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**新城发展**  
**FUTURE**  
**HOLDINGS**

**Future Land Development Holdings Limited**

**新城發展控股有限公司**

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

**(Stock Code: 1030)**

**DISCLOSEABLE AND CONNECTED TRANSACTION  
IN RELATION TO FORMATION OF THE JOINT VENTURE FOR THE  
DEVELOPMENT OF A LAND PARCEL IN CHENGDU, SICHUAN**

On October 27, 2015, Future Land Wanbo, Chengdu Future Land and Beijing Qianshi entered into the Agreement stipulating the Joint Venture in relation to the development of the Target Land Parcel located in Chengdu, Sichuan, the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Beijing Qianshi is a substantial shareholder of a subsidiary of the Company and therefore is a connected person at the subsidiary level of the Company under Rule 14A.06(9) of the Listing Rules. Accordingly, the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

Pursuant to the terms of the Agreement, Beijing Qianshi will invest RMB800 million in equity capital in Chengdu Future Land in cash. After the Capital Injection, Chengdu Future Land will change from a wholly-owned subsidiary of Future Land Wanbo to an equity Joint Venture in which Future Land Wanbo and Beijing Qianshi hold 11.11% and 88.89% equity interests respectively. As such, the formation of the Joint Venture also constitutes a deemed disposal under Rule 14.29 of the Listing Rules.

As the highest applicable percentage ratio under the Agreement exceeds 5% but is less than 25%, the formation of the Joint Venture constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement but exempt from the Shareholders' approval under Chapter 14 of the Listing Rules.

As (i) the Board has approved the Agreement and the transaction contemplated thereunder and (ii) the independent non-executive Directors have confirmed that the terms of the Agreement and the transaction contemplated thereunder are fair and reasonable, and are on normal commercial terms or better and in the ordinary course of business of the Company and in the interests of the Company and the Shareholders as a whole, the Agreement is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and Shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

## **INFORMATION OF THE JOINT VENTURE**

On October 27, 2015, Future Land Wanbo, Chengdu Future Land and Beijing Qianshi entered into the Agreement stipulating the Joint Venture in relation to the development of the Target Land Parcel located in Chengdu, Sichuan, the PRC.

### **Parties to the Joint Venture**

- (i) Future Land Wanbo; and
- (ii) Beijing Qianshi.

### **Shareholding in the Joint Venture**

Before entering into the Agreement, Chengdu Future Land is wholly owned by Future Land Wanbo with registered equity capital of RMB100 million. Chengdu Future Land is the project company that was established for the development of the Target Land Parcel and it does not hold any asset other than the Target Land Parcel.

The unaudited total asset value of Chengdu Future Land as of September 30, 2015 is RMB772,332,030 and Chengdu Future Land does not have any revenue or profit.

Pursuant to the terms of the Agreement, Beijing Qianshi will invest RMB800 million in equity capital in Chengdu Future Land in cash on October 27, 2015. After the Capital Injection, Chengdu Future Land will change from a wholly-owned subsidiary of Future Land Wanbo to an equity Joint Venture in which Future Land Wanbo and Beijing Qianshi hold 11.11% and 88.89% equity interests respectively. As such, the formation of the Joint Venture also constitutes a deemed disposal under Rule 14.29 of the Listing Rules. The amount of equity capital to be injected by the relevant parties into the Joint Venture is determined by the parties after arm's length negotiation based on the land premium and the development costs of the Target Land Parcel. After the Capital Injection, Chengdu Future Land is expected to be accounted for as a joint venture of the Group.

### **Executive Director of the Joint Venture**

Chengdu Future Land shall have one executive director who shall be appointed by the shareholders of Chengdu Future Land unanimously.

### **Profit Distribution**

Chengdu Future Land cannot distribute its profits without the written consents of both Future Land Wanbo and Beijing Qianshi.

### **Gain/Loss Recognition Resulting from the Formation of the Joint Venture and Use of Proceeds**

The Company does not expect any material gain or loss to be recognized from the formation of the Joint Venture. All proceeds from the Capital Injection will be used by Chengdu Future Land to pay the land premium and development costs of the Target Land Parcel.

## **INFORMATION OF THE TARGET LAND PARCEL**

Land Location: North to Longgong Road North (East Line of Subway Line 2), Longquan Street, Longquanyi District, Chengdu, Sichuan, the PRC\* (中國四川成都龍泉驛區龍泉街道龍工北路(地鐵2號線東沿線)以北)

Total site area: approximately 120,702.27 sq.m.

Planned gross floor area: Not more than 482,809.08 sq.m.

