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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)

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE RIGHTS SHARE FOR EVERY TWO SHARES
HELD ON THE RECORD DATE
AND
INSIDE INFORMATION — POTENTIAL ACQUISITION
AND
CLOSURE OF REGISTER OF MEMBERS**

Underwriters of the Rights Issue
(in alphabetical order)



PROPOSED RIGHTS ISSUE

The Company proposes to raise approximately HK\$1,044 million, before expenses, by way of the Rights Issue of 129,842,644 Rights Shares on the basis of one Rights Share for every two Shares held by each Qualifying Shareholder on the Record Date at the Subscription Price of HK\$8.04 per Rights Share payable in full on acceptance.

Pursuant to the terms of the Rights Issue, the Company will provisionally allot one Rights Share in nil-paid form for every two existing Shares held by each Qualifying Shareholder on the Record Date. Fractional entitlements will not be allotted but will be aggregated and sold for the benefit of the Company.

The Rights Issue is only available to the Qualifying Shareholders and will not be available to the Non-Qualifying Shareholders. The estimated gross proceeds of the Rights Issue will be approximately HK\$1,044 million (before expenses).

Pursuant to the conditions set out in the Underwriting Agreement, the Underwriters have conditionally agreed to severally underwrite the Rights Issue (other than the Committed Shares) in equal portion. Details of the major terms and conditions of the Underwriting Agreement are set out in the section headed “Underwriting Arrangements” in this announcement.

INSIDE INFORMATION — POTENTIAL ACQUISITION

China Vanke has indicated to the Company its interest in offering an opportunity to the Company to acquire its interest in a property under development located in the Wan Chai district of Hong Kong (the “**Potential Acquisition**”). The detailed terms and consideration of the Potential Acquisition are yet to be negotiated and agreed by the Board. As at the date of this announcement, the Company has not reached any definitive agreement or understandings with China Vanke or any other party(ies) in relation to the Potential Acquisition. The Potential Acquisition may or may not occur.

If the Potential Acquisition does proceed, it is expected to constitute a major and connected transaction for the Company under the Listing Rules. Should the Potential Acquisition be approved by all parties, including the Board and the Independent Shareholders, the proceeds from the Rights Issue will be applied for the purposes of 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.

This announcement in relation to the Potential Acquisition is also made in compliance with Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO. Further announcement(s) will be made by the Company in respect of the Potential Acquisition as and when necessary in accordance with the Listing Rules.

Detailed terms of the Potential Acquisition are yet to be negotiated and agreed by the Board. No binding agreement has been reached between China Vanke and the Company in respect of the Potential Acquisition and, as a result, the acquisition may or may not proceed.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Directors consider that it is in the interests of the Company and the Shareholders as a whole to raise capital by way of the Rights Issue, which will provide funding for the Group to expand its property development and investment businesses in Hong Kong while at the same time enlarge the capital base of the Company. The Rights Issue will offer an opportunity to Qualifying Shareholders to participate in the future development of the Company on equal terms. The net proceeds of the Rights Issue are estimated to be approximately HK\$1,032 million after deduction of all estimated expenses. The net proceeds of the Rights Issue are intended to be used for financing the Potential Acquisition if it materializes, with the balance, if any, to be applied for financing other property acquisition opportunities available to the Group from time to time. In the event that the Potential Acquisition does not proceed, the net proceeds from the Rights Issue are intended to be applied for repayment of the Group's existing indebtedness, with the balance, if any, to be applied for financing future property acquisition opportunities available to the Group from time to time. Further details are set out in the section headed "Reasons for the Rights Issue and Use of Proceeds of the Rights Issue" in this announcement. Shareholders and potential investors are reminded to exercise caution when making their investment decision in respect of the Shares.

IRREVOCABLE UNDERTAKINGS

As at the date of this announcement, Wkland Investments (an indirect wholly-owned subsidiary of China Vanke and the controlling shareholder of the Company) is beneficially interested in 194,763,966 Shares (representing 75.0% of the existing issued share capital of the Company) and CSICM (an indirect wholly-owned subsidiary of CITIC Securities Company Limited) is interested in 24,483,000 Shares (representing approximately 9.43% of the existing issued share capital of the Company). Wkland Investments and CSICM have given irrevocable undertakings in favour of the Underwriters and the Company that each shall, among other things:

- (i) subscribe for or (where applicable) procure subscriptions for 97,381,983 and 12,241,500 Rights Shares, respectively, which shall constitute the entitlement of Wkland Investments and CSICM to the Rights Shares under the Rights Issue;
- (ii) from the date of the irrevocable undertakings through to the Latest Time for Acceptance, remain the registered and beneficial owner of the Shares held by each of Wkland Investments and CSICM, respectively; and
- (iii) not to apply for excess Rights Shares, and procure their close associates (as defined in the Listing Rules) not to apply for excess Rights Shares, to the extent that (in the case of Wkland Investments) their aggregate shareholding in the Company will amount to more than 75% or (in the case of CSICM) their aggregate shareholding will amount to 10% or more of the enlarged issued share capital of the Company after completion of the Rights Issue.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is conditional upon the satisfaction of certain conditions as described in the section headed “Conditions of the Rights Issue”. In particular, it is subject to the Underwriting Agreement having become unconditional and not having been terminated (see the section headed “Termination of the Underwriting Agreement” in this announcement). Accordingly, the Rights Issue may or may not proceed.

