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vanke 万科
萬科置業(海外)有限公司
Vanke Property (Overseas) Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01036)

REALLOCATION OF RIGHTS ISSUE NET PROCEEDS

Reference is made to the prospectus (the “**Prospectus**”) issued by the Company on 14 July 2015 in relation to, amongst others, a rights issue of the Company on the basis of one rights share for every two existing shares of the Company held on 13 July 2015 at the subscription price of HK\$8.04 per rights share (the “**Rights Issue**”). The Rights Issue has been completed and dealings in the fully-paid rights shares on The Stock Exchange of Hong Kong Limited commenced on 6 August 2015. The Board would like to announce that it has, on 24 December 2015, resolved to reallocate the net proceeds from the Rights Issue as set out below.

Unless otherwise defined, all capitalized terms used in this announcement shall have the same meaning as those defined in the Prospectus.

As set out in the Prospectus, the net proceeds of approximately HK\$1,032 million are intended to be used for financing the Potential Acquisition, if it materialises, with the balance, if any, to be applied for financing other property acquisition opportunities available to the Group from time to time. If the Potential Acquisition does not proceed, the net proceeds from the Rights Issue are intended to be applied as to approximately HK\$323 million for repayment of the existing indebtedness of the Group and the balance of approximately HK\$709 million for future property acquisition opportunities.

Given that repayment of the Regent Centre Loan Facilities is due on 28 December 2015, the Board has resolved to reallocate HK\$323 million of the net proceeds from the Rights Issue for repayment in full of the Regent Centre Loan Facilities and the balance of approximately HK\$709 million for financing future property acquisition opportunities. As at the date of this announcement, no definitive legally binding agreement has been entered into by the Group in respect of the Potential Acquisition. Should the Company proceed with the Potential Acquisition, the balance of the net proceeds from the Rights Issue of approximately HK\$709 million will be applied for financing the Potential Acquisition, with the shortfall, if any, to be funded by other financial resources such as bank financing. The Board does not foresee any major obstacles in obtaining sufficient funding for the Potential Acquisition should it proceed. Should the Company not proceed with the Potential

Acquisition for whatever reason, the remaining balance of the net proceeds from the Rights Issue of approximately HK\$709 million will be applied for financing other property acquisition opportunities available to the Group from time to time.

The Board considers the above reallocation of the net proceeds of the Rights Issue is a more efficient utilization of the financial resources of the Group. This is because the repayment due date of the Regent Centre Loan Facilities is imminent and, as at the date of this announcement, no definitive legally binding agreement has been entered into by the Group in respect of the Potential Acquisition. The Board is of the view that the reallocation is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Shareholders of the Company and potential investors should note that the Potential Acquisition may or may not materialize. Potential investors are urged to exercise caution when dealing in the securities of the Company.

By order of the Board
Vanke Property (Overseas) Limited
Que Dong Wu
Executive Director

24 December 2015, Hong Kong

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Mr. Zhang Xu, Ms. Que Dong Wu

Non-Executive Director:

Mr. Chan Chi Yu

Independent Non-Executive Directors (in alphabetical order):

Mr. Chan Wai Hei, William, Ms. Law Chi Yin, Cynthia, Mr. Shium Soon Kong