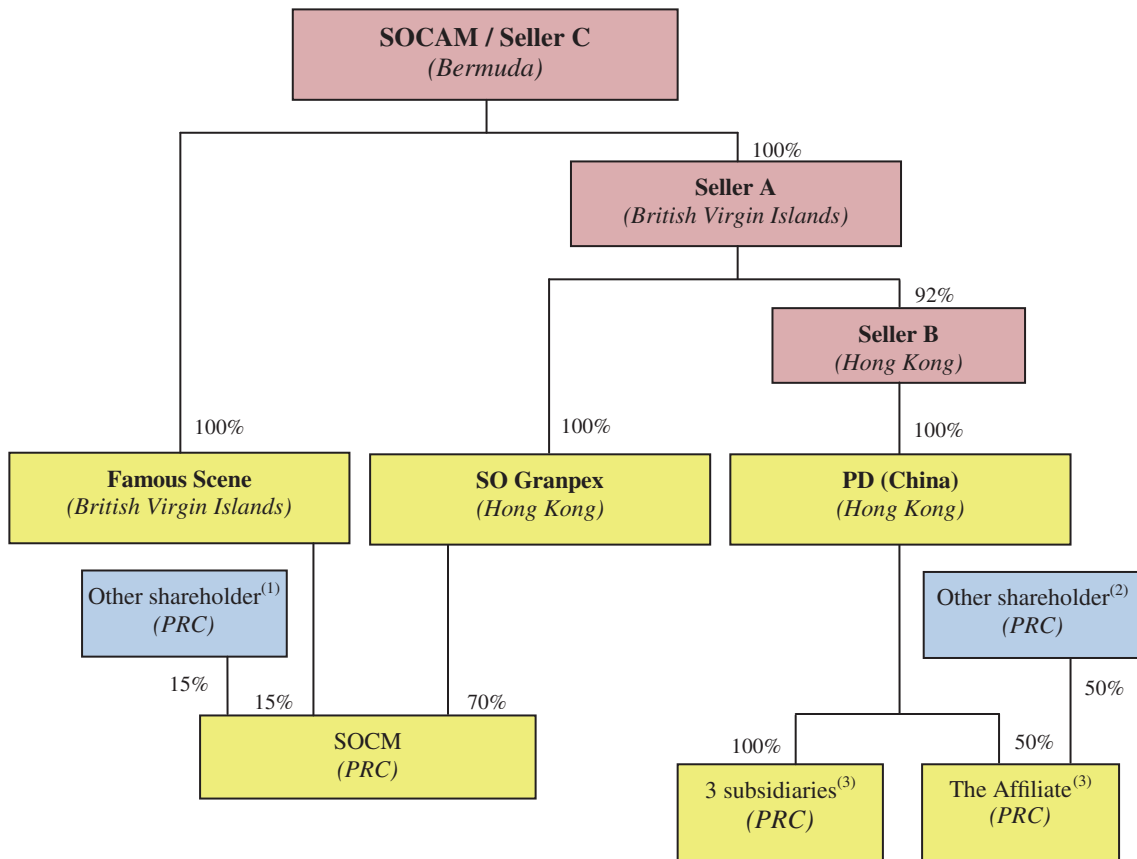
Each of the Purchasers has undertaken to the corresponding Seller that it will procure the relevant Retained Payables to be settled in full in RMB in the PRC and/or in HK\$ in Hong Kong by the relevant members of the Target Group within 12 months from the date of the corresponding Share Completion. To the best estimation of SOCAM, the maximum amount of the Retained Payables will not exceed the aggregate amount of RMB250 million (equivalent to approximately HK\$315 million) and HK\$4 million. The Company has unconditionally and irrevocably guaranteed to the Sellers the due and punctual performance by the Purchasers of their respective obligations under the SP Agreements in relation to the relevant Retained Payables.

SOCAM's guarantees in relation to the SO Granpex SP Agreement and the PD (China) SP Agreement

SOCAM has unconditionally and irrevocably guaranteed to Purchaser A and Purchaser B the due and punctual performance by Seller A and Seller B of all their respective obligations under the SO Granpex SP Agreement and the PD (China) SP Agreement and other ancillary agreements in relation thereto.