Terms of land use right: 70 years for residential use and 40 years for commercial use commencing from the delivery of the Target Land Parcel

Land premium: RMB579,370,880

## **INFORMATION OF BEIJING QIANSHI**

Beijing Qianshi is a company with limited liability established under the laws of the PRC, which is principally engaged in the business of asset management. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Beijing Qianshi is a substantial shareholder of a subsidiary of the Company and therefore is a connected person at the subsidiary level of the Company under Rule 14A.06(9) of the Listing Rules.

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

The Group is principally engaged in the property development, property investment and property management business in the PRC. Beijing Qianshi is a company with limited liability established under the laws of the PRC, which is principally engaged in the business of asset management. The Directors consider that the Agreement has been entered into through arm's length negotiation and in the ordinary course of business of the Group. The Agreement enables the Group to leverage the resources of Beijing Qianshi in developing the Target Land Parcel. The Directors believe that the terms and conditions therein are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Beijing Qianshi is a substantial shareholder of a subsidiary of the Company and therefore is a connected person at the subsidiary level of the Company under Rule 14A.06(9) of the Listing Rules. Accordingly, the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio under the Agreement exceeds 5% but is less than 25%, the formation of Joint Venture constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement but exempt from the Shareholders' approval under Chapter 14 of the Listing Rules.

As (i) the Board has approved the Agreement and the transaction contemplated thereunder and (ii) the independent non-executive Directors have confirmed that the terms of the Agreement and the transaction contemplated thereunder are fair and reasonable, and are on normal commercial terms or better and in the ordinary course of business of the Company, and in the interests of the Company and the Shareholders as a whole, the Agreement is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and Shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

No Director is considered to have material interest in the Agreement and therefore no Director was required to abstain from voting at the Board meeting approving the Agreement and the transaction contemplated thereunder.

## DEFINITIONS

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

|                       |                                                                                                                                                                                       |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Agreement”           | an agreement dated October 27, 2015 entered into between Future Land Wanbo, Chengdu Future Land and Beijing Qianshi                                                                   |
| “Beijing Qianshi”     | Beijing Qianshi Chuangfu Asset Management Co., Ltd.* (北京千石創富資本管理有限公司), a company with limited liability established under the laws of the PRC                                         |
| “Board”               | the board of Directors                                                                                                                                                                |
| “Capital Injection”   | the injection of RMB800 million by Beijing Qianshi to Chengdu Future Land                                                                                                             |
| “Chengdu Future Land” | Chengdu Future Land Wanbo Real Estate Co., Ltd.* (成都新城萬博房地產發展有限公司), a company with limited liability established under the laws of the PRC                                            |
| “Company”             | Future Land Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange                           |
| “Directors”           | the directors of the Company                                                                                                                                                          |
| “Future Land Wanbo”   | Future Land Wanbo Property Co., Ltd.* (新城萬博置業有限公司), a company with limited liability established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company     |
| “Group”               | the Company and its subsidiaries                                                                                                                                                      |
| “Joint Venture”       | Chengdu Future Land after the Capital Injection in accordance with the Agreement, in which Future Land Wanbo and Beijing Qianshi hold 11.11% and 88.89% equity interests respectively |

|                      |                                                                                                                                                                                         |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Listing Rules”      | the Rules Governing the Listing of Securities on the Stock Exchange                                                                                                                     |
| “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                    |
| “RMB”                | Renminbi, the lawful currency of the PRC                                                                                                                                                |
| “Share(s)”           | ordinary share(s) of HK\$0.001 each in the share capital of the Company                                                                                                                 |
| “Shareholder(s)”     | holder(s) of the Shares                                                                                                                                                                 |
| “Stock Exchange”     | The Stock Exchange of Hong Kong Limited                                                                                                                                                 |
| “Target Land Parcel” | the land parcel located at North to Longgong Road North (East Line of Subway Line 2), Longquan Street, Longquanyi District, Chengdu, Sichuan, the PRC* (中國四川成都龍泉驛區龍泉街道龍工北路(地鐵2號線東沿線)以北) |
| “%”                  | per cent                                                                                                                                                                                |

By order of the Board  
**Future Land Development Holdings Limited**  
**WANG Zhenhua**  
*Chairman*

The PRC, October 27, 2015

*As at the date of this announcement, the Directors of the Company are Mr. Wang Zhenhua, Mr. Liang Zhicheng, Mr. Liu Yuanman and Mr. Chan Wai Kin as executive Directors, Mr. Lv Xiaoping and Mr. Wang Xiaosong as non-executive Directors and Mr. Chen Huakang, Mr. Zhu Zengjin and Mr. Zhong Wei as independent non-executive Directors.*

\* *Denotes English translation of the name of a Chinese company or entity or vice versa and is provided for identification purpose only.*