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**vanke** 万科  
**CHINA VANKE CO., LTD.\***

萬科企業股份有限公司

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2202)**

## **ANNOUNCEMENT**

# **MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE EQUITY INTEREST IN QIANHAI INTERNATIONAL AND THE ISSUE OF CONSIDERATION SHARES**

### **THE ACQUISITION**

The Board is pleased to announce that on 17 June 2016, the Company and SZMC entered into the Acquisition Agreement, pursuant to which the Company has conditionally agreed to acquire, and SZMC has conditionally agreed to sell, the Sale Interest, representing the entire equity interest in Qianhai International at the Consideration, which shall be satisfied by the issue of the Consideration Shares by the Company to SZMC.

The Consideration for the Acquisition shall be satisfied by the issue of the Consideration Shares by the Company to SZMC. The estimated value of the Sale Interest is RMB45,613 million based on the preliminary estimation by the independent licensed PRC valuer as of the appraisal date of 31 May 2016 and the unaudited net asset value of Qianhai International as of 31 May 2016 is RMB45,613 million. The Consideration is preliminarily estimated to be approximately RMB45,613 million. As of the date of this announcement, the audit and valuation of the Sale Interest have not been completed and hence, the abovementioned estimated value of the Sale Interest does not represent the final amount. The final amount of the Consideration shall be fixed by the parties after the valuation report on the Sale Interest has been issued by the abovementioned independent licensed PRC valuer and has been filed with the Shenzhen SASAC. Supplemental agreement(s) will be executed by the Company and SZMC in due course after the final amount of the Consideration has been determined.

The Issue Price shall be not less than 90% of the VWAP of A Shares of the Company within 60 trading days before the Price Determination Date. The Company and SZMC mutually agreed that the Issue Price is preliminarily determined at RMB15.88 per A Share, which is 93.61% of the VWAP of A Shares of the Company within 60 trading days before the Price Determination Date. Based on the preliminary estimation of the Consideration and the preliminarily determined Issue Price, the Company preliminarily determines that 2,872,355,163 A Shares shall be issued as the Consideration Shares for the Acquisition. The final Issue Price and the ultimate number of Consideration Shares to be issued will be subject to approval by the CSRC.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the notification, announcement and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

Mr. Zhang Liping, an independent non-executive Director, made a written statement to the Board that given the Blackstone Group, in which he holds a position, is in negotiation with the Company in respect of the sale of a large-scale commercial property project in the PRC, he would abstain from voting on the resolutions proposed at this Board meeting due to potential related party interests and conflict of interests, which would constitute related party relations under paragraph 2 of Article 152 of the Articles of Association, pursuant to which he shall abstain from voting on the relevant resolutions. As such, Mr. Zhang Liping did not vote on the resolutions proposed at this Board meeting. Save as aforementioned, none of the other Directors have a material interest in the Acquisition, nor are they required to abstain from voting on the resolutions of the Board to approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder (including the Issuance).

## **SHAREHOLDERS' MEETINGS AND DESPATCH OF CIRCULAR**

The Shareholders' Meetings will be convened by the Company for the Shareholders to consider and, if thought fit, approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder (including the Issuance).

The Company expects that the Circular containing, among other things, (i) further details of the Acquisition Agreement and the transactions contemplated thereunder (including the Issuance); (ii) the financial information of Qianhai International; (iii) the property valuation report of the properties of Qianhai International; and (iv) notices of the Shareholders' Meetings will be despatched to Shareholders on or before 30 September 2016, which is more than 15 business days after the publication of this announcement, as additional time is required to finalize certain information to be included in the Circular.

## **WARNING**

**THE ACQUISITION IS SUBJECT TO A NUMBER OF CONDITIONS WHICH MAY OR MAY NOT BE FULFILLED. IN THE EVENT THAT ANY OF THE CONDITIONS IS NOT FULFILLED, THE ACQUISITION WILL NOT PROCEED. SHAREHOLDERS OF THE COMPANY AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY.**

Reference is made to the announcement of the Company dated 13 March 2016 regarding the memorandum of understanding entered into between the Company and SZMC on 12 March 2016 regarding the cooperation for possible transactions with SZMC.

On 17 June 2016, the Company and SZMC entered into the Acquisition Agreement, pursuant to which the Company has conditionally agreed to acquire, and SZMC has conditionally agreed to sell, the Sale Interest, representing the entire equity interest in Qianhai International at the Consideration, which shall be satisfied by the issue of the Consideration Shares by the Company to SZMC.

