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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)

MAJOR TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE TO THE JOINT VENTURE COMPANY

The Board announced that after trading hours on 30 June 2014, the Joint Venture Company, as borrower, entered into the Facility Agreement for the purposes of (a) refinancing up to approximately 50% of the premium paid by the Joint Venture Company in respect of the TW6 Project, (b) partially financing or refinancing the construction costs relating to the residential portion of the TW6 Project and (c) partially financing or refinancing the construction costs relating to the government accommodation portion of the TW6 Project.

The Joint Venture Company is owned as to 20% by Wkdeveloper, an indirect wholly-owned subsidiary of the Company and 80% by the JV Partner Subsidiary, an indirect wholly-owned subsidiary of the JV Partner. In relation to the Loan Facilities, the Company and the JV Partner are required to provide corporate guarantees, on a several basis and in proportion to their respective shareholding interests in the Joint Venture Company, in respect of the Joint Venture Company's obligations under the Loan Facilities.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the provision of the Corporate Guarantee exceed(s) 25% and all of the applicable percentage ratios are less than 100%, the provision of the Corporate Guarantee constitutes a financial assistance of and a major transaction for the Company under Chapter 14 of the Listing Rules. Therefore, the provision of the Corporate Guarantee is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. The Corporate Guarantee also constitutes financial assistance for the benefit of an affiliated company of the Company for the purpose of Rule 13.16 of the Listing Rules.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interests in the provision of the Corporate Guarantee. As such, no Shareholders would be required to abstain from voting under the Listing Rules if the Company were to convene a general meeting for the approval of the provision of the Corporate Guarantee.

As at the date of this announcement, Wkland Investments, the controlling Shareholder which holds 194,763,966 Shares, representing 75% of the issued share capital of the Company, has given a written certificate to the Company to approve the provision, of the Corporate Guarantee and the transactions contemplated in other security documents to which the Company is a party. Therefore, the Company proposes, under Rule 14.44, to make use of a written Shareholder's approval in lieu of holding a general meeting. A circular containing further details of the provision of the Corporate Guarantee will be despatched to the Shareholders for their information on or before 22 July 2014.

INTRODUCTION

Reference is made to the announcements of the Company dated 16 May 2013 and 22 April 2014 and the circulars of the Company dated 4 June 2013 and 15 May 2014, under which the Company disclosed that it acquired 20% effective interest in the development of the TW6 Project and that the Company, Wkdeveloper, VPHK, the JV Partner, the JV Partner Subsidiary and the Joint Venture Company entered into the Shareholders' Agreement to regulate the relationship of the shareholders of the Joint Venture Company inter se and the management of the affairs of the Joint Venture Company.

The Board announced that after trading hours on 30 June 2014, the Joint Venture Company, as borrower, entered into the Facility Agreement for the purposes of (a) refinancing up to approximately 50% of the premium paid by the Joint Venture Company in respect of the TW6 Project, (b) partially financing or refinancing the construction costs relating to the residential portion of the TW6 Project and (c) partially financing or refinancing the construction costs relating to the government accommodation portion of the TW6 Project.

SUMMARY OF THE PRINCIPAL TERMS OF THE FACILITY AGREEMENT

Date	:	30 June 2014
Parties	:	The Joint Venture Company as borrower A syndicate of financial institutions as the mandated lead arrangers and/or lenders A financial institution as the agent and the security trustee for the finance parties under the Facility Agreement
Facility Amount	:	Committed facilities up to an aggregate principal amount of HK$4,800 million
Final Maturity Date	:	The earlier of 60 months from the date of the Facility Agreement and 6 months after the issuance of certificate compliance in respect of the TW6 Project

Repayment

Unless the Loan Facilities have been extended, refinanced or prepaid, the Joint Venture Company shall repay the aggregate outstanding amount drawn under the Loan Facilities in accordance with the terms of the Facility Agreement on or before the Final Maturity Date from the proceeds generated from development, sales and/or pre-sales of the TW6 Project.

Security

The security for the Loan Facilities includes, inter alia, (i) a first floating charge (by way of debenture) over all assets and undertakings of the Joint Venture Company, (ii) a share mortgage over all the issued share capital, present and future, of the Joint Venture Company, (iii) a subordination and assignment of all existing and future shareholders' loans and inter-company loans advanced to the Joint Venture Company, (iv) a security deed incorporating, inter alia, a charge over accounts and an assignment of the Joint Venture Company's rights and entitlement under the development agreement in respect of the TW6 Project, (v) assignments of insurance and construction contracts of the TW6 Project, and (vii) a joint and several completion undertaking from the Company and the JV Partner to complete the construction of the TW6 Project so as to obtain the occupation permit and the certificate of compliance in relation to the TW6 Project on or before 31 March 2018 and 31 August 2018, respectively.