Any persons dealing in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Dealing in the Rights Shares in nil-paid form will take place from 9:00 am on 16 July 2015 to 4:00 pm on 23 July 2015 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or waived, or the Underwriting Agreement is terminated by the Underwriters, the Rights Issue will not proceed. Any person dealing in the nil-paid Rights Shares during such period will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Detailed terms of the Potential Acquisition are yet to be negotiated and agreed by the Board. No binding agreement has been reached between China Vanke and the Company in respect of the Potential Acquisition and, as a result, the acquisition may or may not proceed.

Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares. If in any doubt, they are advised to consult their professional advisers.

TRADING ARRANGEMENTS

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the Record Date (which is currently set at 13 July 2015) and not be a Non-Qualifying Shareholder.

The last day of dealings in the Shares on a cum-rights basis is expected to be on 2 July 2015. The Shares are expected to be dealt in on an ex-rights basis from 3 July 2015. In order to be registered as a member of the Company as at the Record Date, all transfer documents of the Shares must be lodged (together with the relevant Share certificates) with the Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by 4:30 p.m. (Hong Kong time) on 6 July 2015. The register of members of the Company will be closed from 7 July 2015 to 13 July 2015 (both day inclusive) for the purpose of determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period. For details of the trading arrangements, please refer to the section headed “Expected Timetable” below.

GENERAL

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders in a general meeting. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the provisional allotment letter and excess application form) will be despatched to the Non-Qualifying Shareholders for their information only.

The Prospectus Documents, containing further information on the Rights Issue, is expected to be despatched by the Company to the Qualifying Shareholders on or about the Prospectus Posting Date.

PROPOSED RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held on the Record Date
Number of existing Shares in issue as at the date of this announcement	:	259,685,288
Subscription price	:	HK\$8.04
Number of Rights Shares	:	129,842,644
Committed Shares	:	109,623,483
Number of Rights Shares to be fully underwritten by the Underwriters	:	20,219,161
Amount of funds to be raised (before expenses)	:	HK\$1,044 million
Enlarged issued share capital of the Company upon completion of the Rights Issue	:	389,527,932

As at the date of this Announcement, the Company has no outstanding convertible securities or options in issue or other similar rights which confer any rights to convert into or subscribe for Shares.

Assuming no change in the share capital of the Company before the Record Date, the aggregate number of the Rights Shares to be issued pursuant to the terms of the Rights Issue amounts to 129,842,644 Shares and represents (i) 50% of the Company's existing issued share capital; and (ii) approximately 33.33% of the issued share capital of the Company as enlarged by the issue and allotment of the Rights Shares.

Subscription Price

The Subscription Price is HK\$8.04 per Rights Share, payable in cash in full when a Qualifying Shareholder accepts its/his/her provisional allotment under the Rights Issue or, where applicable, upon application for excess Rights Shares or when a renounee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares applies for the Rights Shares. Such Subscription Price represents:

- (i) a discount of approximately 19.92% to the closing price of HK\$10.04 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 18.62% to the average closing price of HK\$9.88 per Share for the last five consecutive trading days preceding up to and including the Last Trading Day; and
- (iii) a discount of approximately 14.19% to the theoretical ex-rights price of HK\$9.37 per Share based on the closing price of HK\$10.04 per Share as quoted on the Stock Exchange on the Last Trading Day.

Based on the Subscription Price of HK\$8.04 and assuming no change in the shareholding structure of the Company from the date of this announcement through to the Record Date, the gross proceeds to be raised by the Company from the Rights Issue will amount to approximately HK\$1,044 million.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriters with reference to the market price of the Shares and the prevailing market conditions and financial and trading prospects of the Group.

Each Rights Share will have a nominal value of HK\$0.01 and the Rights Shares have an aggregate nominal value of HK\$1,298,426.44.

After taking into consideration the reasons for the Rights Issue as discussed below in the section headed "Reasons for the Rights Issue and Use of Proceeds of the Rights Issue", the Board considers the terms of the Rights Issue (including the Subscription Price and the discounts to the aforesaid benchmark prices) to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the existing Shares in issue. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of issue and allotment of the Rights Shares in their fully-paid form.

Basis of provisional allotment

The basis of the provisional allotment shall be one Rights Share for every two existing Shares held on the Record Date, being 129,842,644 Rights Shares in aggregate, at a price of HK\$8.04 per Rights Share payable by the Qualifying Shareholders. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing

the provisional allotment letter in respect of his/her/its assured entitlement under the Rights Issue and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the latest time for payment for and acceptance of the Rights Shares.

Fractions of the Rights Shares and odd lot matching

The entitlement of the Qualifying Shareholders will be rounded down to the nearest whole number. The Company will not provisionally allot and will not accept applications for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be provisionally allotted and sold in the market if a premium (net of expenses) can be obtained, and the Company will retain the proceeds for its own benefit. Any unsold fractions of Rights Shares after aggregation will be available to meet excess application by the Qualifying Shareholders under the excess application forms. No odd lot matching service will be provided.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before 5 August 2015 to those who have accepted and (where applicable) applied for, and paid for, the Rights Shares by ordinary post at their own risk.

Subject to the fulfillment of the conditions of the Rights Issue, refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before 5 August 2015 by ordinary post to applicants at their own risk.

Application for excess Rights Shares

Qualifying Shareholders shall be entitled to apply, by way of excess application, for (i) any unsold Rights Shares which would have been allotted to Non-Qualifying Shareholders had they been Qualifying Shareholders; (ii) any Rights Shares provisionally allotted to but not validly accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of nil-paid Rights Shares; and (iii) any unsold nil-paid Rights Shares created by aggregating fractions of the Rights Shares.