## **THE ACQUISITION AGREEMENT**

The principal terms of the Acquisition Agreement are set out below:

### **Date**

17 June 2016

### **Parties**

- (1) The Company (as the purchaser); and
- (2) SZMC (as the vendor).

### **Subject matter**

Pursuant to the Acquisition Agreement, the Company has conditionally agreed to acquire, and SZMC has conditionally agreed to sell, the Sale Interest, subject to the terms and conditions therein.

### **Consideration**

The Consideration for the Acquisition shall be satisfied by the Issuance of the Consideration Shares by the Company to SZMC. For details of the Issuance and the Consideration Shares, please refer to the section headed “Information on the Consideration Shares” in this announcement.

The Consideration of the Acquisition shall be determined after arm’s length negotiation between the Company and SZMC with reference to the valuation on the Sale Interest issued by an independent licensed PRC valuer.

The estimated value of the Sale Interest is RMB45,613 million based on the preliminary estimation by the independent licensed PRC valuer as of the appraisal date of 31 May 2016 and the unaudited net asset value of Qianhai International as of 31 May 2016 is RMB45,613 million. The Consideration is preliminarily estimated to be approximately RMB45,613 million. As of the date of this announcement, the audit and valuation of the Sale Interest have not been completed and hence, the abovementioned estimated value of the Sale Interest does not represent the final amount. The final amount of the Consideration shall be fixed by the parties after the valuation report on the Sale Interest has been issued by the abovementioned independent licensed PRC valuer and has been filed with the Shenzhen SASAC. Supplemental agreement(s) will be executed by the Company and SZMC in due course after the final amount of the Consideration has been determined.

## **Completion**

Pursuant to the Acquisition Agreement, Completion of the Acquisition shall be conditional upon the satisfaction or waiver of the following Conditions (provided that Conditions (2) and (3) below shall not be waived):

- (1) the Transaction Documents having been duly executed by the parties and remaining effective and none of the parties having breached any obligations in the Transaction Documents;
- (2) both parties having obtained the necessary approval(s) from the relevant internal authorities in respect of the entering into and performance of obligations of the Acquisition Agreement, including but not limited to the approvals by the sponsor, the shareholders at the relevant shareholders' meeting and the board of directors;
- (3) all approvals from and filings with the relevant government authorities in accordance with the relevant laws having been obtained or completed (including but not limited to the approvals from the CSRC and the Shenzhen SASAC) in respect of the entering into and performance of obligations of the Acquisition Agreement;
- (4) no material adverse effect having occurred on the assets and businesses of Qianhai International from the date of the Acquisition Agreement until the Completion Date; and
- (5) the representations and warranties made by SZMC pursuant to the Acquisition Agreement remaining true, accurate and complete and not misleading in all material respects on the date of execution of the Acquisition Agreement and during the Transitional Period.

The parties shall use their best endeavors to procure the satisfaction of the Conditions promptly.

The Company shall apply to China Securities Depository and Clearing Corporation Limited Shenzhen Branch for the registration of the Consideration Shares within 5 days from the completion of the relevant registration and filing procedures in respect of the Sale Interest pursuant to the Acquisition Agreement, and shall complete the registration of the Consideration Shares no later than 10 business days after the completion of transfer of the Consideration Shares or such later time as the parties may agree.

Upon Completion, the Company will hold the entire equity interest in Qianhai International, and Qianhai International will become a wholly-owned subsidiary of the Company.

## **INFORMATION ON THE CONSIDERATION SHARES**

### **Share class and par value**

The Consideration Shares to be issued are A Shares with a par value of RMB1.00 each.

### **Target subscriber**

The Consideration Shares shall be issued by way of non-public issuance and the target subscriber shall be SZMC.

### **Issue Price, the Price Determination Date and the pricing method**

The Price Determination Date is the date of the announcement of the eleventh sessions of the seventeenth Board's resolutions.

The Issue Price shall be not less than 90% of the VWAP of A Shares of the Company within 60 trading days before the Price Determination Date.

The VWAP shall be calculated in accordance with the following formula: the average trading price of the Company within 60 trading days before the Price Determination Date = the total transaction amount of A Shares of the Company within 60 trading days before the Price Determination Date ÷ the total trading volume of the Company within 60 trading days before the Price Determination Date.