In relation to the Loan Facilities, the Company and the JV Partner are required to provide corporate guarantees, on a several basis and in proportion to their respective shareholding interests in the Joint Venture Company, in respect of the Joint Venture Company's obligations under the Loan Facilities. The Company will, accordingly, be guaranteeing a principal amount of HK$960 million and will be responsible for 20% of all outstanding construction costs (including cost overrun) and all other costs (including professional fees) required to complete the TW6 Project.

Other conditions

Other than the usual financial covenants and the loan-to-value covenant, each of the Company and the JV Partner undertakes that it shall remain listed on the Stock Exchange.

INFORMATION OF THE GROUP, THE JOINT VENTURE COMPANY, THE JV PARTNER GROUP AND THE TW6 PROJECT

The principal activities of the Group are property investment and management and property development. As at the date hereof, the principal assets of the Group are various units and car parking spaces in Regent Centre, Kwai Chung, New Territories, Hong Kong which are investment properties for generating rental income and 20% effective interest in the Joint Venture Company, which is an associated company engaged in the development of the TW6 Project.

As at the date of this announcement, the Joint Venture Company is owned as to 20% by Wkdeveloper, an indirect wholly-owned subsidiary of the Company and 80% by the JV Partner Subsidiary, an indirect wholly-owned subsidiary of the JV Partner.

The JV Partner Group is principally engaged in property, infrastructure, hotel operation, department store operation, services, as well as telecommunications and technology businesses.

The TW6 Project involves the non-industrial development of a land lot (known as Tsuen Wan Town Lot No. 402) located near the West Rail Tsuen Wan West Station, Tsuen Wan, New Territories, Hong Kong. Upon completion of such development, residential building(s) with a total gross floor area of no less than 37,627 square metres and no more than 62,711 square metres will have been constructed. Subject to the aforesaid, the total number of residential units available shall not be less than 894, of which not less than 520 residential units shall each be in the size of not exceeding 50 square meters in saleable area.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the JV Partner and its Affiliates, the finance parties in the Facility Agreement and their respective ultimate beneficial owners are Independent Third Parties.

According to the audited financial statements of the Joint Venture Company for the period commencing from the date of its incorporation and ended 30 June 2013, the total assets of the Joint Venture Company were approximately HK$3,586 million, its total liabilities, including shareholders' loans due to the JV Partner Subsidiary, Wkdeveloper and their Affiliates, were approximately HK$3,586 million as at 30 June 2013. The amounts of shareholders' loans from Wkdeveloper and the JV Partner Subsidiary or its Affiliate were made in proportion to their respective shareholdings held in the Joint Venture Company and the loans made available by each of them to the Joint Venture Company were on the same terms.

Set out below is financial information of the Joint Venture Company based on its audited financial statements for the period commencing from the date of its incorporation and ended 30 June 2013.

For the period commencing from the date of its incorporation and ended 30 June 2013	**The Joint Venture Company (incorporated on 9 November 2012)** *HK$*
Loss before taxation	43,450
Loss after taxation	43,450

REASONS FOR AND BENEFITS OF THE FINANCIAL ASSISTANCE TO BE GIVEN

The Company providing the Corporate Guarantee is a condition precedent to the Joint Venture Company's ability to draw upon the Loan Facilities. Without the Loan Facilities, the TW6 Project would have to be funded by the shareholders of the Joint Venture Company on a several basis in accordance with their respective shareholding interests in the Joint Venture Company.

The Directors consider the entering into of the provision of the Corporate Guarantee contemplated under Facility Agreement and other ancillary documents in relation thereto, terms of which were determined after arm's length negotiations between the parties, and the transactions contemplated under the Facility Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF PROVISION OF THE CORPORATE GUARANTEE

The Directors consider that the provision of Corporate Guarantee will not have any material financial impact on the earnings, assets and liabilities of the Group except that the amount of the Corporate Guarantee will be a contingent liability for the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in relation to the provision of the Corporate Guarantee will exceed 25% but will be less than 100%, the provision of the Corporate Guarantee constitutes a major transaction for the Company and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interests in the provision of the Corporate Guarantee. As such, no Shareholders would be required to abstain from voting under the Listing Rules if the Company were to convene a general meeting for the approval of the provision of the Corporate Guarantee.