Applications for excess Rights Shares may be made by completing the excess application forms and lodging the same with a separate remittance for the excess Rights Shares being applied for by no later than the Latest Time for Acceptance.

The Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis and pro rata basis with reference only to the number of excess Rights Shares applied for by the Qualifying Shareholders but no reference will be made to Rights Shares comprised in applications by provisional allotment letters in respect of their assured entitlements under the Rights Issue or the existing number of Shares held by the Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under the provisional allotment letters is greater than the aggregate number of excess Rights Shares applied for through excess application forms, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application. No preference will be given to topping up odd lots to whole board lots.

Shareholders whose Shares are held by a nominee (or which are held in CCASS) should note that the Board will regard a nominee (including HKSCC Nominees Limited) whose name appears on the register of members of the Company as a single Shareholder (“**Registered Nominee**”) under the aforesaid arrangement in relation to the allocation of excess Rights Shares. Accordingly, the aforesaid arrangement will not be extended to the beneficial owners individually. Beneficial owners who hold Shares through a Registered Nominee are advised to consider whether they would like to arrange for the registration of their Shares in their own names on or before 4:30 p.m. on the last day for lodging transfers of Shares.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders on or about the Prospectus Posting Date. Subject to the advice of the Company’s legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only but will not send any provisional allotment letters in respect of their assured entitlements under the Rights Issue or excess application forms to them.

To qualify for the Rights Issue, a Shareholder must:

- (i) be registered as a member of the Company on the Record Date; and
- (ii) not be a Non-Qualifying Shareholder.

In order to be registered as a member of the Company as at the Record Date, all transfer documents of the Shares must be lodged (together with the relevant Share certificates) with the Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by 4:30 p.m. (Hong Kong time) on 6 July 2015. The register of members of the Company will be closed from 7 July 2015 to 13 July 2015 (both days inclusive) for the purpose of determining the entitlements to the Rights Issue. For details of the trading arrangements, please refer to the section headed “Expected Timetable” below.

The last day of dealings in the Shares on a cum-rights basis is expected to be on 2 July 2015. The Shares are expected to be dealt on an ex-rights basis from 3 July 2015.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Non-Qualifying Shareholders

Overseas Shareholders on the Record Date may or may not be eligible to take part in the Rights Issue. The Directors will comply with Rule 13.36(2)(a) of the Listing Rules and make enquiries as to whether the offer or the issue of the Rights Shares to the Overseas Shareholders on the Record Date may contravene either legal restrictions under the laws of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange.

If, after making such enquiry, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any applicable requirements of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to such Overseas Shareholders, the Rights Issue will not be extended to such Overseas Shareholders who will become Non-Qualifying Shareholders. The Company will, subject to the advice of its legal advisers and to the extent reasonably practicable, send copies of the Prospectus to Non-Qualifying Shareholders for their information only, but will not send any provisional allotment letters and excess application forms to Non-Qualifying Shareholders.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expense) can be obtained. The net proceeds of such sale (after deducting expenses) that is in excess of HK\$100 will be paid to the Non-Qualifying Shareholders pro-rata to their shareholding in the Company. The Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold entitlements of Non-Qualifying Shareholders together with any Rights Shares provisionally allotted but not accepted, will be made available for excess application on the excess application forms by Qualifying Shareholders.

Overseas Shareholders and beneficial owners of Shares who are residing outside Hong Kong should note that they may or may not be entitled to participate in the Rights Issue subject to the results of enquiries made by the Company. The Company reserves the right to treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, such Overseas Shareholders and beneficial owners of Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares.

Closure of register of members of the Company

The register of members of the Company will be closed from 7 July 2015 to 13 July 2015 (both days inclusive), and the Record Date will be 13 July 2015. No transfer of Shares will be registered during this period.

Application for listing and eligibility for admission to CCASS

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms. The nil-paid and fully-paid Rights Shares are expected to be traded in board lots of 1,000, which

is the same as the board lot size of the Shares currently traded on the Stock Exchange. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed on or dealt in, any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares (in both their nil-paid and fully-paid forms) will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon:

- (1) the Stock Exchange granting, the listing of, and permission to deal in the Rights Shares in nil-paid and fully-paid forms prior to the expected date of commencement of trading of the Rights Shares in nil-paid form, and such listing and permission not being withdrawn or revoked; and
- (2) the Underwriting Agreement becoming unconditional and not terminated in accordance with its terms.

The conditions to the Underwriting Agreement are set out in the section headed “Conditions of the Underwriting Agreement” of this announcement.

Irrevocable Undertakings

As at the date of this announcement, Wkland Investments (an indirect wholly-owned subsidiary of China Vanke and the controlling shareholder of the Company) is beneficially interested in 194,763,966 Shares (representing 75.0% of the existing issued share capital of

the Company) and CSICM (an indirect wholly-owned subsidiary of CITIC Securities Company Limited) is interested in 24,483,000 Shares (representing approximately 9.43% of the existing issued share capital of the Company). Wkland Investments and CSICM have given irrevocable undertakings in favour of the Underwriters and the Company that they shall among other things:

- (i) subscribe for or (where applicable) procure subscriptions for 97,381,983 and 12,241,500 Rights Shares, respectively, which shall constitute the entitlement of Wkland Investments and CSICM to the Rights Shares under the Rights Issue;
- (ii) from the date of the irrevocable undertakings through to the Latest Time for Acceptance, remain the registered and beneficial owner of the Shares held by each of Wkland Investments and CSICM, respectively; and
- (iii) not apply for excess Rights Shares, and procure their close associates (as defined in the Listing Rules) not to apply for excess Rights Shares, to the extent that (in the case of Wkland Investments) their aggregate shareholding in the Company will amount to more than 75% or (in the case of CSICM) their aggregate shareholding will amount to 10% or more of the enlarged issued share capital of the Company after completion of the Rights Issue.