The Company and SZMC mutually agreed that the Issue Price is preliminarily determined at RMB15.88 per A Share, which is 93.61% of the VWAP of A Shares of the Company within 60 trading days before the Price Determination Date. The final Issue Price shall be subject to approval by the CSRC.

In the event of any distribution of entitlements, capitalization or share placement during the period between the Price Determination Date and the date of the Issuance, the Issue Price shall be further adjusted accordingly pursuant to the relevant requirements of the Shenzhen Stock Exchange.

### **Number of the Consideration Shares**

The number of the Consideration Shares to be issued shall be determined by dividing the Consideration by the Issue Price, rounded down to the nearest whole A Share.

Based on the preliminary estimation of the Consideration and the preliminarily determined Issue Price set out in paragraphs headed "Consideration" and "Issue Price, the Price Determination Date and the pricing method" separately, the Company preliminarily determines that 2,872,355,163 A Shares shall be issued as the Consideration Shares for the Acquisition. The ultimate number of Consideration Shares to be issued shall be subject to approval by the CSRC.

In the event of certain adjustment events, such as distribution of entitlement, capitalization, share placement and ex-dividend or ex-entitlement events during the period between the Price Determination Date and the date of the Issuance, the number of the Consideration Shares shall be further adjusted accordingly pursuant to the relevant requirements of the Shenzhen Stock Exchange.

## **Lock-up period**

The Consideration Shares shall not be transferred or traded within 36 months from the date of listing of the Consideration Shares.

If the aforementioned lock-up period is not consistent with the latest regulatory opinions of the CSRC, the Shenzhen Stock Exchange or any other securities regulatory authorities, the Company and SZMC have agreed to adjust the lock-up period accordingly pursuant to the latest regulatory opinions of the relevant securities regulatory authorities.

## **Listing of the Consideration Shares**

The Consideration Shares will be listed and traded on the Shenzhen Stock Exchange.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

### **Further developing the business model of “Railway + Property”**

After the completion of the Transaction, the Company will be able to further develop the business model of “Railway + Property”. Considering the scarcity of land resources in core cities, metro construction will bring development opportunities with vast number of projects along the metro lines. Upon the completion of the Acquisition, SZMC will become a substantial Shareholder of the Company, whereas the Company secures the approach to acquire high-quality projects along the metro lines with great potential and low substitutability. In addition, given the significant position of the metro in modern city transportation, the “Railway + Property” model has natural advantages in meeting customer needs for properties with convenient transportation, in addition to its extensive traffic, which provides the best opportunity for new business development of the Company.

### **Establishing synergy with SZMC**

Through the Acquisition, the Company and SZMC will establish a strong alliance and exert synergistic effects to create greater value for all Shareholders. SZMC is the first rail developer and operator in China to launch the “Railway + Property” development and operation model and export experiences of rail operation management to international market. As of 31 December 2015, it managed 4 metro lines in Shenzhen, with a total length of 158km. Through metro construction, SZMC has gained extensive railway projects and owned superstructure property development projects distributed across various major areas in Shenzhen, including Qianhai Shekou Free Trade Area, Shenzhen Bay Super headquarters as well as Futian and Longhua. It is expected that SZMC and the Company will establish strong alliance and exert synergistic effects in fully integrating the operational capabilities of SZMC in metro construction and the advantages of the Company in property development and management, so as to unleash land assets along the metro lines and enhance efficiency in development and quality of superstructures to maximize their market values and optimize various parts of the “Railway + Property” model and to further increase the competitiveness of such model.

### **Enriching land reserves in the core area of Shenzhen**

Through this Acquisition, the Company will acquire Qianhai Hub Project (前海樞紐項目) and Antuoshan Project (安托山項目), which are two complex projects in the core area with a total construction area of 1,811,446 square meters. These two projects will enrich our land reserves in the core area of Shenzhen and lay a solid foundation for the growth of our long-term prospects, as well as consolidate and strengthen the Company’s competitive advantages in Shenzhen.