As at the date of this announcement, Wkland Investments, the controlling Shareholder which holds 194,763,966 Shares, representing 75% of the issued share capital of the Company, has given a written certificate to the Company to approve the provision of the Corporate

Guarantee and the transactions contemplated in other security documents to which the Company is a party. Therefore, the Company proposes, under Rule 14.44 of the Listing Rules, to make use of a written Shareholder's approval in lieu of holding a general meeting.

A circular containing further details of the provision of the Corporate Guarantee will be despatched to the Shareholders for their information on or before 22 July 2014.

Reference is made to the annual report of the Company for the year ended 31 December 2013. In addition to the existing financial assistance provided by the Company to its affiliated companies, the aggregate principal amount covered by all the financial assistance provided by the Company to, and guarantees given by the Company for banking facilities granted to, the affiliated companies of the Company (including the Corporate Guarantee) remain exceed 8% of the assets ratio under Rule 14.07(1) of the Listing Rules. Accordingly, this announcement is also made pursuant to Rule 13.16 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

"Affiliates"	in relation to any person (other than an individual), any company or other business entity (i) that is controlled by such person, (ii) that controls such person or (iii) is under common control with such person. For the purpose of this announcement, "control" means direct or indirect ownership of more than fifty per cent. (50%) of the voting securities or interests in another person, or the ability to direct the management or policies of such person, whether by contract or otherwise;
"Board"	board of Directors;
"China Vanke"	China Vanke Co., Ltd., a joint stock company incorporated in the PRC and the H shares and A shares of which are listed on the main board of the Stock Exchange (stock code: 02202) and the Shenzhen Stock Exchange (stock code: 000002). China Vanke is the ultimate holding company of the Company;
"Company"	Vanke Property (Overseas) Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the main board of the Stock Exchange (stock code: 01036);
"Corporate Guarantee"	the unconditional and irrevocable several guarantee provided by the Company in favour of the security trustee in respect of the Joint Venture Company's obligations under the Loan Facilities;
"Director(s)"	director(s) of the Company;

"Facility Agreement"	an agreement in relation to the granting of Loan Facilities;
"Group"	the Company and its subsidiaries from time to time;
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Third Party(ies)"	a third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules);
"JV Partner"	New World Development Company Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the main board of the Stock Exchange (stock code: 00017);
"JV Partner Group"	the JV Partner and its subsidiaries from time to time;
"JV Partner Subsidiary"	Ultimate Sail Limited, which is a company wholly-owned by the JV Partner and legally holding 80% equity interest in the Joint Venture Company;
"Joint Venture Company"	Ultimate Vantage Limited, whose issued share capital is legally and beneficially owned as to 20% by Wkdeveloper and 80% by the JV Partner Subsidiary, which has been granted the rights to develop the TW6 Project by the legal owner of the relevant land lot forming the subject matter of the TW6 Project;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Loan Facilities"	the committed term loan facilities granted by a syndicate of financial institutions to the Joint Venture Company of up to HK$4,800 million;
"PRC"	the People's Republic of China and, for the purpose of this announcement, exclude Hong Kong, Macau Special Administrative Region and Taiwan;
"Share(s)"	ordinary share(s) of HK$0.01 each in the issued share capital of the Company;
"Shareholder(s)"	holders of the Share(s);
"Shareholders' Agreement"	the shareholders' agreement in relation to the Joint Venture Company dated 22 April 2014 and entered into among the Company, Wkdeveloper, VPHK, the JV Partner, the JV Partner Subsidiary and the Joint Venture Company;

"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"TW6 Project"	the West Rail Tsuen Wan West Station TW6 Property Development of a land lot (known as Tsuen Wan Town Lot No. 402), and the business and operations in connection with such project;
"VPHK"	Vanke Property (Hong Kong) Company Limited, which is legally holding 100% equity interest in Wkland Limited which in turn is holding 100% equity interest in Wkland Investments. VPHK is indirectly wholly-owned by China Vanke;
"Wkdeveloper"	Wkdeveloper Limited, which is indirectly wholly-owned by the Company and legally holding 20% equity interest in the Joint Venture Company;
"Wkland Investments"	Wkland Investments Company Limited, which is legally holding 194,763,966 Shares, representing 75% of the issued share capital of the Company; and
"%"	per cent.

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

30 June 2014, 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 Directors:
Mr. Wang Wen Jin, Mr. Chan Chi Yu

Independent Non-Executive Directors (in alphabetical order):
Mr. Chan Wai Hei, William, Mr. Chung Wai Sum, Patrick, Mr. Shium Soon Kong