Simplified corporate structure

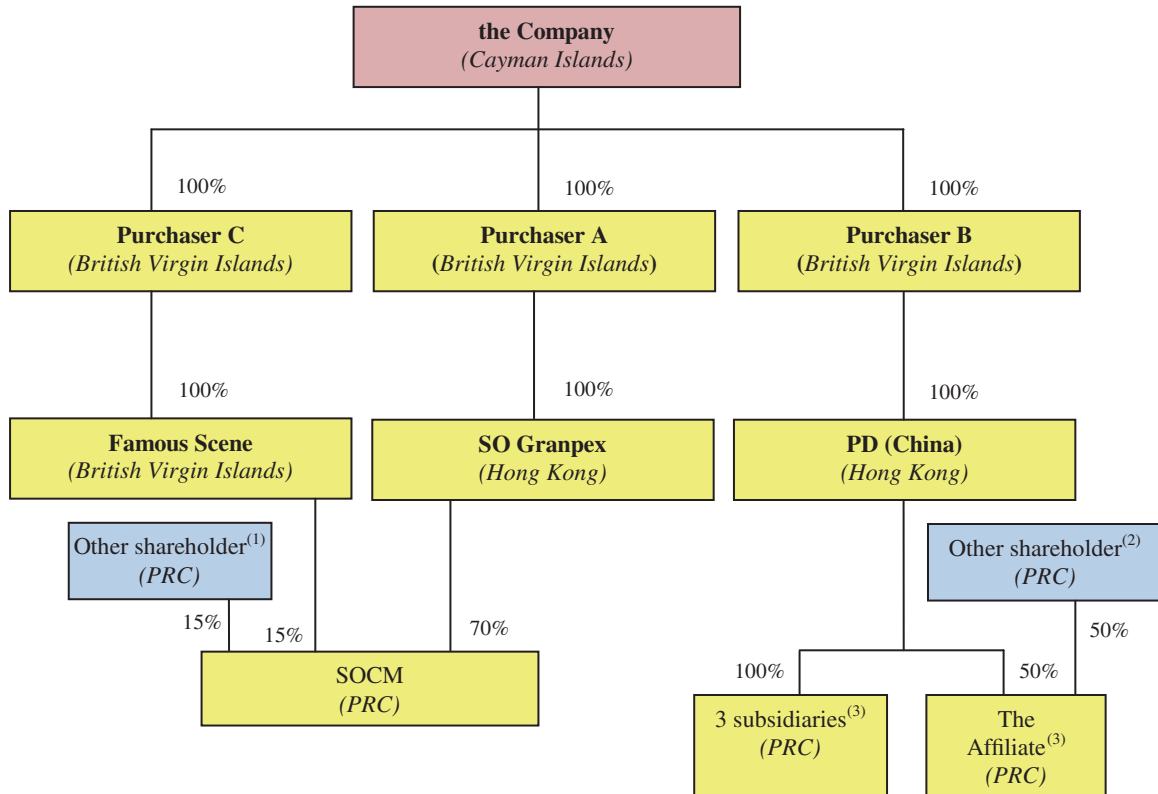
At the date of this announcement, the existing simplified shareholding structure of the Target Group is set out as follows:-



Notes:

1. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, this party is independent of the Company.
2. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, this party is connected at the subsidiary level of the Company only and otherwise independent of the Company.
3. Engaged in the provision of construction management consultancy services, fitting out works and trading of fitting out materials in the PRC

Assuming there is no change to the issued share capital of the Target Group other than changes as a result of the Share Completions, the simplified shareholding structure of the Target Group immediately after the Share Completions will be as follows:-



Notes:

1. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, this party is independent of the Company.
2. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, this party is connected at the subsidiary level of the Company only and otherwise independent of the Company.
3. Engaged in the provision of construction management consultancy services, fitting out works and trading of fitting out materials in the PRC

INFORMATION ON THE TARGET COMPANIES

Background

SO Granpex and Famous Scene are investment holding companies holding direct or indirect shareholding interests in SOCM, an operating company established in the PRC which is principally engaged in building construction and maintenance in the PRC.