Based on the above, the Directors are also of the view that the terms of the Acquisition Agreement, including the Consideration, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **EFFECT OF THE ACQUISITION ON THE SHAREHOLDING STRUCTURE OF THE COMPANY**

Assuming there is no change in the issued share capital of the Company from 31 May 2016 up to the date of the completion of the Issuance, the shareholding structure of the Company (a) as at 31 May 2016; and (b) immediately after the completion of the Issuance will be as follows:

### *The shareholding structure of the Company as at 31 May 2016:*

<b>Substantial Shareholder</b>	<b>Total number of Shares held</b>	<b>% of total share capital</b>
China Resources Co., Limited	1,682,759,247 (A Shares)	15.24%
HKSCC NOMINEES LIMITED	1,314,926,555 (H shares)	11.91%
Shenzhen Jushenghua Co., Ltd.	926,070,472 (A Shares)	8.39%
Guosen Securities – Industrial and Commercial Bank of China – Guosen Jinpeng No.1 Classified Collective Asset Management Plan	456,993,190 (A Shares)	4.14%
Foresea Life Insurance Co., Ltd. – Hai Li Nian Nian	349,776,441 (A Shares)	3.17%
China Securities Finance Corporation Limited	330,361,206 (A Shares)	2.99%
CMS Wealth – CMB – De Ying No. 1 Specialised Asset Management Plan	329,352,920 (A Shares)	2.98%
AnBang Property Insurance Inc. – Traditional Products	258,167,403 (A Shares)	2.34%
AnBang Life Insurance Inc. – Conservative Investment Portfolio	243,677,851 (A Shares)	2.21%
Western Leadbank FMC – China Construction Bank – Western Leadbank Jinyu No.1 Asset Management Plan	225,494,379 (A Shares)	2.04%
Total number of A Shares	9,724,196,533	88.09%
Total number of H Shares	1,314,955,468	11.91%
Total share capital	11,039,152,001	100%

*The shareholding structure of the Company immediately after the Issuance:*

<b>Substantial Shareholder</b>	<b>Total number of Shares held</b>	<b>% of total share capital</b>
Shenzhen Metro Group Co., Ltd.	2,872,355,163 (A Shares)	20.65%
China Resources Co., Limited	1,682,759,247 (A Shares)	12.10%
HKSCC NOMINEES LIMITED	1,314,926,555 (H Shares)	9.45%
Shenzhen Jushenghua Co., Ltd.	926,070,472 (A Shares)	6.66%
Guosen Securities – Industrial and Commercial Bank of China – Guosen Jinpeng No.1 Classified Collective Asset Management Plan	456,993,190 (A Shares)	3.29%
Foresea Life Insurance Co., Ltd. – Hai Li Nian Nian	349,776,441 (A Shares)	2.51%
China Securities Finance Corporation Limited	330,361,206 (A Shares)	2.37%
CMS Wealth – CMB – De Ying No. 1 Specialised Asset Management Plan	329,352,920 (A Shares)	2.37%
AnBang Property Insurance Inc. – Traditional Products	258,167,403 (A Shares)	1.86%
AnBang Life Insurance Inc. – Conservative Investment Portfolio	243,677,851 (A Shares)	1.75%
Western Leadbank FMC – China Construction Bank – Western Leadbank Jinyu No.1 Asset Management Plan	225,494,379 (A Shares)	1.62%
Total number of A Shares	12,596,551,696	90.55%
Total number of H Shares	1,314,955,468	9.45%
Total share capital	13,911,507,164	100%

Pursuant to Rule 8.08 of the Listing Rules, at least 25% of the issuer’s total issued share capital must at all times be held by the public. As disclosed in the Company’s listing document dated 23 June 2014, the Stock Exchange has granted the waiver from strict compliance with Rule 8.08(1) (b) of the Listing Rules (the “**Waiver**”) pursuant to Rule 8.08(1)(d) of the Listing Rules to the Company, pursuant to which the Company shall maintain a public float of its H Shares of not less than 10%.



As the Acquisition involves issuance of new A Shares as Consideration Shares, following the completion of the Issuance, the public float of the Company may drop below 10% and the Company may not be able to satisfy the minimum public float requirement prescribed by the Stock Exchange pursuant to the Waiver. The Company will take all necessary actions in due course to restore the public float. Further announcement(s) will be made by the Company regarding the status of public float of the Company as and when appropriate.

## **INFORMATION OF THE RELEVANT PARTIES TO THE ACQUISITION**

### **Information on the Company**

The Company was established in the PRC and its H Shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in property development and property services.

### **Information on SZMC**

SZMC was established in the PRC with limited liability. SZMC takes an important role in metro construction and operation in Shenzhen. It is principally engaged in metro construction, metro operation, resource and property management, site supervision and design consultation, property development and construction of affordable housing as well as involvement in national railway construction.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, SZMC and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

### **Information on Qianhai International**

Qianhai International, a wholly-owned subsidiary of SZMC, is a limited liability company established in the PRC on 9 October 2013 with registered capital of RMB23,629.6 million as at the date of this announcement.