Each of the Undertaking Shareholders has also irrevocably undertaken to the Company and the Underwriters that it shall not, and shall procure its close associates not to, without first having obtained the prior written consent of the Company and the Underwriters, sell, transfer, charge or create any encumbrance or grant any option over or otherwise dispose of, nor enter into an agreement for the sale, transfer, charge or creation of an encumbrance or grant of any option over or otherwise dispose of any of the Shares currently held by it or any interest therein from the date of the undertaking to the Latest Time for Acceptance.

Save for the Irrevocable Undertakings, as at the date of this announcement, the Board has not received any information or irrevocable undertakings from any other Shareholders of their intention to take up their assured entitlements under the Rights Issue.

UNDERWRITING ARRANGEMENTS

Principal terms of Underwriting Agreement

Date	:	25 June 2015
Parties	:	(i) the Company (ii) CITIC CLSA (iii) Credit Suisse
Number of Rights Shares to be fully underwritten by the Underwriters	:	20,219,161 Such Rights Shares will be underwritten by the Underwriters in equal portion.
Commission	:	CITIC CLSA: a flat fee of US\$625,000 Credit Suisse: a flat fee of US\$625,000

The terms of the Underwriting Agreement were arrived at after arm's length negotiations between the Company and the Underwriters. The Directors are of the opinion that the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable.

To the best of the Directors' knowledge, information and belief, the Underwriters and each of their ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons.

Conditions of the Underwriting Agreement

The Underwriting Agreement is conditional on, inter alia, the following:

- (i) the Rights Shares being duly issued and provisionally allotted by the authorized representatives of the Board on the terms set out in the Prospectus Documents to the Qualifying Shareholders;
- (ii) the delivery to the Stock Exchange and registration with Registrar of Companies in Hong Kong of the Prospectus Documents not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules and the Companies Ordinance;
- (iii) the posting of the Prospectus Documents to Qualifying Shareholders and (subject to the restrictions, if any, under relevant overseas laws and regulations) the posting of the Prospectus stamped "For Information Only" to Non-Qualifying Shareholders, in each case, on or before the Prospectus Posting Date;

- (iv) the Stock Exchange granting or agreeing to grant (subject to allotment and despatch of appropriate documents of title), the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms, either unconditionally or subject to such conditions which the Company accepts after prior consultation with the Underwriters prior to the respective date of commencement of dealings in the Rights Shares in nil-paid form and fully-paid form (or such other date as may be agreed between the Company and the Underwriters), and such listing and permission not being revoked prior to the Latest Time For Termination;
- (v) the Rights Shares (in nil-paid forms) being admitted as eligible securities for deposit, clearance and settlement in CCASS on or before the date of commencement of dealing and no notification having been received by the Company from HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused;
- (vi) the Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Shares not having been withdrawn and no indication being received before the Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason;
- (vii) all relevant consents and approvals being obtained from all relevant governmental and regulatory authorities, including the Stock Exchange, by the Company, as the case may require in connection with the Rights Issue by the relevant time that each consent and approval is required;
- (viii) compliance with and performance by the Company of all of its material obligations under the Underwriting Agreement by the times specified;
- (ix) compliance with and performance by Wkland Investments with its obligations under its Irrevocable Undertaking in respect of (i) acceptance and payment for its portions of the Committed Shares by the times specified therein and (ii) its non-disposal undertakings in the manner as set out therein;
- (x) compliance with and performance by CSICM with its obligations under its Irrevocable Undertaking in respect of (i) acceptance and payment for its portion of the Committed Shares by the times specified therein (for the avoidance of doubt, including the committed shares that it has agreed to procure subscriber(s) to take up) and (ii) its non-disposal undertakings in the manner as set out therein;
- (xi) receipt by the Underwriters (in a form and substance satisfactory to them) of the deliverables as provided in the Underwriting Agreement by the times specified provided that, where such document is specified to be delivered in agreed form, no changes shall be made to it without the prior consent of the Underwriters, whose consent shall not be unreasonably withheld; and

- (xii) all the warranties and undertakings of the Company under the Underwriting Agreement being true and accurate and not misleading at and as of certain dates specified under the Underwriting Agreement as if they had been repeated by reference to the facts and circumstances then existing.

The conditions precedent set out in paragraphs (i) to (vii) are incapable of being waived by the Underwriters. The Underwriters may, in their absolute discretion, waive conditions (viii) to (xii) by giving notice to the Company. The Company shall use its best endeavours to procure the fulfilment of each of the conditions specified in paragraphs (i) to (xii) (save for certain deliverables as provided in the Underwriting Agreement by the times specified). If any of the conditions precedent above are not fulfilled or waived in accordance with the specified dates and times to the Underwriting Agreement, or the Latest Time for Termination occurs, or will occur, after the Long Stop Date, and unless the deadlines for fulfilment of such conditions have been extended by the Underwriters otherwise, the obligations of all parties under the Underwriting Agreement shall terminate and no party shall have any claim against the other, save as otherwise provided under the Underwriting Agreement such as costs and expenses incidental to the Rights Issue.