PD (China) is a company incorporated in Hong Kong holding direct or indirect shareholding interests in various operating companies established in the PRC. These operating companies are principally engaged in providing construction management consultancy services, fitting out works and trading of fitting out materials in the PRC.

The major customers of the Target Group are the SOCAM Group and the Group.

Financial information of the Target Companies

SO Granpex

Set out below is a summary of certain unaudited consolidated financial information of SO Granpex for each of the two financial years ended 31 December 2012 and 31 December 2013:

	2013	2012
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Net profit (before taxation and extraordinary items)	19.4	61.0
Net profit (after taxation and extraordinary items)	12.9	43.1

The unaudited consolidated net asset value of SO Granpex as at 31 December 2013 was approximately HK\$92.7 million.

PD (China)

Set out below is a summary of certain unaudited consolidated financial information of PD (China) for each of the two financial years ended 31 December 2012 and 31 December 2013:

	2013 <i>(HK\$ million)</i>	2012 <i>(HK\$ million)</i>
Net profit (before taxation and extraordinary items)	10.6	48.3
Net profit (after taxation and extraordinary items)	6.2	38.1

The unaudited consolidated net asset value of PD (China) as at 31 December 2013 was approximately HK\$49.0 million.

Famous Scene

Set out below is a summary of certain unaudited consolidated financial information of Famous Scene for each of the two financial years ended 31 December 2012 and 31 December 2013:

	2013 <i>(HK\$ million)</i>	2012 <i>(HK\$ million)</i>
Net loss (both before and after taxation and extraordinary items)	4.4	0.2

The unaudited consolidated net asset value of Famous Scene as at 31 December 2013 was approximately HK\$16.3 million.

Having made reasonable enquiries, the Company understands that the original acquisition cost of 15% equity interests in SOCM and 50% equity interests in the Affiliate to SOCAM is approximately HK\$21.5 million.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

At the date of this announcement, Famous Scene and SO Granpex together hold 85% shareholding interests in SOCM, a main contractor engaged in building construction and maintenance in the PRC. The Group is currently one of the largest customers of

the Target Group. The integration of the Target Group with the existing property development business of the Company will bring synergy to the business of the Group, which in turn, will maximize the return to the Shareholders.

The Directors (excluding (1) Mr. Lo, who has a material interest in the Transactions given his interest in the Sellers; and (2) Mr. Frankie Y. L. WONG and Mr. Philip K. T. WONG, who are directors of both the Company and SOCAM, both having abstained from voting on the relevant board resolutions of the Company approving the SP Agreements and the Transactions and (3) the members of the Independent Board Committee whose views will be set out in the circular to be despatched to the Shareholders together with the opinion of Platinum) consider that the terms of the SP Agreements and the Transactions are fair and reasonable and in the interests of the Shareholders as a whole.

FINANCIAL IMPACT ON THE COMPANY AND SOURCE OF FUNDS

Upon the Share Completions, the Target Companies will become wholly-owned subsidiaries of the Company, the financial results, assets and liabilities of the Target Companies will be consolidated into the Group's accounts. The consideration payable by the Purchasers pursuant to the SP Agreements to the Sellers will be funded by the Group's internal resources.

GENERAL INFORMATION

The Group is one of the leading property developers in the PRC. It engages principally in the development, sale, leasing, management and long-term ownership of high-quality residential, office, retail, entertainment and cultural properties in the PRC.

Purchaser A, Purchaser B and Purchaser C are all investment holding companies.

The SOCAM Group principally engages in property development and investment, asset management, construction and investment in cement operations in Hong Kong and the PRC.

Seller A is an investment holding company, holding directly the entire issued share capital of SO Granpex. Seller B is principally engaged in interior decoration, fitting-out, design and contracting in Hong Kong.