It is principally engaged in infrastructure investment and operation services (such as railway transportation and integrated traffic hub), property development, investment and construction, as well as, operation and management services. It is responsible for the whole-process management of the development, construction and operation of Qianhai Hub Project (前海樞紐項目) and Antuoshan Project (安托山項目).

As at the date of this proposal, the principal operating assets of Qianhai International include Qianhai Hub Project and Antuoshan Project.

## Information on Qianhai Hub Project and Antuoshan Project

### *Qianhai Hub Project*

Qianhai Hub Project is located at the Qianhai Hub Project Land with the Parcel No.T201-0074 in Shenzhen Nanshan District. Qianhai Hub Project Land has a total gross floor area ratio of 1,278,090 sq.m, among which, saleable area is 1,203,190 sq.m, including 749,030 sq.m for offices, 125,960 sq.m for hotels, 130,000 sq.m for commercial apartments, 198,200 sq.m for commercial use (with 52,000 sq.m for underground commercial use); non-saleable area is 74,900 sq.m, including but not limited to hub service facilities (including police station), bus stations, tour bus stations, etc.

### *Antuoshan Project*

Antuoshan Project is located at the Antuoshan Project Land with the Parcel No.T407-0026 and T407-0027 in Shenzhen Nanshan District. The land with the Parcel No. T407-0026 has a gross floor area of 437,000 sq.m, among which, 228,000 sq.m is for residential use, and 21,850 sq.m is for commercial use, the nature of which are commodity housing; 150,000 sq.m is for talent housing, the cost of which will be transferred after construction with title owned by the government; the remaining is for schools, kindergartens, cultural centers, etc. The land with the Parcel No. T407-0027 has a total gross floor area ratio of not more than 96,356 sq.m, among which: 63,436 sq.m is for offices, 27,600 sq.m is for commercial apartments, and 1,000 sq.m is for commercial use. The remaining property can be used for, among other things, property management premises, metro management premises, bus stations.

Further details of Qianhu Hub Project and Antuoshan Project will be included in the Circular.

## Financial Information of Qianhai International

Set out below is the unaudited financial information of Qianhai International for the five months ended 31 May 2016 and for the years ended 31 December 2014 and 2015:

<b>Item</b>	<b>For the five months ended 31 May 2016 RMB'000</b>	<b>For the year ended 31 December 2015 RMB'000</b>	<b>For the year ended 31 December 2014 RMB'000</b>
Net (loss)/profit before taxation	<b>(2,095)</b>	8,974	(6,791)
Net (loss)/profit after taxation	<b>(2,095)</b>	8,305	(6,791)

According to the unaudited financial information of Qianhai International, the value of net assets of Qianhai International as at 31 May 2016 was RMB45,613 million. The unaudited total assets of Qianhai International as at 31 May 2016 was RMB46,102 million.

## **POTENTIAL AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

After the Completion, the Company will amend the relevant provisions of the Articles of Association subject to the result of the Issuance. Further announcement(s) will be made by the Company regarding the proposed amendment to the Articles of Association as and when appropriate.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the notification, announcement and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

Mr. Zhang Liping, an independent non-executive Director, made a written statement to the Board that given the Blackstone Group, in which he holds a position, is in negotiation with the Company in respect of the sale of a large-scale commercial property project in the PRC, he would abstain from voting on the resolutions proposed at this Board meeting due to potential related party interests and conflict of interests, which would constitute related party relations under paragraph 2 of Article 152 of the Articles of Association, pursuant to which he shall abstain from voting on the relevant resolutions. As such, Mr. Zhang Liping did not vote on the resolutions proposed at this Board meeting. Save as aforementioned, none of the other Directors have a material interest in the Acquisition, nor are they required to abstain from voting on the resolutions of the Board to approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder (including the Issuance).

## **THE SHAREHOLDERS' MEETINGS AND DESPATCH OF CIRCULAR**

The Shareholders' Meetings will be convened by the Company for the Shareholders to consider and, if thought fit, approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder (including the Issuance).

The Company expects that the Circular containing, among other things, (i) further details of the Acquisition Agreement and the transactions contemplated thereunder (including the Issuance); (ii) the financial information of Qianhai International; (iii) the property valuation report of the properties of Qianhai International; and (iv) notices of the Shareholders' Meetings will be despatched to Shareholders on or before 30 September 2016, which is more than 15 business days after the publication of this announcement, as additional time is required to finalize certain information to be included in the Circular.