Termination of the Underwriting Agreement

If at any time prior to the Latest Time for Termination:

- (a) there comes to the notice of any of the Underwriters:
 - (i) any matter or any event showing any of the warranties and undertakings contained in the Underwriting Agreement was, when given, or has become, untrue, inaccurate, incomplete or misleading or breached in any respect, or there has been a material breach by the Company of any of its obligations or undertakings under the Underwriting Agreement or there has been a material breach by the Undertaking Shareholders with its obligations under the Irrevocable Undertaking in respect of (I) acceptance and payment for its portions of the Committed Shares by the times specified therein (for the avoidance of doubt, including the Committed Shares that it agreed to procure subscriber(s) to take up) and (II) its non-disposal undertakings in the manner as set out therein or the Underwriters have cause to believe that any such material breach has occurred or that any matter has arisen which might be expected to give rise to such a breach;
 - (ii) any statement contained in any of the relevant documents has become or been discovered to be untrue, inaccurate, incorrect, incomplete in any material respect or misleading, or matters have arisen or have been discovered which would, if any of the relevant documents was to be issued at that time, constitute a material omission therefrom;
 - (iii) any event, act or omission occurs which gives or is likely to give rise to any liability of the Company pursuant to the indemnities referred to in the Underwriting Agreement;

- (iv) that the Company is required to produce a supplementary prospectus in circumstances where the matter to be disclosed, in the opinion of the Underwriters, prejudicially and materially affects or may prejudicially and materially affect the success of the Rights Issue, or makes or may make it inadvisable or inexpedient to proceed with the Rights Issue; or
- (v) there is any adverse change or prospective adverse change in the business, condition, results of operations, prospects, management, shareholders' equity or in the financial or trading position of any member of the Group as a whole,

which, in the opinion of the Underwriters, individually or in the aggregate, is or may be so material and adverse so as to make it impracticable or inadvisable to proceed with the Rights Issue, then in any such case the Underwriters may, acting jointly, by notice in writing to the Company, terminate the Underwriting Agreement; or

- (b) there shall develop, occur, happen, come into effect, exist or come to the knowledge of any of the Underwriters any event, series of events or circumstances concerning or relating to or which may give rise to (whether or not foreseeable):
 - (i) any change in, any event or series of events resulting in or likely to result in any change in (whether or not permanent), or any development involving a prospective change in local, national or international financial, political, military, industrial, economic, legal, currency, taxation, regulatory or market matters or conditions or currency exchange rates (including without limitation any change in the system under which the value of the Hong Kong currency is linked to that of the United States) or exchange controls or foreign investment regulations in the PRC, Hong Kong, the United Kingdom, the United States, the European Union (or any member thereof) or the Cayman Islands; or
 - (ii) any event or circumstance in the nature of force majeure (including, without limitation, any act of government, economic sanctions, public disorder, civil commotion, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of national or international emergency or calamity or crisis, in or affecting the PRC, Hong Kong, the United Kingdom, the United States, the European Union (or any member thereof) or the Cayman Islands; or
 - (iii) the declaration of a banking moratorium by the PRC, Hong Kong, the United Kingdom, the United States, the European Union (or any member thereof) authorities or the Cayman Islands; or
 - (iv) any moratorium, suspension or restriction on trading in shares or securities generally, or the establishment of minimum prices, on the Stock Exchange, the London Stock Exchange plc, the New York Stock Exchange, Inc., the NASDAQ National Market, the Shanghai Stock Exchange or the Shenzhen Stock Exchange or any major disruption of any monetary, trade or commercial banking, securities

settlement or clearing services due to financial circumstances or otherwise in Hong Kong, the PRC, the United Kingdom, the United States, the European Union (or any member thereof) or the Cayman Islands; or

- (v) any change, or any development involving a change, in or affecting any law, rule, statute, ordinance, regulation, guidelines or circulars (in each case, to the extent mandatory or, if not complied with, the basis for legal or regulatory consequences), orders, judgments, decrees or rulings of any governmental authority or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), the Cayman Islands, or any other place in which any member of the Group conducts or carries on business or any other jurisdictions relevant to any member of the Group; or
- (vi) any suspension of or limitation on dealings in the Shares on the Stock Exchange for 3 consecutive business days (other than pending publication of announcements in respect of the Rights Issue),

the effect of which events and circumstances referred to in this paragraph (b), individually or in the aggregate (in the opinion of the Underwriters):

- (1) is or will or is likely to have a material adverse effect on the business, condition, results of operations, management, trading, general affairs or prospects of the Group as a whole or the Rights Issue; or
- (2) has or will have or is likely to have a material adverse effect on the success of the Rights Issue or the level or prospects of Rights Shares taken up or dealings in the Rights Shares in the secondary market; or
- (3) makes or may make it inadvisable, impracticable or inexpedient to proceed with the Rights Issue on the terms and in the manner contemplated in the announcement and the Prospectus Documents,

then in such case the Underwriters, acting jointly, may by notice in writing to the Company terminate the Underwriting Agreement.