LISTING RULES IMPLICATIONS

Seller A and Seller B are indirect subsidiaries of SOCAM. As at the date of this announcement, Mr. Lo, who is the executive director and Chairman of the Company, and his associates are together entitled to control the exercise of more than 30% of

the voting power at general meetings of the Company. Accordingly, Mr. Lo is a connected person of the Company. Mr. Lo, who is also the executive director and Chairman of SOCAM, and his associates are together entitled to control the exercise of more than 30% of the voting power at general meetings of SOCAM. Therefore, Seller A, Seller B and SOCAM are associates of a connected person of the Company, and thus connected persons of the Company under Chapter 14A of the Listing Rules. As such, the entering into the SP Agreements and the Transactions constitute connected transactions for the Company.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Transactions exceeds/exceed 5% but are less than 25%, the entering into of the SP Agreements and the Transactions constitute discloseable and connected transactions for the Company which are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

As (1) Mr. Lo has a material interest in the Transactions given his interest in the Sellers; and (2) Mr. Frankie Y. L. WONG and Mr. Philip K. T. WONG are directors of SOCAM, they have abstained from voting on the board resolutions of the Company to approve the SP Agreements and the Transactions. Mr. Lo and his associates will abstain from voting on the ordinary resolutions to be proposed at the EGM for approving the Transactions.

The Independent Board Committee has been established to give recommendations to the Independent Shareholders on the terms of the SP Agreements. Platinum has been appointed by the Company as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. A circular containing, amongst other things, (i) details of the SP Agreements; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Platinum to the Independent Board Committee and the Independent Shareholders in relation to the Transactions; (iv) the financial information in respect of the Target Companies; and (v) a notice convening the EGM is expected to be despatched to the Shareholders on or before 12 September 2014.

Shareholders, potential investors and holders of securities of the Company should note that completion of the Transactions are subject to various conditions being satisfied and may or may not materialise. Shareholders, potential investors and holders of securities of the Company should exercise caution when dealing in the Company's securities.

DEFINITIONS

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

“Affiliate”	大連億達德基裝飾工程有限公司 (Dalian Yida Deji Renovation Works Co., Ltd.*), a company established in the PRC with limited liability which is owned as to 50% by PD (China) as at the date of this announcement
“associate (s)”, “connected person(s)”, “subsidiary (ies)”	each shall have the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day other than a Saturday or Sunday on which banks are open in Hong Kong and the PRC to the general public for business
“Company”	Shui On Land Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 272)
“Debt Completions”	collectively, the SO Granpex Debt Completion, the PD (China) Debt Completion and the Famous Scene Debt Completion
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held for approving the SP Agreements and the Transactions
“Famous Scene”	Famous Scene Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of SOCAM as at the date of this announcement
“Famous Scene Adjusted NAV”	the net asset value of Famous Scene as shown in the completion accounts of the Famous Scene Group multiplied by an agreed price-to-book ratio pursuant to the terms of the Famous Scene SP Agreement