## **WARNING**

**THE ACQUISITION IS SUBJECT TO A NUMBER OF CONDITIONS WHICH MAY OR MAY NOT BE FULFILLED. IN THE EVENT THAT ANY OF THE CONDITIONS IS NOT FULFILLED, THE ACQUISITION WILL NOT PROCEED. SHAREHOLDERS OF THE COMPANY AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY.**

## DEFINITIONS

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

“A Share(s)”	the ordinary shares with a par value of RMB1.00 each issued by the Company, which are listed on the Shenzhen Stock Exchange (Stock Code: 000002)
“Acquisition Agreement”	the agreement entered into by and between the Company and SZMC on 17 June 2016 in respect of the Acquisition
“Acquisition”	the acquisition of the Sale Interest by the Company from SZMC by way of issuing the Consideration Shares pursuant to the Acquisition Agreement
“Articles of Association”	the articles of association of the Company
“Antuoshan Project Land”	the lands with the Parcel No. T407-0026 and T407-0027 in Shenzhen Nanshan District, the PRC
“Board”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China, which shall, for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Circular”	the circular to be despatched to the Shareholders in relation to the Acquisition
“Class Meetings”	The (i) general meeting of holders of A Shares; and (ii) general meeting of holders of H Shares, to be held by the Company to consider and approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder
“Company”	China Vanke Co., Ltd* (萬科企業股份有限公司), a joint stock company established under the laws of the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2202) and the A Shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000002)
“Completion”	the completion of the Acquisition in accordance with the terms and conditions of the Acquisition Agreement
“Completion Date”	the date on which the Sale Interest has been transferred to the Company and the relevant business registration has been completed in accordance with laws

“Conditions”	the conditions precedent to Completion, as more particularly set out in the section headed “The Acquisition Agreement – Completion” in this announcement
“Consideration”	the consideration for the Acquisition
“Consideration Shares”	the new A Shares to be allotted and issued by the Company in settlement of the Consideration
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider, and if thought fit, approve, among other things, the Acquisition Agreement and the transactions contemplated thereunder
“H Share(s)”	overseas listed foreign invested ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance”	the issuance of the Consideration Shares by the Company to SZMC
“Issue Price”	the price of each Consideration Share to be issued
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Price Determination Date”	the date of the announcement in relation to the resolutions passed on the eleventh meeting of the seventeenth session of the Board
“Qianhai Hub Project Land”	the land with the Parcel No. T201-0074 in Shenzhen Nanshan District in the PRC
“Qianhai International”	Shenzhen Metro Qianhai International Development Co., Ltd* (深圳地鐵前海國際發展有限公司), a limited liability company established in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Interest”	the entire equity interest of Qianhai International held by SZMC
“Share(s)”	A Shares and H Shares

“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Meetings”	the EGM and the Class Meetings
“Shenzhen SASAC”	the State Owned Assets Supervision and Administration Commission of Shenzhen Municipal People’s Government (深圳市人民政府國有資產監督管理委員會)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SZMC”	Shenzhen Metro Group Co., Ltd* (深圳地鐵集團有限公司), a limited liability company established in the PRC, being the counterparty of the Acquisition
“trading day”	a day on which the Shenzhen Stock Exchange is open for dealing or trading in securities
“Transaction Document(s)”	the Acquisition Agreement, its supplemental agreement(s), and other relevant agreement(s) and document(s) in relation to the Acquisition
“Transitional Period”	the period from the date of audit and assessment (excluding the date of audit and assessment) to the Completion Date (including the Completion Date)
“VWAP”	volume weighted average price
“%”	per cent

By order of the Board  
**China Vanke Co., Ltd\***  
**Zhu Xu**  
*Company Secretary*

Shenzhen, the PRC, 19 June 2016

*As at the date of this announcement, the Board comprises Mr. WANG Shi, Mr. YU Liang and Mr. WANG Wenjin as executive Directors; Mr. QIAO Shibo, Mr. SUN Jianyi, Mr. WEI Bin and Mr. CHEN Ying as non-executive Directors; and Mr. ZHANG Liping, Mr. HUA Sheng, Ms. LAW Elizabeth and Mr. HAI Wen as independent non-executive Directors.*

\* *for identification purposes only*