If prior to the Latest Time for Termination, any such notice as is referred to in paragraph (a) above is given, the obligations of all parties under the Underwriting Agreement shall terminate forthwith and no party will have any claim against any other for costs, damages, compensation or otherwise (save in (i) certain rights or obligations under the Underwriting Agreement including rights of the parties thereto in respect of any antecedent breach shall remain in full force and effect; (ii) the Company shall pay the costs, fees and expenses under the Underwriting Agreement; and (iii) such termination shall be without prejudice to the rights of the parties thereto in respect of any breach of the Underwriting Agreement occurring prior to such termination). Termination of the Underwriting Agreement shall be without prejudice to any rights of any party in respect of any breach by the other parties prior to such termination. If the Underwriters exercise such right, the Rights Issue will not proceed and a further announcement will be made.

Lock up provisions under the Underwriting Agreement

For the period from the date of the Underwriting Agreement and ending on the date which is 60 days after the Listing Date, the Company has undertaken to the Underwriters, it will not (except for the Rights Shares):

- (i) allot or issue or sell, or offer to allot or issue or sell, accept subscription for, pledge, lend, mortgage, assign, charge, purchase any option or contract to sell, or grant any option, right or warrant to subscribe for or purchase or lend or otherwise dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or other equity securities of the Company or any interests therein (including but not limited to any securities convertible into or exercisable or exchangeable for any Shares or which carry rights to subscribe for or purchase or receive Shares), or deposit Shares with a depository in connection with the issue of depository receipts;
- (ii) enter into a transaction (including, without limitation, a swap or other derivative transaction) that transfers, in whole or in part, any of the economic consequences of ownership of any Shares or such securities of the Company or any interest therein or has an effect on the market in the Shares similar to that of a sale of interest in Shares or repurchase any Shares;
- (iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
- (iv) offer or agree or contract or announce any intention to enter into or effect any such transaction described in (i), (ii) or (iii) above whether any of the foregoing transactions described in (i), (ii) or (iii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise (whether or not the issue or sale of such shares or other securities will be completed within the aforesaid period).

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is conditional upon the satisfaction of certain conditions as described in the section headed “Conditions of the Rights Issue”. In particular, it is subject to the Underwriting Agreement having become unconditional and not having been terminated (see the section headed “Termination of the Underwriting Agreement” in this announcement). Accordingly, the Rights Issue may or may not proceed.

Any persons dealing in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Dealing in the Rights Shares in the nil-paid form will take place from 9:00 am on 16 July 2015 to 4:00 pm on 23 July 2015 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or waived, or the Underwriting Agreement is terminated by the Underwriters, the Rights Issue will not proceed. Any person dealing in the nil-paid Rights Shares during such period will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company should therefore exercise caution when dealing in the Shares. If in any doubt, they are advised to consult their professional advisers.

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

The below table shows the changes in the shareholding structure of the Company arising from the Rights Issue (assuming no further Shares will be issued or repurchased from the date of this announcement and up to the date of completion of the Rights Issue):

	As at the date of this announcement (Note 1)		Shareholding immediately after completion of the Rights Issue (Note 1)			
	No. of Shares	%	Assuming no Rights Shares are taken up by the Qualifying Shareholders (other than the Undertaking Shareholders and/or subscriber(s) procured by CSICM)		Assuming all Rights Shares are taken up by the Qualifying Shareholders	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Shareholders						
China Vanke (Note 2) CSICM and/or subscriber(s) procured by it (Note 3)	194,763,966	75.00	292,145,949	75.00	292,145,949	75.00
CITIC CLSA and/or its sub-underwriters (Note 4)	24,483,000	9.43	36,724,500	9.43	36,724,500	9.43
Credit Suisse and/or its sub-underwriters (Note 4)	—	—	10,109,580	2.60	—	—
Other existing Shareholders	—	—	10,109,581	2.60	—	—
	<u>40,438,322</u>	<u>15.57</u>	<u>40,438,322</u>	<u>10.38</u>	<u>60,657,483</u>	<u>15.57</u>
Total:	<u>259,685,288</u>	<u>100.00</u>	<u>389,527,932</u>	<u>100.00</u>	<u>389,527,932</u>	<u>100.00</u>

Notes:

- Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be arithmetic aggregations of the figures preceding them.
- As recorded in the Company's register to be kept in accordance with section 336 of the SFO (the "Register"), the Shares are held by China Vanke through Wkland Investments. Wkland Investments is a direct wholly-owned subsidiary of Wkland Limited. Wkland Limited is a direct wholly-owned subsidiary of Vanke Property (Hong Kong) Company Limited ("VPHK"). VPHK is a direct wholly-owned subsidiary of Shanghai Vanke Real Estate Company Limited. Shanghai Vanke Real Estate Company Limited is a direct wholly-owned subsidiary of Shanghai Vanke Investment and Management Company Limited. Shanghai Vanke Investment and Management Company Limited is a direct wholly-owned subsidiary of China Vanke.

3. As recorded in the Register, the Shares are held by CSICM, which is a direct wholly-owned subsidiary of CITIC Securities International Company Limited, which in turn is a direct wholly-owned subsidiary of CITIC Securities Company Limited.
4. Pursuant to the Underwriters' several obligations under the Underwriting Agreement.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue. Further announcement(s) will be made by the Company in accordance with the Listing Rules following the completion of the Rights Issue.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue set out below is indicative only and it has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled and/or waived (where appropriate).

Dates or deadlines specified in this announcement for events in the timetable below are indicative only and may be extended or varied. Any consequential changes to the anticipated timetable will be announced as and when appropriate.