“Famous Scene Consideration”	the consideration payable by Purchaser C to Seller C for the purchase of the Famous Scene Sale Share and the assignment of the Seller C’s Debt pursuant to the Famous Scene SP Agreement in the aggregate amount of HK\$106,629,084, subject to adjustment
“Famous Scene Debt Completion”	completion of the assignment of the Seller C’s Debt in accordance with the terms of the Famous Scene SP Agreement
“Famous Scene Group”	Famous Scene and its subsidiaries
“Famous Scene Retained Payables”	the outstanding sums (including applicable interest thereon, if any), which are non-trading in nature, owing to any member of the Sellers’ Group from any member of the Famous Scene Group as at Famous Scene Share Completion
“Famous Scene Sale Share”	one issued ordinary share of Famous Scene, representing 100% shareholding interests in Famous Scene
“Famous Scene Share Completion”	completion of the sale and purchase of the Famous Scene Sale Share in accordance with the terms of the Famous Scene SP Agreement
“Famous Scene SP Agreement”	the sale and purchase agreement dated 21 August 2014 entered into between Seller C, Purchaser C and the Company in relation to the sale and purchase of the Famous Scene Sale Share and the assignment of the Seller C’s Debt
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the committee of the board of Directors comprising Sir John R. H. BOND, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW, each being an independent non-executive director of the Company, formed to advise the Independent Shareholders on whether the terms of the SP Agreements and the Transactions are fair and reasonable
“Independent Shareholders”	the Shareholders, other than Mr. Lo and his associates;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	31 December 2014 (or such later date and/or time as the relevant parties to the SO Granpex SP Agreement, the PD (China) SP Agreement or the Famous Scene SP Agreement (as the case may be) may agree in writing in accordance with the terms of the relevant SP Agreement)
“Mr. Lo”	Mr. Vincent H. S. LO
“PD (China)”	Pat Davie (China) Limited, a company incorporated in Hong Kong with limited liability, which is an indirect non wholly-owned subsidiary of SOCAM as at the date of this announcement
“PD (China) Adjusted NAV”	the net asset value of PD (China) as shown in the completion accounts of the PD (China) Group multiplied by an agreed price-to-book ratio pursuant to the terms of the PD (China) SP Agreement
“PD (China) Consideration”	the consideration payable by Purchaser B to Seller B for the purchase of the PD (China) Sale Shares and the assignment of the Seller B’s Debt pursuant to the PD (China) SP Agreement in the aggregate amount of HK\$112,524,044, subject to adjustment
“PD (China) Debt Completion”	completion of the assignment of the Seller B’s Debt in accordance with the terms of the PD (China) SP Agreement

“PD (China) Group”	PD (China), its subsidiaries and the Affiliate
“PD (China) Retained Payables”	the outstanding sums (including applicable interest thereon, if any), which are non-trading in nature, owing to any member of the Sellers’ Group from any member of PD (China) Group as at PD (China) Share Completion
“PD (China) Sale Shares”	two issued ordinary shares of PD (China), representing 100% shareholding interests in PD (China)
“PD (China) Share Completion”	completion of the sale and purchase of the PD (China) Sale Shares in accordance with the terms of the PD (China) SP Agreement
“PD (China) SP Agreement”	the sale and purchase agreement dated 21 August 2014 entered into between Seller B, Purchaser B, SOCAM and the Company in relation to the sale and purchase of the PD (China) Sale Shares and the assignment of the Seller B’s Debt
“Platinum”	Platinum Securities Company Limited, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the SP Agreements and the Transactions
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Taiwan and the Macao Special Administrative Region of the PRC)
“Purchaser A”	Sino Atrium Global Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Purchaser B”	Sino Gate Developments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Purchaser C”	Sino Luck International Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company

“Purchasers”	Purchaser A, Purchaser B and Purchaser C
“Retained Payables”	the SO Granpex Retained Payables, the PD (China) Retained Payables and the Famous Scene Retained Payables
“RMB”	Renminbi, the lawful currency of the PRC
“Seller A”	Shui On Contractors Limited, a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of SOCAM
“Seller A’s Consideration”	the consideration payable by Purchaser A to Seller A for the purchase of the SO Granpex Sale Shares and the assignment of the Seller A’s Debt pursuant to the SO Granpex SP Agreement in the aggregate amount of HK\$95,838,160, subject to adjustment
“Seller A’s Debt”	the unsecured interest-free amount due from SO Granpex to Seller A on SO Granpex Share Completion, the outstanding amount as at 31 March 2014 of which is, after adding up a dividend in the amount of HK\$67,000,000 declared by SO Granpex after 31 March 2014, HK\$78,129,830
“Seller B”	Pat Davie Limited, a company incorporated in Hong Kong with limited liability, which is an indirect non wholly-owned subsidiary of SOCAM
“Seller B’s Debt”	the unsecured interest-free amount due from PD (China) to Seller B on PD (China) Share Completion, the outstanding amount as at 31 March 2014 of which is, after adding up a dividend in the amount of HK\$29,000,000 declared by PD (China) after 31 March 2014, HK\$106,064,573
“Seller C’s Debt”	the unsecured interest-free amount due from Famous Scene to Seller C on Famous Scene Share Completion, the outstanding amount of which is, as at 31 March 2014, HK\$77,858,169
“Sellers”	Seller A, Seller B and Seller C
“Sellers’ Debt”	the Seller A’s Debt, Seller B’s Debt, Seller C’s Debt and the SO Granpex SOCAM’s Debt

