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## **Longfor Properties Co. Ltd.**

**龍湖地產有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 960)**

### **DISCLOSEABLE TRANSACTION**

#### **THE ACQUISITION**

On 10 December 2015, Shanghai Hengyi, an indirect wholly owned subsidiary of the Company, succeeded in the bid for the Land in Shanghai at the listing-for-sale at an aggregate price of RMB4,650,000,000 (equivalent to approximately HK\$5,599,065,000).

As the relevant applicable percentage ratios exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

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#### **Date of the Confirmation Letter**

10 December 2015

#### **Parties**

Purchaser : Shanghai Hengyi, an indirect wholly owned subsidiary of the Company

Vendor : Shanghai Jiading District Planning and Land Authority, a PRC governmental bureau in charge of management of the land resources in Shanghai Jiading District, the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Shanghai Jiading District Planning and Land Authority is a third party independent of the Company and its connected persons

### **Subject matter**

The Land to be acquired by Shanghai Hengyi is situated at Jiangqiao Town North Community, Jiading District, Shanghai, the PRC, with a total site area of 95,382 square meters and a total gross floor area of 171,688 square meters.

The Land shall be used for the development of residential properties.

### **Consideration and payment terms**

The consideration for the Land is RMB4,650,000,000 (equivalent to approximately HK\$5,599,065,000), and the consideration of the Land was determined through a public bidding process. An aggregate deposit of RMB446,390,000 (equivalent to approximately HK\$537,498,000) has been paid by Shanghai Hengyi for the Land. The remaining balance shall be settled in accordance with the Land Use Right Transfer Agreement (國有建設用地使用權出讓合同).

The total consideration will be satisfied by the internal resources of the Company.

### **REASONS FOR THE ACQUISITION**

The Group is principally engaged in the property development, property investment and property management businesses in the PRC and the Acquisition is considered by the Company to be in its ordinary and usual course of business.

In order to enhance its position in the PRC property market, the Board believes that the Acquisition provides an excellent investment opportunity and further strengthens the Group's established presence in the property market in Shanghai. The Directors (including the independent non-executive Directors) consider the Acquisition has been made on normal commercial terms and that such terms are fair and reasonable and that the Acquisition is in the interest of the Company and its Shareholders as a whole.

## GENERAL

As the relevant applicable percentage ratios exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Acquisition”	the acquisition of land use rights of the Land through public bidding process at the Listing-for-sale
“Listing-for-sale”	the Listing-for-sale held by Shanghai Jiading District Planning and Land Authority on 10 December 2015 at which the Land was listed for sale
“Confirmation Letter”	the legally binding letter dated 10 December 2015 entered into between Shanghai Land Transaction Centre and Shanghai Hengyi confirming the terms of the successful bidding at the Listing-for-sale
“Board”	the board of Directors
“Company”	Longfor Properties Co. Ltd., a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Shanghai Jiading District Planning and Land Authority”	上海市嘉定區規劃和土地管理局 (Shanghai Jiading District Planning and Land Authority), a PRC government bureau
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Shanghai Hengyi”	Shanghai Hengyi Real Estate Company Limited (上海恒逸房地產有限公司), a limited liability company established in the PRC and an indirect wholly owned subsidiary of the Company
“Land”	the Land situated at Jiangqiao Town North Community Jiading District, Shanghai, the PRC (中國上海市嘉定區江橋鎮北社區)
“Land Use Right Transfer Agreement”	Land Use Right Transfer Agreement (國有建設用地使用權出讓合同) to be entered into between Shanghai Jiading District Planning and Land Authority and Shanghai Hengyi pursuant to the Confirmation Letter
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan region
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

*For the purpose of this announcement, the exchange rate of RMB1.00 to HK\$1.2041 has been used for currency translation, where applicable. Such exchange rates are for illustration purposes only and do not constitute representations that any amount in HK\$ or RMB have been, could have been or may be converted at such rates.*

By Order of the Board  
Longfor Properties Co. Ltd.  
**Wu Yajun**  
Chairperson

Hong Kong, 10 December 2015

*As at the date of this announcement, the Board comprises eight members: Madam Wu Yajun, Mr. Shao Mingxiao, Mr. Yan Jianguo and Mr. Zhao Yi who are executive Directors; and Mr. Frederick Peter Churchouse, Mr. Chan Chi On, Derek, Dr. Xiang Bing and Dr. Zeng Ming who are independent non-executive Directors.*