Last day of dealings in Shares on a cum-rights basis	Thursday, 2 July 2015
First day of dealings in Shares on an ex-rights basis.....	Friday, 3 July 2015
Latest time for lodging transfers of Shares and related documents in order to qualify for the Rights Issue.....	4:30 pm on Monday, 6 July 2015
Register of members of the Company closes	Tuesday, 7 July 2015 to Monday, 13 July 2015 (both days inclusive)
Record Date	Monday, 13 July 2015
Despatch of the Prospectus Documents.....	Tuesday, 14 July 2015
Register of members re-opens	Tuesday, 14 July 2015
First day of dealings in nil-paid Rights Shares.....	9:00 am on Thursday, 16 July 2015
Latest time for splitting of nil-paid Rights Shares.....	4:30 p.m. on Monday, 20 July 2015
Last day of dealings in nil-paid Rights Shares	4:00 pm on Thursday, 23 July 2015
Latest time for payment for and acceptance of the nil-paid Rights Shares and the application and payment for excess nil-paid Rights Shares.....	4:00 pm on Tuesday, 28 July 2015

Rights Issue expected to become unconditional 5:00 pm on Friday,
31 July 2015

Announcement of results of acceptance and excess
application of the Rights Issue to be published
on the Stock Exchange's and the Company's websites Tuesday, 4 August 2015

Despatch of refund cheques for wholly and partially
unsuccessful excess applications on or before..... Wednesday, 5 August 2015

Despatch of share certificates for the fully-paid Rights
Shares on or before..... Wednesday, 5 August 2015

First day of dealings in fully-paid Rights Shares..... 9:00 am on Thursday,
6 August 2015

Note: All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in this announcement are indicative only and may be extended or varied by agreement between the Company and the Underwriters. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange, as appropriate.

Effect of bad weather on latest time for acceptance of and payment for the Rights Shares

The latest time for acceptance of and payment for the Rights Shares will not take place as shown if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on 28 July 2015. Instead the latest time for acceptance of and payment for the Rights Shares will be extended from 4:00 p.m. to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on 28 July 2015. Instead the latest time of acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on 28 July 2015, the dates mentioned in the section headed “Expected timetable” above may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

INSIDE INFORMATION — POTENTIAL ACQUISITION

China Vanke has indicated to the Company its interest in offering an opportunity to the Company to acquire its interest in a property under development located in the Wan Chai district of Hong Kong (the “**Potential Acquisition**”). The detailed terms and consideration of the Potential Acquisition are yet to be negotiated and agreed by the Board. As at the date of this announcement, the Company has not reached any definitive agreement or understandings with China Vanke or any other party(ies) in relation to the Potential Acquisition. The Potential Acquisition may or may not occur.

If the Potential Acquisition does proceed, it is expected to constitute a major and connected transaction for the Company under the Listing Rules. Should the Potential Acquisition be approved by all parties, including the Board and the Independent Shareholders, the proceeds from the Rights Issue will be applied for the purposes of 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.

This announcement in relation to the Potential Acquisition is also made in compliance with Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO. Further announcement(s) will be made by the Company in respect of the Potential Acquisition as and when necessary in accordance with the Listing Rules.

Detailed terms of the Potential Acquisition are yet to be negotiated and agreed by the Board. No binding agreement has been reached between China Vanke and the Company in respect of the Potential Acquisition and, as a result, the acquisition may or may not proceed.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS OF THE RIGHTS ISSUE

The Directors consider that it is in the interests of the Company and the Shareholders as a whole to raise capital by way of the Rights Issue, which will provide funding for the Group to expand its property development and investment businesses in Hong Kong while at the same time enlarge the capital base of the Company. The Rights Issue will offer an opportunity to the Qualifying Shareholders to participate in the future development of the Company on equal terms.

Further,

- (i) the gross proceeds from the Rights Issue are estimated to be approximately HK\$1,044 million;
- (ii) the net proceeds from the Rights Issue, after deducting related underwriting commission, professional fees and all related expenses in connection with the Rights Issue to be borne by the Company, are estimated to be approximately HK\$1,032 million; and
- (iii) the net issue price per Rights Share is approximately HK\$7.95.

The net proceeds of the Rights Issue 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. The terms and consideration of the Potential Acquisition are yet to be negotiated and agreed by the Board. As at the date of this announcement, the Company has not reached any definitive agreement or understandings with China Vanke or any other party(ies) in relation to the Potential Acquisition. The Potential Acquisition may or may not occur.

In the event that the Potential Acquisition does not proceed, the net proceeds from the Rights Issue are intended to be applied for repayment of the Group's existing indebtedness, with the balance, if any, to be applied for financing future property acquisition opportunities available to the Group from time to time.

FUND-RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Group has not conducted any equity fund raising activities involving the issue of its securities in the past twelve months from the date of this announcement.

GENERAL

The Company is an investment holding company. The Group is principally engaged in property investment and management, and property development.

As the proposed Rights Issue will not increase the issued share capital or the market capitalization of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders in a general meeting.

The Prospectus Documents, containing further details and information on the Rights Issue is expected to be despatched by the Company to the Qualifying Shareholders on or about the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the provisional allotment letter and excess application form) will be despatched to the Non-Qualifying Shareholders for their information only.

A copy of the Prospectus will also be made available on the websites of the Company (<http://www.vankeoverseas.com>) and the Stock Exchange (www.hkexnews.hk).