“Sellers’ Group”	the Sellers or a company which is, on or at any time after the date of the SP Agreements, a subsidiary or holding company of the Sellers or a subsidiary of a holding company of the Sellers, other than SO Granpex, PD (China), Famous Scene, the Affiliate and their respective subsidiaries
“Share Completion(s)”	collectively, the SO Granpex Share Completion, the PD (China) Share Completion and the Famous Scene Share Completion, which shall take place simultaneously
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of nominal value US\$0.0025 each in the share capital of the Company
“SO Granpex”	Shui On Granpex Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of SOCAM as at the date of this announcement
“SO Granpex Adjusted NAV”	the net asset value of SO Granpex as shown in the completion accounts of the SO Granpex Group multiplied by an agreed price-to-book ratio pursuant to the terms of the SO Granpex SP Agreement
“SO Granpex Consideration”	the Seller A’s Consideration and the SO Granpex SOCAM’s Consideration
“SO Granpex Debt Completion”	completion of the assignment of the Seller A’s Debt and the SO Granpex SOCAM’s Debt in accordance with the terms of the SO Granpex SP Agreement
“SO Granpex Group”	SO Granpex and its subsidiaries
“SO Granpex Retained Payables”	an outstanding sum of RMB10 million bearing interest at the rate of approximately 6% per annum and other interest free outstanding sums, all of which are non-trading in nature, owing to any member of the Sellers’ Group from any members of SO Granpex Group as at SO Granpex Share Completion
“SO Granpex Sale Shares”	two issued ordinary shares of SO Granpex, representing 100% shareholding interests in SO Granpex

“SO Granpex Share Completion”	completion of the sale and purchase of the SO Granpex Sale Shares in accordance with the terms of the SO Granpex SP Agreement
“SO Granpex SOCAM’s Consideration”	the consideration payable by Purchaser A to SOCAM for the assignment of the SO Granpex SOCAM’s Debt pursuant to the SO Granpex SP Agreement in the amount of HK\$24,715,935, subject to adjustment
“SO Granpex SOCAM’s Debt”	the unsecured interest-free amount due from SO Granpex to SOCAM on SO Granpex Share Completion, the outstanding amount of which is, as at 31 March 2014, HK\$24,715,935
“SO Granpex SP Agreement”	the sale and purchase agreement dated 21 August 2014 entered into between Seller A, SOCAM, Purchaser A and the Company in relation to the sale and purchase of the SO Granpex Sale Shares and the assignment of the SO Granpex SOCAM’s Debt and the Seller A’s Debt
“SOCAM” or “Seller C”	SOCAM Development Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 983)
“SOCAM Group”	SOCAM and its subsidiaries
“SOCM”	瑞安建築有限公司 (Shui On Construction Co., Ltd.*), a company established in the PRC with limited liability, which is indirectly owned as to 85% by SOCAM as at the date of this announcement
“SP Agreement(s)”	the SO Granpex SP Agreement, the PD (China) SP Agreement and the Famous Scene SP Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	SO Granpex, PD (China) and Famous Scene
“Target Companies Consideration”	the SO Granpex Consideration, the PD (China) Consideration and the Famous Scene Consideration
“Target Group”	the SO Granpex Group, the PD (China) Group and the Famous Scene Group

“Transactions” the transactions contemplated under the SP Agreements
“%” per cent

For the purpose of this announcement and for illustrative purpose only, RMB is converted into HK\$ at the rate of RMB1 : HK\$1.26. No representation is made that any amounts in RMB have been or could be converted at the above rate or at any other rates.

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

Hong Kong, 21 August 2014

At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman), Mr. Daniel Y. K. WAN and Mr. Philip K. T. WONG; the non-executive director of the Company is Mr. Frankie Y. L. WONG; and the independent non-executive directors of the Company are Sir John R. H. BOND, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW.

* *For identification purpose only*