DEFINITIONS

The following defined terms are used in this announcement:

“associates”	having the meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day (other than a Saturday, a Sunday, or a day on which a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.) on which banks are generally open for business in Hong Kong and the Stock Exchange is open for dealings in securities;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“China Vanke”	China Vanke Co. Ltd., a joint stock company incorporated in the People’s Republic of China with limited liability and the issued A shares of which are listed on the Shenzhen Stock Exchange and the issued H shares of which are listed on the main board of the Stock Exchange (stock code: 02202). China Vanke is the ultimate holding company of the Company;
“CITIC CLSA”	CLSA Limited, a corporation licensed to conduct types 1, 4 and 7 regulated activities under the SFO;
“Committed Shares”	the 109,623,483 Rights Shares subject to the Irrevocable Undertakings;
“Companies Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended from time to time;
“Company”	Vanke Property (Overseas) Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange;
“connected transaction”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“Credit Suisse”	Credit Suisse (Hong Kong) Limited, a corporation licensed to conduct types 1, 2, 4, 5 and 6 regulated activities under the SFO;

“CSICM”	CSI Capital Management Limited, a direct wholly-owned subsidiary of CITIC Securities International Company Limited, which in turn is a direct wholly-owned subsidiary of CITIC Securities Company Limited (stock code: 6030), which holds 24,483,000 Shares, representing 9.43% of the entire issued share capital of the Company as at the date of this announcement;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Shareholders”	Shareholders other than those who would be required by the Listing Rules to abstain from voting on the resolutions approving the Potential Acquisition, if it materialises;
“Irrevocable Undertakings”	the irrevocable undertakings dated 25 June 2015 given by each of (1) Wkland Investments and (2) CSICM in favour of the Company and the Underwriters as described in the section headed “Irrevocable Undertaking” in this announcement;
“Last Trading Day”	25 June 2015, the last trading day immediately prior to the publication of this announcement;
“Latest Time for Acceptance”	4:00 p.m. on 28 July 2015 (or such other date as the Underwriters may agree in writing with the Company) being the latest time for acceptance for payment for and acceptance of the Rights Shares and the application and payment for excess Rights Shares;
“Latest Time for Termination”	5:00 p.m. on the third Business Day after the Latest Time for Acceptance, being the latest time by which the Underwriters may terminate the Underwriting Agreement in accordance with the terms set out therein;
“Listing Date”	means the first day on which the Rights Shares commence trading on the Stock Exchange, which is expected to be 6 August 2015;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;

“Long Stop Date”	means the earlier of (a) 31 August 2015 or (b) five business days prior to the day on which the Interim Results for the six months ending 30 June 2015 is announced, or such later date as the Company and the Underwriters may agree in writing;
“Non-Qualifying Shareholders”	Overseas Shareholders in respect of whom the Board, based on legal opinions provided by legal advisers in the relevant jurisdictions, consider it necessary or expedient not to offer the Rights Shares on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place;
“Overseas Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses as shown on such register are outside Hong Kong;
“Potential Acquisition”	China Vanke’s indication of interest to offer to the Company the opportunity to acquire its interest in a property under development located in the Wan Chai district of Hong Kong as further described in the section headed “Inside Information — Potential Acquisition” in this announcement;
“PRC”	the People’s Republic of China which for the purpose of this announcement shall not include Hong Kong, the Macau Special Administrative Region and Taiwan;
“Prospectus”	the prospectus containing details of the Rights Issue to be despatched to Shareholders on the Prospectus Posting Date in connection with the Rights Issue;
“Prospectus Documents”	collectively, the Prospectus, the provisional allotment letters for assured entitlements under the Rights Issue and the excess application forms;
“Prospectus Posting Date”	14 July 2015 (or such other date as the Underwriters may agree in writing with the Company as the date of despatch of the Prospectus Documents (as the case may be));
“Qualifying Shareholders”	the Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company on the Record Date;
“Record Date”	13 July 2015 (or such other date as the Underwriters may agree in writing with the Company), being the date for determining the entitlements for participation under the Rights Issue;

“Registrar”	the branch share registrar of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong;
“Rights Issue”	the proposed issue of the Rights Shares by the Company on the basis of one Rights Share for every two existing Shares held on the Record Date to the Qualifying Shareholders, pursuant to the terms and conditions contained herein;
“Rights Shares”	129,842,644 Shares proposed to be allotted and issued by the Company pursuant to the Rights Issue with an aggregate nominal value of HK\$1,298,426.44;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	ordinary issued share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	registered holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the subscription price of HK\$8.04 per Rights Share;
“subsidiaries”	the subsidiaries (as defined in the Listing Rules) of the Company;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Undertaking Shareholders”	collectively, (1) Wkland Investments; and (2) CSICM;
“Underwriters”	collectively, (1) CITIC CLSA; and (2) Credit Suisse;
“Underwriting Agreement”	the underwriting agreement dated 25 June 2015 entered into between the Company and the Underwriters in relation to the underwriting and certain other arrangements in respect of the Rights Issue;
“United States”	means the United States of America (including its territories and dependencies, any state in the United States and the District of Columbia);

“Wkland Investments”	Wkland Investments Company Limited, a company incorporated in the British Virgin Islands with limited liability, which holds 194,763,966 Shares, representing 75.0% of the entire issued share capital of the Company as of the date of this announcement;
“%”	percentage or per centum;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“US\$”	United States dollars, the lawful currency of the United States.

By Order of the Board of
VANKE PROPERTY (OVERSEAS) LIMITED
Que Dong Wu
Executive Director

Hong Kong, 25 June 2015

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